Mr. THOMPSON of Georgia, Mr. BRASCO, Mr. HALPERN, Mr. FARBSTEIN, Mr. CLEVELAND, Mr. PEPPER, Mr. CLAY, Mr. HELSTOSKI, Mr. NIX, Mr. MEEDS, Mr. O'KONSKI, and Mr. ARENDS):

H.R. 19334. A bill to promote public health and welfare by expanding, improving, and better coordinating the family planning services and population research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HORTON (for himself, Mr. BUTTON, Mr. SMITH of New York, Mr. BROWN of Michigan, and Mr. TAYLOR):

H.R. 19335. A bill to promote public health and welfare by expanding, improving, and better coordinating the family planning services and population research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DE LA GARZA:

H.R. 19336. A bill authorizing the Secretary of Agriculture to carry out a program for flood prevention and other purposes in the Lower Rio Grande Basin, Tex., to enhance and stabilize the agricultural economy of the area; to the Committee on Agriculture.

By Mr. FLOWERS:

H.R. 19337. A bill to amend title 38, United States Code, to make certain disabled veterans eligible for assistance in acquiring specially adapted housing; to the Committee on Veterans' Affairs.

By Mr. HECHLER of West Virginia:

H.R. 19338. A bill to amend the Public Health Service Act in order to provide for the establishment of a National Health Service Corps; to the Committee on Interstate and Foreign Commerce.

By Mr. LOWENSTEIN:

H.R. 19339. A bill to prohibit flight in interstate or foreign commerce to avoid prosecution for the killing of a policeman or fireman; to the Committee on the Judiciary.

By Mr. MACGREGOR:

H.R. 19340. A bill relating to the control of organized crime in the United States; to the Committee on the Judiciary.

By Mr. OTTINGER:

H.R. 19341. A bill to create a health security program; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself, Mr. ASPINALL, Mr. TAYLOR, Mr. JOHNSON of California, Mr. UDALL, Mr. KASTENMEIER, Mr. O'HARA, Mr. RYAN, Mr. MCCLURE, Mr. RUPPE, Mr. STRATTON, Mr. MORTON, Mr. GUDE, and Mr. BEALL of Maryland):

H.R. 19342. A bill to establish and develop the Chesapeake and Ohio Canal National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H.R. 19343. A bill to create a National Agricultural Bargaining Board, to provide standards for the accreditation of associations of producers, to define the mutual obligation of handlers and associations of producers to negotiate regarding agricultural products, and for other purposes; to the Committee on Agriculture.

By Mr. WHITE:

H.R. 19344. A bill to provide for control of the use of the element mercury or its compounds, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON of Tennessee:

H.J. Res. 1372. Joint resolution to authorize the President to designate the period beginning October 5, 1970, and ending October 9, 1970, as "National PTA Week"; to the Committee on the Judiciary.

By Mr. LOWENSTEIN:

H.J. Res. 1373. Joint resolution to authorize and direct the Federal Trade Commission to conduct a comprehensive investigation of unfair methods of competition and unfair or deceptive acts or practices in the home improvement industry, to expand its enforcement activities in this area, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FINDLEY:

H.J. Res. 1374. Joint resolution concerning a Citizenship Commencement Ceremony for new voters; to the Committee on Rules.

By Mr. DEVINE:

H. Con. Res. 737. Concurrent resolution urging the President to determine and undertake appropriate actions with respect to stopping armed attacks on aircraft and passengers engaged in international travel; to the Committee on Foreign Affairs.

By Mr. YATES (for himself, Mr. ABBITT, Mr. BIESTER, Mr. BRINKLEY, Mr. CORBETT, Mr. DUNCAN, Mrs. DWYER, Mr. EILBERG, Mr. FISH, Mr. FISHER, Mr. FULTON of Pennsylvania, Mr. GROVER, Mr. HELSTOSKI, Mr. HOSMER, Mr. HULL, Mr. LEGGETT, Mr. MCKNEALLY, Mr. NELSEN, Mr. NICHOLS, Mr. PEPPER, Mr. PERKINS, Mr. ROGERS, of Florida, Mr. SIKES, Mr. WHALEN, and Mr. WRIGHT):

H. Con. Res. 738. Concurrent resolution urging the President to determine and undertake appropriate actions with respect to stopping armed attacks on aircraft and passengers engaged in international travel; to the Committee on Foreign Affairs.

By Mr. ADAIR:

H. Con. Res. 739. Concurrent resolution expressing the sense of Congress on representation of China in the United Nations; to the Committee on Foreign Affairs.

By Mr. CRAMER (for himself, Mr. ABBITT, Mr. ABERNETHY, Mr. BENNETT, Mr. BUCHANAN, Mr. BURKE of Florida, Mr. BUSH, Mr. DON H. CLAUSEN, Mr. COLLINS, Mr. DERWINSKI, Mr. DICKINSON, Mr. DUNCAN, Mr. FLYNT, Mr. FREY, Mr. FULTON of Pennsylvania, Mr. JONES of North Carolina, Mr. LENNON, Mr. MICHEL, Mr. MIZELL, Mr. PIRNIE, Mr. RUTH, Mr. SATTERFIELD, Mr. SIKES, Mr. WATSON, and Mr. WHITTEN):

H. Res. 1213. Resolution expressing the sense of the House with respect to an early resolution by the Supreme Court of the problems involved in desegregating the Nation's public schools; to the Committee on the Judiciary.

By Mr. MURPHY of New York (for himself, Mr. THOMPSON of New Jersey, Mr. LEGGETT, Mr. DON H. CLAUSEN, Mr. STUCKEY, Mr. JOHNSON of California, Mr. HUNT Mr. PODELL Mr. RODINO, Mr. EILBERG, Mr. PICKLE, Mr. HICKS, Mr. ROONEY of Pennsylvania, Mr. BRASCO, Mr. MIKVA, Mr. MCKNEALLY, Mr. HAYS, Mr. ROE, Mr. BIAGGI, Mr. HALPERN, Mr. O'NEILL of Massachusetts, Mr. CAREY, Mr. DUNCAN, Mr. HELSTOSKI, and Mr. WEICKER):

H. Res. 1214. Resolution calling for a national commitment to cure and control cancer within this decade; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHWENGEL:

H. Res. 1215. Resolution providing for the copying and distribution by the U.S. Capitol Historical Society of the film of the ceremonies and reenactment of the 100th anniversary of the Second Inauguration of President Abraham Lincoln; to the Committee on House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HANNA:

H.R. 19345. A bill for the relief of Mrs. Marie E. Yotz; to the Committee on the Judiciary.

By Mr. HICKS:

H.R. 19346. A bill for the relief of Walter O. Ivey, sergeant, U.S. army (retired); to the Committee on the Judiciary.

By Mr. PRICE of Illinois:

H.R. 19347. A bill for the relief of Wallace L. Locke, Jr., lance corporal, U.S. Marine Corps Reserve; to the Committee on the Judiciary.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

437. By the SPEAKER: Memorial of the Legislature of the State of California, relative to private enterprise; to the Committee on Government Operations.

438. Also, a memorial of the Legislature of the State of California, relative to fish and wildlife; to the Committee on Merchant Marine and Fisheries.

439. Also, a memorial of the Legislature of the State of California, relative to Federal earned income exemption for welfare families; to the Committee on Ways and Means.

# SENATE—*Thursday, September 17, 1970*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. RUSSELL).

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

Almighty God, whose ear is open to those of humble spirit and of contrite heart, hear us in our morning prayer. Watch over the deliberations of the Members of this body. Embue them with the spirit of wisdom, goodness, and truth; and so rule their hearts and the hearts of all the people as to make this Nation strong and great in the fear of God.

Brood over the nations of the world dispelling fear and hate, instilling brotherhood and mutual good will. Convert peace talkers into peacemakers—the patient builders of understanding and cooperation and fraternity. May mankind win by persuasion and love what cannot be attained by threats and force. May Thy kingdom come and Thy will be done on earth as it is in heaven.

In the name of Him in whose will is our peace. Amen.

## THE JOURNAL

The PRESIDENT pro tempore. Without objection, the reading of the Journal of the proceedings of yesterday, September 16, 1970, is dispensed with.

## DIRECT POPULAR ELECTION OF THE PRESIDENT AND THE VICE PRESIDENT

The PRESIDENT pro tempore. The Chair now lays before the Senate the

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unfinished business of the previous day, which will be stated.

The assistant legislative clerk read as follows: Senate Joint Resolution 1, proposing an amendment to the Constitution of the United States relating to the election of the President and the Vice President.

The Senate resumed the consideration of the joint resolution.

CONTROLLED TIME UNDER CLOTURE MOTION

The PRESIDENT pro tempore. Under the order entered on yesterday, the first hour of today's session will be equally divided between the Senator from Indiana (Mr. BAYH) and the minority leader, the Senator from Pennsylvania (Mr. SCOTT).

COMMITTEE MEETING DURING SENATE SESSION—OBJECTION

Mr. MANSFIELD. Mr. President, will the Senator from Indiana yield me one-half minute?

Mr. BAYH. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare and the Subcommittee on Alcoholism and Narcotics of the Committee on Labor and Public Welfare be authorized to meet during the session of the Senate today.

Mr. SCOTT. Mr. President, by request, I must object.

The PRESIDENT pro tempore. Objection is heard, and committee meetings cannot be held during the Senate's session today.

ORDER OF BUSINESS

Mr. SCOTT. If the Senator from Indiana will yield briefly, as minority leader I designate the junior Senator from Colorado (Mr. DOMINICK) to be in control of the time on this side for the present.

The PRESIDENT pro tempore. The Senator has that right, of course, to designate any Member he desires.

Who yields time, and to whom?

Well, if no Senator desires to speak——

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be taken out of both sides.

The PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Who yields time?

Mr. BAYH. Mr. President, I yield 1 minute to the Senator from West Virginia.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized for 1 minute.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the rollcall starts today on the motion to invoke cloture, and until the vote is announced, the Senate floor and the Senate lobby be cleared of all aides to Senators with the exception of aides to the leadership.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

Mr. DOMINICK. Will the Senator from West Virginia withhold that request?

Mr. BYRD of West Virginia. Mr. President, I withhold my request.

Mr. DOMINICK. Mr. President, I yield 4 minutes to the distinguished Senator from Kentucky (Mr. COOPER).

The PRESIDENT pro tempore. The Senator from Kentucky is recognized for 4 minutes.

Mr. COOPER. Mr. President, I had not intended to intervene in the debate at this time and would not do so except that we are to vote on cloture and a vote for or against cloture does not indicate definitely one's position upon the substantive issue—Senate Joint Resolution 1.

I would be against cloture at this time, whether for or against Senate Joint Resolution 1, because I think it impossible at this late hour in the session when many Senators are engaged in their election campaigns, when many bills must be passed in order to continue the operation of the Government, to have a thorough debate upon an issue which would change radically the federal structure of the country so far as election of the President and Vice President is concerned.

I want to make it clear, and I have made it clear to those who have talked to me—that I am against Senate Joint Resolution 1. In the brief time I have, I cannot elaborate, but I am against it, first, because I consider the present federal system has worked well and has enabled the majority to assert its will during the history of this country, with the clear exception of one election, and it has not caused the election of President to be thrown into the House of Representatives since 1825. With a constitutional amendment which would deny the possibility of the "faithless elector," the system will continue to work well. The arguments that are made against the present system, and for Senate Joint Resolution 1, cannot be proved or disapproved with exactitude, but if the so-called direct popular election of President and the Vice President should be approved, I think that the very defects its supporters predict for the future in our present system—defects which have not occurred in the past—would be more likely to occur under a so-called direct popular vote system which appeals chiefly to the idea that it would be a democratic procedure.

I would believe it is more likely with such a system that there would be greater chances for fraud and for defects in elections in the States which would be difficult to determine and difficult to correct.

I think it is more likely, instead of assuring the popular election of a President by a majority vote, that with the advent of the splinter parties which would certainly be established in this country, and the runoff provision there would be less likelihood for the election of a President by popular vote. We had one experience in my State with a so-called runoff system. I had a chance to observe it, and in other States. It seems to me that a runoff system—doubted by practically everyone who spoke on the subject whether for or against the measure, would tend to bring about coalitions of dissimilar groups united to defeat the candidates who had received the most votes in the first election.

Finally, as the Senator from Colorado pointed out so well on the 16th, I think it inevitable that the amendment would cause candidates for the Office of President to devote and direct their appeals, their programs and their principles to the most populous States of the Union. Of course, they would have to cater to the special interests of those States.

Today, under the federal system a candidate must appeal with his views and program to every citizen of this country, and direct his efforts alike to the urban areas of the eastern seaboard and the western seaboard, to the plains and Mountain States, the Southwest, the South, the Border States, of which my State is one, the great Midwest, and to all the peoples and interests of the country. This is a much more democratic way than would be fostered by Senate Joint Resolution 1. It is much more likely to result in the election of a President who, in the federal sense, is representative of the people and who, in the democratic sense, has considered the interests of the whole Nation and not simply of those areas which have the largest popular vote.

I shall vote against the motion for cloture. There cannot be a comprehensive debate at this time. I make my position known chiefly because I am against Senate Joint Resolution 1.

Mr. BAYH. Mr. President, would the Senator permit me 30 seconds in which to ask him a question?

The PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. BAYH. Mr. President, the Senator from Indiana yields himself 1 minute in which to ask a question which would be very simple to answer.

Considering my great respect for the Senator from Kentucky. I had hoped that logic would find him on the other side. But I respect his difference of opinion. He makes a very telling presentation in support of another proposal which is presently before the Senate and which the Senator from Indiana sought unanimous consent to get scheduled for a vote the other day, which request was objected to by the Senator from North Carolina.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BAYH. Mr. President, I yield myself 1 additional minute.

The PRESIDENT pro tempore. The Senator from Indiana is recognized.

Mr. BAYH. Mr. President, I would like to ask the Senator from Kentucky if, after we have had an opportunity to discuss this matter more fully—if indeed the Senator is going to vote against cloture—will he join with those of us who want the Senate to work its will and to have a chance to vote on the matter that the Senator from Kentucky says he favors?

The PRESIDENT pro tempore. The time of the Senator has expired. Who yields time?

Mr. DOMINICK. Mr. President, I yield the Senator from Kentucky 1 additional minute.

The PRESIDENT pro tempore. The Senator from Kentucky is recognized for 1 additional minute.

Mr. COOPER. Mr. President, I said that I favor an amendment which would deny the possibility of the faithless voter. If that were the only matter before the Senate, of course, I would be ready to vote on it. But there are other matters before the Senate, as I have said, and there cannot be any comprehensive debate at this time.

Mr. DOMINICK. Mr. President, I yield myself 1 minute.

The PRESIDENT pro tempore. The Senator from Colorado is recognized for 1 minute.

Mr. DOMINICK. Mr. President, I congratulate the Senator from Kentucky. I think he has summarized the feeling of many of us with respect to this cloture motion as well as Senate Joint Resolution 1.

It strikes me that all too often we get caught up in a wave of emotion in which it is said that the direct vote will solve the matter of the minority President and the faithless elector.

I think it has been shown time and time again that the direct popular vote is more likely to get us a minority President than any other system I have seen yet.

I think the Senator from Kentucky has performed a very fruitful and useful service in his discussion this morning. And I congratulate him.

Mr. President, I yield 5 minutes to the Senator from Delaware.

The PRESIDENT pro tempore. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS of Delaware. Mr. President, I have not taken any position as far as Senate Joint Resolution 1 is concerned. I personally feel that our existing electoral system should be changed. I personally prefer the district system.

I was hoping that the Senate could get a chance to vote on these various measures. I still hope that it can, but this is not the way to have these measures intelligently considered.

I think that we would make a big mistake to invoke cloture on something this important and have to vote under the rules of cloture. I call to the attention of the Senate the fact that once we invoke cloture we start voting on these series of amendments without any debate whatever and without any chance to explain the amendments. We have at least 12 amendments pending. Amendments can be offered at any time during the hour. I understand that there might be six or eight more amendments presented this morning before the cloture vote.

We have no idea what the amendments would embrace. We might have an amendment to abolish the present system of apportionment in the Senate.

We do not get intelligent action by invoking cloture, and it is a drastic measure which should only be used as a last resort.

I have voted in the past for cloture. I would do so again under circumstances where the Senate was being denied the right to work its will on a measure of national importance. I think this measure is of national importance, but cloture should be enacted only after the Senate has tried to get to a vote by holding the measure before the Senate and trying to get action.

In this particular case we have had no filibuster. The Senate has been, in effect, going through a complete farce as far as seriously trying to get this measure to a vote.

This measure, Senate Joint Resolution 1, was reported on June 18 but was not laid before the Senate until the eve of the Labor Day recess. We came back September 8. The measure was made the pending business. Since that time there seems to have been a gentleman's agreement that there would be no votes. The Senate has been convening as early as 9 o'clock and listened to many nongermane speeches. Then later in the afternoon we would lay the resolution aside and proceed to the other business of the Senate. During the past 2 weeks we have had a series of votes on other types of legislation. This week we passed the farm bill. Last night we passed the bill dealing with the Bank Holding Company Act. They are important—I do not object to that—but let us face the fact that during the time we have been supposed to be debating this resolution, there would often be no speakers available for either side of the argument. The Senate would stand in recess waiting for speakers.

It has been my experience—and I am sure the Presiding Officer, the Senator from Georgia (Mr. RUSSELL), will support this point—that in a bona fide filibuster the Senate considers only the pending business, coming in early in the morning and not laying it aside for any other business. We stay in session late at night and work until we can get to a vote. In the meantime all committees would cease work in order that Members could be in attendance on the floor.

I want to make it clear that I want no part of such a farcial procedure where we go through the political action of voting on cloture merely to let Senators say they are for or against the measure without having a direct vote. If the leadership really wants a vote on this resolution, they should keep the Senate in session and try to get to a vote. In a week or so, after a real effort has been made and after both the opponents and the proponents have had ample opportunity to express their views, cloture could be considered.

I have said I would vote for cloture whether I am for a measure or not, but only as a last resort. But I am not willing to vote at this time for cloture on a measure which involves this country as much as this measure does, when there has been no real effort made to get it to a vote otherwise.

I repeat, for the past 2 weeks committees have been having daily meetings, other major bills have been considered and passed, no Saturday sessions have been held, and on two occasions the Senate adjourned without a quorum.

Such procedure does not come under the classification of a filibuster and does not merit a cloture vote.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. DOMINICK. Mr. President, I yield 4 minutes to the Senator from Mississippi.

The PRESIDENT pro tempore. The Senator from Mississippi is recognized for 4 minutes.

Mr. STENNIS. Mr. President, I thank the Senator from Colorado. I am very glad that I was able to get here in time to hear the splendid statement made by the Senator from Kentucky. I commend the Senator for a real statesmanlike statement that belongs in the archives of the history of this great institution, the U.S. Senate.

I was shocked to hear the Senator from Indiana refer to the statement of the Senator from Kentucky as representing the opposition. The Senator from Indiana represents the opposition. He is opposed to the whole electoral process.

It has served this Nation well for almost 200 years and he would sweep away the whole thing. He represents the opposition.

I say further that this matter has been debated here, to my personal knowledge, for over 20 years. In 1948 we passed an amendment proposing the two-thirds vote plus one, and as a new Senator I voted for it. That is where an amendment like this should originate, right on the floor of the Senate. We are the ones who represent the States, and this electoral system is tied to the States. Talk about the opposition, the opposition is composed of those who oppose the present system.

We debated this matter in the 1950's and the Senator from South Dakota convinced me that the district plan was perhaps better than the Gossett plan in 1948. I favored it and did what I could in favor of that plan.

We are in favor of some modification, but as the Senator from Delaware said, to come here now at the end of the session and have an upside down presentation and consideration of this matter, and a presentation that impairs other legislation, which is commendable at the end of the session—but my point is that it is absolutely impossible during calendar year 1970 to give this matter the consideration that it deserves in an atmosphere that might provoke thinking. No—down with all that; rush this matter through; the virtue of a majority is enough.

I say here is one of the most effective and most sensitive instruments that was phrased, and not perfectly, in the Constitution of the United States. Let us not get in a big hurry now just to pass a bill. Let us do it when there is time for all the membership to weigh and reweigh these matters and see if we cannot find a common ground without the urgency and immediacy of other legislation, appropriation bills, and everything else.

I respectfully submit there is not a chance to get proper consideration of this

grave question now. Certainly there would be none if debate were cut off. I hope that by a sizable vote this idea will be rejected, and whatever else the Senate sees fit to do with this subject matter, very well; but in my humble opinion, and that is my counsel, it cannot be considered now and it should not be considered under the pressure of the circumstances we are faced with here, the shortness of time, the elections, and everything else.

I thank the Senator for yielding.

Mr. BAYH. Mr. President, I yield myself 5 minutes.

The PRESIDENT pro tempore. The Senator from Indiana is recognized for 5 minutes.

Mr. BAYH. Mr. President, I say to my colleagues that this is the first time the Senator from Indiana has been involved in a constitutional amendment of this gravity. Although he was a principal sponsor of the 25th amendment, that measure did not evoke the type of strong support and opposition that this matter has evoked.

The Senator from Indiana cannot be at all critical of his friends and colleagues for wanting this matter thoroughly discussed. I must say I have a great deal of sympathy for the statement made by the distinguished Senator from Delaware. Perhaps the Senator from Indiana has been in error to try to reconcile too many different interests, to try to get along—which I understand is one of the cardinal rules of the Senate, to try to be as sympathetic with the problems of other Senators as one can be.

The Senator from Indiana has said that as far as he is concerned his patience is not unlimited. In his judgment the time will come when the Senate will be put to the test of standing up and being counted on this issue or not. I find great sympathy with the position of the Senator from Delaware.

But if the Senator from Mississippi will examine the record, he will have to come to the conclusion that if, indeed, we are being rushed now it it because of arbitrary tactics which have been taken by some Members of the Senate in the last year. This measure, which is before us now in September, was the pending order of business in the Committee on the Judiciary last September. And it was because of the arbitrary action of one Senator that that matter could not be considered by the Committee on the Judiciary until February. The Senator from Indiana likes to be kind and gracious to his colleagues but when one Member uses the system to distort the system and prevents us from having the opportunity to consider something, we have to look at it in an entirely different perspective. We are either going to take the unusual step of invoking cloture or let a few people deny this body the opportunity to vote on anything.

The Senator from Kentucky, whom I dearly love, says that he is in favor of one system. The Senator from Indiana proposed a unanimous consent agreement the other day that we consider this proposal. It was objected to by our friend and colleague from North Carolina. I made the suggestion that we consider the district plan. That was objected to. I made the suggestion that we consider the proportional plan and that was objected to. Every single proposal on electoral reform before the Senate was objected to the other day.

We are going to have to be responsible to the people of this country. Either we are willing to do something about the imperfections of our present electoral system or have the thing backfire and have our constitutional system come tumbling down upon us. It is sort of like patching the roof when it is not raining. There is not much inclination to go out and patch the roof when it is raining, but rather one is inclined to wait until the sun comes out and then it is not leaking any more.

It seems to me that it is not being totally aware, as I think most Senators are, that there are certain shortcomings that need perfection. I feel that Senate Joint Resolution 1 is the answer. I am hopeful we will have a chance to pursue this at greater length if the Senate refuses to invoke cloture, but I suggest the question is not whether one is for Senate Joint Resolution 1 or some other well intentioned proposal, because we are being denied the opportunity to vote on anything.

We were within 42,000 votes of not electing any President in 1968, and yet some say this system has nothing wrong with it. We are working on a system under which on three occasions the man who was elected President had fewer votes than the man he was running against. That could happen tomorrow. Yet we are told there are no imperfections.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BAYH. Mr. President, I yield myself 1 additional minute.

The PRESIDENT pro tempore. The Senator is recognized for 1 additional minute.

Mr. BAYH. Mr. President, I think the President himself has spoken of the great difficulty if, indeed, not the impossibility of any President, and I do not care whether he is a Republican or a Democrat or a member of a third party or the American Independent Party, would have in these times to make the critical life and death decisions which he is required to make if he is not the choice of the people he is to govern. That is the question before the Senate. Are we going to continue to let this possibility hover over our country?

Mr. BAKER. Mr. President, will the Senator yield for 2 minutes?

Mr. BAYH. I yield 2 minutes to the Senator from Tennessee.

Mr. BAKER. Mr. President, we are entering the final stages of this era in the continuing development of change in the electoral process for selection of the President. I respect those who are concerned with the inevitable effects of cloture and the limitations on time to consider amendments. But I suggest that the time is at hand when all of us must agree that something must be done.

I have not heard a single person say the system is perfect or that no change should be made. I wonder if we are not really avoiding the basic and fundamental concern of this Nation, and that is the ability to elect a President who is able to govern.

This President and his predecessors have all faced the prospect that not only would the patent distortion of the electoral college system operate but, as the distinguished Senator from Indiana pointed out, the system might produce no President at all, and the election would be submitted to the House of Representatives where each State has one vote, which is the ultimate distortion of equality of the right to elect a President.

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

Mr. BAKER. I yield.

Mr. PERCY. I would like to add that some States would have no vote. The State of Illinois, our fifth largest State, has 12 Democratic Representatives and 12 Republican Representatives. We would be wiped out and we would not have any voice in the election of the President.

Mr. BAKER. I thank my colleague. That is entirely true. It could happen in any State, or virtually any State, in the Union.

This final concluding remark: We have gone through the trauma of three or four parties in our electoral process.

We have wondered whether we would be able to select a President. We have talked about polarization of our society. We have talked about our concern for minorities in this Nation. But one thing we must talk about is our ability to elect our President other than on a bargain-and-sell basis, and here is an opportunity to provide that the majority of the people of this Nation vote directly for President and Vice President. There is not a man living, other than those who have been elected as electors, in the United States, who has ever voted for a President; and I doubt if one person in a million in the United States knows that, but it is true. In electing those electors, they were getting one part of 389,000, or one part of——

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BAYH. Mr. President, I yield 1 minute to the Senator from Tennessee, or 2 or 3.

The PRESIDENT pro tempore. The Senator from Tennessee is recognized.

Mr. BAKER. Where each elector in each State receives a proportionate ability to select the President of the United States depending on the population of the State.

I have been criticized by some persons for urging equality of opportunity for selection of the President. May I point out, as I have heretofore, that the President and Vice President are the only two officers under this system of ours who are not elected by the people and on the basis of equality. This business of abolishng the Senate or the Senate not being on an equal basis is not true, in the humble judgment of the Senator from Tennessee. Every one of us was elected on a perfect one-man, one-vote basis. Every Member, every elector, every citizen who voted in each State had his vote counted precisely the same as every other per-

son's vote, regardless of the size of that State, regardless of whether he was white or black or Indian or whatever, regardless of whether it was in the North or South, East or West. But that is not so with the President of the United States. And until we eliminate the danger of bargaining for the Presidency, until we eliminate the danger of substantial minority Presidents, until we eliminate the inequality of the groups who select the President of the United States, we run the real risk that we will elect a President some day who cannot govern. It is that which concerns me.

The PRESIDENT pro tempore. Who yields time?

Mr. HRUSKA. Mr. President, may I inquire how much time is left on each side?

The PRESIDENT pro tempore. Sixteen minutes remain for the proponents, and 12 minutes for the opponents.

Mr. HRUSKA. Mr. President, I yield 3 minutes to the Senator from Colorado (Mr. DOMINICK).

The PRESIDENT pro tempore. The Senator from Colorado is recognized for 3 minutes.

Mr. DOMINICK. Mr. President, I thank my colleague. I asked for this time to refute some of the arguments made by my friend from Tennessee. One of the points he made is that we are one of the few countries in the world that has an electoral college system, the implication being that that system is wrong——

Mr. BAKER. Mr. President, if the Senator will yield me 30 seconds, let me say that I feel that my colleague misunderstood me. I did not say that. I said that the President of the United States and the Vice President of the United States were the only two officers in this Republic that the people did not elect. I did not make any reference to any other nation of the world.

Mr. DOMINICK. Perhaps I misunderstood him. I hope so, because my point was going to be that in other areas, in other countries, where they have a direct vote for whomever they select as President or Prime Minister, very seldom is anyone elected in any of those countries by a vote of the majority. That is because there has been a proliferation of parties there; they do not have the two-party system. There is the total incentive—I think is the best way of putting it—of having coalitions. Groups get together and there are more deals made than under the system we have.

Mr. BAKER. Mr. President, if the Senator will yield briefly, I agree with him. I reiterate that the Senator from Colorado misunderstood me. I made no reference to any other country. Not only that, but I think our federal system in the election of the President and Vice President has created our two-national-party system which has served us so well.

Mr. DOMINICK. Mr. President, I assume this is on the Senator's time.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BAYH. Mr. President, I yield 1 minute to the Senator from Tennessee.

Mr. BAKER. Mr. President, I apologize to the Senator from Colorado. I will ask the Senator from Indiana to make up the time I have used to correct that misunderstanding.

The last and final point: In response to the Senator's statement on the two-party system, under the winner-take-all system, it has made my part of the country a one-party region, and I am opposed to any sort of one-party domination—South, urban centers, or any place else, including any sort of strategy that evolves for North or South, East or West, and I think that is an inevitable result of the electoral college system.

Mr. DOMINICK. Mr. President, will the Senator from Indiana yield me 1½ minutes?

Mr. BAYH. Mr. President, I yield 1 minute to the Senator from Colorado. I am sure the Senator can be eloquent in 1 minute.

Mr. DOMINICK. Mr. President, I just want to say I find it hard to conceive of the fact that the electoral college system of voting for President and Vice President results in a one-party system in certain areas. That does not seem to follow, from what I have been able to observe. If we look at other countries and observe what has happened under their electoral systems and the patterns that have resulted, we would be wise to avoid their systems.

I want to say, last, we are in a parliamentary situation now wherein the House has already passed this measure by a large vote. If the Senate passes it in any form whatsoever and it goes to conference, it is almost certainly going to come back in that form, or we are not going to have anything at all. So it seems to me we would be far better off to delay doing anything about electoral reform until next year, when we can come in with a clean slate, and consider the different proposals like the proportional plan, the district plan, or other suggested plans.

The PRESIDENT pro tempore. Who yields time? If no Senator yields time, the question is——

Mr. BELLMON. Mr. President, may I have 1 minute?

Mr. BAYH. Mr. President, I yield 1 minute to the Senator from Oklahoma.

Mr. BELLMON. Mr. President, I came in late and did not hear all of the remarks of the Senator from Colorado, but he seems to fear that giving a direct vote under provisions which allow a President to be elected by a 40-percent plurality might cause a proliferation of political parties in this country.

As one who served as a member of the American Bar Association commission that studied this plan, I would like to say that this question probably caused more concern than anything else. It was the feeling of the commission that the present system, which requires one of the candidates for President to receive a majority of the votes of the electors, probably tends more to encourage splinter parties than would the system which the ABA has recommended, which is now generally embodied in Senate Joint Resolution 1.

The reason is that under the terms of Senate Joint Resolution 1 a political party, to have any influence on the outcome of the election, would need to siphon off 20 percent of the total vote; and in our country this has never happened. In other words, if a party is going to have any effect—that is, if a splinter party is going to have any effect—it would need to throw the election into a runoff, and to do this it would need to get 20 percent of the votes.

Up to the present time there have been occasions when splinter parties have felt that by drawing off a small number of electors they might possibly put the election into the House of Representatives or possibly be able to use their influence on the electors, and in that way gain an influence far beyond their numerical strength.

So the Senator from Oklahoma reached the conclusion that the requirement that a candidate must have 40 percent of the votes, as provided in Senate Joint Resolution 1, would, in the judgment of the Senator from Oklahoma, discourage rather than encourage splinter parties.

I am also one who thinks the two-party system is the one that serves our country best. I would not favor any change in our laws that would encourage splinter parties. I feel that the proposal the Senate is now considering would work best to strengthen our two-party system.

The PRESIDENT pro tempore. Who yields time?

Mr. HRUSKA. Mr. President, I yield 3 minutes to the Senator from Alabama.

The PRESIDENT pro tempore. The Senator from Alabama is recognized for 3 minutes.

Mr. ALLEN. Mr. President, I oppose Senate Joint Resolution 1, not because I am a Southerner and not because I come from a relatively small State, but I oppose it because I am an American; and I believe that this plan, this proposed change from the basic law of the land that has served this country well for 180 years, has the potential to tear this country asunder.

I believe that is exactly what would happen. We would not have rule by a majority; we would have rule by a plurality.

At least, under the present electoral college system if there is no majority there, then there is a runoff in the House of Representatives. This system does provide for a majority of something; and the 40-percent requirement of Senate Joint Resolution 1 does not require a majority of anything. A 40-percent plurality would win the election with out a runoff.

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

Mr. ALLEN. I yield on the other side's time.

Mr. BAYH. The Senator from Indiana yields a minute to the Senator from Oklahoma to explore the thoughts of the Senator from Alabama.

Mr. BELLMON. I would like to inquire of the Senator from Alabama whether he feels that this 40-percent plurality provision would tend to encourage splinter parties.

Mr. ALLEN. I am glad the distinguished Senator asked that. Certainly this provision will encourage splinter parties, because all the votes under the direct election would be registered and

counted in ascertaining whether a majority had been obtained. Under the present system, a splinter party must carry at least one State to have any effect whatsoever; so that results in there being fewer splinter parties under the present system.

Mr. BELLMON. Will the Senator agree that a splinter party would have to siphon off 20 percent of the vote before it made any difference, under Senate Resolution 1?

Mr. ALLEN. It may siphon off 50 percent; after the direct system had been in effect for a number of years, there would be 25 splinter parties. There were some 20 in 1968 throughout the country.

Mr. BELLMON. They would no longer be splinter parties if they got 50 percent.

Mr. ALLEN. If 25 parties got 2 percent each, they would be splinter parties. I appreciate the question and comment of the Senator from Oklahoma.

Mr. President, there is no unanimity of opinion on Senate Joint Resolution 1. Two of the so-called proponents have submitted the current amendment that abolishes the runoff system. The distinguished Senator from Missouri has submitted his plan. There are about as many plans as there are Senators.

In addition, the Senate itself, some years ago, passed a proportional plan. The distinguished Senator from Indiana (Mr. BAYH) at one time pushed the automatic electoral plan.

Mr. President, in answer to a point raised by the distinguished Senator from Tennessee (Mr. BAKER) that every Member of the Senate is elected on the one-man, one-vote plan——

The PRESIDENT pro tempore. The time yielded to the Senator has expired.

Mr. ALLEN. May I have an additional minute

Mr. HRUSKA. I yield the Senator 1 additional minute.

Mr. ALLEN. I say to the Senator, that is true. One-man, one-vote, as to how that State should decide who would represent the State in the Senate.

I submit that under the present plan, we do have one-man, one-vote in electing the President and Vice President, because each person in each State has the same vote as every other citizen of the State in deciding how the electoral vote of his particular State shall be cast. So we do have the one-man, one-vote principle, if that is believed to be desirable under the present circumstances.

I yield back my remaining time.

Mr. BAKER. Mr. President, will the Senator from Indiana yield me 2 minutes?

Mr. BAYH. I yield 2 minutes to the distinguished Senator from Tennessee.

Mr. BAKER. At this late hour, it is not the time to inject an emotional issue into the debate, and I do not intend to do so, but I do not intend to beat around the bush, either.

Let us think for a minute about the winner-take-all electoral college system as it relates to splinter or third parties. I am glad that the colloquy between the Senator from Alabama and the Senator from Oklahoma occurred, because it makes a point that I believe is vitally important to the country. Under Senate Joint Resolution 1, we might have one splinter party that got 10 or even 20 percent of the vote, and it would not be a very small splinter; the Republican Party was once smaller than that, in 1856.

We ought to have room for splinter parties, if they can get that big, nationally. But not regionally. The last thing on earth I want in this Nation is a southern party, a northern party, an eastern party, or a western party. Under the present system, a group of States in the West, the North, or the South can throw the election into the House of Representatives. That is what is wrong: regionalism.

If Governor Wallace gets 10 or 20 percent of the vote nationally in the next election—and he may; he is quite a campaigner, and a really remarkable man—he is entitled to be a respected part of the political system in this Nation. But if it is a regional appeal, then it is different, and in my humble judgment it is inimical to the best interests of this Republic.

So the 40-percent requirement, although I do not entirely agree with it—I think it ought to be 50 percent or you have a runoff—institutionalizes our respect, and the fact that we recognize that third or splinter parties may become second or dominant parties, and we have to provide for them as long as they do it on a nonregional basis.

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

Mr. BAKER. If I have any time remaining.

The PRESIDENT pro tempore. The time the Senator from Tennessee was yielded has expired.

Mr. BAKER. I am sorry.

The PRESIDENT pro tempore. Who yields time?

Mr. BAYH. I yield 2 minutes to the Senator from Illinois.

Mr. PERCY. Mr. President, I have 3 points I would like to make.

First of all, I think this issue should not be penalized simply because of the dilatory tactics that have been used to delay us to the point where we are rushing other legislation through in time to adjourn and are anxious to get on with it. I think we have had ample time to consider electoral reform, and if the Members of this body have not had time to make their minds up, the American people apparently have. There are not many people who, when asked by Harris or Gallup, have failed to respond. On one poll 79 percent and on the other 80 percent said we ought to change our electoral system. When seven or eight Members of Congress from Illinois polled their constituents, they came up with exactly the same figure; between 75 and 80 percent of the people said we must change the electoral system of electing a President.

Why? The people of Illinois feel we ought to change it because we sat there for a year wondering whether, with a split delegation of 12 Republicans and 12 Democrats, we would have any voice, with a State of 11 million people, in the selection of the President of the United States. We would have been dealt out by this system.

We can think back to the narrow escapes this country has had under the electoral college system, which is condemned overwhelmingly by 4 out of 5 people in the United States. But it is not just the people of Illinois who would not have a voice. The State of Oklahoma and the State of Oregon and the State of Virginia would be disfranchised. They today might not have a voice in voting for President of the United States, under our present system.

Moreover, I think we have to get away from the danger we might face of having a President of one party selected by the House of Representatives and a Vice President of the second party selected by the Senate.

The PRESIDENT pro tempore. The Senator's time has expired.

Mr. BAYH. I yield 1 more minute to the Senator from Illinois.

Mr. PERCY. I just ask Senators who are Democrats to give consideration to this: How would Lyndon Johnson, as President of the United States, have felt having Spiro Agnew as his Vice President? Who would be speaking for the administration? Who would be speaking for the United States of America, with that combination?

It is not a partisan issue. I cannot imagine that President Nixon would feel very comfortable as President of the United States, as the Chief Executive Officer of this country, if Hubert Humphrey, who could have been selected by the Democratic controlled Senate as Vice President, were to serve as Vice President. Who would speak for the United States.

In South Vietnam there is a situation where, even now, with President Thieu and Vice President Ky, of the same party——

The PRESIDING OFFICER. The Chair regrets to advise the Senator that his time has expired.

Mr. BAYH. I yield 30 seconds to the Senator.

Mr. PERCY. Even in a situation in which they are of the same party, there is an embarrassing national situation when there is not harmony between the President and the Vice President.

For these compelling reasons, I urge that we face this issue, stand up to it, and make a decision, as the American people have made a decision, and not continue to procrastinate.

The PRESIDENT pro tempore. Who yields time, and to whom?

Mr. HRUSKA. Mr. President, how much time remains?

The PRESIDENT pro tempore. Each side has 4 minutes remaining.

Who yields time?

Mr. HRUSKA. I yield myself 3 minutes.

Mr. President, the importance of this issue, of course, is taken for granted; but, for the sake of the RECORD, I ask unanimous consent to have printed in the RECORD the eight propositions listed in the minority report on this amendment which appear on page 49, together with a list of quotations on the threat to American political stability of direct

elections, compiled by the Senator from North Carolina. I ask unanimous consent to have this material printed at this point in the RECORD.

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

Destroy the two-party system by encouraging a host of splinter parties;

Undermine the federal system by removing the States from an active role in the electoral process;

Remove an indispensable institutional support for the separation of powers;

Radicalize and divide public opinion by removing incentives to compromise;

Endanger the rights of all minorities;

Create an irresistible temptation to electoral fraud;

Lead to interminable recounts and challenges; and

Necessitate national direction and control of every aspect of the electoral process.

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QUOTES ON THE THREAT TO AMERICAN POLITICAL STABILITY OF DIRECT ELECTIONS

Theodore H. White, Political Analyst and Writer: ". . . this amendment is a direct invitation to chaos. In modern times, other nations have tried direct election of presidents. Germany did. They tried it by a direct unitary vote of the nation, and they got Hitler."

Alexander Bickel, Yale Law School: "There is a tendency, visible in the last two or three elections, toward fragmentation and I think any structural arrangement, such as direct election, that encourages that fragmentation risks, God help us, the end of this Republic and of the finest experiment in government ever known to man."

Nicholas De B. Katzenbach, Former Attorney General of U.S.: ". . . I strongly feel that on a matter so basic to the confidence and structure of the country, we ought not to abandon the familiar and workable for the new and untried without the clearest demonstration of need. In my judgment, no such demonstration has been made. We should not substitute untried democratic dogma (direct election) for proven democratic experience. And this is no time to tinker with success."

Professor Albert J. Rosenthal, Columbia Law School: ". . . the direct popular vote proposal would change the political balance of power in the country, possibly in a direction which would prove disastrous."

Professor Charles Black, Yale Law School: "I think a case can be made for the proposition that this amendment, if it passes, will be the most deeply radical amendment which has ever entered the Constitution of the United States. . . ."

Richard N. Goodwin, Former Assistant to Presidents Kennedy and Johnson: "There is good reason to believe that direct popular election of the President might end that two-party system which has helped make the United States the most able and long-lasting democracy in the history of the world. . . . All around us we see an increasing tendency to political fragmentation and ideological division. Direct election might almost be just the trigger, perhaps accidental triger, to transform such divisions into political conflict."

Editorial, Time Magazine, May 1970: ". . . there is a possibility, not yet fully appreciated, that the entire political makeup of the country might be affected in ways yet unanticipated and unexplored."

Professor Dan Elazar, Director of Institute for Federalism, Temple University: "Direct election is a device designed to remedy a supposed evil that has not materialized and which, in doing so, would create an evil far worse."

Congressman William L. Clay, Missouri: "This effort (direct election) to perfect our system by thinking in terms of pure democracy borders, in my opinion, on the realm of insanity. . . . The flinch of fear which provides the momentum for this proposed revision of the electoral system flows directly from the scare instilled in us by Wallace. But, responding to this fear through an elimination of the electoral system in favor of the popular vote will actually promote and reward the factionalism and sectional movements which now divide this Nation."

Editorial, Wall Street Journal, April, 1970: ". . . direct election has its own considerable potential for mischief, and if the nation is given an all-or-nothing choice between direct election and no change, it will be far wiser to stick to the devil it knows."

Mr. HRUSKA. Mr. President, the debate this morning illustrates the necessity to defeat this motion for cloture. The propositions that have been declared and the arguments made here show that a period of 7 days—and that is all the debate we have had in this matter—just will not be sufficient for the purpose at hand.

Reference has been made to dilatory tactics which have resulted in the situation in which we now find ourselves, toward the end of the session, and we do not have enough time, and we are under pressure, and so forth. Let me cite some dilatory tactics, Mr. President.

From March 13 to April 8, there was discussed the qualifications of a single nominee to the Supreme Court, for a total of 17 days.

From May 13 to June 30, we discussed the question of foreign military sales. That was 47 calendar days.

We had from July 23 until September to discuss the military procurement bill. That took 29 days.

Here we have 7 days—skinny days, I might say—on a proposition that is as important as this, changing the structure of our Government, and getting nowhere.

It seems to me that if we are going to talk about dilatory tactics, not a single voice was raised during those respective 17 days and 47 days and 29 days. Not a single voice was raised.

Now, after 7 days, on a most important proposition on a constitutional basis, we find ourselves facing the necessity to vote down a cloture motion—and it should be voted down. I hope it will be. All the propositions that were touched upon today are involved. They have not been covered thoroughly.

My judgment is that when the time will come for the several State legislatures to consider the proposition of direct election or some other proposition and when they find staring them in the face the loss of the voting strength that they would encounter if direct election is resorted to, they will take a second look at it; and their people will take a very severe look at them, when they find, in one group of States, the Southwestern States, that they will lose 37 percent of their voting power.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. HRUSKA. I yield myself 1 additional minute.

In the North Central States, we have seven States in number losing approximately 30 percent of our voting power. We do not like that. When that message is brought home, together with some of the other implications and direct results of direct election, I have confidence that the required three-fourths of the States will not ratify.

This motion for cloture should be turned down, and an opportunity should be given for thorough discussion of all the issues presented.

Mr. BAYH. Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. The Senator has 4 minutes remaining.

Mr. BAYH. Mr. President, I ask unanimous consent to have printed in the RECORD two editorials, one from the Washington Post and one from the New York Times, plus a telegram showing that the Leadership Conference on Civil Rights came out yesterday strongly endorsing electoral reform.

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

WASHINGTON, D.C.,
*September 16, 1970.*

Hon. BIRCH BAYH,
*U.S. Senate,*
*Washington, D.C.:*

The leadership conference on civil rights representing one hundred twenty-seven civic, religious, labor, civil rights and other groups urges you to support the direct election of the President and Vice-President. This may be the last chance to cure this anachronistic potential for serious mischief. Please vote to close debate tomorrow and give every Senator a right to vote on this constitutional amendment.

CLARENCE MITCHELL,
*Legislative Chairman,*
JOSEPH L. RAUH,
*Counsel.*

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[From the Washington Post, Sept. 17, 1970]

AFRAID TO VOTE ON ELECTORAL REFORM?

The Senate faces one of its severest tests of the 1970 session today. It will vote on Majority Leader Mansfield's petition to close debate on the proposed constitutional amendment for direct election of the President. The outcome will determine, not only the fate of this vital reform, but also the ability of the Senate to function as a modern legislative body.

There is no point whatever in further debate on Senate Joint Resolution 1 which embodies the proposed amendment. This debate has been going on intermittently ever since the subcommittee on Constitutional Amendments began its hearings on a new presidential electoral system back in February, 1966. Further extensive hearings were held after the country narrowly avoided a crisis in the election of the President in 1968. Last year the House passed a widely accepted reform calling for abolition of the electoral college and direct election of the President. Since September, 1969, electoral reform has been the pending business before the Senate Judiciary Committee. After additional hearings, that committee adopted S.J. Res. 1 last April by a vote of 11–6. The debate in the Senate itself has been in progress for more than a week and a half. All the arguments on both sides have been made, and there is no point in further talk—unless the Senate intends to strangle the measure by delay.

In these circumstances the Senate has no rational alternative to voting cloture and proceeding to dispose of the direct election plan on its merits. Senators who oppose the resolution ought to be no less eager to meet the issue head-on than those who favor it. We think it would be utterly unconscionable, as Senator Bayh has pointed out, for the Senate as a body to say in this vote that

it does not have the courage to stand up and be counted on a matter of such great importance to the country.

The Senate has often resisted application of the cloture rule in the past because of the desire to preserve the right of unlimited debate. In the present instance, however, the basic question is not whether the debate shall continue. The Majority Leader intends to lay the electoral reform measure aside if cloture is not approved because of the pressure for action on other parts of the legislative program. In effect, therefore, a vote against cloture will be a vote to kill electoral reform without ever facing the question of its merits. Every senator ought to think twice about such a crass evasion of responsibility before the roll is called.

The proposed amendment has been carefully written and closely scrutinized by some of the best minds in public and private life. It has overwhelming support from organizations and civic groups and, according to the polls, more than 80 per cent of the people. It is not a utopian scheme but a practical device designed to correct the most glaring defect in our Constitution. At the very least it merits a straight-forward and candid response from the Senate.

Senators who will face the electorate in November ought to be especially concerned about this challenge. Can any one of them afford to tell his constituents that he was afraid to vote on a plan to give them a direct voice in choosing the President? If this great reform which has four fifths of the House and probably more than three fifths of the Senate behind it should go down before a filibuster, another basic reform—of the Senate itself—will have to be added to the list of urgent governmental tasks.

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[From the New York Times, Sept. 17, 1970]

SEIZING THE TIME

The vote in the Senate today on whether to shut off debate on an amendment abolishing the Electoral College and substituting instead the simple, popular election of President and Vice President is a vote on the merits of the issue itself. To prolong debate is to kill reform at the present session of Congress. It is even more than this. The amendment has already passed the House. To kill reform at present session is to lose vital momentum and very probably to delay action for years to come.

There can be no doubt on either of two points:

(1) The Electoral College has outlived its usefulness.

(2) Direct, popular election of the President and Vice President, recognizing the one-man, one-vote principle, is the most fundamentally democratic method of cohice.

The Electoral College has never functioned as the Founding Fathers intended. It looms now as an electoral hazard, opening the way for deadlock, delay and a thwarting of the popular will. Under present procedure, the voter casts his ballot not directly for President and Vice President but for a number of electors equal, in each state, to a state's total representation in the Congress. The votes of some voters under this scheme count more than the votes of others. While every state has at least three electoral votes regardless of its size, the winner-take-all rule for awarding a state's electoral votes gives an advantage to voters in the larger states with most electoral votes.

Other evils of the system include disfranchisement of voters in several ways. All votes exhaust their effectiveness at the state level; those of the minority are added to those of the majority in the awarding of electoral votes. Electors are pledged to candidates and selected by voters on the basis of their pledge, but once selected they are free to vote their whim, as one elector did in 1968, switching from Richard Nixon to George Wallace.

Because the Electoral College works on a winner-take-all basis at the state level, it is possible for candidates with fewer popular votes nationally to defeat candidates with more popular votes nationally. This has happened several times.

The only way to make sure that every voter's vote counts toward the ultimate outcome, that it counts equally with all other votes and that the candidate for President with the most popular votes becomes the President is to move to a system of popular election. Since ratification of the Seventeenth Amendment providing for popular election of Senators, the President and Vice President are the only top officials not selected in this way.

For members of the Senate to oppose this reform now is for them to expose the nation in 1972 (and quadrennially until reform does come) to the dangers inherent in an electoral vote tabulation. Perhaps acceptable in times past when life was simpler and slower and the world was wider, these dangers in a time of space flights and nuclear weapons are acceptable no longer. It is vital for the nation to know who its leader is, for any hiatus in leadership to be avoided, for government to become more representative and more responsive to the will of the people.

The opportunity for fundamental electoral reform is at hand. The Senate must not let it slip away.

Mr. MANSFIELD. Mr. President, after 7 days of debate and weeks of stalling and delay, the Senate will vote on the question of whether or not there has been sufficient debate on the pending business. The pending business proposes an amendment to the Constitution that would abolish the electoral college and provide for the election of the President and the Vice President of the United States by the people. It thus involves two questions: First, the abolition of the electoral college—no building, no faculty, but a great deal of leeway; and, second, the transfer of its functions directly to the people of the United States.

These issues did not just arise this week, or just last week or just the week before. The debate did not just begin yesterday or the day before or when this measure was laid before the Senate last September 2. Nor did it begin some 4½ years ago when the hearings were first held before the Committee on the Judiciary. These questions have been discussed and debated for years and years and years.

It should be pointed out that two-thirds of the Senate is required to decide these constitutional questions. Our Constitution says that two-thirds of both the Senate and the House of Representatives must vote to amend its terms. That is a rigid requirement. It is plain that the authors of the Constitution did not feel that a bare majority provided sufficient support to tamper with the terms of the document that established our Government. So they said that it would take two-thirds before a change could be effected.

Now the Senate faces a dilemma; for, under its own rules, two-thirds must vote to close debate. So a few Senators, it would seem, are telling the rest that not only is two-thirds required to effect a constitutional change, but even further, that two-thirds is required before that question can even come to a vote. It seems clear to me that using the filibuster device in this fashion to force a two-thirds vote, when the question itself calls for two-thirds, abuses the clear purpose and intent of the Senate rules. It seems clear to me that some reform is necessary if rule XXII is to have any meaning at all; especially in a case where the minority is so clearly protected by the Constitution itself.

I hope Senators reject this effort. I hope the Senate is permitted to vote on this question.

Mr. SAXBE. Mr. President, I rise only because it seems to me that we have failed to question the effectiveness of the discussion that we have had on this matter.

I have occupied the chair of the Presiding Officer for several times in the last 10 days during this debate. There have been endless and delaying quorum calls. There has been no great desire to influence Senators; but, rather, to read in boilerplate which has gone into the RECORD for somebody else.

If we are trying to change people's minds by talking to them on the floor, it is one thing. If, on the other hand, as the majority leader said last week, not one vote has been changed by all this discussion, it seems to me that we are doing the people a great disservice by not proceeding to vote—either adopt it or reject it—but to stand up and be counted.

Mr. HATFIELD. Mr. President, before we vote on cloture on debate on Senate Joint Resolution 1, I wish to call attention to a fine statement of support from Oregon's secretary of state, Clay Myers.

As a former Oregon secretary of state myself, I am familiar with the practical experiences of the secretary of state in overseeing our elections. In addition, Clay Myers' long experience in Republican Party affairs enables him to offer practical advice on the effects of Senate Joint Resolution 1.

Because I wish to share this with my colleagues, I ask unanimous consent that the letter from Mr. Myers to Senator BAYH appear at this point in the RECORD.

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

SECRETARY OF STATE,
*Salem, Oreg., September 4, 1970.*

HON. BIRCH BAYH,
*U.S. Senator,*
*Old Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR BAYH: As the chief election officer of our state, I know questions have been raised concerning the feasibility of a direct popular election of the president and vice president of the United States, and though it might be helpful for you to have my views.

After studying the electoral college question for several years and also as the individual who administered Oregon's first statewide recount (the Packwood-Morse Senate race), I am a strong convert to, and an advocate of, the popular vote election of our President. This is a non-partisan position I share with you—I am a Republican office holder with more than a quarter century of volunteer service to my Republican Party and my endorsement of the direct election has been reinforced by serving for two years as one of a handful of Secretaries of State on our National Association's Presidential Election Committee.

Unfortunately, I was not able to appear in mid April of 1970 when another member of

our Association testified before the Judiciary Committee, and, therefore, I want to present my feelings to you at this time, as well as answer questions that might arise in the minds of some who question the proposed constitutional amendment.

We should ask: What can improve the presidential election process? What is workable? What is popular with our citizens and can pass the Congress and be ratified by the necessary number of states?

My firm belief, after extensive study of all points of view, including the minority viewpoint of the Secretary who testified to the contrary, leads me to strongly support the direct election amendment and to favor abolishing the electoral college. Every member of the last three committees of NASS that studied the question has agreed that the present electoral college system is bad and should be changed. The only question is which alternative should be adopted.

Any compromise plan (other than direct election) would make it possible for a second choice candidate in the popular vote to wind up being designated President, thus thwarting the will of the people. Any compromise also contains built in inequities giving the voters in some states a proportionately larger vote than the voters of other states and, unnecessarily complicates the process of presidential selection by creating artificial and illogical barriers between the people and the office of President.

The direct election of the President is not new, nor revolutionary, in approach. Some of the strongest delegates to the constitutional convention of our founding fathers favored it: James Madison, Gouverneur Morris and James Wilson. Said Madison: "After all, the President is to act for the people, not the states." Our states are represented in the Congress—particularly in the Senate—but too often we have thwarted the will of a majority of our people by electing a President who receives fewer votes than his opponent.

Direct election is the only reform proposal that remedies the possibility of a "minority" President—the election of a candidate who ran second. With, however, 15 different elections producing presidents who did not receive one-half of the popular vote, most of whom were accepted by the people where they had a plurality of 40% or more, the "runoff" election provision at 40%, advocated by President Nixon, and by you and others, makes sense.

FEASIBILITY OF THE DIRECT ELECTION PLAN

Questions have been raised about the direct election approach and, as an elections official, my conclusions about these doubts are:

1. Voter qualifications—Who is eligible to vote?

Since passage of the amendment of 1970 to the voting rights act, there appears to be no reason for further Federal legislation in this area.

No particular administrative problems are posed for the several states by the popular election proposal. It is nonsense to argue this would cause chaos or confusion in our state elections administration or would require a "dual" system. We can rely on state laws.

2. Who gets on the ballot—eligible to run for President.

Again, there is no need for further Federal directives to the states. And, there is no incentive in the proposal to create new parties. Our present situation is much worse (an existing multitude of splinter parties easily able to get on every state's ballot, each hoping to capture one or more state's electoral votes) than would be true where 40% or more of the popular vote is required to elect.

In 1964, Lyndon B. Johnson was not even on the ticket in Alabama, a state that in 1968 also had five different presidential tickets. All 50 states had a minimum of three parties in 1968 and thirteen states had at least six different presidential candidates apiece, with out neighbor, Washington, fielding seven slates.

Our two-party system operates well in 49 states (New York usually having three or four state parties) without an electoral college system for electing governors or senators. Only when we ignore the direct vote in presidential races do we find, consistently in history, multi-parties in many or most of our states. The two-party system would be strengthened with the direct election system.

The objection that some states have many candidates in a first primary, before a runoff, is not valid. States without a runoff have as many candidates competing in a primary race requiring only a simple plurality. Party nominations must be separated from the final general election process in your considerations.

3. The fraud argument—massive fraud might occur.

There will be even less danger of fraud than exists today. The statement of William T. Gossett, last retiring President of the American Bar Association and Chairman of the Special Committee on Electoral College Reform of the ABA, covers this point well on page 196 of the April 15, 16 and 17, 1970, hearings before the United States Senate Committee on the Judiciary on Electoral College Reform. Now—in the present system—we have greater inducement for fraud and other irregularities than would exist under the proposed change.

A shift of a few votes in some populous states in a close election can today shift massive numbers of electoral votes, but would have only a minor effect in the overall national popular vote. Vote-counting problems are no different whether electing a President, a Senator or a Governor.

With the proven disinclination of presidential candidates for 180 years to request recounts in close elections, there will be even less problems with a direct election system. And, when every vote counts, both parties will participate much more actively in ". . . policing the polls, thus minimizing fraud and other irregularities. . . ."

4. Early eastern vote reporting might affect late western voting.

This has not been true in our or in other western states, either in discouraging evening turnout or in an already evident national trend influencing for whom they vote. Should, however, Congress ever fear such a possibility then consideration could be given to a national uniform 24-hour poll time. I understand such a proposal has some bipartisan support already. Based on Oregon's experience as a West Coast state, I do not see a real problem.

5. Who would count and certify the election results?

It is "scare" talk, unsubstantiated, to claim that there would have to be a "dual" election system or that there would need to be Federal counting of votes down to the precinct level, or that different people would count Federal and state returns.

Counting of ballots and certification of the results can be handled exactly as they are done at present by our states, without having to seriously consider the nonsensical fear of some people that we would be faced with Federal elections officials in all our precincts.

6. How "workable" is a presidential election runoff and what are the prospects of such a runoff?

There has not—even with the multiparties encouraged under the existing electoral college system—been an election for 110 years where one or more presidential candidates failed to get at least 40% of the vote. Even in 1860, Lincoln had 39.7% and was not even on the ballot in ten states (a fair percentage of 1860's states). With the assurance that major parties today can get on the ballot in all states if they desire, any likelihood of a runoff being required is dim, indeed.

The "workability" of a runoff is demonstrated again and again in our states today. In Texas, Florida, Virginia, or any of the 12 states with provisions for state-wide primary runoff elections, we find machinery already working for runoffs, should a comparable presidential one ever be required. These states, in most instances (based on statements by their Secretary of State at our NASS Convention in Newport, Rhode Island this past month) handle runoffs 28 or 30 days after the first primary election.

I would suggest that any Senator with serious questions in this area check with one or more of these Secretaries of State to get their viewpoints on the "doability" of such a runoff. I have done so in recent weeks, visiting with the Republican Secretary of Virginia and the Democratic Secretary of Texas, as well as viewing Florida TV regarding their September primary that is expected to result in some runoffs in October—before their general election of November 3. In Florida (and other states) this can mean three elections in a 60-day span, handled expeditiously and well under existing state laws.

The unlikely event of a recount is not a tremendous expense, either. While, to run an entire election with many score or hundreds of candidates, as well as several ballot measures in our states, often costs in the neighborhood of one dollar per vote to administer, the cost is greatly reduced for a runoff or in a single candidate or issue election. In June, 1969, Oregon had a combined total state and county cost of less than 30¢ per vote statewide. The total cost of $168,293.89 was for 569,351 votes cast. This is close to Arkansas' Secretary of State Kelly Bryant's estimate of $250,000 for a state-wide runoff cost.

Any reasonable expense to prevent a constitutional crisis is a good investment in making our democracy work.

Those who fear a gross dropoff in presidential runoff voting are also engaging in baseless fears. Oregon had a higher percentage vote in the single issue special election in June, 1969, than in an important statewide 1970 primary that had eight major ballot issues, plus all state legislative races, United States Congress and Governor on the ballot, with many other contests as well. Presidential elections always bring out the highest votes—and this would be further encouraged in one-party states where today there often is not the incentive for the second party to turn out under the electoral college system.

7. Will complicated machinery for counting ballots, recounting or contests be necessary?

No. States generally have the necessary statutory and/or administrative procedures now. Again, there is no need for setting up "dual" state and Federal laws. States count and report now. As in Title 3, U.S. Code (sections 5 and 7) where the states today must have their "final determination" in at least six days before the time fixed for the meeting of Electors—we need only to require that the states shall provide for a slightly earlier final count and report.

In the rare event of a recount, it should be handled either under present state laws and rules (à la Oregon's Packwood-Morse recount in 1968) or our respective states could adopt "Uniform Presidential Recount Laws" as we have done in the servicemen's absentee voting laws.

Oregon had its very first statewide recount in the U.S. Senate race of 1968 and the only delay was statutory on the time necessary to certify the first election results and for the time for a recount demand and for bond posting to pass. The total time to actually recount was very brief—even including the

certification by all the counties of the recount results, and Senator Packwood had no trouble taking his seat before Congress convened.

Contrary to Senator Hruska's statement on page 235 of the Hearings testimony, it is possible to recount hundreds of thousands of votes in five days. We count that number every election. And, the Senator seems to have confused two different and totally unrelated elections in our state when he talks of a recount contest that went until the following May.

The recount was Packwood-Morse and completed before January 1. The litigation for some months of a state Attorney General's race was not a recount—it was an entirely different question than any that could face a presidential election since it involved a state corrupt practice violation question only.

8. Can we be assured there will be a President on Inauguration Day?

Yes. Even in the unlikely event of a runoff election on the first or second Tuesday of December, more than another month would elapse before an inauguration. We need only make a minor change, as mentioned before, in the date for our states to provide their final determination of the presidential election results from the November election. Title 3 already makes this point, but existing Federal laws on this point are a mess because they do not require how the final state determinations shall be returned. The present dangers can be corrected with legislation accompanying the direct election constitutional amendment.

A Federal deadline for returning each state's count, together with provisions for Federal court determination if a state fails to act, or the state's final determination is flagrantly in error, appear to be the only necessary controls. Electoral college abolition also means we can clean up and update the Federal code which is today dangerously defective.

CONCLUSION

Other plans have been submitted and do eliminate many of the present problems. But, only direct election completely cures all the evils, dangers and inequities of the present system that did not work in 1824—and led us close to disaster several times since.

No other plan has anywhere near 50% support (much less ⅔) in the Congress or among state legislators who have been polled. Only the direct election system has overwhelming public support in all of our states—large or small, east or west, north or south, Democratic or Republican. And, only direct election is predicted by legislators in a majority of our states as having a substantial chance of receiving state legislative approval.

I agree with Congressman McCulloch's statement that: "Anyone who subscribes to the neutral principles that government should be representative, that every vote should count, that individual voting power should be equal, that winners should be declared winners and losers should be declared losers, must also subscribe to the direct election proposal."

As a Secretary of State who was on our NASS Congressional Liaison Committee on Presidential Elections, if I can furnish any other information to you or other Senators as we hopefully obtain the objective of abolishing the electoral college and providing for the direct popular election of our President, please feel free to contact me.

Sincerely,

CLAY MYERS,
*Secretary of State.*

Mr. MUSKIE. Mr. President, no issue in the history of this Nation has been studied and debated as extensively and as frequently as the issue of electoral reform. End on end, the pile of literature dealing with the subject could reach across the Nation.

But the results that have emerged from years of national debate and tons of expert study could hardly reach across this Chamber.

It was no easier for those who drafted the Constitution. The debate over the process through which a President was to be elected was, as one of the delegates noted: "The most difficult facing the Convention."

The issue was resolved only after complicated compromises that reconciled the competing power interests of the period. There was no mysticism binding the system that finally emerged. There was no eternal sanctity attached to the electoral college. No delegate considered it perfect or foolproof.

It was exactly what it was intended to be: A compromise that could receive enough support to be approved by the constitutional convention. And as many compromises do, the system has worked reasonably well for a reasonable period of time.

We would make a mistake to suggest that the electoral college has been a failure. Remarkably and with reasonable consistency, the system invented in 1787, with one or two minor failures along the way, has done an effective job.

But the difference between building a democracy and maintaining one is the degree to which responsible officials will improve institutions that reveal flaws before calamity strikes.

The present electoral system suffers at least three basic flaws that jeopardize the proper functioning of the Nation's political process. These include:

First. The havoc that can be caused by the fickle behavior of unpledged electors;

Second. The inadequacy of national election machinery that cannot guarantee a fair and smooth election result; and

Third. The potential danger of a contingent election where a handful of Members in the House of Representatives representing less than 25 percent of the population could completely stifle or obscure the election process.

Thus far none of those weaknesses has torn the Nation apart. However, they did come close:

In 1800, it took the House 32 ballots and threats of civil war and anarchy to finally choose Thomas Jefferson over Aaron Burr.

In 1876, it took a Presidential commission loaded with political intrigue to finally choose a President.

On three occasions the man who received the fewest votes won the Presidency.

On other occasions the mere shift of a few thousand votes in one or two States would have jeopardized the result and thrown the Nation into political chaos.

Why we tolerate such a condition is hard to conceive. If we are afraid to break with the past, we are shortsighted. If we cannot agree on alternatives, we are hardheaded.

No one can convince me that this body is not capable of improving our national institutions in such a way as to satisfy the needs and desires of the people of our Nation. And those desires today demand that we abolish the electoral system and replace it with a direct election of the President.

Forget complicated alternatives with formulas that favor small or large States, urban or rural blocks, conservative or liberal interests.

The time has come to stop quibbling—to stop debating proposed plans that favor North or South—district plans that favor Republicans or Democrats.

The people of this Nation want an election process that is fair. They want a system that offers each citizen one vote and lets each citizen cast that vote directly and unequivocally for the man he thinks should lead the Nation. The American citizen no longer needs middlemen casting votes for him. He no longer needs protection from his passions by "wise electors." Hawks, doves, hard hats or soft hats, the American voter can think for himself and stand on his own two feet.

When all the arguing is done and the shouting and debating diminishes, only one system offers that clear opportunity: direct election of the President.

It is simple.

It is clean.

It is practical.

It has passed the House of Representatives. It has received the broadest possible support from a cross current of national interest groups. It has, off and on, had the support of the President of the United States.

What more inducement does this body need to act? The details dealing with runoffs to prevent minority victories or to safeguard a reasonable result, are legislative tactics that can be compromised by men of good will.

So let us stop the flow of words. Let us stop the bickering. Let us stop the regional hem and haw, the political twists and turns, and let us emerge from this debate with a constitutional amendment that offers the citizens of America a chance to vote directly for their President.

Then let the people and the States determine whether Congress has acted wisely. If they reject our proposal, we can return to our Chambers and begin again.

But now, let us act. And let us act fairly and consistently with our belief that democracy means trusting people not most of the time—but all of the time.

## CLOTURE MOTION

The PRESIDENT pro tempore. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the pending joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States.

Signed by 20 Members.

## CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Under rule XXII, the Chair directs that the clerk call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 305 Leg.]

| | | |
|---|---|---|
| Aiken | Goldwater | Muskie |
| Allen | Goodell | Nelson |
| Allott | Gore | Packwood |
| Anderson | Gravel | Pastore |
| Baker | Griffin | Pearson |
| Bayh | Gurney | Pell |
| Bellmon | Hansen | Percy |
| Bennett | Harris | Prouty |
| Bible | Hart | Proxmire |
| Boggs | Hartke | Randolph |
| Brooke | Hatfield | Ribicoff |
| Burdick | Holland | Russell |
| Byrd, Va. | Hollings | Saxbe |
| Byrd, W. Va. | Hruska | Schweiker |
| Case | Hughes | Scott |
| Church | Inouye | Smith, Maine |
| Cook | Javits | Sparkman |
| Cooper | Jordan, N.C. | Spong |
| Cranston | Jordan, Idaho | Stennis |
| Curtis | Kennedy | Stevens |
| Dodd | Long | Symington |
| Dole | Mansfield | Talmadge |
| Dominick | Mathias | Thurmond |
| Eagleton | McCarthy | Tower |
| Eastland | McClellan | Tydings |
| Ellender | McGovern | Williams, N.J. |
| Ervin | McIntyre | Williams, Del. |
| Fannin | Metcalf | Yarborough |
| Fong | Miller | Young, N. Dak. |
| Fulbright | Mondale | Young, Ohio |

Mr. KENNEDY. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Utah (Mr. Moss) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from California (Mr. MURPHY), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The PRESIDENT pro tempore. A quorum is present.

Mr. HRUSKA. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Nebraska will state it.

Mr. HRUSKA. Is it accurate to say that a vote of "yea" would invoke limitation of debate pursuant to rule XXII, and that a vote of "nay" would revoke such a limitation?

The PRESIDENT pro tempore. The Senator is correct.

The clerk will now call the roll.

Pursuant to rule XXII, a rollcall has been had, and a quorum is present.

The question before the Senate now is, Is it the sense of the Senate that debate on the pending motion shall be brought to a close?

The yeas and nays are automatic.

Those in favor of closing debate will vote "yea." Those opposed will vote "nay."

The clerk will now call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA) and the Senator from Utah (Mr. Moss) are necessarily absent.

On this vote, the Senators from Washington (Mr. MAGNUSON and Mr. JACKSON) are paired with the Senator from New Hampshire (Mr. COTTON). If present and voting, the Senators from Washington would vote "yea" and the Senator from New Hampshire would vote "nay."

Also on this vote, the Senator from Utah (Mr. Moss) and the Senator from New Mexico (Mr. MONTOYA) are paired with the Senator from Nevada (Mr. CANNON). If present and voting, the Senator from Utah and the Senator from New Mexico would vote "yea" and the Senator from Nevada would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from California (Mr. MURPHY), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New Hampshire (Mr. COTTON) is paired with the Senators from Washington (Mr. MAGNUSON and Mr. JACKSON). If present and voting, the Senator from New Hampshire would vote "nay" and the Senators from Washington would each vote "yea."

If present and voting, the Senator from Illinois (Mr. SMITH) would vote "yea."

Also, if present and voting, the Senator from South Dakota (Mr. MUNDT) would vote "nay."

The yeas and nays resulted—yeas 54, nays 36, as follows:

[No. 306 Leg.]

YEAS—54

| | | |
|---|---|---|
| Aiken | Griffin | Packwood |
| Allott | Harris | Pastore |
| Anderson | Hart | Pearson |
| Baker | Hartke | Pell |
| Bayh | Hatfield | Percy |
| Bellmon | Hughes | Prouty |
| Boggs | Inouye | Proxmire |
| Brooke | Javits | Randolph |
| Burdick | Kennedy | Ribicoff |
| Case | Mansfield | Saxbe |
| Church | Mathias | Schweiker |
| Cook | McCarthy | Scott |
| Cranston | McGovern | Smith, Maine |
| Dodd | McIntyre | Symington |
| Eagleton | Metcalf | Tydings |
| Goodell | Mondale | Williams, N.J. |
| Gore | Muskie | Yarborough |
| Gravel | Nelson | Young, Ohio |

NAYS—36

| | | |
|---|---|---|
| Allen | Fannin | McClellan |
| Bennett | Fong | Miller |
| Bible | Fulbright | Russell |
| Byrd, Va. | Goldwater | Sparkman |
| Byrd, W. Va. | Gurney | Spong |
| Cooper | Hansen | Stennis |
| Curtis | Holland | Stevens |
| Dole | Hollings | Talmadge |
| Dominick | Hruska | Thurmond |
| Eastland | Jordan, N.C. | Tower |
| Ellender | Jordan, Idaho | Williams, Del. |
| Ervin | Long | Young, N. Dak. |

NOT VOTING—10

| | | |
|---|---|---|
| Cannon | McGee | Murphy |
| Cotton | Montoya | Smith, Ill. |
| Jackson | Moss | |
| Magnuson | Mundt | |

The PRESIDENT pro tempore. On this vote the yeas are 54 and the nays are 36. Fewer than two-thirds of the Senators present and voting having voted in the affirmative, the motion is rejected.

Mr. STENNIS. Mr. President, will the Chair announce the result of the vote again?

The PRESIDENT pro tempore. Yes. The Chair did announce the result but will announce it again—54 yeas and 36 nays.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet on social security, medicare, and medicaid matters during the session of the Senate today.

I ask unanimous consent that the Committee on Public Works be authorized to meet on the nominations for regional commissions; that the Subcommittee on Roads of the Committee on Public Works be authorized to meet on the highway bill; and that the Committee on Foreign Relations be authorized to meet during the session of the Senate today.

This request has been cleared on both sides.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, do we now go into the period for routine morning business?

The PRESIDENT pro tempore. We are now in the regular morning hour.

Pursuant to the order previously entered, the Senator from Colorado (Mr. ALLOTT) is allowed 20 minutes.

Let there be order in the Senate and in the galleries.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Colorado yield; and if so, to whom?

Mr. ALLOTT. Mr. President, may we have order before we proceed?

The PRESIDENT pro tempore. Let us have order. The Chair will suspend proceedings until we have order in the Chamber.

Mr. ALLOTT. Mr. President——

The PRESIDENT pro tempore. The Senator from Colorado will suspend. The Senate is not in order. Senators will please take their seats or retire to the cloakroom.

The Senator from Colorado is recognized.

## ORDER OF BUSINESS

Mr. ALLOTT. Mr. President, I yield to the Senator from Texas for the purpose of asking for the appointment of conferees.

The PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. SYMINGTON. Mr. President, may we have order?

The PRESIDENT pro tempore. Senators should not be holding private conversations in the Chamber, but if they do they should be considerate enough to at least lower their voices.

## AUTHORIZATION FOR GRANTS FOR COMMUNICABLE DISEASE CONTROL AND VACCINATION ASSISTANCE

Mr. YARBOROUGH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2264.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2264) to amend the Public Health Service Act to provide authorization for grants for communicable disease control and vaccination assistance, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Communicable Disease Control Amendments of 1970".

GRANTS FOR COMMUNICABLE DISEASE CONTROL

SEC. 2. Section 317 of the Public Health Service Act (42 U.S.C. 247b) is amended to read as follows:

"COMMUNICABLE DISEASE CONTROL AND VACCINATION ASSISTANCE

"SEC. 317. (a) There are hereby authorized to be appropriated $75,000,000 for the fiscal year ending June 30, 1971, and $90,000,000 for the fiscal year ending June 30, 1972, to enable the Secretary to make grants to States and, with the approval of the State health authority, to political subdivisions or instrumentalities of the States under this subsection. In the award of such grants the Secretary shall give consideration to the relative extent of the problems relating to one or more of the diseases referred to in subsection (b)(1) and to the levels of performance in preventing and controlling such diseases. Such grants may be used for meeting the cost of communicable disease control programs, including the cost of studies to determine the communicable disease control needs of communities and the means of best meeting such needs.

"(b) For the purposes of this subsection—

"(1) a 'communicable disease control program' means a program which is designed and conducted so as to contribute to national protection against tuberculosis, venereal disease, rubella, measles, Rh disease, poliomyelitis, diphtheria, tetanus, whooping cough or other communicable diseases which are transmitted from State to State, are amenable to reduction, and which are determined by the Secretary on the recommendation of the National Advisory Health Council to be of national significance, and

"(2) the term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the District of Columbia.

"(c) Payments under this section may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of underpayments, or overpayments, in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of this section.

"(d) The Secretary, at the request of a recipient of a grant under this section, may reduce such grant by the fair market value of any supplies (including vaccines and other preventive agents), or equipment furnished to such recipient and by the amount of pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee to the recipient when the furnishing of such supplies or equipment, or of the detail of such officer or employee (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 program with respect to which the grant under this section is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies, equipment, or personal services on which the reduction of such grant is based, but such amount shall be deemed a part of the grant to such recipient and shall, for the purposes of subsection (c), be deemed to have been paid to such agency.

"(e) Nothing in this section shall limit or otherwise restrict the use of funds which are granted to a State or to a political subdivision of a State under other provisions of this Act or other Federal law and which are available for the conduct of communicable disease control programs from being used in connection with programs assisted through grants under this section.

"(f) The Secretary shall submit an annual report to the President for submission to the Congress on the effectiveness of activities assisted under this section in preventing and controlling communicable diseases.

"(g) Nothing in this section shall be construed to require any State or any political subdivision or instrumentality of a State to have a communicable disease control or vaccination program which would require any person who objects to such treatment to be treated, or to have any child or ward of his treated."

Mr. YARBOROUGH. Mr. President, I move that the Senate disagree to the amendments of the House of Representatives and ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and, the Presiding Officer (Mr. HART) appointed Mr. YARBOROUGH, Mr. WILLIAMS of New Jersey, Mr. KENNEDY, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. DOMINICK, Mr. JAVITS, Mr. MURPHY, Mr. PROUTY, and Mr. SAXBE conferees on the part of the Senate.

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## ORDER OF BUSINESS

Mr. ALLOTT. Mr. President, I yield to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

COMMITTEE MEETING DURING SENATE SESSION

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Committee on Banking and Currency be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## PLANNED VISIT OF VICE PRESIDENT KY TO THE UNITED STATES

Mr. ALLOTT. Mr. President, I am disturbed by the persistent reports that South Vietnam's Vice President Nguyen Cao Ky is planning a visit to the United States that will feature a speech at a "March for Victory" rally here in Washington.

There is no reason why Vice President Ky should not feel free to visit this country. But I feel strongly that Vice President Ky, as a citizen of another country, and as an official in another government, should not participate in American political activities.

This proposed appearance at the "March for Victory" is objectionable on two grounds, one philosophic and the other practical.

The philosophic objection is that it is wrong for an official of a foreign government to attempt to tamper with the political process and public opinion of another country.

The practical objection is that Vice President Ky's appearance at a highly partisan rally will aggravate American conflicts.

I want to elaborate briefly on both of these objections.

I think it would be most improper for Vice President Ky—or any other official of any other government—to participate in a public demonstration designed to influence American public opinion.

In saying this I intend no disparagement of Vice President Ky. I am speaking to a very limited, but very important point: The integrity of the American political process.

I think all public officials should adhere to a rule of noninterference in the political affairs of other nations. This rule is applicable—indeed, it is especially applicable—to officials of nations that are allied in military effort.

The fact that two nations are military allies in no way diminishes the importance of mutual respect for the integrity of the political processes of the respective nations. Indeed, military alliances inevitably generate political tensions that can only be exacerbated by intrusions by officials of one nation into the domestic processes of another nation.

What is involved here is a question of the basic integrity of the American political process.

We are a pluralistic nation with a healthy complement of factions, opinions, and spirited participants in the political process. That is as it should be.

What would not be proper would be to institute the practice of further leavening our political life by importing foreign political participants from other nations. Such political participants come equipped with their own commitments; they represent the interests of their own nations, or governments, or parties—and themselves.

Sometimes their interests will coincide with our interests; sometimes they will not. But the coincidence of their interests with our own interests is immaterial. The crucial point is that American political processes should not be considered open to any and all who might choose to play.

All Americans are free to promote their vision of the national interest. Indeed, it is a civic duty to do so. But the very concept of civic duty is integrally related to the idea of citizenship.

Citizens should be attentive to the political processes of their own nations. And they should avoid interference with the political processes of those who are of different citizenship.

I know that there have been occasions when American public officials have violated what I consider to be the rule of good behavior. Some American officials—including Senators—have visited foreign nations and made public speeches designed to influence the policies—foreign or domestic—of the host country. I would

hope that, in the future, American public officials would set an example to officials of other nations.

Thus far, Mr. President, I have dealt with a question of basic political philosophy. I have argued that the very essence of citizenship is that it confers an exclusive right to participate in the political processes of a particular polity. That principle is one ground on which I base my objection to Vice President Ky participating in an American political demonstration.

There is also a very practical objection to such participation. One of President Nixon's greatest achievements has been his reversal of the tide of escalation in South Vietnam. He has set America irreversibly on the road to honorable disengagement from that war. The vast majority of Americans understand and applaud this policy. That is why the most serious divisions in American public opinion have begun to heal.

I am afraid that an appearance by Vice President Ky at a partisan rally will exacerbate old divisions within our society. The organizers of the "March of Victory" are billing the event as "a great gathering of hawks" and they are promising that Vice President Ky will deliver a very bellicose speech.

Whatever one thinks of the objectives of the "March for Victory," one must conclude that the organizers of the event are adopting policies which are self-defeating. Americans of all political persuasions will react strongly against any intrusion into our political processes.

If Vice President Ky undertakes to generate support for his nation by interfering in our Nation, it is predictable that he will generate only a strong backlash against the cause he seeks to serve most. Further, his performance will inspire the extremists of the left to take to the streets once again. This will give the enemy the impression that America is lapsing into bitter dissension.

All this will work against the President's policy and our policy of orderly and honorable disengagement, a policy which the American people support. The American people will not look kindly on any political activity which generates an atmosphere that hinders the President's policy.

This country never needs interference from other nations' political leaders. And President Nixon certainly does not need any gratuitous advice on how to win the peace in Vietnam. He is doing fine on his own.

In short, Mr. President, I think Vice President Ky is being ill-served by those who are advising him to speak at the so-called "March for Victory." Very frankly, I had hoped that, after the Washington demonstrations of last October and November, we had passed the stage at which Americans—of any persuasion—would take to the streets in an attempt to pressure policy makers.

Still, the right to petition for redress of grievances is inviolable, and such petitioning can take the form of mass demonstrations. Therefore, although I question their judgment, those organizing the "March for Victory" are well within their rights. But their judgment is doubly faulty when they import a foreign political figure to participate in pressuring the American Government.

Mr. STENNIS. Mr. President, will the Senator yield, since I must leave the floor?

Mr. ALLOTT. I yield.

Mr. STENNIS. I am very impressed with the Senator's speech. I heartily endorse what he has said and commend him highly for his remarks. I join with him in what he has said on the principle involved, that affecting international affairs, such as the one we are in now. I commend him. I am not surprised that he has come forth with a good, solid talk, because he comes forth with many of them.

Mr. ALLOTT. I thank the Senator. Very little has been said about this matter, chiefly because the Senate has been involved in other matters. But I thought that now it would be well to voice one Senator's thoughts not only on the philosophical side, but also on the practical side of this question. I thank the Senator.

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

Mr. ALLOTT. I yield.

Mr. PERCY. I was pleased also to see the position of leadership taken by the Senator from Colorado in this matter and the support given to it by the Senator from Mississippi (Mr. STENNIS), chairman of the Armed Services Committee.

I would like to add a voice from the Midwest. I hope that Vice President Ky would give due weight to a feeling that is very strong in this body, and give more weight to it than pleas, eloquent as they may have been, by a citizen who flew out there to persuade him to intervene in this matter.

His coming to the United States for such purpose would be a great disservice to South Vietnam, his own country, and I think would backfire on the Vice President of Vietnam personally, as well.

There is an urgent feeling that these matters be left to the citizens of the United States without intervention of an official of a foreign government; that the Vice President could have a complete reversal of what the Vice President might anticipate. It is very difficult to anticipate reactions. It is very difficult for us to understand the full nature and impact of our own politics, much less for someone coming from 10,000 or 11,000 miles away, who intervenes in what appears to him, on the surface, to be a demonstration for a cause he believes in, but which I think would backfire on the very purpose he intends to serve.

I think a great disservice would be rendered not only to the Government of South Vietnam and its people and its cause, but to the domestic tranquility we are trying to maintain. We are trying to deal with reason in these complex problems, rather than emotion.

The chairman of the Republican Policy Committee, the distinguished Senator from Colorado (Mr. ALLOTT), has made a valuable contribution at a very crucial moment when too many have been silent on this issue.

Mr. ALLOTT. I thank the Senator. I appreciate his words, particularly his support of this position. I had not had the opportunity to discuss it with him beforehand, but to me it constitutes a major question. As he points out, it could well work into a blacklash as far as public opinion is concerned.

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

Mr. ALLOTT. I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I would like to add my strong endorsement and sincere commendation to my distinguished colleague from Colorado (Mr. ALLOTT) for calling attention to some political facts of life and the sensitivity that I am certain is shared by every American—that we resent the instrusion of anyone, even though he might come in and speak on the side that we favor, in a matter of domestic internal political concern.

What the distinguished Senator from Colorado has pointed out should be apparent to anyone. It is like trying to inject oneself into a family argument. All one does is to encourage the wrath and ill will of both sides.

I can only say that Vice President Ky's coming to America, or anyone else's coming over there and attempting to advise us, will serve no useful purpose at all. We have demonstrated, I think, considerable ability in working our national will out from time to time. Admittedly we do not always agree, and sometimes we may pursue courses that do not lead us in the direction we may eventually reach; but we do have a way of deciding for ourselves in a way exclusively American what course of action we think will best serve this great Republic of ours.

I hope that the Vice President of South Vietnam will heed the very wise and sagacious counsel of the distinguished Senator from Colorado, the chairman of the Republican Policy Committee in the Senate, but more importantly, a great American.

Mr. ALLOTT. I thank the Senator very much. I yield to the Senator from Kansas.

Mr. DOLE. Mr. President, let me say very briefly that I share the views expressed by the distinguished Senator from Colorado. I am familiar with the so-called march for victory, and understand the objectives of the promoters of the march. They are inconsistent with the policy being pursued by President Nixon. He does have a plan for peace, it is working, and we are disengaging in Southeast Asia.

Therefore, I join the Senator from Colorado, the Senator from Illinois, and the Senator from Wyoming in suggesting that perhaps Vice President Ky might find some other task more important and more compelling than participation in this so-called march for victory.

Mr. ALLOTT. I thank the Senator very much. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I thank the Senator from Colorado for giving very sage counsel to Vice President Ky.

If he came here on an official mission, dealing with the affairs of his country,

and his government, that would be one thing; but to come here in connection with some propagandistic activity is only bound to distort the clarity of vision which all Americans wish to exercise in respect to Vietnam.

As the Senator knows, I am very strong for our gettng out of Vietnam. Others who have spoken have different points of view on that score, and it is very interesting that we should all have the same point of view as to the desirability of Vice President Ky's trip for this purpose which has been described.

I think the important thing here is to give us as tranquil an opportunity to appraise the relationship of the United States to the war in Vietnam as possible; and I believe it would only be an exercise in exacerbation if, for this purpose, the Vice President of Vietnam came here.

I thank my colleague.

Mr. ALLOTT. I thank my distinguished friend from New York for his remarks in support of the thoughts put forth by me a few moments ago.

I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, from this side of the aisle, I commend the distinguished Senator from Colorado for taking the initiative on this particular question, which could prove most embarrassing to the administration, to Congress, and to the American people as a whole.

We have enough confusion, discontent, and dissatisfaction in this country to contend with, and it will take all our efforts to face up to those difficulties and find ways and means to cope with them. Just to mention an illustration, I was very much disturbed at some of the activities engaged in and some of the obscenities shouted at the President of the United States and the Vice President yesterday. I fear we are losing our sense of perspective and proportion.

I would hope that we could restore some of the old virtues, which are still good: The virtues of civility toward one another, respect toward one another, and at least listening to the other fellow's point of view, because he may be right.

Certainly what we need in this country now is not causes for further dissention, or situations which might bring about incidents which could explode into some sort of a difficult situation, but, instead, to work together for the common good to solve our own problems by ourselves; and I just want the RECORD to show that I cannot too highly commend the distinguished Senator from Colorado, one of the leaders of his own party in the Senate, for the initiative which he has shown today.

Mr. ALLOTT. I thank the Senator very much. I am sure he agrees with me that on the broad front, all public officials, whether of this country or other countries, would do well to remove themselves from situations which cause them to participate in the internal political processes of other countries. So I am very appreciative of the Senator's words.

I yield to the distinguished Senator from Florida.

Mr. GURNEY. Mr. President, I, too, commend the Senator from Colorado for bringing to the attention of the Senate this matter of the pending planned visit of Vice President Ky to this country.

Certainly we have had all sorts of demonstrations of radical elements in this country, including those not only wanting to stir up antiwar sentiment, but using that, often, as a ruse and a guise simply to stir up confusion and revolution within our Nation.

Certainly one of the potential dangers of a visit from Vice President Ky would be, I think, as a rallying point for some of these very radical elements in our country, to use it as a means of further stirring up dissention and confusion, and even exercising and sowing the seeds of the spirit of revolution which is abroad in the land here and there today; and it would defeat the very purpose, I think, that the Vice President of South Vietnam would have in coming here. I expect he probably wants to bolster his country's cause here, and to aid its war effort; and his visit might serve the exact opposite purpose, as the able senior Senator from Colorado has so forcefully brought out.

I certainly support the Senator in his remarks. He has done the country a service in bringing this matter to the attention of the Senate.

Mr. ALLOTT. I thank the distinguished Senator from Florida. Mr. President, I am about to yield the floor. I would just like to say one thing: I had not anticipated that there would be so much interest in this issue. I certainly appreciate the support for the point of view one Senator as an individual has expressed concerning an aspect of Vice President Ky's proposed visit.

I yield the floor.

Mr. SCOTT. Mr. President, I join with my distinguished colleagues who spoke so eloquently against the proposed visit of Vice President Ky to a rally in Washington.

It is my opinion that no purpose whatever would be served by bringing in an official from Vietnam, who is not that country's chief executive, by a group of people whose only contribution to the dialogue would be to increase divisiveness in America.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the joint resolution (H.J. Res. 1366) to provide for the temporary extension of the Federal Housing Administration's insurance authority, in which it requested the concurrence of the Senate.

## HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 1366) to provide for the temporary extension of the Federal Housing Administration's insurance authority, was read twice by its title and referred to the Committee on Banking and Currency.

## ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. HART). Under an order previously entered, the Chair recognizes the Senators from Kansas (Mr. PEARSON and Mr. DOLE).

## PRESIDENT NIXON'S VISIT TO KANSAS STATE UNIVERSITY

Mr. PEARSON. Mr. President, yesterday the President of the United States delivered the Alf M. Landon lecture at Kansas State Universtiy. I am proud to say many Members of the Senate, including, I think, the distinguished Senator from Massachusetts (Mr. BROOKE) and the distinguished majority leader (Mr. MANSFIELD), have participated in this series of lectures. The purpose of these annual lectures is to recognize, in a growing, expanding, complex society, with all of its problems, that there must be some union, some association, between the seat of power and the world of thought.

What the President said yesterday was most significant; and my distinguished colleague will put the President's speech into the RECORD in a moment. But the manner of his delivery was also important.

The President heeded his own admonition to speak low, to use cool rhetoric. In an area, on a campus, where logic and reason should prevail, his presentation was most thoughtful. There were present a few who, by some special effort or unique talent, have perfected all of the bad manners that one may acquire. I would guess that there were no more than 25 or 50, in a crowd of about 15,000 people, who heckled the President of the United States, shouting obscenities and vulgar slogans; and in doing so, they not only sought to insult him but also the country and the institutions he represents.

Mr. President, I was surprised and glad that there were so few. I was astonished that these few could make so much noise, that their voices would carry so far. But the 15,000 who were there responded enthusiastically. The press says that they were with the President. I know they were with him. But I think they were also with something else. I think they were seeking to express for themselves not only the right to speak but also the right to listen, and to say to those who sought to disrupt the meeting that, on at least one campus in the United States, good manners, thoughtful presentation, and the courtesies that make it possible to live together are going to be observed.

I fear not so much today the confrontation between the town and the gown. But I think today that those who would seek to close our schools, those who would seek to disrupt the educational process, are going to have to deal with their own contemporaries on the campus.

I was very proud of Kansas State University yesterday. I was very proud of the President of the United States. I urge my colleagues in the Senate to read and study the address of the President of the United States of yesterday.

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

Mr. PEARSON. I am happy to yield to my distinguished colleague.

Mr. DOLE. Let me say, first, that I

share each view and thought expressed by my senior colleague from Kansas.

Yesterday, the State of Kansas and its first citizen, the Honorable Alf Landon, and Kansas State University were paid a singular honor. As pointed out by my senior colleague, in Manhattan, Kans., the President of the United States delivered the 1970 lecture in a distinguished series endowed by and named after the State's former Governor and 1936 Republican candidate for President.

As has been pointed out, the audience was almost entirely composed of students—students from some 50 States, and numerous foreign nations. Kansas State University is a great university. We are proud of our young people, but never have we been as proud as yesterday, when we witnessed a truly dramatic event in the Nation's history.

I have said, on reflection, that it could signify the turning point in the wave of campus unrest, violence, and unreason; because the students at Kansas State University clearly indicated they welcome a voice of reason and responsibility. There is no doubt about it. Time after time, there were thunderous standing ovations. When the President said at one point that we cannot expect law and order abroad unless we have law and order at home, the reaction was similar to that which one would expect at a basketball game between Kansas State University and their arch rival, Kansas University, in an overtime, with one side gaining a last-second lead. The ovation was tremendous.

Speaking frankly, I say that hundreds of the students who came to listen yesterday were not pro-Richard Nixon students; they may not be great supporters of Richard Nixon; but they came and listened with an open mind—and respectfully.

As my colleague has pointed out, yes, there were a few—a very few—who had different ideas. There were those, some 20 or 30, who sought to embarrass the President, who sought to embarrass the very distinguished president of Kansas State University, James McCain, and our distinguished elder statesman, Alf Landon, by shouting obscenities and by shouting slogans, and yes there were a few tense moments.

I am certain that my colleague was anxious at times, as I was, and as was Dr. McCain. But, it was a great day—yes, for Kansas; yes, for the President; but, above all, a great day for students in America. It proves that a President of the United States may visit a college campus without fear for his safety; and, even more importantly, it indicated that the great, great majority—all but a very few—of the college students in America will welcome a visit by the President of the United States.

The President spoke to the students about matters which are foremost in the minds of young people throughout our country, the war in Vietnam, the crisis of our environment and campus turmoil. The central thrust of the President's remarks was that violence has no place in efforts to bring change and reform to American institutions, and disruption will not achieve solutions to America's problems.

The students gave the President and Mrs. Nixon a thunderous reception, and his address was frequently interrupted by sustained ovations. The New York Times this morning said it was "one of the most enthusiastic public appearances of his Presidency." The warmth and spontaneity of the Kansas State students signified much more than the generous hospitality for which Kansas is so widely known. Their attitude illustrated that American youth, the overwhelming majority of it, appreciates and recognizes being talked to reasonably, seriously and positively; that American youth knows constructive, dedicated, and vigorous efforts within the framework of society's institutions are the practical and necessary way to bring change and improvement to our country; and that American youth rejects and scorns the doctrine of upheaval, disorder, and revolt so loudly proclaimed by some self-designated leaders and pseudospokesmen in this country.

Dr. McCain, told me last night of the overwhelming national response to the courtesy, appearance, and enthusiasm of the Kansas State student body. He has received telephone calls and telegrams from every part of the country praising the students and congratulating him for the quality of young people at the university.

It was a day of pride at Manhattan—purple pride for Kansas State; pride in a distinguished elder statesman and a historic visitor for the State of Kansas; and American pride in young people who proved, as the President said, that the heart of this country is strong and good and sound.

Mr. President, I ask unanimous consent that President Nixon's address to the students of Kansas State University at the Alf M. Landon lecture be printed in the RECORD at this point.

There being no objection, the President's address was ordered to be printed in the RECORD, as follows:

TEXT OF AN ADDRESS BY THE PRESIDENT AT KANSAS STATE UNIVERSITY, MANHATTAN, KANS.

At this great university, in this distinguished company, I cannot help thinking about the twists of fate—and of how we learn from them.

I think of the fans of Wildcat football here today who have known what it is to lose—and then who have known what it is to win.

I think back to 1936, when Governor Landon—who already knew what it was to win—learned what it was like to lose.

And I think too of some of the moments in my own career: as a football player who spent most of his time on the bench; as a candidate who knew the thrill, the great satisfaction, of winning—and then as a candidate who learned what it meant to lose.

Having won some and lost some, I know—as you know—that winning is a lot more fun.

But I also know that defeat or adversity can react on a person in different ways.

He can give up; he can complain about "a world he never made;" or he can search the lessons of defeat and find the inspiration for another try, or a new career, or a richer understanding of the world and of life itself.

When Alf Landon lost his race to Franklin Roosevelt, he was not a man to waste his life in brooding over might-have-beens. In the 34 years since then, the world has been transformed. Enriched by his experience, Alf Landon has continued to grow with it—until now he is one of the great elder statesmen of America, a man whose wisdom and common sense, and whose outspoken concern for the welfare of this nation, have inspired and aided generations that have come after.

Or take Kansas State and its football team.

Just three years ago the Wildcats had a dismal seven-year record of eight wins and sixty losses. But there was a dogged spirit here, a determination, a readiness to learn new ways—and when Vince Gibson came to the campus it was that spirit, that determination, the "Purple Pride" that he helped translate into the Purple Power of today.

As for myself, I doubt that I would be President today if I had not learned from the lessons of defeat in 1960 and 1962—and I hope that I can be a better President because of those lessons.

I cite these not only to suggest that we here today have something in common—but also because this pattern of playing by the rules, of losing some and winning some, of accepting the verdict and having another chance, is fundamental to the whole structure on which our liberty rests.

There are those who protest that if the verdict of democracy goes against them democracy itself is at fault—who say that if they don't get their own way, the answer is to burn a bus or bomb a building.

Yet we can maintain a free society only if we recognize that in a free society no one can win all the time; no one can have his own way all the time; and no one is right all the time. Whether in a campaign or a football game, or in debate on the great issues of the day, the answer to "losing one" is not a rush to the barricades but a study of why, and then a careful rebuilding—or perhaps a careful re-examination of whether the other fellow may have been right after all.

When Palestinian guerrillas hijacked four airliners in flight, they brought to 250 the number of aircraft seized since the skyjacking era began in 1961. And as they held their hundreds of passengers hostage under threat of murder, they sent shock-waves of alarm around the world at the spreading disease of violence and terror and its use as a political tactic.

That same cancerous disease has been spreading here in the United States.

We saw it three weeks ago in the vicious bombing at the University of Wisconsin, in which one man lost his life, four were injured and years of painstaking research by a score of others destroyed.

We have seen it in other bombings and burnings on our campuses, and in our cities; in the wanton shootings of policemen; in the attacks on school buses; in the destruction of offices, the seizure and harassment of college officials, the use of force and coercion to bar students and teachers from classrooms and even to close down whole campuses.

Consider just a few items in the news:

A courtroom spectator pulls out a gun, halts the trial, gives arms to the defendants, takes the judge and four other hostages, moves to a waiting getaway van—and in the gunfight that follows four die, including the judge.

A man walks into the guardhouse of a city park and pumps five bullets into a police sergeant sitting quietly at his desk.

A Nobel Prize winner working on a cancer cure returns to the cages of his experimental rats and mice to find them vandalized, with some of the animals running loose, some thrown out of the window into the sea, and hundreds missing.

A police patrolman responds to an anonymous emergency call that reported a woman screaming, arrives at the address, finds the

house deserted but a suitcase left behind; as he bends over to examine the suitcase it explodes, blowing off his head and wounding seven others.

These acts of viciousness all took place in the United States—and all within the past five weeks.

America at its best has stood steadfastly for the rule of law among nations. But we cannot stand successfully for the rule of law abroad unless we respect the rule of law at home. A nation that condones blackmail and terror at home can hardly stand as the example in putting an end to international piracies or tensions that could explode into war.

The time has come for us to recognize that violence and terror have no place in a free society, whoever the perpetrators and whatever their purported cause. In a system that provides the means for peaceful change, no cause justifies violence in the name of change.

Those who bomb universities, who ambush policemen, who hijack airplanes and hold their passengers hostage, all share in common not only a contempt for human life but also a contempt for those elemental decencies on which a free society rests—and they deserve the contempt of every American who values those decencies.

Those decencies, those self-restraints, those patterns of mutual respect for the rights and the feelings of one another, and the willingness to listen to someone else and not shout him down, are what we must preserve if freedom itself is to be preserved.

There always have been those among us who chose violence or intimidation to get what they wanted. Their existence is not new. What is new is their numbers, and the extent of the passive acquiescence, or even fawning approval, that in some fashionable circles has become the mark of being "with it."

Commenting on the bombing three weeks ago at the University of Wisconsin, the Wisconsin State Journal recently said:

". . . it isn't just the radicals who set the bomb in a lighted, occupied building who are guilty. The blood is on the hands of anyone who has encouraged them, anyone who has talked recklessly of 'revolution,' anyone who has chided with mild disparagement the violence of extremists while hinting that the cause is right all the same."

And I would add that what corrodes a society even more deeply than violence itself is the acceptance of violence, the condoning of terror, the excusing of inhuman acts in a misguided effort to accommodate the community's standards to those of the violent few.

For when this happens, the community sacrifices more than its calm, and more even than its safety. It loses its integrity and corrupts its soul.

Nowhere should the rule of reason be more respected, or more jealously guarded, than in the halls of our great universities.

Yet, as we know, at some of our great universities small bands of destructionists have been allowed to impose their own rule of arbitrary force.

Because of this, we face the greatest crisis in the history of American education today.

In times past we have faced shortages of classrooms, shortages of teachers, shortages that could always be made up by appropriations of money.

These material shortages are nothing compared to the crisis of the spirit which rocks hundreds of campuses across the country today. And because of this, to put it bluntly, today higher education in America risks losing that essential support it has had since the beginning of this country—the support of the American people.

America has been rightly proud in the past of its enormous strides in higher education. The number of students in college today has doubled in the past decade. But at a time when the quantity of education is going dramatically up its quality is massively threatened by assaults which terrorize faculty, students and university and college administrators alike.

It is time for responsible university and college administrators, faculty and student leaders to stand up and be counted. Only they can save higher education in America. It cannot be saved by government. To attempt to blame government for all the woes of the universities is to seek an excuse, not a reason, for their troubles. If the war were ended today, if the environment were cleaned up tomorrow morning and all the other problems for which government has the responsibility were solved tomorrow afternoon—the moral and spiritual crisis in the universities would still exist.

The destructive activists at our colleges and universities are a small minority. But their voices have been allowed to drown out the responsible majority. (That may be true at some places, but not here at Kansas State). As a result, there is a growing, dangerous attitude among millions of people that all youth are like those few who appear night after night on the television screen shouting obscenities, making threats or engaging in destructive and illegal acts.

One of the greatest disservices the disrupters have done, in fact, is precisely this: to reflect unfairly on those millions of students who *do* go to college for an education, who do study, who do respect the rules and who go on to make constructive contributions to peaceful change and progress in this country.

I would not for one moment call for a dull, passive conformity on the part of our university and college students, or for an acceptance of the world as it is. The great strength of this nation is that our young people, in generation after generation, give the nation new ideas, new directions, new energy. I do not call for a conformity in which the young simply ape the old or in which we freeze the faults that we have. We must be honest to find what is right and to change what is wrong. But at the same time we must take an uncompromising stand against those who reject the rules of civilized conduct and of respect for others—those who would destroy what is right in our society and whose actions would do nothing to right what is wrong.

Automatic conformity with the older generation is wrong. At the same time, it is just as wrong to fall into a slavish conformity with those who falsely claim to be the leaders of the new generation, out of fear that it would be unpopular—or considered square—not to follow their lead. It would be a tragedy for our young generation simply to parrot the policies of the past. It would be just as great a tragedy for the new generation to become simply parrots for the slogans of protest, uniformity chanting the same few phrases—often with the same four-letter words.

Let us take one example that deeply troubles many of our young people today: the war in Vietnam.

Many of the slogans simply say we should end the war.

We *are* ending the war. The great question is how we end it, and what kind of peace we achieve.

A "peace now" that led only to a bigger and more terrible war later would be peace at too great a price.

As we look back over the 20th Century, we see that not yet in this century has America been able to enjoy a full generation of peace.

The whole thrust, the whole purpose, of this Administration's foreign policy—whether in Vietnam or the Middle East, or in Europe, or in relations with the developing countries or the Communist powers—is to meet our responsibilities in such a way that at last we *can* have what we have not had in this century: a full generation of peace.

That is why, in Vietnam, we are carrying out a plan that will end the war, and that will do it in a way that contributes to a just and a lasting peace in Vietnam and in the world.

There are those who say that this is the worst of times to be alive. What self-pitying nonsense that is.

But we in America have a great deal to be proud of—and a great deal to be hopeful about.

If we open our eyes, if we look at all that for the first time in the whole history of man is becoming possible here in America, what do we see?

We see a natural environment that has been damaged by the careless misuses of technology, true; but we also see that the same technology gives us the ability to clean up that environment and restore the clean water, the clean air, the open spaces, that are our rightful heritage.

We see a nation now rich enough so that everyone willing and able to work can earn a decent living, and so that we can care for those who are not able to do so.

We see a nation that now has the capacity to make enormous strides in these years just ahead in health care, in education, in the creative use of our increasing leisure time.

We see a nation poised to progress more in the next five years, in a material sense, than it did in fifty only a short time ago.

We see that because our wealth, because of our freedom, because of our "system," we can go on to develop those great qualities of the spirit that only decades ago were still buried by the weight of drudgery—and that we can do this not just for an elite, not just for the few, but for the many.

The question is: How shall we use our great opportunity?

Shall we toss it away in mindless disruption and terror? Shall we let it wither away in despair? Or shall we so prepare ourselves and so conduct ourselves, that this will be looked back upon as the beginning of the brightest chapter ever in the unfolding of the American dream?

Making its promise real requires an atmosphere of reason, of tolerance, of common courtesy—with that basic regard for the rights and feelings of others that is the mark of a civilized society.

It requires that the members of the academic community rise firmly in defense of the free pursuit of truth—that they defend it as zealously today against threats from within as they have at other times against threats from without.

It requires that the idealism of the young—and indeed, the idealism of all ages—be focused on what can be done within the framework of a free society, recognizing that its structure of rights and responsibilities is complex and fragile and as precious as freedom itself.

The true idealist pursues what his heart says is right in a way that his head says will work. But the final test of his idealism lies in the respect he shows for the rights of others.

Despite all the difficulties, all the divisions, all the troubles that we have had, we can look to the future with pride and with confidence.

As I speak here today on the campus of this great university, I recall one of the great sons of Kansas, Dwight David Eisenhower. And I recall the eloquent address he delivered in London's historic Guildhall in 1945, at a ceremony in his honor after he had led the allied forces to victory in Europe.

On that day, to the huge assemblage that had gathered in his honor, made up of the officialdom of all Britain, he said: "I come from the heart of America."

Now, 25 years later, as I speak in the heart of America, I can truly say to you here today

that you are the heart of America—and the heart of America is strong. It is sound. It is good. It will give us—you will give us—the sound and responsible leadership that the great promise of America calls for—and in doing so you will give my generation what it most fervently hopes for: the knowledge that your generation will see that promise fulfilled.

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

Mr. PEARSON. I yield.

Mr. SCOTT. I thank the distinguished Senator from Kansas.

Mr. President, I have two or three observations.

First, I was very pleased to be asked by my great and good friend, the former Governor of Kansas, Alf Landon, to support the request—which was successful—of the two Senators from Kansas in inviting the President to speak at Kansas State University. Alf Landon is one of the great Americans for whom I have the warmest kind of regard. Here is a man who, at 83, alertly follows all the developments at home and abroad, whose observations are frequently bold and frequently stirring in their imaginativeness, a man who has the most progressive kind of approach to America's problems. So it was for me an act of friendship to say that I would indeed join in the request of the two Senators from Kansas that the President deliver the Landon lecture.

Second, I was delighted with the reception. Americans could see it on television. It was evident that the President was speaking with candor, with friendliness toward youth and toward the whole educative process; that he was tolerant of dissent as, unfortunately, a handful of dissenters were not tolerant of him. He was, of course, helped, I would say, with the student body and with the American people by the utter shameless nastiness of a handful of obscene biological sports who were exhibiting for the world to see what the violent type of dissenter is like. This little group of nasties simply served to highlight the fact that the President was speaking with reason, with judgment, with compassion, and with understanding of the problems which so frustrate and so concern and so arouse the student bodies in America.

Several Senators were watching the news event in late afternoon, and we joined in a common prediction that the first network commentator to appear would of course say that the President had chosen a friendly university in the heartland of America and that he was speaking there because he chose this, but they would have an implication that he would not dare speak anywhere else.

I regret to say that NBC's commentator promptly said exactly that, 5 minutes after we had predicted that he would say it. It simply indicates either that we are good prophets or that we know exactly what to expect from some people.

Now that was an unfair comment. It was deliberate. It was made with intent to be biased. Every time I get a letter from some of the networks about the fact that they are free of bias, I often wonder whom they are fooling.

I should like to make it clear that they are not fooling me.

I wrote a book once in which I stated, "Never quarrel with the news media or the clergy, because the media will get back at you in their next column or in their next broadcast, and the clergy always have a higher court of appeal than you do."

Of course, like any other person in politics, I violate my own precepts occasionally; nevertheless, I have got to say it, because I am simply fed up with this kind of broadcast reporting. The press did not do it. The newspapers did not do it. They reported the speech perfectly fairly and perfectly objectively. Even newspapers that had been criticized by the people of my party reported it objectively and fairly.

It is time the networks pulled up their socks and realized how many people in this country they are making angry by these assertions of calculated bias.

I have a third observation to make, Mr. President, and that is that I am perfectly certain the President of the United States delivered a temperate, considered, logical, and understanding address. The President would be equally welcome at Penn State, the University of Pennsylvania, and the University of Pittsburgh. The implication that the President of the United States must be frightened off by a little handful of contemptibles is, to my mind, something which should be rejected right here on the floor of the Senate. It should also be rejected by the American people.

It was an historic speech. It was a turning point. As the two Senators from Kansas say, we have every right to be proud that the President of the United States addressed himself to the problems of youth with such grace and with such distinction.

I thank both Senators from Kansas for having brought this matter to the attention of the Senate.

Mr. PEARSON. Mr. President, I now yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I am very happy that the President of the United States went to one of the major universities of the Midwest, one of the truly good universities in the Nation, and there was treated, on the whole, with respect, consideration, and understanding.

I have heard reference to the appellation given to Kansas State as a "friendly" university.

Several years ago, I gave one of the Landon lectures, a series endowed in the name of the former Governor of Kansas, Alf Landon, the Republican presidential candidate in 1936, a man of wisdom and understanding.

I want to assure my colleagues that, at that time, Kansas State was having its share of difficulties. It was only, in my opinion, through the administration of a great man, Jim McCain, the president of that university, that the situation was kept in hand and under control.

I can speak of Jim McCain with a great deal of personal knowledge because he is a close personal friend of mine. When he left the Navy at the end of the Second World War, his first job was to assume the presidency of the University of Montana in Missoula. I was on the faculty with Jim McCain. I have been on the faculty of the university there for the past 28 years. Of course, I do not get paid for it. But they carry my name and I sign a contract every year. So I came to know Jim McCain very well and through him I had the opportunity to see some of the problems which confronted him at Kansas State, how he was handling them, and how he was facing up to them and solving them.

So I could not emphasize the words "friendly university" too much. In fact, in my opinion, practically all the universities in this country could be so classified so far as the great majority of their student bodies are concerned.

As I said earlier today, I am very much disturbed at some of the trends in this country. I am disturbed that some of the old virtues seem to be on the way out, such as the virtue of stability, the virtue of respectability, the virtue of listening to the other fellow—who knows, he may be right. To put it simply, there is a need to bring about a better understanding of one with another.

I am also disturbed at the attitude of a great many people, both on and off campus, toward the police forces and the lawmen in general of this country. The most inoffensive of the words used is "pig" so far as a policeman is concerned, and the most offensive, of course, are the coarsest words in the English language.

I am delighted that the President of the United States went to Kansas State University. I hope that he finds it possible to go to other universities. I would expect that, as a guest of any university, and as the President of the United States, he would be treated with respect and that he would be listened to. We might disagree with him, but, after all, if we are going to have a democracy, if we are going to have a system which is based not on one person or on one group's idea of what is right or what is wrong, we must listen to reasonable discussion and reasonable debate, to the end that out of it can come a more solidified citizenry, a more unified country, and a decrease—a decided decrease—in the divisiveness and the polarization which is becoming, and has been for some time now, so apparent in different parts of the country.

So, to the President of the United States goes my congratulations for doing a fine job at Kansas State University; and to Governor Landon goes my congratulations for making it possible for the President to appear under the auspices of the series which he founded; and to Jim McCain I offer my congratulations for doing an outstanding job as president of Kansas State; and to the student body, 99 percent of whom reacted with respect, understanding, and a proper recognition of what the office of the presidency of the United States means in this democracy, I offer my congratulations as well.

Mr. PEARSON. The majority leader is precisely correct and I thank him for his comments.

Mr. President, I now yield to the Senator from Ohio.

Mr. SAXBE. Mr. President, I read with interest the speech delivered by the President at Kansas State University on yesterday. I also watched it on television and observed the bad manners and the instability of a few of those present.

I associate myself with the remarks of the distinguished majority leader, and certainly with those of the two Senators from Kansas, and our minority leader the Senator from Pennsylvania (Mr. SCOTT).

There was one area in which I was particularly interested, this was the part concerning the internal organization of universities in controlling the violence that appears to be growing on campuses.

Perhaps I am overly sensitive to this because we in Ohio have had more of our share of unpleasantness in regard to student disorders.

The President stated in his speech that outside forces cannot make peace on a campus, that it was necessary the students themselves, through their student organizations and student governments, cooperate with the administration of their university, and with their local law enforcement officials.

This indicates a new approach to university management. As many of us can recall, from our college days, a student government was something that was around the fringes of the operation of a campus, but never really entered into it.

Today, there is new recognition, by the 18-year-old vote and other means, that we recognize our young people are capable of voting and making their own decisions. I believe that we must put upon them the burden of maintaining order on the campuses such as at Kansas State and those in Ohio. Doing so by self-government, self-control, by good manners, and by policing themselves. No outside force is capable of doing it.

I have said many times that the National Guard is the poorest possible agency to try to maintain order in a campus.

Outside police forces are also a poor agency with which to control disorders on a campus. Disorders must be controlled. But the university is not a proper battleground between the dissidents and the establishment, as it is called.

I firmly believe that the President did make a real contribution yesterday when he spoke of the necessity of pulling the student elements together so that the campuses can be orderly and peaceful institutions while, at the same time, the individuals must behave themselves with the maturity that is necessary for self-government.

I think that it is time for the universities to recognize that the old loco parentis approach that has so long been the preoccupation of university administrations is on the way out and that administrators can no longer dictate to the students when they eat, where they eat, where they live, who their companions will be and otherwise lay down strict conditions of personal behavior.

The loco parentis concept is one of the first casualties—and perhaps it should be—of this present unrest. They will have to cooperate one with the other, with the university and its administration in getting to the very seat of the disorders. If it is necessary that the National Guard and the outside police forces are the only means to maintain order there is something radically wrong. We should question whether that university should stay open.

If we presume that these students are mature but by their actions they indicate they do not want to go to school or are indifferent, then nothing is going to force them to go to school or keep the school open. If they do not want to maintain the institutions, nothing from the outside will force them to do so.

I think that the President has laid it right on the line. I think that the President exemplified the inaugural motto, "Bring us together," in this effort he made yesterday at Kansas State University. The great majority of the students there yesterday indicated by their attendance and good manners that they can and will govern themselves and protect their university.

The PRESIDING OFFICER. The time of the Senator under the previous order has expired.

Mr. PEARSON. Mr. President, I ask unanimous consent that the time be extended for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, at this time I would be pleased to yield to the distinguished Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. Mr. President, I appreciate the Senator's yielding to me.

It has been my privilege to be in the Chair for the last hour. I have had an opportunity to listen to the many sound comments made by my colleagues. I join in their expressions. Free and useful discussion of public issues requires a time for speaking and a time for listening. And have never understood why shouting was debate or obscenity was rebuttal.

I hope that all of us would understand the value of the sage comments of our majority leader to the effect that we ought to listen because, who knows, the other fellow indeed may be right. But in any event, the only way to discover the truth is by permitting the opinions of others to be voiced. Identifying the course which is in our best long-term national interest often is not easy. Absent the orderly conduct of debate we make impossible the development of sound public policy.

I do salute Kansas State and all those who were involved on yesterday.

Mr. PEARSON. Mr. President, I thank the distinguished Senator from Michigan. I yield now to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. Mr. President, I join with Senators on both sides of the aisle in paying tribute to the leadership that the President of the United States displayed in Kansas yesterday when he spoke on the Kansas State University campus.

I wish also to pay my respects to the wisdom and the considered good judgment of the students and other persons in attendance. I understand that 15,000 were present when the President delivered the annual Alfred M. Landon address.

Another Senator earlier today spoke about reason and responsibility as epitomizing two of the characteristics we should hope for in the individuals who are to be found on the university campuses. To those characteristics would add the obvious one: learning.

It certainly goes without saying that unless we are willing to stop, to remain quiet, and to listen while someone else speaks, we are not going to harm him who speaks so much as we will deprive ourselves of the opportunity to learn.

After having served on a university board of trustees for some 17 years, I have great confidence and strong belief that an overwhelming majority of all students on the college campuses throughout the United States shares the nearly unanimous sentiment exhibited by the people on the State University campus in Kansas yesterday.

I was told a rather interesting story about something that happened while the President was speaking. One of the hecklers—and only a few were on the campus—kept trying to interrupt the President by shouting. After this had gone on for some time, the vociferous and obnoxious heckler was poked in the back by someone immediately behind him.

This greatly surprised the heckler. He turned around and said, "What are you trying to do?" The fellow behind him happened to be a member of one of the athletic squads at Kansas State University. He said, "I wish you would shut up."

The heckler said, "Well, I have just as much right to speak as does the President of the United States."

The person behind the heckler said, "I don't deny you the right to speak, and I do not challenge your statement that you may have as much right to speak as does the President. But I have a right to listen. You are interfering with my right to listen, and I don't like it. If you don't like that, let's step outside and I will tell you in a little more positive manner exactly what my feelings are."

Perhaps there is not any great moral to the story. But I would hope that it might call attention to the fact that the right to listen, to learn, is being abridged by hecklers and shouters. The right to an education is denied students when universities are shut down or closed.

Mr. DOLE. Mr. President, will the Senator yield at that point?

Mr. HANSEN. I yield.

Mr. DOLE. Mr. President, there is a moral. The fellow decided that he would listen, too.

Mr. HANSEN. Mr. President, I thank the Senator from Kansas. I should add parenthetically that the Senator was some distance removed from this incident and played no part in it.

Mr. President, I do want to say that

for a long time large number of students attending a great many of universities have been denied their right to listen. As a matter of fact, suits have been filed against universities and university administrations.

One of the important and prominent colleges in southern California is now being sued by students who have contended—I think with validity—that they are being denied their right to learn. I cannot help recalling in this context the words of the late Chief Justice Oliver Wendell Holmes, who said:

> The most stringent protection of free speech would not protect a man in falsely shouting fire in a theater and causing a panic.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HANSEN. Mr. President, I ask unanimous consent that the time of the distinguished Senator from Kansas may be extended for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, the significance of the statement of the Chief Justice is applicable on campuses today because obviously any person who wants to go onto a campus and exercise his right to freedom of speech, it seems to me, should be prevented from going onto a campus and saying, "Let's burn and destroy." Maybe that infringes upon the basic and fundamental right of freedom of speech. I do not know; I am not a lawyer. But as far as I am concerned, the right to freedom of speech should not be extended in that way.

I think I am only typical and only average when I express and proclaim my belief that policemen, those persons in many walks of life who are charged with protecting the freedom of the people of this country, are our friends. I do not look upon a "cop," a sheriff, a police officer, or anyone else who is a law enforcement official, as anything but a friend of society. By standing between the law abiding and the violent, they protect our rights. I am pretty weary with those who would seek to spread the image that the police and others engaged in law enforcement are not always friends of society.

I think that was apparent, although it was not spoken of, as reflected in the sentiments of those on the campus of Kansas State University yesterday. We all know that a great many things are wrong with our society. We all know that there is discrimination, deprivation of opportunity, and inequality that must and will be corrected; but I say, along with the President of the United States, that we have a way under the uniqueness of our system to bring about, in a peaceful manner, those changes which can and surely will make life better for everyone.

There is no excuse at all for violence in this country. If we have violence and if it should grow and flourish unstopped, the chances of righting the wrongs we know exist would be minimized and, indeed, could be snuffed out.

I hope we will all join with the President in the overwhelming sentiment that inspired all of us yesterday, reflected in the attitudes, actions, attentiveness, and spontaneous applause of the 15,000 students and townspeople on the campus of Kansas State University, as being useful guides in the life of each of us as we get on with the task of improving and perfecting life in America. If we will follow the guidelines set by the President, I think this cause will be advanced.

Mr. PEARSON. I thank my distinguished colleague.

Mr. President, I yield to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I thank both of my distinguished colleagues for raising this issue this morning.

I had the pleasure of greeting the President at Chicago's O'Hare Airport yesterday when he arrived from Kansas, and my colleague from Illinois, RALPH SMITH, and I rode with Mrs. Nixon and the President, together with Donald Rumsfield, director of the Office of Economic Opportunity in the helicopter from O'Hare to Meigs Field. I am happy to report he was very pleased with the warm reception given him at Kansas and the great pleasure he had with being with a distinguished American, Alf Landon. He seemed not at all bothered by the few hecklers that tried to interfere with his speech.

This past Monday, after spending a week drafting and redrafting a letter that has probably taken me longer to write than any letter I have ever written before, I sent this open letter to college and university students, faculty and administrators in Illinois. I will not read the entire letter because I feel that would not be necessary, but I wish to quote just a few separate sections as it relates to the 80 college and university campuses of Illinois because it also relates very much to the experience the President had at Kansas and the Vice President had in Michigan.

I said in part:

> Without debating the merits of the prevailing attitudes, let me concisely and candidly summarize them. In my view, both the general public and public officials are, in words I have heard a thousand times, "fed-up." Their patience is exhausted. The majority wants order restored to our campuses, by whatever means, and it is no longer interested in what it considers to be esoteric debates over "responsiveness," or "relevance" or "social consciousness."
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> On many campuses today, tolerance and irrationality have grown to alarming proportions. Hisses and obscene chants bury the words of a speaker representing a different point of view. Meaningless slogans camouflage an absence of independent thought. Non-negotiable demands destroy any effort at negotiation. Civility is a lost art. Acts of terrorism—bombings, snipings, burnings—are regarded as acceptable expressions of free speech.

For some of these radicals to use their reprehensible tactics as a form of free speech certainly perverts entirely what was intended by the draftees of our Constitution. I feel we have grave consequences ahead if this minority element in society continues these tactics and if the vast overwhelming majority remains silent, acquiesces, and permits the radicals to take over, whether they are radicals on the left or radicals on the right.

I have tried to speak in this regard to college and university students on Illinois campuses, and on how change can be brought about and how it is being brought about in the great democratic Republic under which we work. Our system has flaws, as has been pointed out in debate in the Senate this morning. But certainly the framework of the Constitution is broad enough and has sufficient latitude so that due process can bring about responsiveness and change.

These radicals do a great disservice to the country and the change they presume to want to bring about, when they engage in tactics which bring such discredit to them.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PEARSON. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes so that I may yield to the Senator from Oregon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PEARSON. Mr. President, I thank my distinguished colleague for his valuable contribution. At the proper time I hope he will insert in the RECORD the letter to which he has referred.

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

Mr. PEARSON. I yield.

Mr. HATFIELD. Mr. President, I am grateful to the Senators from Kansas, both senior and junior, for having brought this subject to the floor of the Senate today about the President's appearance on the campus of Kansas State University yesterday.

I am very pleased to note that the President has gone to the campus of the Kansas State University, and I hope there will be future occasions when he will see fit to express some of these views on other campuses, as well.

I would like to ask a question which I think bears on this subject and perhaps clarify a little bit what we come to call a group of people who are dissidents or a group of young people who represent dissident viewpoints under the title of students.

Does the Senator know whether for certain those who were hecklers on the campus yesterday were actually registered students? Were they actually a part of the community of the campus? Were they legitimate members of the student body? I can recall when I was Governor and we had a riot in one of our seacoast cities, one of our resort cities, and the newspapers kept referring to the "students" who were there and rioting.

Actually, when the police made the arrests and we had a careful survey made, we found that a very small minority of the group that had been arrested were actually students. They were trouble makers, or whatever we call radicals—revolutionaries—but they were not actually students. And yet the onus was upon all students because of the actions of the few.

I would be interested in knowing whether the hecklers were identified as students at Kansas State University.

Mr. PEARSON. Let me respond in this manner and with some lack of preciseness: I know that those who used tactics described as heckling were students at Kansas State University. I want to expand that statement immediately by repeating how few there were—25 to 50, out of about 15,000 students.

The reason why I responded in that fashion is that the Alf M. Landon lectures are for the students at the University. It was a requirement that those admitted into the hall yesterday show student identification cards. The reason for this was not to exclude some, which might make it awkward at some time, but to reassure that this university function be for the students.

Parenthetically, the other evidence I have that they were students is from my own son, a student at Kansas State University. I might add that he was not one of the hecklers.

Mr. HATFIELD. I was going to ask that question.

Mr. PEARSON. I asked my son, "Who were those people?" He chuckled and said, "Well, we know who they are. They are students here at the university, but no one pays much attention to them."

I will say to the Senator from Oregon, who has had so much experience on campuses and universities, I think that is a further indication that the confrontation is going to become one between the students themselves.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HATFIELD. Mr. President, I ask unanimous consent that I may have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I just want to thank the Senator from Kansas for that point, because here again I think, without condoning or other than really outright condemning that kind of action—I have no time for that; for me that is the most illiberal, illogical, irrational kind of action that any kind of person involved in an academic institution can take, and I decry that type of action—I do appreciate the emphasis by both Senators from Kansas of the fact that it was a minority, a small handful. I think people as a whole will realize that the overwhelming majority of students are responsible students and concerned citizens of this country. In fact, they have much to say to us.

I am hopeful that out of this will come a new understanding. I believe the junior Senator from Kansas said it might become the beginning of a new era of communication between the campus and the rest of the community.

I hope that can come out of a demonstration showing how the President of the United States went to a campus and was heard by about 15,000 and was discourteously treated by only a handful.

I might say that discourtesy is not a monopoly just of young people, because in the last four years I have appeared on about 200 campuses. Fortunately I have not been heckled. But I can say that the times when I have been heckled has been by adult audiences, and not by students.

I would not want even this colloquy to pass without the point being made that bad manners and discourtesy certainly are not the exclusive monopoly of students or young people. It should be condemned and it should be criticized at any point where it happens in our society, because to me it is a sign of immaturity and insecurity in one's own point of view when he has to resort to discourtesy to his fellow man.

I thank the Senators from Kansas for the interest they have shown in this matter. I think the University of Kansas State is no different in this respect than other universities around the country. This is not an isolated condition. I think it is something that can be repeated many times when the President goes to other universities.

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

Mr. PEARSON. Mr. President, I yield the floor.

Mr. DOLE. There has been a very significant coverage of the event and, I think on the whole, a very fair coverage.

As has been pointed out, this occasion was to pay tribute to Alf Landon on his 83d birthday. The only campus with an Alf M. Landon series is the University of Kansas State. It just happens that the Alf M. Landon series has been conducted at the University of Kansas State now for years. Some of the distinguished gentlemen who have lectured at it previously have been the late President John F. Kennedy, General Westmoreland, our majority leader, Senator MANSFIELD, and many other distinguished Americans who have contributed to these outstanding lecture series.

Let me indicate again that, as far as I am concerned, the high point was the tremendous positive response of the student body. There were 15,500 students there from all across the Nation and many foreign nations, who demonstrated again that they are willing to listen to a voice of reason and a voice of responsibility. To me that was demonstrated loud and clear, not just for Kansans, but for college students and parents who are concerned all across America.

Mr. GURNEY. Mr. President, President Nixon in his speech at Kansas State University said many things that have needed to be said.

The response of the students was clear evidence that there is general agreement among them that the President hit the nail on the head with each of his remarks.

Among his most significant statements was his charge to responsible administrators, faculty, and student leaders to stand up and be counted.

The President said, and I quote:

> Only they can save higher education in America. It cannot be saved by government. To attempt to blame government for the woes of the universities is to seek an excuse, not a reason, for their troubles. If the war were ended today, if the environment were cleaned up tomorrow morning and all the other problems for which government has the responsibility were solved tomorrow afternoon—the moral and spiritual crisis in the universities would still exist.

Mr. President, how true are the words of the President.

The time has come to quit seeking to excuse those who disrupt, those who riot and pillage and burn and destroy, those who deliberately violate the laws, those who seek to use the campuses as staging grounds for revolution—and those who let them and excuse them.

The President made it clear; it is time to root out the causes of campus disruption. It is time for those who administer higher education and those who truly seek a higher education to stand up and be counted.

Mr. HRUSKA. Mr. President, from time to time, it becomes necessary for those in positions of leadership to repeat publicly some of the eternal verities because, unfortunately, no matter how great the truth, man has an innate capacity for overlooking it from time to time.

Thus, it was well yesterday that President Nixon, in his speech at Kansas State University, reminded the students there—and the Nation—of things that might seem pretty obvious to most of us, yet have certainly been ignored by some of us.

For example, the President said, and I quote:

> We can maintain a free society only if we recognize that in a free society no one can win all the time; no one can have his own way all the time, and no one is right all the time.

Or, again:

> We cannot stand successfully for the rule of law abroad unless we respect the rule of law at home. A nation that condones blackmail and terror at home can hardly stand as the example in putting an end to international piracies or tensions that could explode into war.

Or, again:

> In a system that provides the means for peaceful change, no cause justifies violence in the name of change.

Mr. President, these are, indeed, words for all Americans to remember. For they express truths that no American should ever have forgotten.

Mr. BAKER. Mr. President, the significance of the President's visit to Kansas State University yesterday goes far beyond the important things he said there.

The reception given the President at this large university indicates a new mood among America's youth, a willingness to listen, a willingness to give the other man his right to be heard.

The heckling of a small band of malcontents only served to emphasize the attitudes of the more than 15,000 persons in the audience.

Mr. President, it is clear that the President has turned the mood of our country around.

When President Nixon took office, the President of the United States dared not appear on a major college campus. Indeed, the President hardly dared to appear at any public gathering of any size.

The feel of violence and danger was in the air in those days.

Today, despite the bombers and the burners, the Nation as a whole is calmer and the voice of reason can again be heard.

Mr. President, I believe much of the change can be attributed to a President who has kept his word and his commitments, who has led by actions and low-key explanations instead of by inflamed rhetoric.

Mr. President, the people of America can see peace coming abroad. They see real efforts to curb inflation, to reduce crime at home. They see a President working for the entire Nation, not pitting faction against faction or race against race, a President who seeks not to divide but to unify—and they are responding.

Mr. President, the President's appearance at Kansas State yesterday, I believe, was but the start. I believe that more and more Government leaders are going to be welcome on the campus in the months ahead and that students will want to listen to them and learn from them.

I believe that President Nixon by word and example is bringing internal peace and order back to America.

And for that we can all be grateful.

## A CONCERNED PRESIDENT

Mr. DOLE. Mr. President, there was another occurrence yesterday in Kansas, besides the President's magnificent speech at Kansas State University's Alfred M. Landon lecture.

It also involved the President.

After landing in Topeka, the President met briefly with Mrs. Ronald Mastin of Overland Park, the wife of a prisoner of war of the North Vietnamese. She has not seen her husband for 3 years.

Mrs. Mastin spoke to the President on behalf of the wives and mothers of all American POW's and MIA's.

The President assured Mrs. Mastin that everything possible is being done to obtain the release of prisoners of war and information on those who are listed as missing in action in Southeast Asia.

It was a generous and a thoughtful gesture from a truly concerned President.

As one who has spent much time talking and working with the wives and mothers of our POW's and MIA's, I know how much the President's concern means to them.

On their behalf, I wish to express a deep appreciation for his efforts and for considerateness in meeting yesterday with Mrs. Mastin.

## AMERICAN PRISONERS OF WAR IN NORTH VIETNAM—A DECLARATION OF CONDEMNATION

Mr. GURNEY. Mr. President, at the present time there are at least 37 American servicemen from Florida in North Vietnamese prisons, as well as countless other Americans. They are suffering untold torture and inhumanity daily. I deplore this humiliation of our men, the suffering of their families, and the anguish to our country.

It has been brought to my attention that the Orlando Sentinel recently published a declaration condemning the North Vietnamese for their inhumane actions. To date this declaration has been endorsed by over 3,000 concerned Floridians. I ask unanimous consent that the declaration be reprinted in today's RECORD.

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

A DECLARATION

We, aroused citizens of the United States of America, condemn the leaders of North Vietnam, President Ton Duc Thang, Premier Pham Van Dong, and their military staff:

1. For inhumane treatment of our American young men who are prisoners of war in North Vietnam, and for failure to observe the Geneva Convention agreements on these matters with special reference to immediate repatriation of the sick and wounded.

2. For lack of human dignity and compassion, and for failure to reveal complete information to the families of the men held captive as specified in the agreements.

3. For directing the invasion of South Vietnam, Cambodia, and Laos by the military forces of North Vietnam, which is common knowledge, in violation of the International Accords established in Geneva for peace in Indochina.

4. For failure to direct their envoys to conduct meaningful negotiations at the Paris Peace Conference for the exchange of prisoners of war and for the restoration of peace and goodwill in all Vietnam, North and South.

## ENDING THE WAR IN VIETNAM

Mr. GURNEY. Mr. President, the long and protracted debate in this Chamber on the Vietnam war has ended. Too often, Mr. President, I believe the real message of this debate was lost in rhetoric.

Mr. Roscoe Drummond, writing in the September 15, 1970, issue of the Christian Science Monitor, has aptly illuminated this message:

The issue at stake in the U.S. was never whether to continue the war; it was how best to discontinue the war.

Mr. Drummond also captures the most important fact emerging from the debate—to wit that a vast majority of Congressmen and Americans are in support of President Nixon's policies aimed at ending this conflict:

These congressional decisions add up to a wide-ranging vote of confidence in the way the President is pursuing two of the nation's most urgent goals: end war in Indo-China and avert war in the Middle East.

But because in defeating Hatfield-McGovern the administration "won the ball game" this doesn't mean that the peace forces in the U.S. lost the ball game. The issue at stake in the U.S. was never whether to continue the war; it was how best to discontinue the war.

The majority of the American people, the majority in Congress, and the President, are now on the same side.

Mr. President, I think Mr. Drummond's words are worthy of everybody's attention. I, therefore, ask unanimous consent that his article be reprinted in the CONGRESSIONAL RECORD.

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

ENDING THE WAR IN VIETNAM

(By Roscoe Drummond)

WASHINGTON.—The long, worrisome, wasteful Senate debate on how to end the war in Vietnam has run its course and the end result is a source of strength to President Nixon.

A persistent critic of the President's Vietnam policies, the New York Times, candidly reports that "in defeating the Hatfield-McGovern measure (to remove all U.S. troops by next year) the administration won the ball game that counted most."

But it is far more than either a political or a personal victory for Richard Nixon. The defeat of Hatfield-McGovern means:

That the President has won the battle on the home front. Hanoi fervently hoped it would go the other way, making the American people so divided that the U.S. would have to quit Vietnam in confusion.

The vote in the Senate demonstrates that a substantial majority in Congress, and in the country, support the Nixon pace of withdrawal as best calculated to end the war with a decent peace.

It gives the President the needed maneuverability to further strengthen the South Vietnamese forces before putting the whole brunt of the war in their hands.

It enhances the prospects of moving toward a negotiated settlement in Paris.

The New York Times notes that if the Hatfield-McGovern "amendment to end the war" had passed, it would have forced (Nixon) to tailor his policy to the Senate's wishes."

The fact that the amendment could only muster 39 votes shows that the wishes of the majority of the Senate and the wishes of the President for an orderly, prudent, steady withdrawal from Vietnam are the same.

On a wide range of foreign policy and defense issues the Senate voted so substantially in support of the administration as to leave little doubt that the country as a whole is similarly united. The politicians do not affront public opinion on the eve of a congressional election. Here's what has happened:

1. The Cooper-Church amendment was passed in the Senate but will fail in the House. It set out to cut back the President's powers as Commander in Chief, but was so watered down by its sponsors as to be meaningless.

2. The Senate voted not to create an all-volunteer military force right now. President Nixon favors it as do many congressmen but not until the Vietnam war is over.

3. The Senate rejected a proposal to permit draftees to decide whether they could be sent for combat duty in Vietnam.

4. It turned down all efforts to make any substantial cuts in the defense appropriation beyond the reductions already made by the administration. It passed it 84-to-5.

5. The Senate voted the necessary funds to carry forward the Nixon program for limited deployment of antiballistic missiles.

6. In defeating Hatfield-McGovern by a vote of 55-to-39, the Senate rejected the public timetable approach to withdrawal from Vietnam.

7. By 87-to-7 the Senate approved nearly unlimited military aid to Israel on favorable terms.

These congressional decisions add up to a wide-ranging vote of confidence in the way the President is pursuing two of the nation's most urgent goals: end war in Indo-China and avert war in the Middle East.

But because in defeating Hatfield-McGovern the administration "won the ball game"—this doesn't mean that the peace forces in the U.S. lost the ball game. The issue at stake in the U.S. was never whether to continue the war; it was how best to discontinue the war.

The majority of the American people, the majority in Congress and the President are now on the same side.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

REPORT ON OPERATION OF SECTION 501 OF THE SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1970

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on operation of section 501 of the Second Supplemental Appropriation Act, 1970 (with an accompanying report); to the Committee on Appropriations.

PROPOSED RETIREMENT FOR AIR TRAFFIC CONTROLLERS

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend title 5, United States Code, to provide for maximum entrance and retention ages, training, and early retirement for air traffic controllers, and for other purposes (with accompanying papers); to the Committee on Commerce.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"ASSEMBLY JOINT RESOLUTION No. 59—RELATIVE TO PRIVATE ENTERPRISE.

"Whereas, The government of the United States is increasingly engaging in business, professional, commercial, financial, and industrial enterprises in competition with the private sector of our economy; and

"Whereas, While the services and goods provided by many of such enterprises are necessary, the competition by the government with private enterprise in these endeavors threatens the basis of our economic system; now, therefore, be it

*"Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take steps wherever practical and feasible to remove the government of the United States from activities which are competitive with private enterprise and which private enterprise is capable of performing without governmental support; and be it further

*"Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"ASSEMBLY JOINT RESOLUTION No. 61—RELATIVE TO FOOD STAMPS

*"Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President, Congress, and the United States Secretary of Agriculture to change such laws and regulations as are necessary to require as a condition of eligibility for participation in the food stamp program, under the federal Food Stamp Act of 1964, that every employable member of an eligible household be currently registered with the public employment office in the state; and be it further

*"Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Agriculture, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

## ENROLLED BILL SIGNED

The PRESIDENT pro tempore announced that on today, September 17, 1970, he signed the enrolled bill (H.R. 11060) for the relief of Victor L. Ashley, which had previously been signed by the Speaker of the House of Representatives.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FONG, from the Committee on Post Office and Civil Service, without amendment:

S. 4269. A bill to provide for employment within the Environmental Protection Agency of commissioned officers of the Public Health Service, and for other purposes (Rept. No. 91–1190).

By Mr. FONG, from the Committee on Post Office and Civil Service, with amendments:

S. 2984. A bill to permit certain service performed as a temporary employee of the field service of the Post Office Department to be counted toward civil service retirement (Rept. No. 91–1191);

S. 3958. A bill to adjust the pay of employees of the Federal Government, and for other purposes (Rept. No. 91–1192); and

H.R. 14485. An act to amend sections 501 and 504 of title 18, United States Code, so as to strengthen the law relating to the counterfeiting of postage meter stamps or other improper uses of the metered mail system (Rept. No. 91–1193).

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, with amendments:

S. 4106. A bill to amend the Public Health Service Act in order to provide for the establishment of a National Health Service Corps (Rept. No. 91–1194).

By Mr. AIKEN, from the Committee on Agriculture and Forestry, without amendment:

S. 3942. A bill to provide for thorough health and sanitation inspection of all livestock products imported into the United States, and for other purposes (Rept. No. 91–1195).

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, without amendment:

H.R. 11953. An act to amend section 205 of the act of September 21, 1944 (58 Stat. 736), as amended (Rept. No. 91–1202).

By Mr. YOUNG of North Dakota, from the Committee on Agriculture and Forestry, without amendment:

H.R. 13543. An act to establish a program of research and promotion for U.S. wheat (Rept. No. 91–1203).

By Mr. HOLLAND, from the Committee on Agriculture and Forestry, with amendments:

H.R. 13978. An act to amend the Agricultural Adjustment Act of 1933, as amended, and reenacted and amended by the Agricultural Marketing Act of 1937, as amended, to authorize marketing research and promotion projects including paid advertising for almonds (Rept. No. 91–1204).

By Mr. BYRD of West Virginia (for Mr. MUSKIE), from the Committee on Public Works, without amendment:

S. 4358. A bill to amend the Clean Air Act, and for other purposes (Rept. No. 91–1196).

By Mr. HART, from the Committee on the Judiciary, without amendment:

S. 1008. A bill for the relief of Robert J. Ebbert and Design Products Corp., Troy, Mich. (Rept. No. 91–1197); and

S. 1779. A bill for the relief of Bogdan Bereznicki (Rept. No. 91–1198).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

S. 1074. A bill for the relief of Mr. and Mrs. Arvel Glinz (Rept. No. 91–1199); and

S. 2835. A bill for the relief of Albert G. Feller and Flora Feller (Rept. No. 91–1200).

By Mr. FONG, from the Committee on the Judiciary, without amendment:

S. 626. A bill for the relief of William Phillips (Rept. No. 91–1201).

## REPORT ENTITLED "CONSTITUTIONAL RIGHTS"—REPORT OF A COMMITTEE (S. REPT. NO. 91–1205)

Mr. ERVIN, from the Committee on the Judiciary, submitted a report entitled "Constitutional Rights," pursuant to Senate Resolution 43, as amended, 91st Congress, first session, which was ordered to be printed.

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. RANDOLPH, from the Committee on Public Works:

Stanley Womer, of Arizona, to be Federal Cochairman of the Four Corners Regional Commission; and

Chester M. Wiggin, Jr., of New Hampshire, to be Federal Cochairman of the New England Regional Commission.

By Mr. PASTORE, from the Joint Committee on Atomic Energy:

Glenn T. Seaborg, of California, to be the representative of the United States of America to the 14th session of the General Conference of the International Atomic Energy Agency; and

T. Keith Glennan, of Virginia, Clarence E. Larson, of Tennessee, Verne B. Lewis, of Maryland, and Dwight J. Porter, of Nebraska, to be alternate representatives of the United States of America to the 14th session of the General Conference of the International Atomic Energy Agency.

## BILLS INTRODUCED

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

By Mr. FONG:

S. 4354. A bill for the relief of Ruby Y. K. Kum; to the Committee on the Judiciary.

By Mr. DODD:

S. 4355. A bill for the relief of Spiridon Lytras, also known as Spiros Lutras; and

S. 4356. A bill for the relief of Ana Rubio-Majias de Masas; to the Committee on the Judiciary.

By Mr. GORE:

S. 4357. A bill to amend the Federal Aviation Act of 1958, to provide for regulation of adjustments of air fares to the nearest whole dollar; to the Committee on Commerce.

(The remarks of Mr. GORE when he introduced the bill appear below under the appropriate heading.)

By Mr. BYRD of West Virginia (for Mr. MUSKIE) (for himself, Mr. BAKER, Mr. BAYH, Mr. BOGGS, Mr. COOPER, Mr. DOLE, Mr. EAGLETON, Mr. GRAVEL, Mr. GURNEY, Mr. JORDAN of North Carolina, Mr. MONTOYA, Mr. PACKWOOD, Mr. RANDOLPH, Mr. SPONG, and Mr. YOUNG of Ohio):

S. 4358. A bill to amend the Clean Air Act, and for other purposes; to the Committee on Public Works.

(See reference to the bill when reported by Mr. BYRD of West Virginia (for Mr. MUSKIE), which appears under the headings "Reports of Committees.")

By Mr. EASTLAND:

S. 4359. A bill to amend chapter 84 of title 18 of the United States Code, relating to the

injuring or killing of police officers because of their official character, and for other purposes; to the Committee on the Judiciary.

By Mr. SCOTT:

S. 4360. A bill for the relief of Carmela Verrecchia; to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 4361. A bill for the relief of Stanley Varga; to the Committee on the Judiciary.

By Mr. PERCY:

S. 4362. A bill for the relief of Mrs. Cancey Louise Thurton; to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 4363. A bill for the relief of Vieiro Marques-Palmira dos Santos; and

S. 4364. A bill for the relief of Adela Escobar de Rosales; to the Committee on the Judiciary.

## S. 4357—INTRODUCTION OF A BILL RELATING TO REGULATION OF ADJUSTMENTS OF AIR FARES

Mr. GORE. Mr. President, another instance of the consumer being forced to pay unduly by private industry, with the connivance of a Federal agency, has come to my attention.

I refer to the hidden fare increase that the Civil Aeronautics Board has bestowed on the airlines under the guise of the Airport and Airways Revenue Act of 1970.

Under this act, Congress increased the airline ticket tax from 5 to 8 percent. The Finance Committee provided that this tax should be included in the total price of the airline ticket so that the passenger would be given a single total price that would include both his fare and the tax. The House conferees agreed with this recommendation by the Finance Committee and it was included in the law signed by the President.

Neither the Finance Committee nor the conference committee intended, however, by this proposal, which was intended as a protection for the consumer, to grant a hidden fare increase to the airlines. I believe it was generally assumed that the Civil Aeronautics Board would approve the tax as a part of the overall fare charged by the airlines.

Now, however, I am advised by the Civil Aeronautics Board that it has granted a $49 million bonanza to the airlines, using the Airport and Airways Revenue Act of 1970 as its excuse. This $49 million comes out of the pocket of all airline passengers.

For some years airline carriers have been permitted to state their fares, exclusive of tax, in whole dollar amounts. The Civil Aeronautics Board, therefore, concluded that under the new law the fare inclusive of tax should be rounded off to whole dollar amounts.

If one accepts the Civil Aeronautics Board's decision as sound—and it certainly is not an inevitable result—one would have thought that the rounding off would have been to the nearest whole dollar amount.

But the CAB in its zeal to protect the airlines and in total disregard of consumer rights has permitted the airlines to round off their fares inclusive of tax to the next higher dollar amount. Thus, if an airline ticket, inclusive of the 8 percent tax, comes to $79.01, the CAB rules permit the airlines to charge the passenger $80 for his ticket. This is based on the theorem, I suppose—"heads the airlines win, tails the passenger loses."

In a letter from the CAB, which I ask unanimous consent be inserted in the RECORD at the conclusion of my remarks, the CAB advises that this rule will produce additional revenues for the airlines of $49 million per year. This money comes out of the pocket of the consumer. If the fares had been made to the nearest whole dollar, the airlines would have received a $7 million windfall. The CAB has concluded that the $42 million difference "would not result in a significant impact upon the traveling public."

I find the position of the airlines and the CAB outrageous both in result and in the devious and underhanded method by which it was achieved. The consumer is entitled to protection and obviously the CAB cannot be relied upon to give it to him.

I am therefore introducing legislation today requiring that all airline fares, inclusive of the ticket tax, be required to be rounded off to the nearest whole dollar amount. If the CAB thinks that the airlines need $49 million more per year "in light of the industry's current marginal earnings position," then it can institute public hearings on a fare increase to achieve this result, and give the consuming public an opportunity to be heard.

I hope that the Senate will pass this corrective legislation quickly.

The PRESIDING OFFICER (Mr. HART). The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 4357) to amend the Federal Aviation Act of 1958, to provide for regulation of adjustments of air fares to the nearest whole dollar, introduced by Mr. GORE, was received, read twice by its title, and referred to the Committee on Commerce.

The letter presented by Mr. GORE is as follows:

CIVIL AERONAUTICS BOARD,
*Washington, D.C., August 26, 1970.*

Hon. ALBERT GORE,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR GORE: Thank you for your letter concerning the Board's action regarding the temporary rounding of fares taken on June 18.

As you know, this matter was occasioned by the Airport and Airway Revenue Act of 1970 which increased the Federal tax on tickets from 5 percent to 8 percent and required that the ticket price be stated inclusive of the tax. Previously, the fares and the tax were stated separately. The carriers have long stated their fares exclusive of tax in whole dollar amounts. Adding the new tax and stating the price on a tax-inclusive basis would generally produce fares in odd dollar-and-cents amounts unless these fares were rounded off.

The Board considered that the whole dollar policy was administratively efficient and convenient to the public and the carriers and should be continued. The basic question was whether the rounding off should be to the nearest whole dollar or the next higher whole dollar, as proposed by the carriers. Board staff estimates are that either method would produce an increase: $7 million in annual revenues under the nearest whole dollar method, $49 million under the next higher whole dollar method. The Board concluded to permit the upward rounding in light of the industry's current marginal earnings position, and in the belief that it would not result in a significant impact upon the traveling public.

I hope this information will clarify the basis for the Board's action on this matter.

Sincerely yours,

JOHN W. DREGGE,
*Director, Community and Congressional Relations.*

## ADDITIONAL COSPONSORS OF BILLS

S. 1025

At the request of the Senator from New York (Mr. JAVITS), the Senator from Michigan (Mr. HART) was added as a cosponsor of S. 1025, to amend section 837, title 18, of the United States Code, to prohibit certain acts involving the use of incendiary devices, and for other purposes.

S. 1812

At the request of the Senator from New Mexico (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 1812, to amend title XVIII of the Social Security Act so as to include chiropractic services among the benefits provided under subpart (B) of this title.

S. 3865

At the request of the Senator from Maryland (Mr. TYDINGS), the Senator from Michigan (Mr. HART) was added as a cosponsor of S. 3865, to amend the Internal Revenue Code of 1954 by imposing a tax on the transfer of explosives to persons who may lawfully possess them and to prohibit possession of explosives by certain persons.

S. 4268

At the request of the Senator from Illinois (Mr. PERCY), he was added as a cosponsor of S. 4268, to amend the Export-Import Bank Act of 1945, as amended, to allow for greater expansion of the export trade of the United States, to exclude bank deposit receipts and disbursements from the budget of the U.S. Government, and for other purposes.

## ADDITIONAL COSPONSOR OF A JOINT RESOLUTION

SENATE JOINT RESOLUTION 234

At the request of the Senator from New York (Mr. JAVITS), the Senator from Texas (Mr. TOWER) was added as a cosponsor of Senate Joint Resolution 234, to authorize and request the President to proclaim the period September 12, 1970, through September 20, 1970, as Myasthenia Gravis Week.

## ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 83

At a request of the Senator from Kentucky (Mr. COOK), the Senator from Illinois (Mr. SMITH) was added as a cosponsor of Senate Concurrent Resolution 83, to express the sense of Congress on international measures to discourage hijacking.

## SENATE RESOLUTION 464—RESOLUTION REPORTED RELATING TO APPEARANCE OF A SENATE EMPLOYEE AS A WITNESS

Mr. FONG (for Mr. McGEE), from the Committee on Post Office and Civil Service, reported the following original resolution (S. Res. 464); which was placed on the calendar:

S. RES. 464

Whereas in the case of the United States of America against Daniel B. Brewster, et al. (criminal action numbered 1872–69), pending in the United States District Court for the District of Columbia, a subpena ad testificandum and duces tecum was issued by such court addressed to David Minton, Staff Director and Counsel of the Committee on Post Office and Civil Service, United States Senate, directing him to appear as a witness before that court at 9:00 a.m. on November 9, 1970, and to bring with him certain minutes and records (including tabulations of votes) of executive sessions of that Committee pertaining to the postage rate sections of H.R. 7977, 90th Congress, 1st Session, such material being in the possession and under the control of the Senate of the United States: Now, therefore, be it

*Resolved*, That by the privileges of the Senate of the United States no evidence in the possession and under the control of the Senate of the United States can, by the mandate of process of ordinary courts of justice, be taken from such possession or control but by its permission; be it further

*Resolved*, That by the privilege of the Senate and by rule XXX thereof, no Member or Senate employee is authorized to produce Senate documents, papers, or evidence but by order of the Senate, and information secured by Senate staff employees pursuant to their official duties as employees of the Senate may not be revealed without the consent of the Senate; be it further

*Resolved*, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that testimony of an employee of the Senate is needful for use in any court of justice or before any judge or legal officer for the promotion of justice and that such testimony may involve documents, papers, or evidence related thereto under the control of or in the possession of the Senate, the Senate will take such order thereon as will promote the ends of justice consistently with the privileges and rights of the Senate; be it further

*Resolved*, That David Minton, Staff Director and Counsel of the Committee on Post Office and Civil Service, be authorized to appear at the time and place and before the court named in such subpena, but shall not take with him any papers, documents or evidence on file in his office, under his control, or in his possession as Staff Director and Counsel of the Committee on Post Office and Civil Service; be it further

*Resolved*, That when the court determines (1) that any of the documents, papers, or evidence called for in such subpena have become part of the official transcripts of public proceedings of the Senate by virtue of their inclusion in the official minutes and official transcripts of such proceedings for dissemination to the public upon order of the Senate or pursuant to the rules of the Senate, and (2) that such documents, papers, and evidence are material and relevant to the issues pending before the court, then the court, through any of its officers or agents, shall have full permission to attend with all proper parties to the proceeding, and then always at a place under the orders and control of the Senate, and there to take copies of such documents, papers, and evidence in the possession or control of the said David Minton, excepting any other documents, papers, and evidence (including but not limited to, minutes and transcripts of executive sessions and any evidence of witnesses in respect thereto) which the court or other proper official thereof shall desire as such matters are within the privileges of the Senate; be it further

*Resolved*, That, notwithstanding any other provision of this resolution, when the court finds that the voting records of the Committee on Post Office and Civil Service insofar as they reflect the votes cast on the postage rate sections of H.R. 7977, 90th Congress, 1st Session, by Daniel B. Brewster as a member of that Committee are material and relevant to the issues pending before the court, then the court, through any of its officers or agents, shall have full power to attend with all proper parties to the proceeding, and then always at a place under the orders and control of the Senate, and there to take copies of so much of such voting records as reflects the votes cast by Daniel B. Brewster, but no votes cast by any other member of that Committee; be it further

*Resolved*, That David Minton, Staff Director and Counsel of the Committee on Post Office and Civil Service, in response to such subpena may testify to any matter determined by the court to be material and relevant for the purposes of identification of any document, paper, or evidence if such document, paper, or evidence has previously been made available to the general public, or if its disclosure is authorized by this resolution, but the said David Minton shall respectfully decline to testify concerning any and all other matters that may be based on his knowledge acquired by him in his official capacity either by reason of documents, papers, or evidence appearing in the files of the Committee on Post Office and Civil Service or by virtue of conversations or communications with any person or persons and he shall respectfully decline to testify concerning any matters within the privilege of the attorney-client relationship existing between said David Minton and the said Committee or any of its members; and be it further

*Resolved*, That a copy of this resolution be transmitted to such court as a respectful answer to such subpena.

## SENATE RESOLUTION 465—RESOLUTION REPORTED RELATING TO ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND, from the Committee on the Judiciary, reported the following original resolution (S. Res. 465); which was referred to the Committee on Rules and Administration:

S. RES. 465

*Resolved*, That the Committee on the Judiciary is authorized to expend from the contingent fund of the Senate $10,000, in addition to the amount, and for the same purposes and during the same period, specified in Senate Resolution 340, Ninety-first Congress, agreed to February 16, 1970, authorizing a study of matters pertaining to improvements in judicial machinery.

## SENATE RESOLUTION 466—RESOLUTION REPORTED RELATING TO ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND, from the Committee on the Judiciary, reported the following original resolution (S. Res. 466); which was referred to the Committee on Rules and Administration:

S. RES. 466

*Resolved*, That the Committee on the Judiciary is authorized to expend from the contingent fund of the Senate $6,000, in addition to the amount, and for the same purposes and during the same period, specified in Senate Resolution 345, Ninety-first Congress, agreed to February 16, 1970, authorizing a study of matters pertaining to refugees and escapees.

## ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, September 17, 1970, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 1087. An act for the relief of Vernon Louis Hoberg;

S. 1170. An act to authorize the Department of Commerce to make special studies, to provide services, and to engage in joint projects, and for other purposes;

S. 2808. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Minot extension of the Garrison diversion unit of the Missouri River Basin project in North Dakota, and for other purposes;

S. 2882. An act to amend Public Law 394, Eighty-fourth Congress, to authorize the construction of supplemental irrigation facilities for the Yuma Mesa Irrigation District;

S. 2976. An act for the relief of Margarita Anne Marie Baden (Nguyen Tan Nga);

S. 3337. An act to provide for the disposition of funds appropriated to pay judgments in favor of the Yakima Tribes in Indian Claims Dockets numbered 47–A, 162, and consolidated 47 and 164, and for other purposes;

S. 3997. An act to provide for the disposition of fund appropriated to pay a judgment in favor of the Confederate Bands of Ute Indians in Court of Claims case 47567, and a judgment in favor of the Ute Tribe of the Unitah and Ouray Reservation for and on behalf of the Uncompahgre Band of Ute Indians in Indian Claims Commission docket numbered 349, and for other purposes;

S. 4033. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Chemeheuvi Tribe of Indians; and

S.J. Res. 67. Joint resolution granting the consent of Congress to the States of Maryland and West Virginia and the Commonwealths of Virginia and Pennsylvania and the District of Columbia, as signatory bodies, for certain amendments to the compact creating the Potomac Valley Conservancy District and establishing the Interstate Commission on the Potomac River Basin.

## SOCIAL SECURITY AMENDMENTS OF 1970—AMENDMENT

AMENDMENT NO. 920

Mr. TOWER. Mr. President, I have today submitted in the Senate an amendment to H.R. 17550, the Social Security Amendments of 1970. The purpose of this amendment is to modify a regulation in the Medicare Act which, in my opinion, has proved to be countereffective in providing the best possible health care system to the American people. The amendment would loosen the present registered nurse requirement established under the medicare program. Under the

current statute all hospitals must have at least one registered nurse on duty during each of the three 8-hour shifts, if they are to receive benefits under the medicare program.

This regulation has posed a most serious problem to many of our community hospitals located in rural areas. In Texas alone, more than 150 hospitals face medicare termination if they do not soon abide by this regulation. Although the Social Security Administration has in many instances given small community hospitals over a year to comply with this regulation, I continually receive notices that a certain hospital's medicare benefits are being terminated.

Mr. President, this problem is most acute because in these times of rising health cost a small community hospital cannot remain open without medicare assistance.

Compounding this problem is the simple fact that this country faces a terrible manpower shortage of nurses. It is quite obvious that this shortage is most critical in rural areas. These rural areas simply do not offer financial and other incentives for young women to take up residence in those areas. Young women from urban areas would naturally prefer to practice nursing in large urban communities. There are just not enough registered nurses in the smaller communities to fill the gap and, thereby, comply with the medicare regulation.

I am confident that a licensed vocational nurse can, if assisted by a doctor, provide the minimum amount of care needed. If we do not take the action that I am now advocating, the alternative will be the closing down of many of our smaller community hospitals. These hospitals serve a high proportion of elderly citizens who can best be served if they remain in their local community. Many of these elderly citizens need not be transported to metropolitan areas, and if this need did arise many of them would refuse to leave their homes and travel such a long distance.

Mr. President, this Nation faces a terrible health manpower shortage. At the same time, we all would like to provide the best possible health care delivery system to the American people. However, to specifically require a smaller hospital to have registered nurses on duty around-the-clock 7 days a week is unrealistic and does not necessarily insure the total safety of the patient. Adequate procedures built around registered nurses, licensed vocational nurses and licensed physicians can produce a combination that gives 24 hours, 7 day-a-week coverage and full-time attention to the patients in these hospitals.

I have come to the conclusion that this amendment is in the best interest of the American people and the health care system upon which they must rely. I urge my colleagues in the Senate and specifically the members of the Senate Finance Committee, who are considering H.R. 17750, to give it the attention it deserves.

The PRESIDING OFFICER (Mr. HART). The amendment will be received and printed, and will be appropriately referred.

The amendment (No. 920) was referred to the Committee on Finance.

AMENDMENT NO. 921

Mr. EAGLETON submitted an amendment, intended to be proposed by him, to the bill (H.R. 17550) to amend the Social Security Act to provide increases in benefits, to improve computation methods, and to raise the earnings base under the old-age, survivors, and disability insurance system, to make improvements in the medicare, medicaid, and maternal and child health programs with emphasis upon improvements in the operating effectiveness of such programs, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT NO. 922

Mr. HARTKE submitted amendments, intended to be proposed by him, to House bill 17550, supra, which were referred to the Committee on Finance and ordered to be printed.

## EXTENSION OF AUTHORITY OF THE SMALL BUSINESS ADMINISTRATION—AMENDMENT

AMENDMENT NO. 923

Mr. PERCY (for himself and Mr. STEVENS) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 4316) to clarify and extend the authority of the Small Business Administration, and for other purposes, which was ordered to lie on the table and to be printed.

(The remarks of Mr. PERCY when he submitted the amendment appear later in the RECORD under the appropriate heading.)

The PRESIDING OFFICER. Is there further morning business?

## AUTHORITY TO FILE REPORT ON BILL TO AMEND THE CLEAN AIR ACT BY MIDNIGHT FRIDAY

Mr. BYRD of West Virginia. Mr. President, in behalf of the able Senator from Maine (Mr. MUSKIE), I report an original bill from the Committee on Public Works, to amend the Clean Air Act, and for other purposes. I ask unanimous consent that the bill in its entirety be printed in the RECORD, and I also ask unanimous consent that the committee have until midnight Friday, September 18, 1970, to file the accompanying report, together with individual views, if any.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be printed in the RECORD.

The bill (S. 4358) is as follows:

S. 4358

A bill to amend the Clean Air Act, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "National Air Quality Standards Act of 1970".

SEC. 2. (a) Clause (1) of section 104(a) of the Clean Air Act is amended to read as follows:

"(1) conduct and accelerate research programs directed toward development of improved, low-cost techniques for—

"(A) control of combustion byproducts of fuels,

"(B) removal of potential air pollution agents or combination of such agents from fuels prior to combustion,

"(C) control of emissions from the evaporation of fuels.

"(D) improving the efficiency of fuels combustion so as to decrease atmospheric emissions, and

"(E) producing synthetic or new fuels which, when combusted, result in decreased atmospheric emissions;"

(b) Section 104(a)(2) of the Clean Air Act is further amended by striking "and" before clause (B) and redesignating clause (B) as clause (D) and inserting two new clauses (B) and (C) to read as follows:

"(B) part of the cost of programs to develop low emission alternatives to the present internal combustion engine;

"(C) the cost to purchase vehicles and vehicle engines, or portions thereof, for research, development, and testing purposes; and"

(c) Section 104(c) of the Clean Air Act is further amended to read as follows:

"(c) For the purposes of this section there are authorized to be appropriated (1) for the fiscal year ending June 30, 1971, $125,000,000, (2) for the fiscal year ending June 30, 1972, $150,000,000, and (3) for the fiscal year ending June 30, 1973, $175,000,000. Amounts appropriated pursuant to this subsection shall remain available until expended."

SEC. 3. (a) Section 105(a) of the Clean Air Act is amended by adding at the end thereof a new paragraph to read as follows:

"(4) Notwithstanding any other provision of this section, the Secretary is authorized to make grants to any State air pollution control agency in an amount not to exceed three-fourths of the cost of planning, developing, establishing, or improving, and grants to any such agency in an amount of not to exceed three-fifths of the cost of maintaining, a regional air quality control program within the meaning of this subsection if the Secretary determines that—

"(A) such regional program is operated by such State agency and is serving or will serve an air quality control region within the meaning of this Act;

"(B) such State agency has adequate authority to abate and control air pollution from all sources in the area served by such regional program;

"(C) such regional program will not supplant any air pollution control program established by any municipality or group of municipalities unless the Governor of such State determines that it is in the public interest to supplant such air pollution control programs;

"(D) development, establishment, improvement, or maintenance of such regional program will not result in a reduction of non-Federal matching funds available for air pollution control activities in the area served by such regional program, and that such grants shall supplement, not supplant, any other funds available to such agency; and

"(E) such State agency has made adequate provision for coordination of such program with the related activities of any municipal, intermunicipal, or interstate programs serving all or any portion of such air quality control region."

(b) Section 105 of the Clean Air Act is further amended by adding at the end thereof the following new subsections;

"(d) The Secretary, with the concurrence of any recipient of a grant under this section, may reduce the payments to such recipient by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of any officer or employee to the recipient under section 301 of this Act,

when such detail is for the convenience of, and at the request of, such recipient and for the purpose of carrying out the provisions of this Act. The amount by which such payments have been reduced shall be available for payment of such costs by the Secretary, but shall, for the purpose of determining the amount of any grant to a recipient under subsection (a) of this section, be deemed to have been paid to such agency.

"(c) If the Secretary determines that the program of any agency eligible for a grant pursuant to this section is inadequately staffed or funded to implement the requirements of this Act in any region, he shall withhold from such agency all or any portion of the funds which would be otherwise made available pursuant to this section. Such funds as would have been available to such agency shall be available to the Secretary to implement the purposes of this Act in such State or region."

SEC. 4. Section 106 of the Clean Air Act is amended—

(1) by striking "(a)" after "Sec. 106";

(2) by striking subsection (b);

(3) by striking in the first sentence thereof "section 107(a)(2)" and inserting in lieu thereof "this title"; and

(4) by inserting in the first sentence after the word "thereof" the following: "and coordinating effectively the enforcement thereof".

SEC. 5. Sections 107 through 109 of the Clean Air Act are amended to read as follows:

"RESEARCH RELATING TO AIR POLLUTION EFFECTS

"SEC. 107. (a) In carrying out research pursuant to this Act, the Secretary shall give special emphasis to research on the short- and long-term effects of air pollution agents or combinations of such agents on public health and welfare. In the furtherance of such research, he shall conduct an accelerated research program—

"(1) to improve knowledge of the contribution of air pollution agents to the occurrence of adverse effects on health, including, but not limited to, behavioral, physiological, toxicological, and biochemical effects; and

"(2) to improve knowledge of the short- and long-term effects of air pollution agents on the environment, including effects on soils, water, vegetation, manmade materials, animals wildlife, weather, visibility, and climate as well as effects on esthetic, recreation, and economic values.

"(b) In carrying out the provisions of this section the Secretary shall, as may be necessary—

"(1) conduct epidemiological studies of the effects of air pollution agents or combination of such agents on mortality and morbidity;

"(2) conduct clinical and laboratory studies on the immunologic, biochemical, physiological, and the toxicological effects including carcinogenic, teratogenic, and mutagenic effects of air pollution agents or combination of such agents;

"(3) utilize, on a reimbursable basis, the facilities of existing Federal scientific laboratories and research centers;

"(4) utilize the authority contained in section 103(b)(1) through (4) of this Act; and

"(5) consult with other appropriate Federal agencies to assure that research or studies conducted pursuant to this section shall be in addition to and not duplicative of research and studies of such other Federal agencies.

"(c) In entering into contracts under this section, the Secretary is authorized to contract for a term not to exceed ten years in duration. For the purposes of this subsection there are authorized to be appropriated $15,000,000. Such amounts as are appropriated shall remain available until expended and shall be in addition to any other appropriation under this Act.

"(d) No research, demonstrations, experiments, or other such work shall be carried out, contracted for, sponsored, or authorized under this Act after the effective date of this subsection, unless all information, uses, products, processes, patents, and other developments resulting from such work will (with such exception and limitation, if any, as the Secretary may find to be necessary in the public interest and he publishes his findings) be available to the general public.

"AIR QUALITY CONTROL REGIONS

"SEC. 108. (a) For the purpose of implementing applicable ambient air quality standards and for administrative and other purposes, the Secretary, after consultation with appropriate State and local authorities, shall, within ninety days after enactment of this section, designate any interstate and major intrastate air quality control region which he deems necessary and appropriate. Any such designation shall be based on jurisdictional boundaries, urban-industrial concentrations, existing levels of ambient air quality, and other factors necessary to provide for effective implementation of ambient air quality standards. The Secretary shall immediately notify the Governor or Governors of the affected State or States of such designation. Any area of any State which is not a part of a region designated by the Secretary pursuant to this Act, including regions designated prior to enactment of this subsection, shall be considered an air quality control region for the purpose of this Act. The Governor of a State may subdivide such areas into two or more air quality control regions for the purpose of developing implementation plans pursuant to this Act.

"(b) All designations of air quality control regions made pursuant to this Act shall be reviewed periodically and modified, if necessary, by the Secretary, after consultation with the appropriate State and local authorities in the affected region and in any States and regions adjoining the State or affected region, to insure the application of the most effective and timely means of protecting and enhancing air quality. In no event shall such review be less frequent than once every five years.

"AIR QUALITY CRITERIA AND CONTROL TECHNIQUES

"SEC. 109. (a)(1). The Secretary shall, within thirty days after enactment of this section and from time to time thereafter, publish in the Federal Register a list of air pollution agents or combination of such agents—

"(A) which have, or may be expected to have, an adverse effect on public health or welfare;

"(B) the presence of which in the ambient air results from numerous and diverse mobile or stationary sources; and

"(C) for which air quality criteria requisite for the protection of public health and welfare are planned.

The Secretary shall, after consultation with appropriate advisory committees and Federal departments and agencies and within twelve months after such publication, develop and issue to the States such criteria.

"(2) Such criteria shall accurately reflect the latest scientific knowledge useful in indicating the kind and extent of all identifiable effects on public health or welfare which may be expected from the presence of any air pollution agent or combination of such agents in the ambient air, in varying quantities.

"(3) Such criteria, to the extent practicable, shall include information on—

"(A) those variable factors which of themselves or in combination with other factors may alter the effects on public health and welfare of any air pollution agent or combination of such agents, including, but not limited to, atmospheric conditions;

"(B) the types of any air pollution agent or combination of such agents which, when present in the atmosphere, may interact to produce an effect on public health and welfare; and

"(C) any known or anticipated effects associated with the presence of any air pollution agent or combination of such agents in the ambient air, including, but not limited to, effects on soils, water, vegetation, manmade materials, animals, wildlife, weather, visibility, and climate, as well as effects on economic values.

"(b)(1) Simultaneously with the issuance of criteria, the Secretary shall, after consultation with appropriate advisory committees and Federal departments and agencies, issue to the States and appropriate air pollution control agencies information on pollution control techniques, which information shall include data relating to the technology and costs of emission control. Such information shall include such data as are available on available technology and alternative methods of prevention and control of air pollution. Such information shall also include data on alternative fuels, processes, and operating methods which will result in elimination or significant reduction of emissions.

"(2) The Secretary shall also, from time to time, issue information on pollution control techniques for air pollution agents or combinations of such agents subject to the provisions of sections 114 and 115 of this Act.

"(c) Any air quality criteria or information on air pollution control techniques issued under this Act by the Secretary prior to the enactment of this subsection shall continue in effect. The Secretary shall from time to time review, and, as appropriate, modify, and reissue any criteria or information on control techniques issued pursuant to this Act.

"(d) The issuance of air quality criteria and information on air pollution control techniques shall be announced in the Federal Register and copies shall be made available to the general public."

SEC. 6. (a) Sections 110 and 111 of the Clean Air Act are redesignated as sections 117 and 118.

(b) The Clean Air Act is further amended by inserting after section 109 the following new sections:

"NATIONAL AIR QUALITY STANDARDS AND GOALS

"SEC. 110. (a)(1) Within thirty days after the date of enactment of this section, the Secretary shall publish in the Federal Register, in accordance with section 553 of title 5 of the United States Code, proposed national ambient air quality standards for any air pollution agent or combination of such agents for which air quality criteria have been issued prior to the date of enactment of this section. He shall, after a reasonable time for interested persons to submit written comments thereon, promulgate such proposed national ambient air quality standards with such modifications as he deems appropriate. Such promulgation shall occur no later than ninety days after the initial publication of such proposed national ambient air quality standards.

"(2) With respect to any air pollution agent or combination of such agents for which air quality criteria and information on control techniques are issued subsequent to enactment of this section, the Secretary shall publish, simultaneously with the issuance of such criteria and information, proposed national ambient air quality standards for any such pollution agent or combination of such agents. The procedure provided for in paragraph (1) of this subsection shall apply.

"(3) National ambient air quality standards, proposed and promulgated pursuant to paragraphs (1) and (2) of this subsection, shall be ambient air quality standards the attainment and maintenance of which are

necessary to protect the health of persons. Such standards shall be revised, as necessary, in the same manner as promulgated.

"(b) Simultaneously with the initial publication of proposed national ambient air quality standards pursuant to subsection (a) of this section, the Secretary shall publish proposed national ambient air quality goals the attainment and maintenance of which are necessary to protect the public health and welfare from any known or anticipated adverse effects associated with the presence of such air pollution agent or combination of such agents in the ambient air, including, but not limited to, adverse effects on soils, water, vegetation, manmade materials, animals, wildlife, weather, visibility, and climate, as well as effects on economic values. Such national ambient air quality goals shall be published and promulgated in the same manner as prescribed in subsection (a) of this section for proposed national ambient air quality standards. Such goals shall be revised, as necessary, in the same manner as promulgated.

"IMPLEMENTATION PLANS

"SEC. 111. (a)(1) After the promulgation of national ambient air quality standards and national ambient air quality goals, or revisions thereof, under section 110 of this Act for any air pollution agent or combination of such agents, each State shall, after reasonable notice and public hearings, adopt and submit to the Secretary, within nine months after such promulgation, a plan for implementation, maintenance, and enforcement of such standards and goals in each air quality region designated or established pursuant to this Act. Unless a separate public hearing is provided, each State shall consider adoption of ambient air quality standards which are more restrictive than the national ambient air quality standards at the hearing required by this paragraph.

"(2) The Secretary shall, within four months after the date required for such submission, act to approve or to disapprove such plan or portion thereof. The Secretary shall approve such plan, or any portion thereof, if he determines that it—

"(A) provides for the attainment of such national ambient air quality standards within three years from the date of approval of such plan;

"(B) includes emission requirements, schedules and timetables of compliance, and such other measures as necessary to insure attainment of any applicable ambient air quality standard and goal;

"(C) includes provision for establishment and operation of appropriate devices, methods, systems, and procedures necessary to (i) monitor, compile, and analyze data on ambient air quality and, (ii) upon request, make such data available to the Secretary;

"(D) includes, to the extent necessary, appropriate procedures, including, but not limited to, land-use and air and surface transportation controls and permits, for insuring that any source of air pollution agents or combination of such agents will be located, operated, and for other than moving sources, designed, constructed, and equipped in such a way that such sources will not interfere with implementation, maintenance, and enforcement of any applicable air quality standard and goal;

"(E) contains adequate provisions for intergovernmental cooperation, including measures necessary to insure that emissions of such agents or combination of such agents from sources located in one air quality control region will not cause or contribute to a violation of such air quality standards or prevent attainment of such air quality goals in any other air quality control region or portion thereof;

"(F) provides (i) that any person who owns, leases, operates, or controls any stationary source subject to the provisions and requirements of such implementation plan shall be required to furnish to the appropriate State agency periodic reports on the nature and amounts of emissions of any air pollution agent or combinations of such agents from such source, and (ii) that such reports shall be correlated by the State agency with any emission requirements or standards established pursuant to this Act which reports shall be part of the public record and available at reasonable times for public inspection;

"(G) provides necessary assurances that the State will have adequate personnel, funding, and authority to carry out such implementation plan, including requirements for installation of monitoring equipment and methods on sources subject to emission requirements; periodic reporting on the nature and amounts of emissions; and authority comparable to that in section 303 of this Act, and contingency plans to implement such authority as determined by the Secretary;

(H) provides, to the extent necessary, for a program of periodic inspection and testing of motor vehicles, as authorized by section 208 of this Act;

"(I) provides for revision, after public hearings, of such plan from time to time as may be necessary to take account of revisions of such ambient air quality standards and goals or availability of improved or more expeditious methods of achieving such standards and goals; and

"(J) identifies the air quality control region to which such plan applies including the boundaries of such region if it is one resulting from a subdivision under section 108 (a) of this Act.

"(3) Each approved plan, or portion thereof, for implementation, maintenance, and enforcement of such standards and goals shall be the implementation plan applicable to such air quality control region.

"(b) The Secretary may, wherever he determines necessary, extend the period for submission of any portion of any plan for implementation of any national ambient air quality goal for a period not to exceed eighteen months from the date otherwise required for submission of such plan.

"(c) The Secretary shall, after consideration of any State hearing record, promptly prepare and publish proposed regulations setting forth such a plan, or portion thereof, for such quality air control region if (1) a State fails to submit for any air quality control region, or portion thereof, a plan for implementation, maintenance, and enforcement of ambient air quality standards and goals within the time prescribed, or (2) the plan, or portion thereof, submitted for any such region is determined by the Secretary not to be in accordance with the requirements of this section. If such State held no public hearing associated with adoption of an implementation plan, the Secretary shall provide opportunity for such hearing within such region on any proposed regulation for such region. The Secretary shall, within six months after the date required for submission of such plans, promulgate any such regulations unless, prior to such promulgation, such State has adopted and submitted a plan which the Secretary determines to be in accordance with the requirements of this section. A plan promulgated by the Secretary for any air quality control region shall be the plan applicable to such region in the same manner as if such plan had been adopted by such State and approved by the Secretary pursuant to subsection (a) of this section and shall remain in effect until such State submits a plan and it is approved under this section.

"(d) Ambient air quality standards and implementation plans adopted by States and submitted to the Secretary pursuant to this Act prior to enactment of this section shall remain in effect, unless the Secretary determines that such air quality standards and implementation plans, or portions thereof, are not consistent with the applicable requirements of this Act and will not provide for the attainment of national ambient air quality standards in the time required by this Act. If the Secretary so determines, he shall, within ninety days after promulgation of any national ambient air quality standards pursuant to section 110(a)(1) of this Act; notify the appropriate State or States and specify in what respects changes are needed to meet the additional requirements of this Act, including requirements to implement ambient air quality goals. If such changes are not adopted by the State or States after public hearings and within six months after such notification, the Secretary shall promulgate such changes pursuant to subsection (c) of this section.

"(e)(1) Whenever the Secretary or his authorized representative finds new information developed from surveys, studies, investigation, or reports, or any information otherwise made available to him, that, in any air quality control region, an approved or promulgated implementation plan will be, or has been, substantially inadequate to achieve national ambient air quality standards promulgated pursuant to this Act, the Secretary shall notify the appropriate State or States of such new information and shall allow the appropriate State or States an opportunity to respond. If such State or States fails to respond within ninety days after receipt of such notice, or if such response is inadequate, the Secretary shall revise and promulgate such plan within four months, in accordance with provisions of section 553 of title 5 of the United States Code. Such revision may include an extension of the period required to obtain the quality of air established by any national ambient air quality standard established pursuant to this Act, except that such extension shall not exceed one year. No further extension shall be granted pursuant to this provision and no extension shall affect any emission requirement, timetable, or schedule of compliance adopted as a part of the plan subject to revision unless such requirement, timetable, or schedule is the subject of such revision.

"(2) Any revised plan promulgated pursuant to this subsection shall be the plan applicable to such region in the same manner as if such plan had been adopted by the State and approved by the Secretary pursuant to this section.

"(f)(1) No later than one year before the expiration of the period for the attainment of ambient air of the quality established for any national ambient air quality standard promulgated pursuant to section 110 of this Act, the Governor of a State in which is located all or part of an air quality control region designated or established pursuant to this Act may file a petition in the district court of the United States for the district in which all or a part of such air quality control region is located against the United States for relief from the effect of such expiration (A) on such region or portion thereof, or (B) on a person or persons in such air quality control region. In the event that such region is an interstate air quality control region or portion thereof, any Governor of any State which is wholly or partially included in such interstate region shall be permitted to intervene for the presentation of evidence and argument on the question of such relief.

"(2) Any action brought pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and appeal shall be to the Supreme Court. Proceedings before the three judge court, as authorized by this subsection, shall take precedence on the docket over all other causes of action and shall be assigned

for hearing and decision at the earliest practicable date and expedited in every way.

"(3)(A) In any such proceeding the Secretary shall intervene for the purpose of presenting evidence and argument on the question of whether relief should be granted.

"(B) The court, in its discretion, may permit any interested person residing in any affected State to intervene for the presentation of evidence and argument on the question of relief.

"(4) The court, in view of the paramount interest of the United States in achieving ambient air quality necessary to protect the health of persons shall grant relief only if it determines such relief is essential to the public interest and the general welfare of the persons in such region, after finding—

"(A) that substantial efforts have been made to protect the health of persons in such region; and

"(B) that means to control emissions causing or contributing to such failure are not available or have not been available for a sufficient period to achieve compliance prior to the expiration of the period to attain an applicable standard; or

"(C) that the failure to achieve such ambient air quality standard is caused by emissions from a Federal facility for which the President has granted an exemption pursuant to section 118 of this Act.

"(5) The court, in granting such relief shall not extend the period established by this Act for more than one year and may grant renewals for additional one year periods only after the filing of a new petition with the court.

"(6) The Secretary in consultation with any affected State or States, shall take such action as may be necessary to modify any implementation plan or formulate any new implementation plan for the period of such extension.

"(7) No extension granted pursuant to this section shall effect compliance with any emission requirement, timetable, schedule of compliance, or other element of any implementation plan unless such requirement, timetable, schedule of compliance, or other elements of such plan is the subject of the specific order extending the time for compliance with such national ambient air quality standard.

"STATE STANDARDS AND PLANS TO ACHIEVE GREATER AIR QUALITY CONTROL

"SEC. 112. Nothing in this title shall be construed as preventing a State, political subdivision thereof, intermunicipal or interstate agency from adopting, within the time provided in sections 110 and 111 of this Act, or revising after such time, ambient air quality standards and implementation plans, including emission requirements, to implement an air quality program which will (A) attain and maintain a higher level of air quality than is specified in any national ambient air quality standard promulgated to this Act, or (B) attain and maintain the level of air quality specified in any national ambient air quality standard within a shorter period of time than required by this Act, or from adopting within the time provided in section 114 or section 115 of this Act, or revising after such time, emission standards more stringent than those established by the Secretary.

"NEW SOURCE STANDARDS OF PERFORMANCE

"SEC. 113. (a) For the purpose of this section, the term—

"(1) 'stationary sources' means those buildings, structures, facilities, or installations, which, regardless of location, emit or may emit any air pollution agent or combination of such agents in amounts which cause or contribute to the endangerment of of the public health and welfare;

"(2) 'new source' means any stationary source, the construction or modification of which is begun on or after the effective date of any standard of performance establish under this section applicable to such source;

"(3) 'construction' means any placement, assembly, or installation of facilities or equipment (including contractual obligations to purchase such facilities or equipment) at the premises where such equipment will be used, including preparatory work at such premises;

"(4) 'modification' means any construction (other than pollution abatement facilities as determined by the Secretary or appropriate State agency) which may alter the nature or may increase the amounts of air pollution agents or combination of such agents emitted by a stationary source; and

"(5) 'owner or operator' means any person who owns, leases, operates, controls, or supervises a new source.

"(b)(1) The Secretary shall, within ninety days after the enactment of this section and from time to time thereafter, publish in the Federal Register a list of categories of stationary sources which shall be subject to standards of performance established under this section.

"(2) Within one hundred and twenty days after the publication of such a list or revision thereof, the Secretary shall publish in the Federal Register proposed regulations, in accordance with section 553 of title 5 of the United States Code, establishing Federal standards of performance for new sources. Such standards shall reflect the greatest degree of emissioin control which the Secretary determines to be achievable through application of the latest available control technology, processes, operating methods, or other alternatives. The Secretary shall afford interested persons an opportunity for written comment on such proposed regulations. After considering such comments, he shall promulgate, within ninety days after such publication, such standards with such modifications as he deems appropriate and shall notify the States of such promulgation. The Secretary may from time to time revise such standards following the procedure required by this subsection for promulgation of such standards.

"(3) Standards of performance of revisions thereof shall become effective upon promulgation.

"(4) The Secretary may distinguish among classes, types, and sizes within categories of new sources for the purpose of establishing such standards.

"(c) Prior to publishing any lists or regulations pursuant to this section the Secretary shall, to the maximum extent practicable within the time provided, consult with appropriate advisory committees, independent experts and Federal departments and agencies.

"(d) The provisions of this section shall apply to any new source owned and operated by the United States.

"(e)(1) The Secretary shall, within ninety days after enactment of this section, promulgate regulations, in accordance with section 553 of title 5 of the United States Code, establishing a procedure for certification of compliance with any standard of performance promulgated pursuant to this section. Such procedure shall include—

"(A) provisions for preconstruction review of the locations and design of any new source;

"(B) provisions for performance tests within a reasonable time after commencement of operation of any new source;

"(C) methods to identify violations and enforce compliance with such standards of performance; and

"(D) methods to insure that any such new source shall not prevent implementation of national ambient air quality standards or national ambient air quality goals promulgated under this title.

"(2) Except as provided in subsection (f) of this section, upon application by any owner or operator of any new source the Secretary shall, within ninety days after application for certification, act on such application. If the Secretary determines, in accordance with the provisions of this section, that such source complies with the applicable standards of performance promulgated under this section he shall certify such source.

"(f)(1) Each State may develop and submit to the Secretary a procedure for certification of compliance with any standard of performance for any new source located in such State. If the Secretary finds the State procedure is at least equal to the requirements established pursuant to subsection (d) of this section, he shall delegate certification authority provided in this section to such State for other than new sources owned and operated by the United States.

"(2) Nothing in this section shall prohibit the Secretary from enforcing any applicable standard of performance promulgated pursuant to this section, including suspending any State certification granted pursuant to this section.

"(g) Every owner or operator of a new source subject to standards established under this section shall (1) establish and maintain such records, make such reports, install, use, and maintain monitoring equipment or methods, and provide such information as the Secretary may reasonably require to enable him to determine whether such source is in compliance with this section and regulations established thereunder, and (2) upon request of an officer or employee, duly designated by the Secretary permit such officer or employee at reasonable times, to have access to and copy such records, and to inspect any such monitoring equipment or method. Except for emission data, upon a showing satisfactory to the Secretary by such owner or operator that such records, reports, or information or particular part thereof, if made public, would divulge trade secrets or secret processes of such owner or operator, the Secretary shall consider such record, report, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18 of the United States Code, except that such record, report, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.

"(h)(1) After the effective date of standards of performance promulgated under this section, it shall be unlawful—

"(A) for any owner or operator to operate any new source without certification issued under this section; or

"(B) for any owner or operator of any certified new source to operate such source in violation of any standard of performance applicable to such source; or

"(C) for any owner or operator to fail or refuse to permit access to, or copying of, records or to fail to make reports, or to fail to install, use, or maintain monitoring equipment or methods, or provide information required under this section.

"(2) The district courts of the United States shall have jurisdiction to enjoin violations of paragraph (1)(A) or paragraph (1)(C) of this subsection. In any action to restrain violations, subpenas for witnesses who are required to attend a district court in any district may run into any other district.

"(3) Any owner or operator who violates paragraph (1)(A) or paragraph (1)(C) of this subsection shall be liable to a civil penalty of not more than $5,000 for each offense which shall be assessed by the Secretary after an opportunity for a public hearing. Each day of violation shall be a separate offense.

"(4) Any violation of paragraph (1)(B) of this subsection shall be subject to abate-

ment pursuant to section 116 of this Act. If any owner or operator of a certified new source does not initiate abatement within seventy-two hours as provided in any order issued pursuant to section 116(a)(2) of this Act to abate such violation, the Secretary shall suspend any applicable Federal or State certification. Failure to suspend operation of such source after such suspension shall be considered a knowing violation for purposes of section 116(b) of this Act and shall, upon conviction, subject the owner or operator to a fine of at least $5,000 for each day of operation after such suspension.

"NATIONAL EMISSION STANDARDS—SELECTED AIR POLLUTION AGENTS

"SEC. 114. (a) For the purpose of this section the term—

"(1) 'selected air pollution agent' means any air pollution agent or combination of such agents which is not subject to the provisions of sections 109 and 110 or 115 of this Act, and which has or may be expected to have an adverse effect on public health and the presence of which, in the ambient air, results from emissions from categories of stationary sources as defined pursuant to the provisions of section 113 of this Act; and

"(2) 'owner or operator' means any person who owns, leases, operates, controls, or supervises a stationary source.

"(b) The Secretary shall, within one hundred and eighty days after the enactment of this section and from time to time thereafter, compile and publish in the Federal Register a list of selected air pollution agents or combinations of agents for which he deems that emission standards are appropriate under this section in order to carry out the purposes of this Act.

"(c)(1) The Secretary shall from time to time publish in the Federal Register, in accordance with section 553 of title 5 of the United States Code, proposed regulations establishing emission standards for such air pollution agents or combination of such agents included in such list. Such standards shall be designed to insure that emissions of such pollution agent or combination of agents from any such stationary source shall not endanger public health. The Secretary shall afford interested persons an opportunity for written comment on such proposed regulations, and, after considering such comments, shall promulgate, within one hundred and twenty days after such publication, such emission standards with such modifications as he deems appropriate. The Secretary may distinguish among classes, types, and sizes within categories of such sources for the purpose of this section.

"(2) Any emission standard promulgated pursuant to this section shall be reviewed and, if appropriate, revised in the same manner as initially promulgated.

"(3) Such standards shall become effective on the date specified in such promulgation, but in no event more than twenty-four months after such promulgation.

"(4) The Secretary may, upon application filed by any owner or operator, waive, subject to such terms and conditions as he may prescribe, the application of any emission standard established under this section to any stationary source of such owner or operator if he finds, and publishes his finding, that such source has achieved the greatest degree of air pollution control currently technically feasible and that the health of persons is not adversely affected by such waiver, Such waiver shall be subject to the review provision of section 308 of thi_ Act.

"(d) Prior to publishing any lists or regulations pursuant to this section the Secretary shall, to the maximum extent practicable within the time provided, consult with appropriate advisory committees, independent experts and Federal departments and agencies.

"(e) After the effective date of the standards promulgated under this section, every owner or operator of a stationary source to which such standards apply shall (1) establish and maintain such records, make such reports, install, use, and maintain monitoring equipment or methods and provide such information as the Secretary may reasonably require to enable him to determine whether such source is in compliance with this section and the standards established hereunder, and (2) upon request of an officer or employee duly designated by the Secretary permit such officer or employee at reasonable times, to have access to and copy such records, to inspect any such monitoring equipment or method. Except for emission data, upon a showing satisfactory to the Secretary by such owner or operator that such records, reports, or information or particular part thereof, if made public, would divulge trade secrets or secret processes of such owner or operator, the Secretary shall consider such record, report, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18 of the United States Code, except that such record, report, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.

"(f)(1) Beginning on and after the effective date of any emission standard promulgated under this section, it shall be unlawful for any owner or operator to operate any stationary source in violation of such standard.

"(2) Beginning on and after the effective date of any emission standard promulgated under this section, it shall be unlawful for any owner or operator of a stationary source subject to such standard to fail or refuse to permit access to, or copying of, records, or to fail to make reports, or to fail to install, maintain, and use monitoring equipment or methods, or provide information required by the Secretary pursuant to subsection (d) of this section.

"(g) Any violation of paragraph (1) of subsection (f) of this section shall be subject to abatement pursuant to section 116 of this Act.

"(h) Any owner or operator who violates paragraph (2) of subsection (f) of this section shall be liable to a civil penalty of not more than $5,000 for each offense which, after an opportunity for a hearing, shall be assessed by the Secretary.

"(i) Any failure of such owner or operator to comply with an order issued pursuant to section 116(a)(2) of this Act shall be considered a knowing violation for purposes of section 116(b) of this Act, and shall, upon conviction, subject such owner or operator to a fine of at least $5,000 for each day of operation after such suspension.

"(j)(1) Each State may develop and submit to the Secretary a procedure for enforcement of any emission standards established under this section for any stationary source located in any State. If the Secretary finds the State procedure is adequate to implement the purposes of this section he shall delegate enforcement authority provided in this section to such State.

"(2) Nothing in this subsection shall prohibit the Secretary from enforcing any applicable emission standard promulgated pursuant to this section.

"NATIONAL EMISSION STANDARDS—HAZARDOUS AIR POLLUTION AGENTS

"SEC. 115. (a)(1) The Secretary, shall, within ninety days after the enactment of this section and from time to time thereafter, publish in the Federal Register a list of those air pollution agents or combination of such agents which available material evidence indicates are hazardous to the health of persons and which shall be subject to a prohibition or emission standard established under this section.

"(2) Within one hundred and eighty days after the publication of such list, or revision thereof, the Secretary, in accordance with section 553 of title 5 of the United States Code, shall publish a proposed prohibition of emissions of each such agent or combination of agents from any stationary source together with a summary of such evidence and a notice of a public hearing within thirty days. As soon as possible after such hearing, but not later than six months after such publication, the Secretary shall promulgate such prohibition, unless, based upon a preponderance of evidence adduced at such hearing, he finds within such period and publishes his finding—

"(A) that such agent is not hazardous to the health of persons; or

"(B) that a departure from such prohibition for stationary source will not be hazardous to the health of persons.

"(3) If the Secretary finds under paragraph (2)(A) of this subsection that such agent is not hazardous to the health of persons, he shall immediately publish an emission standard in accordance with the procedures established under section 114 of this Act.

"(4) If the Secretary finds under paragraph (2)(B) of this subsection that a departure from such prohibition for any stationary source will not be hazardous to the health of persons, he shall immediately promulgate an emission standard for such agent or combination of agents for any such stationary source to protect the health of persons.

"(5) When proposing or promulgating any prohibition or emission standard under this section, the Secretary shall designate the category or categories of stationary sources to which the prohibition or emission standard shall apply.

"(6) Any prohibition or emission standard established pursuant to this section shall become effective upon promulgation.

"(7) Prior to publishing any lists or regulations pursuant to this section the Secretary shall, to the maximum extent practicable within the time provided, consult with appropriate advisory committees, independent experts and Federal departments and agencies.

"(b) For purposes of this section, an air pollution agent which is 'hazardous to the health of persons' is one whose presence, chronically or intermittently; in trace concentrations in the ambient air, either alone or in combination with other agents, causes or will cause, or contribute to, an increase in mortality or an increase in serious irreversible or incapacitating reversible damage to health.

"(c) After the effective date of any prohibition or emission standard promulgated under this section, every owner or operator of a stationary source subject to such prohibition or standard shall (1) establish and maintain such records, make such reports, install, use, and maintain monitoring equipment or methods and provide such information as the Secretary may reasonably require to enable him to determine whether such source is in compliance with this section and the prohibition or standards established hereunder, and (2) upon request of an officer or employee duly designated by the Secretary permit such officer or employee, at reasonable times to have access to and copy such records, and to inspect any such monitoring equipment or method. Except for emission data, upon a showing satisfactory to the Secretary by such owner or operator that such records, reports or information or particular part thereof, if made public, would divulge trade secrets or secret processes of such owner or operator, the Secretary shall consider such record, report, or information or particular portion thereof

confidential in accordance with the purposes of section 1905 of title 18 of the United States Code, except that such record, report, or information may be disclosed to other officers or employees of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.

"(d) Upon evidence of a violation of any prohibition or emission standard established pursuant to this section, the Secretary shall bring a civil suit on behalf of the United States against the owner or operator of such source which causes or contributes to such violation for immediate abatement, including a permanent or temporary injunction, restraining order, or any other appropriate order, in the appropriate United States district court for the district in which such stationary source is located or in which the owner or operator thereof has his principal office or resides. Each court shall have jurisdiction to provide such relief as may be appropriate. In any such action, the findings of the Secretary under subsection (a) of this section shall be presumed correct.

"(e) Any prohibition or emission standard promulgated pursuant to this section shall be subject to review, and if appropriate, revision in the same manner as initially promulgated.

"FEDERAL ENFORCEMENT

"SEC. 116. (a)(1). The violation of any implementation plan, including any emission requirements therein, or any emission standard, or standard of performance established pursuant to this Act is prohibited.

"(2) Whenever, on the basis of surveys, studies, investigations, reports or any information otherwise made available to him, the Secretary or an authorized representative of the Secretary finds (A) that any person is in violation of, or is causing or contributing to a violation of, an implementation plan, including any emission requirement therein, and that, in the judgment of the Secretary, a State has not satisfactorily administered its implementation plan, particularly the requirements of section 111(a)(2)(G); or (B) that any person is in violation or is causing or contributing to a violation of standards of performance established under section 113 of this Act; or (C) that any person is in violation of an emission standard established under section 114 of this Act; he shall promptly issue an order in writing to such person requiring such person to initiate abatement of such violation as soon as possible and within a time to be prescribed therein. In the case of a violation of any emission requirement, emission standard, or standard of performance, such time shall not exceed seventy-two hours from the receipt of such notice. A copy of the order shall be sent to the State air pollution control agency of the State or States in which the violation occurred, or is occurring, and, in any case where the order issued is to a corporation, to appropriate corporate officers. All such orders shall state with reasonable specificity the nature of the violation. Nothing in this section shall affect the authority of the Secretary pursuant to section 303 of this Act.

"(3) For the purpose of (A) establishing any ambient air quality standard, prohibition, emission standard, or standard of performance pursuant to this Act; or (B) making any investigation under this Act of any building, structure, monitoring equipment, or other facility subject to any air quality standard, implementation plan, emission requirement, prohibition, emission standard, waiver, or standard of performance established under this Act, the Secretary or his authorized representative shall have a right of entry to, upon, or through such building, structure, or facility, upon presentation of his credentials. The Secretary shall, when appropriate, require any person who owns, leases, operates, or controls such building, structure, or other facility to install, use and maintain monitoring equipment and methods and to sample any emission subject to emission requirements, emission standards, or standards of performance in accordance with such methods, at such locations, at such intervals, and in such manner as the Secretary shall prescribe and to report such samples to the Secretary as he may prescribe and such report shall be public.

"(4) The Secretary shall institute a civil action for appropriate relief, including a permanent or temporary injunction, in the district court of the United States for the district in which a person subject to any implementation plan, emission requirement, emission standard, or standard of performance established under this Act is located or resides or is doing business, whenever such person——

"(A) violates or fails or refuses to comply with any order issued under paragraph (2) of this subsection (any such order shall be in force unless and until the court determines that the interests of the public are best served by staying such order and that there is a substantial likelihood that such party will prevail on the merits of the matters subject to review); or

"(B) violates or fails or refuses to comply with any requirement established under section 113, 114, or 115 of this Act; or

"(C) refuses to furnish any information, data, or reports, or refuses to install, maintain, or use monitoring equipment or methods required by the Secretary or appropriate State agency in furtherance of the provisions of this Act; or

"(D) refuses to permit access to, and copying of, such records as the Secretary determines necessary in carrying out the provisions of this Act.

"(5) Any person subject to an order issued pursuant to paragraph (2) of this subsection and who undertakes compliance with such order shall not be foreclosed from instituting in the United States district court for the district in which the alleged violation occurred an action against the Secretary to challenge such order.

"(b) Any person (A) who knowingly violates any schedule or timetable of compliance or emission requirement included in any implementation plan, or (B) who knowingly violates any (i) emission standard established under section 114 of this Act, or (ii) prohibition or emission standard established under section 115 of this Act, or (C) who knowingly violates any standard of performance under section 113, or (D) who knowingly violates or fails or refuses to comply with any order issued under this section, shall, upon conviction, be punished by a fine of not more than $25,000 per day of violation, or by imprisonment for not more than one year, or by both. If the conviction is for a violation committed after the first conviction of such person under this subsection, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment for not more than two years, or by both.

"(c) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act or who falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under this Act, shall, upon conviction, be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or by both."

SEC. 7. Redesignated section 118 of the Clean Air Act is amended to read as follows:

"CONTROL OF POLLUTION FROM FEDERAL FACILITIES

"SEC. 118. (a) Each agency of the executive, legislative, and judicial branches of the Federal Government (1) having jurisdiction over any real property or facility including any vehicle or vessel which it owns and operates, or (2) engaged in any activity resulting, or which may result, in the discharge of air pollution agents or combinations of such agents, shall provide leadership in carrying out the policy and purposes of this Act and shall comply with the requirements of this Act in the same manner as any person must so comply in the administration of such property, facility, or actiivty. Except for new sources subject to standards of performance under subsection (c) of section 113 of this Act, the President may exempt any such property, facility, vehicle, or vessel of any such agency of the executive branch from such compliance if he determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not to excess of one year, but additional exemptions may be granted for periods of not to exceed one year upon the President making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting each such exemption. Exemptions for agencies of the legislative or judicial branches shall be by act of Congress.

"(b) The Governor, the attorney general or any citizen of any State in which any Federal property, facility, or activity is located may seek to enforce the provision of this section pursuant to section 304 of this Act."

SEC. 8. Sections 202 through 212 of the Clean Air Act are amended to read as follows:

"ESTABLISHMENT OF STANDARDS

"SEC. 202. (a) Except as provided in subsection (b) of this section:

"(1) The Secretary shall by regulation prescribe, as soon as practicable and in accordance with the provisions of this section, standards applicable to the emission of all known substances of any kind or description from any class or classes of (A) vessels, aircraft, commercial vehicles and new non-commercial vehicles, and (B) vessel, aircraft, commercial vehicle, and new non-commercial-vehicle engines, which in his judgment cause or contribute to, or are likely to cause or to contribute to, air pollution which endangers the health or welfare of any persons. Such standards shall apply to such vessels, aircraft, vehicles, or engines whether they are designed as complete systems or incorporate other devices to prevent or control such pollution.

"(2) Consistent with the requirements of subsection (b) of this section, any such standards for the control of emissions from new vehicles and new vehicle engines shall be established without regard to the source of power or the propulsion system used to obtain such emission reduction.

"(3) Regulations or standards issued by the Secretary under this title prior to the enactment of this section shall continue in effect until revised by the Secretary consistent with the purposes of this Act.

"(4) Regulations shall be published in accordance with section 553 of title 5 of the United States Code, in the Federal Register and interested persons shall be given an opportunity to submit written comments thereon. After considering such comments, the Secretary shall promulgate such regulations with such modifications as he deems appropriate consistent with the purposes of this section. The Secretary shall from time to time review and, when appropriate, revise such regulations in accordance with this section.

"(5) Any regulation promulgated under this section and revisions thereof shall become effective on the date or dates specified in such regulations, which date or dates shall be determined by the Secretary after consideration of the period reasonably necessary from a technical standpoint for compliance.

"(6) Prior to publishing any standard or regulation pursuant to this subsection the Secretary shall, to the maximum extent practicable within the time provided, consult with appropriate advisory committees, independent experts and Federal departments and agencies.

"(b) (1) Beginning with model year 1975 or after January 1, 1975, any new light duty vehicle or any new light duty vehicle engine, as determined by the Secretary, shall be required, for purposes of certification under this Act, to meet emission standards established by the Secretary for those air pollution agents for which emission standards were in effect prior to the date of enactment of the National Air Quality Standards Act of 1970, which at a minimum, shall represent a 90 per centum reduction from allowable emissions for 1970 model year vehicles or engines.

"(2) Beginning on the first day of the fifth year following publication of criteria for air pollution agents for which no emission standards were in effect prior to the date of enactment of the National Air Quality Standards Act of 1970, any new light duty vehicle or any new light duty vehicle engine, as determined by the Secretary, shall be required, for purposes of certification under this Act, to meet emission standards established by the Secretary which at a minimum represent a 90 per centum reduction from the average of such pollution agents as actually measured from 1970 model year vehicles or engines. The Secretary shall publish the emission standards required by this paragraph from such pollution agents simultaneously with promulgation of applicable national ambient air quality standards. The Secretary shall promulgate such emission standards in final form within ninety days, unless during such period and after opportunity for comment he finds that a departure from such standards is necessary to achieve and maintain national ambient air quality standards in any air quality control region. If the Secretary makes such a finding, he shall immediately promulgate in final form revised standards which will achieve and maintain national ambient air quality standards in any air quality control region.

"(3) Emission standards established by the Secretary to implement the requirements of paragraph (1) of this subsection shall be based on measurement techniques which shall be established within one hundred and eighty days after enactment of this subsection and, for paragraph (2), not later than ninety days after publication of appropriate criteria.

"(4) (A) Within twenty-four months, but no later than twelve months before the effective date of any emission standard established pursuant to this subsection, any manufacturer or manufacturers may file with the Secretary an application requesting a suspension of the effective date of such standard for one year only. Upon receipt of such application, the Secretary shall promptly hold a public hearing to enable such manufacturer or manufacturers to present information relevant to the implementation of such standard. The Secretary, in his discretion, may permit any interested person to intervene to present information relevant to the implementation of such standards. The filing of such an application under this paragraph shall not operate as a stay of such standard.

"(B) In connection with any hearing under this subsection, the Secretary may sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and he shall administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpena served upon any person under this subparagraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce papers, books, and documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(C) Within six months after receipt of the application for such suspension, the Secretary shall issue a decision granting or refusing such suspension. The Secretary shall grant such suspension only if he determines that (i) such suspension is essential to the public interest and the general welfare of the United States, (ii) all good faith efforts have been made to meet the standards established by this subsection, and (iii) the applicants have established by a preponderance of the evidence that effective control technology, processes, operating methods, or other alternatives are not available or have not been available for a sufficient period of time to achieve compliance prior to the effective date of such standards, even with the full application of section 309 of this Act. If the Secretary grants such suspension, the Secretary shall, at the same time, promulgate interim standards for emissions which reflect the greatest degree of emission control which is achievable by application of technology which the Secretary determines is available to the applicant for the year for which the relief has been granted.

"(D) Any decision issued, or interim standard promulgated, pursuant to this paragraph shall be subject to judicial review by the United States Court of Appeals for the District of Columbia upon the filing in such court within thirty days from the date of such decision of a petition by the manufacturer or manufacturers or any interested person thereby praying that the decision be modified or set aside in whole or in part. A copy of the petition shall forthwith be sent by registered or certified mail to the Secretary and thereupon the Secretary shall certify and file in such court the record upon which the final decision complained of was issued, as provided in section 2112 of title 28, United States Code. The court shall hear such petition on the record made before the Secretary. The findings of the Secretary shall be presumed correct. The court shall affirm a decision of the Secretary to grant a one-year suspension or reverse a decision not to grant such suspension only after determining that (i) such suspension is essential to the public interest and the general welfare of the United States (ii) all good faith efforts have been made to meet the standards established by this subsection, and (iii) the applicants have established by a preponderance of the evidence that effective control technology, processes, operating methods, or other alternatives are not available or have not been available for a sufficient period of time to achieve compliance prior to the effective date of such standards, even with the full application of section 309 of this Act. The judgment of the court shall be subject to review only by the Supreme Court of the United States upon a writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

"(E) The commencement of any proceeding under subparagraph (D) of this paragraph shall not operate as a stay of any decision of the Secretary, or any interim standard promulgated by the Secretary, unless and until the court determines that the interests of the public are best served by a stay of such decision or interim standard and that there is a substantial likelihood that the appellant will prevail on the merits of the matter subject to review. Proceedings before the court, as authorized by this subsection, shall take precedence over all other causes of action on the docket and shall be assigned for hearing and decision at the earliest practicable date and expedited in every way.

"(F) Nothing in this subsection shall extend the effective date of any emission standard established pursuant to this subsection for more than one year.

"(5) Nothing in this subsection shall be construed to prohibit the Secretary from exercising his authority under subsection (a) of this section.

"(6) In the event a new power source or propulsion system for new vehicles or new vehicle engines is submitted for certification pursuant to this Act, the Secretary shall determine, prior to certification, that such source shall comply with the requirements of this subsection, and shall not cause or contribute to a violation of national ambient air quality standards.

"(c) The Secretary shall, before publishing any regulation or revisions thereof, pursuant to subsection (a) of this section, consult with (1) the Federal Aviation Administrator with respect to aircraft and aircraft engines in order to assure appropriate consideration of aircraft safety and (2) the Secretary of the department in which the Coast Guard is operating with respect to vessels and vessel engines in order to insure appropriate consideration of vessel safety and navigation. The Secretary of Defense may exempt, for a period of not to exceed one year, military vessels and aircraft from the application thereto of such regulations upon determining that such exemption is necessary for the purpose of national security and shall notify the Congress of such exemption.

"PROHIBITED ACTS

"SEC. 203. (a) The following acts and the causing thereof are prohibited—

"(1) (A) in the case of a manufacturer of new vessels, new aircraft, new vehicles, new vessel engines, new aircraft engines, or new vehicle engines for distribution in commerce, to sell or to offer to sell or to deliver for introduction into commerce any such vessel, aircraft, vehicle, or engine, or (B) in the case of any person, the importation into the United States of any such vessel, aircraft, vehicle, or engine, which is manufactured or imported after the effective date of regulations promulgated under section 202 which are applicable to such vessel, aircraft, vehicle, or engine, unless it is in conformity with such regulations (except as provided in subsection (b) of this section) and section 206 of this Act;

"(2) in the case of an owner or operator of a vessel, aircraft, or commercial vehicle, or a vessel, or commercial vehicle, or aircraft engine, the use in commerce of such vessel, aircraft, vehicle, or engine after the effective date of such regulations which are applicable thereto, unless it is in conformity with such regulations (except as provided in subsection (b) of this section) and section 206 of this Act;

"(3) for any person to fail or refuse to permit access to, or copying of, records or to fail to make reports or provide information required under this title; or

"(4) for any person to knowingly remove or render inoperative, other than for purposes of maintenance, repair, or replacement, any device or element of design installed on or in any such vessel, aircraft, or vehicle or such vessel, aircraft, or vehicle engine in compliance with such regulations prior to its sale and delivery to the ultimate purchaser or during its term of use, other than to install a device or system certified pursuant to section 211.

"(b)(1) The Secretary may exempt any vessel, aircraft, or vehicle, or vessel, aircraft, or vehicle engine, from the requirements of subsection (a) of this section upon such terms and conditions as he may find necessary for the purpose of research, investigations, studies, demonstrations, or training.

"(2) A new vessel, aircraft, or vehicle, or a new vessel, aircraft, or vehicle engine imported, or offered for importation, by any person in violation of subsection (a) shall be refused admission into the United States. The Secretary of the Treasury and the Secretary may, by joint regulation, provide for deferring final determination as to such admission and authorize the delivery of such a vessel, aircraft, vehicle, or engine offered for import to the owner or operator or consignee thereof upon such terms and conditions (including the furnishing of a bond) as may appear to them appropriate to insure that any such vessel, aircraft, vehicle, or engine will be brought into conformity with the standard, requirements, and limitations applicable to it under this title. The Secretary of the Treasury shall, if such vessel, aircraft, vehicle, or engine is finally refused admission under this paragraph, cause disposition thereof in accordance with the customs laws unless it is exported, under regulations prescribed by the Secretary of the Treasury within ninety days after the date of notice of such refusal or such additional time as may be permitted pursuant to such regulations, except that disposition in accordance with the customs laws may not be made in such manner as may result, directly, or indirectly, in the sale, to the ultimate purchaser, of a new vessel, aircraft, vehicle, or engine that fails to comply with applicable standards of the Secretary.

"INJUNCTION PROCEEDINGS

"SEC. 204. (a) The district courts of the United States shall have jurisdiction to restrain violations of section 203 of this title. Actions to restrain such violations shall be brought by, and in, the name of the United States. In any such action, subpenas for witnesses who are required to attend a district court in any district may run into any other district.

"(b) If the Secretary determines that any State has adequate authority to restrain violations of section 203 of this title, he shall delegate to such State any such enforcement authority under this title, except that nothing in this subsection shall operate to prohibit the Secretary from also acting at any time to restrain such violations.

"PENALTIES

"SEC. 205. Any person who violates section 203(a) of this title shall be subject, upon conviction, to a civil penalty of not more than $10,000. Any such violation of paragraph (1), (2) or (4) of section 203(a) of this title shall constitute a separate offense with respect to each vessel, aircraft, vehicle, or engine subject to its requirements.

"CERTIFICATION AND PRODUCTION MODEL TESTING

"SEC. 206. (a)(1) The Secretary shall test or require to be tested, in such manner as he deems appropriate, any new vehicle, or new vehicle engine, or class thereof, submitted by a manufacturer to determine whether such vehicle, or engine conforms with the regulations prescribed under section 202 of this title. If such vehicle, or engine conforms to such regulations, the Secretary shall issue a certificate of conformity upon such terms and conditions, and for such period as he may prescribe.

"(2) The Secretary shall develop and publish in the Federal Register, after consultation with, as appropriate, the Secretary of Transportation, the Secretary of the Department in which the Coast Guard is operating, and the Secretary of Defense and other interested Federal agencies, regulations simultaneously with those published under section 202 of this title, in accordance with section 553 of title 5 of the United States Code, concerning the testing of vessels, aircraft, and vessel or aircraft engines. Such regulations shall provide, among other things, such technical data and other information as shall be required in conducting such tests. The Secretary shall provide an opportunity for interested persons to submit written comments thereon. He shall thereafter promulgate such regulations with such modifications as he deems appropriate and such regulations shall become effective upon promulgation.

"(3) Any vehicle or vehicle engine sold by such manufacturer which is in all material respects substantially the same construction as the test vehicle or vehicle engine for which a certificate has been issued under paragraph (1) of this subsection and is in effect, shall for the purposes of this Act be deemed to be in conformity with the regulations issued under section 202 of this title, except as provided in subsection (b) of this section and section 207 of this Act.

"(b)(1) The Secretary shall establish and inform the manufacturers of (1) methods and procedures to be used in making tests under this section; and (2) methods and procedures to be used in determining the relationship of test results to applicable regulations established under section 202 of this Act.

"(2) In order to determine whether any new vessels, vehicles, or aircraft, or new vessel, vehicle, or aircraft engines under the control or custody of a manufacturer conform with the regulations with respect to a certificate of conformity was issued, the Secretary is authorized to test or require testing of any such vessels, vehicles, aircraft, or engines, or class thereof, while in the control or custody of the manufacturer.

"(3) If, based on such test, the Secretary determines that such vessels, vehicles, aircraft, or engines do not conform with the regulations with respect to which the certificate of conformity was issued, he shall notify the manufacturer and he may by notice suspend or revoke such certificate in whole or in part. Such suspension or revocation shall apply in the case of any new vessels, vehicles, or aircraft or any new vessel, vehicle, or aircraft engines manufactured for sale after the date of such notification (or manufactured before such date if still in the control or custody of the manufacturer), and until such time as the Secretary finds that such vessels, vehicles, aircraft, or engines manufactured by the manufacturer conforms to such regulations. If, during any period of suspension or revocation the Secretary finds that such vessels, vehicles, aircraft, or engines or class thereof, conforms to such regulations, he shall by notice reinstate such certificate.

"(4)(A) Within thirty days of receipt of notice of such suspension or revocation under this subsection or denial of a request for certification under subsection (a), the manufacturer may file with the Secretary an application for a public hearing for review thereof. Upon receipt of such application, the Secretary shall promptly hold a hearing to enable such manufacturer to present information relating thereto. The filing of an application for review under this paragraph shall not operate as a stay of such suspension, revocation, or denial;

"(B) In connection with any hearing under this subsection, the Secretary may sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpena served upon any person under this subparagraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(C) Any decision issued by the Secretary under this subsection shall be subject to judicial review by the United States court of appeals for the circuit in which such manufacturer resides or has his principal place of business, or the United States Court of Appeals for the District of Columbia, upon the filing in such court within thirty days from the day of such decision of a petition by any person aggrieved thereby praying that the decision be modified or set aside in whole or in part. A copy of the petition shall forthwith be sent by registered or certified mail to the Secretary and thereupon the Secretary shall certify and file in such court the record upon which the final decision complained of was issued, as provided in section 2112 of title 28, United States Code. The court shall hear such petition on the record made before the Secretary. The findings of the Secretary shall be presumed correct. The court may affirm, vacate, or modify any decision of the Secretary and, when appropriate, issue such process as may be necessary, or may remand the proceedings to the Secretary for such further actions as it may direct. The judgment of the court shall be subject to review only by the Supreme Court of the United States upon a writ of certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of a proceeding under this subparagraph shall not operate as a stay of the final decision of the Secretary, unless and until the court determines that the interest of the public are best served by a stay of such final decision and that there is a substantial likelihood that the petitioner will prevail on the merits of the matter subject to review.

"(D) For purposes of enforcement of this title, authorized representatives of the Secretary, upon presenting appropriate credentials to the manufacturer, his agent in charge, or dealer are authorized (i) to enter, at reasonable time, any factory, warehouse, establishment, or other facility of such manufacturer or dealer, in or at which such vessels, vehicles, aircraft, or engines are manufactured, assembled, or constructed, or are held for introduction into commerce or are held for sale, or resale after such introduction; and (ii) to inspect, at reasonable times and in a reasonable manner, such factory, warehouse, establishment, or other facility and the vessels, vehicles, aircraft, and engines therein. Each such inspection shall be commenced and completed with reasonable promptness.

"(F) Every manufacturer of such vessel, vehicle, aircraft, or engine shall furnish to the dealer or, if appropriate, to the ultimate purchaser at the time of delivery thereof by such manufacturer a certification that such vessel, vehicle, aircraft, or engine conforms to all applicable standards issued under this title. Such certification shall be in such form as to be clearly visible and shall be permanently affixed thereto.

"(c) With respect to vessels and vessel engines, the testing, certification, and related actions required by this section shall be conducted by the Secretary of the department in which the Coast Guard is operating pursuant to laws administered by him. With respect to aircraft and aircraft engines, the testing, certification, and related actions required by this section shall be conducted by the Secretary of Transportation pursuant to the Federal Aviation Act of 1958, as amended. With respect to vessels and aircraft and the engines thereof owned or operated by, or be-

ing manufactured for the Department of Defense, that Department shall conduct the testing, certification, and related actions required by this section.

"VEHICLE AND VEHICLE ENGINE COMPLIANCE TESTING

"SEC. 207. (a) Every manufacturer of a new vehicle or new vehicle engine, or both, subject to the regulations issued under section 202 of this title, shall, prior to the delivery thereof to the dealer, or if appropriate, the ultimate purchaser, test or cause to be tested such vehicles or engines, in accordance with good engineering practices and such regulations as the Secretary may prescribe under this section, to ascertain that such vehicles or engines will conform to the applicable certificate issued under this title for the lifetime emissions of such vehicle or engine. No certificate shall be issued for such vehicles or engines under this title unless the manufacturer has such a testing program.

"(b) The Secretary shall establish methods and procedures for making tests under this section and inform the manufacturers with respect thereto by regulation promulgated in accordance with section 553 of title 5 of the United States Code. Such regulations adopted by the Secretary prior to enactment of the National Air Quality Standards Act of 1970 shall continue in force until modified by him consistent with the purposes of this section.

"(c) Every new vehicle or new vehicle engine introduced in commerce for sale or resale shall be warranted by the manufacturer to be designed, built, and equipped so as to conform with applicable regulations issued under this title, and shall further be warranted to remain in conformity with such regulations for the lifetime of such vehicles or engines if properly maintained, serviced, and operated. Operation for fifty thousand miles shall be taken as the basis for the lifetime of a vehicle or engine under this section. As a condition to the obligation of manufacturers to correct deficient performance, manufacturers may require the ultimate purchaser and subsequent purchasers of such vehicles or engines (a) to provide reasonable evidence of the time when such vehicles or engines were first placed in regular service and (b) to provide reasonable evidence that prescribed maintenance, adjustment, and service requirements and schedules have been observed. The manufacturer shall furnish with each vehicle or engine written instructions for the proper maintenance, adjustment, operation, and service by the owner or operator. Such warranty shall apply to the vehicle on behalf of the ultimate purchaser and subsequent purchasers thereof. In addition, the manufacturer shall include on a label or tag permanently affixed to such vehicle or engine such information relating to control of vehicle emissions and compliance with this Act as the Secretary shall prescribe by regulation. The actual cost to the manufacturer of such systems or devices and installation thereof and warranty shall be disclosed in accordance with the provisions of the Act of July 7, 1958 (15 U.S.C. 1231–1233).

"(d)(1) The Secretary shall conduct, or cause to be conducted, such inspections, tests, studies, research, and investigations as may be necessary to determine whether any class of vehicles or engines continue to conform to the regulations prescribed under section 202 of this Act after such vehicles or engines have been in operation for such period or number of miles as the Secretary may deem appropriate. Any such inspection of a vehicle or engine, after its sale to the ultimate purchaser, shall be made only if the owner of such vehicle or engine voluntarily permits such inspection to be made, except as may be provided by any State or local inspection program.

"(2) If through testing, inspection, studies, or other investigation of statistically representative samples of any class or category of vehicles or vehicle engines, or by other means, the Secretary determines that such class or category of vehicles or engines, operated under proper maintenance and use, do not conform to the regulations prescribed under section 202 of this Act, or the certification issued under this title, he shall immediately notify the manufacturer thereof of such determination of nonconformity. The Secretary shall publish such notice and, with reasonable specificity, information concerning his determination of nonconformity in the Federal Register as promptly as possible. The Secretary shall within thirty days after such notice is issued afford the manufacturer and other interested persons an opportunity to present their views and evidence in support thereof at a public hearing or in writing with regard to such determination of nonconformity. The Secretary shall, within a reasonable time, but in no event more than sixty days from the date of notice of nonconformity, order the manufacturer to provide prompt notification of such nonconformity to the ultimate purchaser and, if known, subsequent purchasers of all such vehicles or vehicle engines included within the class or category unless the Secretary, on the basis of all the facts and evidence in the public record of such proceedings, shall conclude that the class or category of vehicles or engines is in conformity with the regulation and certification and publish such conclusion together with the reasons therefor in the Federal Register as promptly as possible.

"(e)(1) Every manufacturer of vehicles or engines subject to the provisions of this section shall furnish notification of any defect in such vehicle or engine produced by him, which he discovers during the term of any warranty required by this title, and which he determines, in good faith, causes or will cause such vehicle or engine to be in nonconformity with such certification or regulations, to the ultimate purchaser or subsequent purchaser thereof (where known to the manufacturer) within a reasonable time not to exceed sixty days after discovery of such defect.

"(2) The notification required by this section shall be—

"(A) by any expeditious process, which, for those purchasers who do not initially respond must include notice by certified mail to the last-known address of the ultimate purchaser of such vehicle or engine, and to any subsequent purchasers, if known, to whom has been transferred any warranty required by this title;

"(B) by certified mail to the dealer of such vehicle or engine; and

"(C) by such other expeditious and reasonable means of informing purchasers thereof not known to the manufacturer.

"(3) The notification to such purchasers provided for in this subsection shall contain a clear description of the nonconformity, a statement of measures to be taken to remedy such nonconformity, and a commitment of the manufacturer to cause such nonconformity to be remedied at no cost to the owner.

"(4) The manufacturer shall furnish, at the Secretary's request, copies of such notification to him.

"(f) The United States district court shall have jurisdiction to restrain violations of this section or any order of the Secretary issued under this section.

"STATE GRANTS

"SEC. 208. (a) The Secretary is authorized to make grants to appropriate State agencies in an amount up to two-thirds of the cost of developing and maintaining effective vehicle emission devices and systems inspection and emission testing and control programs, except that—

"(1) no grant shall be made for any part of any State vehicle inspection program which does not directly relate to the cost of the air pollution control aspects of such a program; and

"(2) no such grant shall be made unless the Secretary of Transportation has certified to the Secretary that such program is consistent with any highway safety program developed pursuant to section 402 of title 23 of the United States Code.

"(b) Such grants shall be in addition to, and shall not supplant, existing funding programs of a State for air pollution control.

"RECORDS AND REPORTS

"SEC. 209. (a) Every manufacturer of a vessel, vehicle, aircraft, or vessel, vehicle, or aircraft engine subject to the provisions of this title shall establish and maintain such records, make such reports, perform such tests, and provide such information as the Secretary may reasonably require to enable him to determine whether such manufacturer has acted or is acting in compliance with this title and regulations thereunder, and shall, upon request of an authorized representative of the Secretary, permit such officer or employee at reasonable times to have access to and copy such records.

"(b) Except for emission data, upon a showing satisfactory to the Secretary by the person filing such records and reports that such records or reports or portion thereof, if made public, would divulge trade secrets or secret processes of such person, the Secretary shall consider such records or reports or portions thereof confidential in accordance with the purposes of section 1905 of title 18 of the United States Code, except that such records or reports may be disclosed to other officers or employees concerned with carrying out this Act or when relevant in any proceeding under this Act.

"STATE STANDARDS

"SEC. 210. (a) No State or any political subdivision thereof shall adopt or attempt to enforce any standard relating to the control of emissions from commercial vehicles, new noncommercial vehicles, vessels, aircraft, or commercial vehicle, new noncommercial vehicle, vessel, or aircraft engines subject to this title, or to control or prohibit for the purpose of emission control, the sale or use of any fuel or fuels which are registered in accordance with section 212(a) of this Act, except where such State demonstrates, after public hearings, to the satisfaction of the Secretary that more restrictive emission standards for vehicles or engines are required to implement national ambient air quality standards for any air quality control region within such State. Except to implement such more restrictive standards, no State shall require certification, inspection, or any other approval relating to the control of emissions from any commercial vehicle, new noncommercial vehicle, vessel, or aircraft or commercial vehicle, new noncommercial vehicle, vessel, or aircraft engine as condition precedent to the initial retail sale to an ultimate purchaser, titling (if any), or registration of such vehicle, vessel, aircraft, or engine.

"(b) The Secretary shall, after notice and opportunity for public hearing, waive application of this section to any State which has adopted standards (other than crankcase emission standards) for the control of emissions from new motor vehicles or new motor vehicle engines prior to March 30, 1966, unless he finds that such State does not require standards more stringent than applicable Federal standards to meet compelling and extraordinary conditions or that such State standards and accompanying enforcement procedures are not consistent with section 202 of this title.

"(c) Nothing in this title shall preclude or deny to any State or political subdivision thereof the right otherwise to control, regulate, or restrict the use, operation, or movement of any aircraft, vessel, or registered or

licensed vehicle, particularly such controls, regulations, or restrictions necessary to achieve compliance with national ambient air quality standards and national ambient air quality goals established pursuant to title I of this Act.

"USED VEHICLES

"SEC. 211. (a) (1) As soon as possible after the enactment of this section, the Secretary shall promulgate Federal standards of performance for emission control devices or systems designed to prevent or reduce air pollution emissions from used vehicles.

(2) As soon as possible after promulgation of the standards required in paragraph (1), the Secretary shall develop and publish in the Federal Register, in accordance with section 553 of title 5 of the United States Code, regulations providing for certification and warranty of such devices or systems. Such regulations shall consider the technical feasibility of installing and maintaining in proper condition such devices or systems for used vehicles or engines or classes thereof. The Secretary shall afford a reasonable opportunity for interested persons to submit written comments thereon and, after consideration thereof, shall promulgate such regulations which shall become effective upon promulgation.

"(b) (1) No manufacturer of a device for application on used vehicles shall sell, offer for sale, or introduce or deliver for introduction in interstate commerce, or import into the United States for sale or resale, any such device or system manufactured after the effective date of the standards and regulations promulgated under this section unless such device or system is in all material respects substantially the same as a test device or system certified under this subsection.

"(2) Upon application of the manufacturer, the Secretary shall so certify a used vehicle device or system if he determines, in accordance with the provisions of this paragraph, that it meets the appropriate standards and regulations promulgated under this section. The Secretary shall test or require such testing of the device or system as to standards of performance and for such other purposes as may be appropriate. If the Secretary determines that the device or system is satisfactory after consideration of the design, installation, operation, reliability material, or other appropriate factors, he shall certify the device. Any device or system manufactured by such manufacturer which is in all material respects substantially the same as the certified test device or system shall be deemed to be in conformity with the appropriate standards and regulations established under this section.

"(c) After the effective date of standards and regulations promulgated under this section, it shall be unlawful—

"(1) for the manufacturer of any device or system subject to such standards and regulations to sell or offer for sale, or to distribute for sale any such device or system unless it is in all material respects substantially the same as the appropriate test device or system certified pursuant to this section; or

"(2) for any person, prior to the sale or delivery of a device or system subject to such standards and regulations to the ultimate purchaser, wrongfully to remove or render inoperative any certified device or system or element of design of such device or system; or

"(3) for any person to fail or refuse to permit access to or copying of records or to fail to make reports or provide information required under this section.

"(d) The district courts of the United States shall have jurisdiction to restrain violators of subsection (c) of this section. Actions to restrain such violators shall be brought by, and in, the name of the United States. In any such action, subpenas for witnesses who are required to attend a district court in any district may run into any other district. In case of contumacy or refusal to obey a subpena served upon any person under this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such persons, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(e) Any person who violates clause (2) of subsection (c) of this section shall be liable to a civil penalty of not more than $1,000 for each violation. Each violation shall be a separate offense. No penalty shall be assessed until the person charged shall have been given notice and an opportunity for a hearing on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance, after notification of a violation, shall be considered by said Secretary.

"REGULATION OF FUELS

"SEC. 212. (a) The Secretary may by regulation designate any fuel or fuels for use in vehicles and engines and, after such date or dates as may be prescribed by him, no manufacturer or processor of any such fuel may introduce such fuel into commerce unless the Secretary has registered such fuel in accordance with subsection (b) of this section.

"b) (1) For the purpose of registration of fuels, the Secretary shall require—

"(A) the manufacturer of such fuel to notify him as to the commercial identifying name and manufacturer of any additive contained in such fuel; the range of concentration of such additive or additives in the fuel; and the purpose-in-use of such additives; and

"(B) the manufacturer of any such additive to notify him as to the chemical composition of such additive or additives as indicated by compliance with clause (A) of this paragraph, the description of any analytical technique that can be used to detect and measure such additive in fuel, the recommended range of concentration of such additive, and the chemical structure of such additive or additives.

"(2) The Secretary shall issue test procedures and protocols to determine potential public health effects, including, but not limited to, carcinogenic, teratogenic, or mutagenic effects, and may require that manufacturers of fuels and additives submitted for registration to conduct tests consistent with such procedures and protocols. The results of such tests shall not be considered confidential.

"(3) The Secretary may also require the manufacturer of any fuel or fuel additive to furnish such information as is reasonable and necessary to determine the emissions resulting from the use of the fuel or additive contained in such fuel, the effect of such fuel on the emission control performance of any vehicle or vehicle engine, or the extent to which such emissions affect the public health.

"(4) Upon compliance with the provision of this subsection, including assurances that the Secretary will receive changes in the information required, the Secretary shall register such fuel.

"(c) (1) The Secretary may from time to time on the basis of information obtained under subsection (b) of this section or other information available to him, by regulation control or prohibit the introduction into commerce of any fuel or fuels for use in vehicle engines if the combustion or evaporation of such fuel produces emissions which endanger the public health or welfare, or if such emissions prevent operation of effective systems for the control of emissions from any vehicle or vehicle engine which the Secretary finds would otherwise conform to standards promulgated pursuant to section 202 of this Act.

"(2) Except for fuels the combustion or evaporation of which produce emissions that endanger the public health, the Secretary shall, after public hearings and prior to controlling or prohibiting the introduction into commerce of any fuel, find and publish such finding that control or prohibition of such fuel is necessary for the achievement of an effective program of emission control to meet the standards established by section 202(b) of this Act or that such control or prohibition is necessary to achieve an economic alternative in emissions control over the lifetime of the vehicle as established in section 207 of this Act, or that such control or prohibition is necessary for the effective use of an emission control device certified pursuant to section 211 of this Act, or that such control or prohibition is necessary to protect the general welfare.

"(3) The Secretary shall not prohibit the use of any fuel unless he finds, and publishes such finding, that such prohibition would not cause the use of any other fuel which will produce emissions which will endanger the public health or welfare to the same or greater degree.

"(2) In obtaining information under this subsection, the Secretary may sign and issue subpenas for the deposition of relevant persons and the production of relevant records, reports, and documents, and administer oaths. In case of contumacy or refusal to obey a subpena served upon any person under this paragraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof. Upon a showing satisfactory to the Secretary by the person filing or submitting such information that such information or portion thereof, if made public, would divulge trade secrets or secret processes of such person, the Secretary shall consider such information or portion thereof confidential for the purposes of section 1905 of title 18 of the United States Code, except that such information may be disclosed to other officers or employees of the United States concerned with carrying out this Act or when relevant in any proceeding under this title. The Secretary shall make available any such information which is not so considered confidential and which will contribute to scientific or public understanding of the relationship between the components of such fuels and their contribution to the problem of air pollution.

"(d) Any person who violates subsection (a) or (b) of this section shall forfeit and pay to the United States a civil penalty of $10,000 for each and every day of the continuance of such violation, which shall accrue to the United States and be recovered in a civil suit in the name of the United States, brought in the district where such person has his principal office or in any district in which he does business. The Secretary may, upon application therefor, remit or mitigate any forfeiture provided for in this subsection and he shall have authority to determine the facts upon all such applications.

"(e) Regulations issued under this section and section 211 shall be published in the Federal Register, in accordance with section 553

of title 5 of the United States Code, and shall afford interested persons a reasonable period to submit written comments thereon."

SEC. 9. The Clean Air Act is amended by adding after section 212 the following new sections:

"DEVELOPMENT OF LOW-EMISSION VEHICLES

"SEC. 213. In order to encourage research and promote the development of low-emission vehicles the Secretary is authorized to—

"(1) prescribe special low-emission standards for any class or classes of vehicles or engines not subject to section 202(b) of this Act;

"(2) provide testing procedures to determine if vehicles and engines meet such standards; and

"(3) certify vehicles or engines meeting such standards as low-emission vehicles or engines for the purpose of this section.

"DEFINITIONS

"SEC. 214. For the purpose of this title, the term—

"(1) 'vessel' means every description of self-propelled watercraft or other artificial contrivance used, or capable of being used, as a means of commercial transportation in water;

"(2) 'vessel engine' means an engine used for the propulsion of a vessel and located either therein or separated therefrom, but is intended for such use, and includes all parts, appurtenances, and accessories thereof;

"(3) 'aircraft' means any contrivance now known or hereinafter invented, used, or designed for navigation of, or flight in, the air;

"(4) 'aircraft engine' means an engine used, or intended to be used, for propulsion of aircraft and located either therein or separated therefrom, but is intended for such use, and includes all parts, appurtenances, and accessories thereof;

"(5) 'vehicle' means any self-propelled vehicle designed for transporting persons or property on a road, street, parkway, or highway or on rails, or for agricultural use;

"(6) 'vehicle engine' means an engine used for the propulsion of a vehicle or motor vehicle and located therein or separated therefrom, but is intended for such use, and includes all parts, appurtenances, and accessories thereof;

"(7) 'new' when applied to a vessel, aircraft, or vehicle, or vessel, aircraft, or vehicle engine means that the equitable or legal title thereto has not, under applicable law, been transferred to an ultimate purchaser, except that, with respect to vessels, aircraft, or vehicles, or vessels, aircraft, or vehicle engines imported or offered for importation, such term shall mean a vessel, aircraft, or vehicle, or vessel, aircraft, or vehicle engine imported into the United States on or after the day following the date of enactment of this paragraph;

"(8) 'ultimate purchaser' means the first person who in good faith purchases a new vessel, aircraft, or vehicle, or a new vessel aircraft, or vehicle engine for purposes other than resale;

"(9) 'commercial' means any business activity of any kind or description by any person engaged in trade or commerce;

"(10) 'manufacturer' means, except in section 212, any person engaged in the manufacturing or assembling of new vessels, aircraft, or vehicles, or new vessel, aircraft, or vehicle engines, or importing such vessels, aircraft, vehicles or engines for resale, or who acts for, and is under the control of, any such person in connection with the distribution of such vessels, aircraft, vehicles, or engines, but shall not include any dealer;

"(11) 'owner or operator' means any person who owns, leases, operates, controls, or supervises a vessel, aircraft, or vehicle or engine thereof;

"(12) 'commerce' means trade, traffic, commerce, transportation, or communication among the several States, or between a place in a State and any place outside thereof, or within the District of Columbia or a possession of the United States, or between points in the same State but through a point outside thereof;

"(13) 'dealer' means any person who is engaged in the sale or the distribution of aircraft, new vehicles, vessels or aircraft, new vehicle, or vessel engines to the ultimate purchaser.

"APPLICABILITY

"SEC. 215. The amendments made by sections 206(b)(4)(F), 207(c), 207(d), and 207(e) shall apply in the case of vehicles and vehicle engines manufactured after the ninetieth day after the enactment of this section."

SEC. 10. Section 301 of the Clean Air Act is amended by adding a new subsection (d) at the end thereof as follows:

"(d) Contracts made under this Act may be made without regard to the civil service laws and the Classification Act of 1949, as amended, 5 U.S.C. 5101, et seq. as they relate to the procurement of personal sevices."

SEC. 11. (a) The Clean Air Act is amended by redesignating sections 303 through 310 as sections 311 through 318.

(b) The Clean Air Act is amended by inserting after section 302 the following new sections to read as follows:

"EMERGENCY POWERS

"SEC. 303. Notwithstanding any other provision of this Act, the Secretary upon receipt of evidence that a pollution source or combination of sources (including moving sources) is presenting an imminent and substantial endangerment to the health of persons, and that appropriate State or local authorities have not acted to abate such sources, may bring suit on behalf of the United States in the appropriate United States district court to immediately restrain any person causing or contributing to the alleged pollution to stop the emission of air pollution agents or combination of such agents causing or contributing to such pollution or to take such other action as may be necessary.

"CITIZEN SUITS

"SEC. 304. (a)(1) In furtherance of the purpose of this Act to protect the public health and welfare and control air pollution, the district courts of the United States shall have original jurisdiction, regardless of the amount in controversy or the citizenship of the parties, to enforce, or to require the enforcement of, any applicable schedule or timetable of compliance, emission requirement, standard of performance, emission standard, or prohibition established pursuant to this Act. Civil actions for such enforcement, or to require such enforcement, may be brought by one or more persons on their own behalf, (A) against any person, including, but not limited to, a governmental instrumentality or agency, where there is alleged a violation by such person of any such schedule, timetable, emission requirement, standard of performance, emission standard, or prohibition, or (B) against the Secretary where there is alleged a failure of the Secretary to exercise (i) his authority to enforce standards or orders established under this Act; or (ii) any duty established by this Act.

"(2) Nothing in this section shall affect the right of such persons as a class or as individuals under any other law to seek enforcement of such standards or any other relief.

"(3) Prior to instituting any suit, under this subsection, such person or persons shall, by certified or registered mail or personal service, notify (A) the Secretary, (B) an authorized representative of the Secretary, if any, in the field office responsible for the area in which the alleged violation occurs, (C) an authorized representative of the air pollution control agency of the State in which the alleged violation occurs, and (D) the person, or persons alleged to be in violation of such alleged violation. Such notice shall be in accordance with regulations prescribed by the Secretary as to content and specificity. No such suit shall be filed unless such person or persons shall have afforded the Secretary, his representative, or such agency, at least thirty days from the receipt of such notice to institute enforcement proceedings under this Act to abate such alleged violation; except any action under this section to abate a violation of (i) an order issued by the Secretary pursuant to section 116, (ii) clause (A) or (B) of section 113(h)(1), (iii) section 114(f)(1), or (iv) section 115, may be undertaken, after notice, without regard to the time limitations of this subsection. In any such action, the Secretary, if not a party, may intervene as a matter of right.

"(b) The court, in issuing any order in any action brought pursuant to subsection (a) of this section, may award costs of litigation, including reasonable attorney and expert witness fees, whenever the court determines such action is in the public interest.

"APPEARANCE

"SEC. 305. In actions instituted under this Act, attorneys appointed by the Secretary shall appear for and represent the Secretary, as provided in section 516 of title 28 of the United States Code.

"FEDERAL PROCUREMENT

"SEC. 306. (a) Any person (1) required to comply with a order issued by a Federal court pursuant to this Act who fails to comply within the time period specified in such order, or (2) convicted by a Federal court for a knowing violation of any applicable schedule or timetable of compliance, emission requirement, prohibition, emission standard, or standard of performance, shall be ineligible to enter into any contract with any Federal agency for the procurement of goods, materials, and services to perform such work at or with any facilities subject to such action by the court, which are owned, leased, or supervised by such person. Such ineligibility shall continue under clause (1) of this subsection until the Secretary certifies compliance with such order, or that its condition giving rise to its violation has been corrected.

"(b) The Secretary shall establish procedures to provide all such Federal agencies with the notification necessary for the purposes of subsection (a) of this section.

"(c) In order to further implement the purposes and policy of this Act to protect and enhance the quality of the Nation's air, the President shall, not more than one hundred and eighty days after enactment of this section cause to be issued an order (A) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and (B) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.

"(d) The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

"(e) The President shall annually report to the Congress on measures taken toward implementing the purpose and intent of this section, including but not limited to the progress and problems associated with implementation of this section.

"EMPLOYEE PROTECTION

"SEC. 307. (a) No person shall discharge or in any other way discriminate against or cause to be discharged or discriminated against any employee or any authorized representative of employees of any alleged violator by reason of the fact that such employee or representative has filed, instituted, or caused to be filed or instituted any proceeding under this Act, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this Act.

"(b) Any employee or a representative of employees who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such violation occurs, apply to the Secretary of Labor for a review of such alleged discharge or discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Secretary of Labor shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to enable the parties to present information relating to such violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Upon receiving the report of such investigation, the Secretary of Labor shall make findings of fact. If he finds that such violation did occur, he shall issue a decision, incorporating an order therein, requiring the person committing such violation to take such affirmative action to abate the violation as the Secretary of Labor deems appropriate, including, but not limited to, the rehiring or reinstatement of the employee or representative of employees to his former position with compensation. If he finds that there was no such violation, he shall issue an order denying the application. Such order issued by the Secretary of Labor under this subparagraph shall be subject to judicial review in accordance with this subsection. Violations by any person of subsection (a) of this section shall be subject to the provisions of section 116(a)(4).

"(c) Whenever an order is issued under this paragraph, at the request of the applicant, a sum equal to the aggregate amount of all costs and expenses (including the attorney's fees) as determined by the Secretary of Labor to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing the violation.

"JUDICIAL REVIEW

"SEC. 308. (a) Any interested person may file a petition against the Secretary for review (1) of any promulgated national ambient air quality standard, goal, prohibition, emission standard, standard of performance, or waiver granted pursuant to section 114(c)(4) of this Act, in the United States Court of Appeals for the District of Columbia or (2) of any approved or promulgated implementation plan, including any emission requirement therein, in the United States Court of Appeals for the appropriate Circuit. Such petition shall be filed within thirty days from the date of such promulgation, approval, or waiver, or after such date whenever it is alleged that significant new information has become available, praying that such promulgation or approval be modified or set aside in whole or in part. Any determination or finding of the Secretary, subject to challenge under this subsection, shall be presumed correct. The court shall provide such relief as may be appropriate.

"(b) The commencement of a proceeding under this subsection or any other provision of law shall not operate as a stay of such standard, goal, plan, including any emission requirement therein, prohibition, emission standard, standard of performance, or waiver, or any regulation or determination established or made pursuant to this Act, unless and until the court determines that the party requesting such stay shows that there is a substantial likelihood that such party will prevail on the merits of the matter subject to review and that the interest of the public will not be harmed by such a stay.

"(c) The judgment of the court shall be subject to review only by the Supreme Court of the United States upon a writ of certiorari or certification as provided in section 1254 of title 28 of the United States Code.

"MANDATORY LICENSING

"SEC. 309. (a) Whenever the Secretary determines, in accordance with the provisions of section 554 of title 5 of the United States Code, that the implementation of the requirements of sections 113, 115, or 202 of this Act requires a right or rights under any United States letters patent or any trade secret or knowhow not otherwise reasonably available be made available to others to facilitate compliance with such sections, he shall order the owner of such patent, trade secret, or know-how to grant to each applicant making written request therefor a nonexclusive, nontransferable license under any such patent, patent application, trade secret, or know-how. For the purpose of this subsection, know-how shall include technical information known to the owner thereof relating to control technology, processes, operating methods, or other alternatives, including written manuals, blueprints, drawings, and specifications.

"(b) No license granted pursuant to subsection (a) shall include any restriction, except:

"(1) reasonable royalties may be charged;

"(2) reasonable provisions may be made to prevent the disclosure of know-how or trade secrets to third persons;

"(3) reasonable provisions may be made for periodic royalty payments by the licensee and inspection of the relevant books and records of the licensee by an independent auditor or other person acceptable to both licensor and licensee, who shall report to the licensor only the amount of the royalty due and payable;

"(4) reasonable provisions may be made for cancellation of the license upon failure of the licensee to make the reports, pay the royalties, permit the inspection of his books and records, or for disclosure of knowhow or trade secrets to a third person as hereinabove provided;

"(5) reasonable provisions may be made to prevent further use or disclosure by the licensee, in the event of cancellation of know-how or trade secrets acquired by the licensee pursuant to such license.

"(c) If the owner of any United States letters patent, patent application, trade secret, or know-how and any applicant for a license thereunder pursuant to subsection (a) are unable to agree upon reasonable royalties to be charged under such license or upon any other provision which may be included in such license pursuant to subsection (b), any such disagreement shall be resolved by arbitration under the rules and procedures of the American Arbitration Association then in effect.

"(d) Nothing in this section shall be construed to grant an exemption from the antitrust laws of the United States or any judgments, orders, or decrees issued thereunder.

"POLICY REVIEW

"SEC. 310. (a) The Secretary shall review any matter relating to duties and responsibilities granted pursuant to this Act contained in any (1) detailed statement prepared by any agency or Department of the Federal Government pursuant to Public Law 91-190, and (2) proposed regulations published by any agency or Department of the Federal Government pursuant to any statutory authority.

"(b) In the event the Secretary determines that such detailed statement or such proposed regulations is unsatisfactory from the standpoint of public health or welfare or environmental quality, the matter shall be referred to the Council on Environmental Quality for a determination and recommendation to the President which shall be made public."

SEC. 12. Redesignated section 317 of the Clean Air Act is amended by striking out "and" before "$134,300,000" and inserting before the period at the end thereof a comma and the following: "$150,000,000 for the fiscal year ending June 30, 1971, $250,000,000 for the fiscal year ending June 30, 1972, and $325,000,000 for the fiscal year ending June 30, 1973".

SEC. 13. The Clean Air Act is amended by adding at the end thereof a new title to read as follows:

"TITLE IV—NOISE POLLUTION

"SEC. 401. This title may be cited as the 'Noise Pollution and Abatement Act of 1970'.

"SEC. 402. (a) The Secretary shall establish within the Department of Health, Education, and Welfare an Office of Noise Abatement and Control, and shall carry out through such Office a full and complete investigation and study of noise and its effect on the public health and welfare in order to (1) identify and classify causes and sources of noise, and (2) determine—

"(A) effects at various levels;

"(B) projected growth of noise levels in urban areas through the year 2000;

"(C) the psychological and physiological effect on humans;

"(D) effects of sporadic extreme noise (such as jet noise near airports) as compared with constant noise;

"(E) effect on wildlife and property (including values);

"(F) effect of sonic booms on property (including values); and

"(G) such other matters as may be of interest in the public welfare.

"(b) In considering such investigation, the Secretary shall hold public hearings, conduct research, experiments, demonstrations, and studies. The Secretary shall report the results of such investigation and study, together with his recommendations for legislation or other action, to the President and the Congress not later than one year after the date of enactment of this title.

"(c) In any case where any Federal department or agency is carrying out or sponsoring any activity resulting in noise which the Secretary determines amounts to a public nuisance or is otherwise objectionable, such department or agency shall consult with the Secretary to determine possible means of abating such noise.

"SEC. 403. There is authorized to be appropriated such amount, not to exceed $30,000,000, as may be necessary for the purposes of this title."

## OFFICIAL MISSTATEMENTS ABOUT OUR REAL FOREIGN TRADE POSITION

Mr. LONG. Mr. President, the International Monetary Fund has recently issued a report warning against the consequences of prolonged U.S. balance-of-payments deficits. We have been running deficits in our balance of payments in every year since 1950 with the exceptions of 1957 and 1967.

For the first half of 1970 the balance-

of-payments deficit, under the traditional basis of measurement, was running at an annual rate of $6 billion. On another basis of measurement—the so-called official settlement method—the balance-of-payments deficit for the first half of this year was running at an annual rate of $9 billion

One of the major problems we face in searching for solutions to our balance-of-payments problem is misleading information on our balance of trade.

The Department of Commerce has recently issued monthly trade statistics which have been widely reported by the press as showing "a booming surplus" of exports over imports, "running at an annual rate of more than $5 billion" for June and July. It has been suggested that this so-called surplus indicates that the country would be better off without the major trade legislation awaiting House action that would impose mandatory import quotas on textiles and shoes, and facilitate import limitations on other products. To cite 2 months' statistics as evidence of a basic reversal in our trade position is grasping at straws. It is a classic example of how misleading facts create erroneous conclusions.

The Department of Commerce statistics give a false impression that this country enjoys a highly favorable balance of trade when, in fact, if our trade balance were accurately tabulated, it would show an unfavorable balance of trade.

For too long the public has been misled into believing that we have a "favorable balance of trade." The proponents of our "one way free trade philosophy" have argued that our trade negotiations have been an unmitigated success since they have resulted in a "favorable balance of trade." Even our negotiators have put themselves at a disadvantage by using our misleading statistics and providing their negotiating counterparts with the ammunition to destroy our negotiating position. All the foreign negotiator has to do is read back the statements of our negotiators about how favorable our trade picture is, and how if we do anything here to protect our industries, they—the foreigners—will retaliate, and our negotiating position is destroyed. If you read back to a man his own words it is hard for him to repudiate the thought behind them.

So here are our own negotiators using misleading trade statistics, misleading Congress, misleading the American public, misleading the world, and defeating their own objectives in representing American interests.

All foreign countries have to do is read back to them their own false statements which they make. Those false statements are picked up and published in the New York Times, which is probably the only American newspaper that diplomats in foreign governments usually read, and they cannot understand why the United States is trying to save some domestic interests, when our national policy requires it.

In past years—during the first half of the sixties—our misleading statistics indicated that our balance of trade was in surplus by $5 to $7 billion. In more recent years, since 1967, this so-called surplus has dwindled to a rate of about $1 billion. So, even under the most rosy method of calculation, the balance of trade has deteriorated sharply over the last 4 or 5 years.

But, Mr. President, this is not the whole story. Those official figures belie the fact that our balance of trade was never as favorable as the official figures would suggest, and that we have a large net deficit on commercial exports and imports.

Under the traditional method of calculating our trade balance, our exports include foreign aid giveaways which do not earn a penny of foreign exchange for the United States. When we give wheat or corn away to India, for example, the farmer receives his money from the U.S. Government, not from the Indian Government. The American taxpayer pays for the wheat, not the Indian Government. As far as our balance of trade is concerned, we just as well might be dumping it into the ocean. In fact, we would save money, because we would save the ocean freight.

On the import side of the equation we do not include the cost of insurance and freight in computing imports, even though most other countries in the world, the United Nations, and the International Monetary Fund calculate imports on a c.i.f. basis. The Tariff Commission has done some calculations showing that if you computed our imports, on the same basis that most other countries compute their imports, it would increase our import value by 10 percent.

So, Mr. President, if we deduct the foreign giveaways from our exports and calculate our imports the same way that most foreign countries do, instead of having a $1.4 billion balance-of-trade surplus—last year—in 1969, we would have about a $4.4 billion balance-of-trade deficit. In other words, the statistics overstate our position by more than $5 billion.

Let us look at what has happened in 1970. Our exports are reported to total $24.9 billion for the period January through July. If we subtract the foreign aid giveaways, the net figure would be about $23.4 billion. Our imports, f.o.b., were running at $22.9 billion and, if we add the c.i.f. factor of 10 percent, this would increase to $25.2 billion, leaving us with a net unfavorable balance of trade of $2.3 billion. So, what is widely reported in the press as "a booming surplus" actually turns out to be a blooming deficit.

Let us look at the July data which is being widely circulated as evidence that we do not need the major trade legislation just about to pass the House. The Department of Commerce statistics show exports of $3,683 million and imports of $3,242 million for a net "surplus" of $441 million. Some analysts multiply this by 12 and say we are running a surplus of over $5 billion.

Now let us see what happens if we revise these misleading figures. Take out the foreign aid giveaways and our exports drop some $200 million to $3,483 million; add the c.i.f. factor and our import bill for July increase by some $324 million to some $3,566 million, leaving us with a net deficit of $83 million for July. If we then multiplied that by 12 we could say our balance of trade is running in deficit by $996 million. Not a $5 billion annualized surplus, Mr. President, a $996 million annualized deficit for that month on that basis of calculation; and that is the best month so far this year.

I am not going to elaborate on the fact that what has been hailed as a big export surplus in June or July, occurred at a time of domestic recession, growing unemployment, and huge balance-of-payments deficits. If we need a domestic recession to create a phony trade surplus is that any cause for rejoicing about our competitive position? It is suffice to say that the trade statistics currently published are a misleading indicator of the competitive position of this country in world markets and they should be changed to more accurately reflect our true competitive position.

Mr. President, I ask unanimous consent to have printed in the RECORD a chart which shows how completely misleading are the figures offered by the American negotiators to their own Government.

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

BALANCE OF TRADE, 1960-69

[In billions of dollars]

| | Total exports (1) | Less Government-financed exports (2) | Commercial exports (3)=(1)−(2) | Total imports f.o.b. (4) | Estimated imports c.i.f. [1] (5) | Overall balance (6)=(1)−(4) | Commercial balance (7)=(3)−(5) |
|---|---|---|---|---|---|---|---|
| 1969 | 37.4 | 2.2 | 35.2 | 36.0 | 39.6 | +1.4 | −4.4 |
| 1968 | 33.0 | 2.9 | 30.1 | 32.0 | 35.2 | +1.0 | −5.1 |
| 1967 | 39.9 | 2.8 | 28.1 | 26.8 | 29.5 | +4.1 | −1.4 |
| 1966 | 29.4 | 2.7 | 26.7 | 25.6 | 28.2 | +3.8 | −1.5 |
| 1965 | 26.7 | 2.6 | 24.1 | 21.4 | 23.5 | +5.3 | +0.6 |
| 1964 | 25.7 | 2.8 | 22.9 | 18.7 | 20.6 | +7.0 | +2.3 |
| 1963 | 22.4 | 2.6 | 19.8 | 17.1 | 18.6 | +5.3 | +1.2 |
| 1962 | 21.0 | 2.1 | 18.9 | 16.4 | 18.0 | +4.6 | +0.9 |
| 1961 | 20.2 | 1.7 | 18.5 | 14.5 | 16.0 | +5.7 | +2.5 |
| 1960 | 19.6 | 1.6 | 18.0 | 14.7 | 16.2 | +4.9 | +1.8 |

[1] Imports including the cost of insurance and freight.

Source: Survey of Current Business.

Mr. LONG. I ask unanimous consent that another chart, showing the July trade figures before and after adjustment and also a statement of the American Federation of Labor, which has changed its position on foreign trade because it has been forced to conclude that what I am saying here is right, as well as for other reasons that are equally cogent, be printed in the RECORD at this point.

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

*July trade data*

[Dollars in millions]

| | |
|---|---|
| Traditional method of measurement: | |
| Exports | $3,683 |
| Imports | 3,242 |
| Balance | +441 |
| Revised methods of calculation: | |
| Exports [1] | 3,483 |
| Imports [2] | 3,566 |
| Balance | −83 |

[1] Government-financed exports estimated at $200 million ($95 million P.L. 480; $105 million AID).

[2] Imports calculated on c.i.f. by Tariff Commission +IMF (10 percent difference).

THE EXPORT OF AMERICAN JOBS

(By Andrew J. Biemiller)

The United States position in world trade deteriorated in the 1960s, with adverse impacts on American workers, communities and industries. The deterioration continues in the 1970s, with further displacement of U.S. production and loss of American jobs.

The basic causes are major changes in world economic relationships during the past 25 years, which accelerated in the 1960s. Among these changes are the spread of government-managed national economies, the internationalization of technology, the skyrocketing rise of investments of U.S. companies in foreign subsidiaries and the mushrooming growth of the U.S.-based multi-national corporations.

U.S. government policies and doctrines, which were developed to meet world economic conditions of the 1930s and 1940s, are utterly unrealistic today. Moreover they contribute to undermining the U.S. economic position in the world. Their continuation in the 1970s spells further losses for U.S. production and employment.

Solutions cannot await additional long-range studies. Action must start now. Workers, whose jobs are at stake—from a rising tide of imports, frequently produced with modern technology at wages 50%–90% below U.S. levels—must not be told to wait another year or two or three for the findings of yet another study, while the displacement of U.S. production and export of American job accelerates.

Changes in world economic relationships have made two old concepts—"free trade" and "protectionism"—outdated and increasingly irrelevant. U.S. government policy must face up squarely to the increasing export of American technology and jobs by U.S. companies for their own private advantage. U.S. government policy must also face up to the reality that foreign governments directly and indirectly bar imports from the U.S., while they spur exports to the huge American market.

A thorough revision of U.S. government posture and policies, in the related areas of international trade and investment, is required. The AFL–CIO urges this committee to initiate the legislation needed to enable America to meet the economic realities of the world of the 1970s—for the orderly expansion of world trade, on a reciprocal basis, and the improvement of the U.S. trade position in the interest of the American people.

The U.S. ranks first among nations in world trade. But this rating is essentially based on the huge size of the American economy. In terms of the share of world trade, the U.S. position has been declining throughout the post-World War II period. This decline continued even after the war-ravaged economies of other industrial nations returned to world markets, and it continues at a more rapid rate today.

While U.S. exports continued to increase—although at a much slower pace than that of most other industrial countries—imports also rose throughout the past 25 years. In most of the latter 1960, imports rose much faster than exports. Imports also increased faster than their share of the total national output of goods (excluding services and structures)—from 5.8% in 1960 to approximately 8% in 1969. For many specific industries and products, the impact is much greater than 8%.

Since imports rose much faster than exports during most of the latter 1960s, the reported merchandise trade surplus dropped from about $5 billion in the early 1960s and $7.1 billion in 1964 to $800 million in 1968 and $1.3 billion in 1969. If government-financed AID and PL 480 shipments are excluded from the reported volume of merchandise exports, the U.S. had trade deficits in both 1968 and 1969.

The U.S. trade position has been worsening in composition, as well as volume, with imports of manufactured goods—parts and components, as well as finished products—rising most rapidly.

By 1968 and 1969, the U.S. had become a net importer of steel, autos, trucks and parts, as well as such products as clothing, footwear and glass. A flood of shoe imports absorbed the entire expansion of U.S. domestic shoe sales in the 1960s. Even in electrical and non-electrical machinery, exports increased less rapidly than imports, with clear signs of danger for the period ahead. In consumer electrical products, imports took over major parts of the U.S. market in recent years.

From 1960 to 1969, exports of manufactured goods doubled. But imports of such goods tripled. Imports of finished manufactured goods rose from about 35% of all imports in 1961 to over half of all imports in 1969. In the latter year, when imports generally rose about 8.7%, imports of finished manufactured goods soared 18%.

During the 1960s, the expansion of manufactured exports was strongest in products which are based on advanced technology, such as computers, jet aircraft, control instruments and some organic chemicals. Such industries are generally capital-intensive, with relatively few production and maintenance workers for each dollar of production.

The expansion of exports of most products was hampered by barriers of foreign governments by the sharply increasing operations of foreign subsidiaries and other foreign affiliates of U.S. companies.

Detailed information on the job impact of imports is not available. There are some jobs involved in the transportation and distribution of imports. However, there are job losses due to imports that compete with U.S.-made products. Moreover, the labor-intensive nature of much of the great import-expansion of the 1960s has caused significant losses of job opportunities, particularly for semi-skilled and unskilled production workers—at a time when such job opportunities were sorely needed. And the shift of imports to relatively sophisticated products has also caused the loss of skilled industrial jobs.

An indication of the deterioration of the U.S. trade position and related job-losses can be found in the substantial change in the competitive nature of imports. In the 1950s, according to foreign trade experts, only about 30%–40% of imports were considered competitive with U.S.-made products. By 1966, according to a report by Secretary Shultz to the Joint Economic Committee of Congress, about 74% of the much greater volume of imports were "nearly competitive with domestic products." About 13% of imports in 1966, were products not produced in the U.S. and another 13% were goods "produced in the U.S. but in short supply," according to Secretary Shultz. Between the 1950s and the latter 1960s, the total volume of imports increased sharply and competitive imports, as a share of the rapidly rising total volume, approximately doubled.

Temporary factors in the 1960s can explain only part of the deterioration of the U.S. trade position. The rising price level in the U.S. since 1965 and the boom of business investment in new plants and machines undoubtedly contributed to the sharp rise of imports and the deterioration of the U.S. position.

But there are basic, underlying causes of the deterioration of the U.S. trade position. Temporary factors—the rising U.S. price level, the business investment boom and the Vietnam war—merely aggravated them.

The Chase-Manhattan Bank Newsletter for June 1969 predicted a further slippage of the U.S. share of world trade by 1973. Moreover, it predicts a slower rise of exports of "technologically advanced products," while imports of such products are expected to continue to increase rather rapidly. "Thus," states the bank newsletter, "prospects for an improved U.S. trade balance remain dim."

NEW DEVELOPMENTS IN THE 1960'S

Among the major changes in world economic relationships during the past 25 years, which accelerated in the 1960s, have been the following:

1. By the latter 1950s, the war-shattered economies of Germany, Japan, etc., were revived, with newly installed plant and equipment and increasing strength in world trade. Some effects of such American-aided revival of the war-ravaged economies on the U.S. trade position were to be expected. But these effects have not stabilized. The U.S. share of world exports of manufactured goods continued to decline in both the 1950s and 1960s.

However, the desired revival of these war-ravaged economies, in itself, can hardly be the reason for the deterioration of the U.S. position.

2. In the 1960s, another development was the emergence of trading blocs, such as the European Common Market, with its inward-looking, protectionist tendencies.

The Common Market countries have greatly expanded their world trade. As a bloc, the Common Market is now the world's greatest exporter. Yet these Common Market countries maintain barriers to U.S. exports and many of these barriers have been imposed in the past 10 years—despite U.S.-aided economic revival and increasing prowess in world trade.

These major trading nations have not significantly readjusted their trade arrangements—after achieving great export strength—to provide equitable, two-way arrangements with the U.S.

3. In the past 25 years, there has been the spread of managed national economies—with varying degrees of government management, regulation and control over economic activities, including foreign trade and investment. The U.S. is now confronted by complex governmental economic arrangements in other countries to spur exports (direct and indirect subsidies, etc.) and to bar or hold down imports (direct and indirect barriers). Examples include numerous Japanese quotas on imports, the German border tax and the Mexican border problem.

The Federal Reserve Bulletin of April 1968

reported that "some goods in which the U.S. competitive advantage is large are not freely admitted to some foreign markets. They are subject to quotas, usually stringent health and technical standards, equalization levies and other special import taxes, marketing agreements, and mixing requirements whereby stipulated amounts of local products must be used. Such restrictions have limited U.S. exports of wheat and other grains, tobacco, poultry and some agricultural products; and also coal and a wide range of manufactured products, including computers, autos, heavy electrical equipment, drugs and fabrics."

4. The internationalization of technology has been reducing or eliminating the former U.S. productivity lead in many industries and product lines.

In many products, the lead in technology and productivity, which enabled high-wage U.S. industries to compete successfully in world markets, even against low-wage competition, has been reduced or eliminated.

Deputy Undersecretary of Labor George Hildebrand explained to the National Foreign Trade Council's Labor Affairs Committee in September 1969: "It has often been assumed that high U.S. wages and better working conditions were largely offset by high U.S. productivity and a strong internal market. Increasingly, however, the spread of skills and technology, licensing arrangements and heavy investment in new and efficient facilities in foreign lands have all served to increase foreign productivity without comparable increases in wages."

Much of the U.S. technology, which has rapidly skipped over national boundary lines, has been developed with U.S. government expenditures, at the expense of American taxpayers.

5. The sharp rise of foreign investments of U.S. firms in foreign subsidiaries—accompanied by licensing arrangements, patent agreements, joint ventures, etc., of U.S. companies with foreign firms—has contributed substantially to the internationalization of technology and its deteriorating effects on the U.S. trade position.

It is estimated that in the past 25 years, U.S. firms established about 8,000 foreign subsidiaries, mostly in manufacturing.

Direct investments of U.S. firms in foreign subsidiaries, plants and other facilities soared from $3.8 billion in 1960 to $10.6 billion in 1969 and an estimated $12.7 billion in 1970—partly financed by outflows of U.S. capital, partly by plowed-back profits and depreciation of foreign subsidiaries and partly by foreign-raised capital. The outflows of private U.S. capital that have financed part of these soaring investments have been a major factor in U.S. balance of payments problems.

Foreign subsidiaries of U.S. firms and foreign companies using U.S. license, patents, etc. with U.S. technology—and, thereby, with productivity levels that are close to those in similar U.S. plants—can take maximum advantage of lower wage- and fringe-benefit costs and produce goods at lower unit costs. Many such foreign subsidiary plants, operating with American technology and know-how, pay workers as little as 15 cents an hour.

This development has displaced U.S. production. It has meant the export of American jobs to subsidiary plants of American companies in foreign countries. It has resulted in the loss of exports to third-country markets. It has meant a growing tide of imports from foreign subsidiaries into the U.S. American workers have been the losers.

6. The rapid spread of U.S.-based multi-national corporations—firms with plants, offices, sales agencies, licensing arrangements, etc., in as many as 40 or more countries—is a new factor of growing importance in the deteriorating U.S. position in world trade. They can manipulate the location of operations, depending on labor costs, taxes and foreign exchange rates. They can juggle exports, imports, prices, dividends, from one country to another within the same corporate structure.

Multi-national companies attempt to use a systems approach to global production, distribution and sales. With plants and other facilities spread through numerous countries, multinational firms can and do juggle the production of components and assembly operations, license and patent agreements, distribution and shipping and sales arrangements to maximize the gains of the firm. What finally shows up as U.S. exports and imports is, to an increasing degree, the result of intra-corporate decisions, made by the private managers of U.S.-based international companies for the private advantage of the firm.

A multi-national corporation can produce components in widely separated plants in Korea, Taiwan and the U.S. assemble the product in a plant in Mexico and sell the goods in the U.S.—with a U.S.-brand name.

Moreover, when such goods are sold in the American market, they are sold at American prices. So the American worker loses his job and the American consumer pays the same price or close to it. The beneficiaries are the U.S.-based multi-national companies.

The fact that other nations have high, and often prohibitive, barriers to U.S. exports, while the U.S. is a relatively open market for industrial goods, means that U.S.-based multi-national companies can have relatively free rein both abroad and at home, while U.S. workers' jobs, incomes and communities pay the price. No wonder that spokesmen for multi-national corporations usually advocate a free trade policy for the U.S.—freedom to manipulate operations, prices, sales, profits, etc., and to ship back whatever they wish, for sale in the U.S. market—for the benefit of the managers and stockholders of the corporation, regardless of adverse impacts on American workers, communities and the nation.

The claims of multi-national corporations that foreign investments always help to boost U.S. exports is not true. A study by the Department of Commerce, reported in the Survey of Current Business, May 1969, stated: "The great majority of U.S. parent companies (and) of foreign affiliates contributed very little of U.S. export trade. This suggests that foreign direct investments by U.S. corporations do not necessarily contribute to the export trade of these corporations."

In fact the operations of foreign subsidiaries often substitute for U.S. exports—to the countries of the subsidiary operations and to third-country markets, with impacts on job opportunities. For example, the Commerce Department reports that in chemicals, non-electrical and electrical machinery—which account for about one-half of U.S. manufactured exports—foreign subsidiaries of U.S. firms exported $1.9 billion in 1965 to third countries, amounting to about one-fifth of all such exports from the U.S.

Moreover, foreign subsidiary operations result in increased imports into the U.S.—frequently displacing U.S. production and employment. In April 1969 Commerce Department report on foreign trade states: "The increase in imports of manufactures has resulted in part from the establishment of plants by U.S. firms in low-wage countries to produce for the U.S. market, as in the case of TV picture tubes and clothing. Precise data are not available to develop this observation fully." The report also declares: "Technology is rapidly diffused among advanced countries. European and Japanese manufacturers are penetrating the American market even in the most advanced product areas where we have been exporting technology. The more rapid rate of increase of imports than exports implies a larger problem in future years. Some of these imports will come from foreign subsidiaries of affiliates of U.S. firms."

The growth of multi-national companies, in the 1960s, has been accompanied by the rapid expansion of international banking—much of it by U.S.-based banks. The London Economist of November 15, 1969, stated: "It is without precedent that banks should have joined forces across national frontiers to establish multi-national institutions with their own separate identities."

These international banks have been servicing and helping to finance the multi-national companies. They move money back and forth across national boundary lines "beyond the effective reach of the national monetary policies of any country," as the London Economist pointed out.

U.S.-based multi-national banks have succeeded, increasingly, in moving beyond the effects of U.S. monetary policy, just as U.S.-based multi-national companies have succeeded in juggling production, distribution and sales across national frontiers, with different laws, customs, taxes, living standards and currencies.

The spreading operations of U.S.-based multi-national companies are an important factor in both the surge of manufactured imports into the U.S. and the absolute slowdown or the slowing rise of U.S. exports in many product-lines.

Foreign trade experts are particularly concerned about the near-future impacts of foreign subsidiaries of U.S.-based multi-national corporations on exports and imports of such major commodities as chemicals, non-electrical machinery (including engines, office and metal-working machinery, construction and factory equipment) and electrical products (including generators, power machinery, motors, TV radios, household equipment and control instruments).

These multi-nationals now account for about one-half of U.S. exports. About 25% are direct transactions between the parent and subsidiaries. Probably another 25% involve the multi-nationals and their other business relations—licensees, foreign patent holders, foreign joint ventures, etc.

A similar or larger percentage of imports is also intra-corporate—involving the transactions of U.S.-based multi-national firms with their subsidiaries and other business arrangements.

These closed-system, intra-corporate transactions are hardly competitive. They are not trade. And "foreign" is hardly the word for them.

The U.S.-based multi-nationals have substantially affected the volume and composition of U.S. exports—through competition with U.S.-produced goods in third-country markets, as well as in the country of the subsidiary. They have greatly affected the volume and composition of imports into the U.S.

At the same time, a large percentage of U.S. exports is affected by the management of foreign trade by foreign governments—direct and indirect subsidies for exports and barriers to imports.

Therefore, most U.S. foreign trade has little to do with what most people consider competition. Text book theories of foreign trade—and government policies based on such theories— are increasingly irrelevant in the real world of trade and investment in 1970.

### THE IMPACT OF U.S. TRADE DETERIORATION ON WORKERS

The deterioration of the U.S. foreign trade position has obvious impacts on jobs, on collective bargaining strength of unions, on wages and labor standards in adversely affected industries.

Precise statistics on the job loss of imports are not available and estimates of the

job impact of exports are only rough guesses that are clouded by the increasing complexity of trade patterns.

Unfortunately, foreign trade experts usually show little interest and even less knowledge about the employment impacts of developments in foreign trade.

One rough indication of job loses was Secretary Shultz's estimate, presented to the Joint Economic Committee of Congress, that "about 1.8 million jobs in 1966 would have been required in the U.S. to produce the equivalent value" of the 74% of imports into the U.S. that were competitive with U.S.-made products.

Secretary Shultz brought these figures up to date in his statement to this committee last week, when he said: "In 1969, if we had attempted to produce domestically goods equivalent in value to such imports, the Bureau of Labor Statistics has estimated that we would have needed 2.5 million additional workers. . . ."

These rough estimates indicate the loss of approximately 700,000 American jobs in the three years 1966–1969, as a result of the rising tide of imports that compete with U.S.-made products.

Secretary Shultz's estimates omitted the additional job losses due to the sales of foreign subsidiaries in foreign countries, in competition with the U.S.-made products. Anything like a full picture of the job-impact of foreign trade developments is lacking.

The fact of increasing job losses is clear. And recent changes in the composition of exports and imports have been a special burden on semi-skilled and unskilled production workers in an increasing number of industries and product lines.

The loss of job opportunities has occurred at a time of urgently-needed unskilled and semi-skilled production jobs, as well as skilled industrial jobs, in the U.S. labor force, which is growing about 1.5 million persons each year. These are the blue-collar jobs that are being affected by spreading layoffs and production cutbacks.

Production and maintenance workers are being forced to bear most of the burden of the deterioration of the U.S. position in foreign trade. There are the same non-supervisory workers—including skilled employes—who bear most of the heavy burden of the Administration policy of severe economic restraint, as well as the impact of radical and rapid technological change.

Two months ago, for example, The Wall Street Journal provided an illustration. It reported that Zenith Radio Corporation had said it would "reduce its work force by about 3,000 jobs this year, and more than one-third of those laid off will be blacks." The chairman, Joseph S. Wright, said that, in addition to the 3,000 layoffs this year, probably another 4,000 layoffs will occur in 1971.

Why? Because Zenith is building a giant new plant in Taiwan.

The increasing export of American jobs threatens to undermine domestic living standards and the growth of consumer markets at home. When an American corporation exports American jobs, it weakens a part of its potential market. Zenith won't be selling many of its products in Taiwan. It will be paying wages as little as 15 cents an hour so none of Zenith's workers in Taiwan will be able to afford them. And, of course, the workers Zenith lays off here—black and white alike—won't be able to buy them either.

Another story, in the New York Times of May 12, 1970, reported from South Korea, about a Motorola plant, outside of Seoul: "Because labor is less expensive in Korea, production costs are one-tenth those of a similar plant in Phoenix."

The report stated: "George A. Needham, representative director of the Motorola Company's electronic component assembly plant on the outskirts of Seoul, told visitors to the bright, modern factory that total production costs in Korea were one-tenth of costs for similar production at Motorola's plant in Phoenix, Arizona.

"He also noted that it took two weeks less time to train Korean girls to assemble semiconductors and transistors than to teach American girls the same job.

" 'The girls here are more motivated,' explained Mr. Needham. 'Life is tough in this country. These people really need this work.' "

Although this account did not report the wage levels in the Motorola plant, it noted that wages in a nearby plywood plant ranged from $32 to $48 a month, for six-day weeks of 10 to 11 hours of work per day.

There have been other adverse impacts on workers, as well as job losses. Imports are sometimes encouraged as a supposed "discipline" on prices. Often, the American consumer benefits not at all—the imports are sold at the American price. Or, frequently, the price differential to the customer is small and the profit margin to the business widens. The "discipline" is usually most effectively directed to the labor cost—to the workers' collective bargaining strength and their ability to negotiate improved wages and fringe benefits. For example, in 1967 and 1968, the copper imports of major corporations contributed to delaying achievement of a settlement of the strike of U.S. copper workers.

The adverse impacts of the deterioration of the U.S. position in foreign trade are much tougher and more direct on workers than on capital or top-managment officials. Capital is mobile—investments can be moved out of an unprofitable business to other industries, companies and countries. Owners and top-management are more mobile than workers. In contrast, workers have great stakes in their jobs and their communities—skills that are related to the job or industry, seniority and seniority-related benefits, investment in a home, a stake in the neighborhood, schools and church.

NEW POLICIES FOR THE 1970'S

In the setting of world economic realities, in 1970, there is an urgent need for immediate action to thoroughly revise government policies affecting international trade and investment.

The choice is not between free trade and protectionist theories. Free, competitive trade relations hardly exist any longer in this world of managed national economics and the large-scale operations of foreign subsidiaries of U.S. companies. It is neither possible for the American economy to hide behind high tariff walls nor to pretend that free, competitive trade relations are possible.

There is a need to: 1) move ahead rapidly for an orderly expansion of world trade, with U.S. considerations as the starting point for U.S. policy and posture, based on the premise that trade is a complex network of interrelationships and 2) establish trade and investment policies to deal with the foreign investments and operations of U.S. companies and banks.

U.S. government measures are required:

1. To stop helping and subsidizing U.S. companies in setting up and operating foreign subsidies—to repeal Section 807 and similar provisions of the Tariff Code, for example, and to repeal the tax provision which permits the deferral of U.S. taxes on the income of U.S. companies from their foreign subsidiaries.

2. To supervise and curb the substantial outflows of American companies for investment in foreign operations.

3. To develop regulations covering U.S.-based multi-national companies.

4. To press, in appropriate international agencies, for the establishment of international fair labor standards in world trade.

5. As a stop-gap in the face of growing unresolved problems, to regulate the flow of imports into the U.S. of a variety of goods and product-lines, in which sharply rising imports are displacing significant percentages of U.S. production and employment in such markets.

*Orderly marketing*

The need for guarding against a sharp inrush of imports of any product or component—to prevent adverse impacts on American workers, communities, firms or industries—has become crucial.

The existing escape clause mechanism is woefully inadequate, as experience has unfortunately proven. Even a much-needed, improved escape clause, in itself, is not sufficient to guard against the harmful effects of a rising tide of imports on American workers and the disruption of domestic markets.

The AFL–CIO, therefore, supports the general approach of the Orderly Marketing bill, H.R. 9912, introduced by Congressman James A. Burke of Massachusetts, to stem the tide of imports through the imposition of quotas on imports of a product or component, whenever a significant share of the U.S. market in such a product or component is threatened. International agreements to accomplish this purpose would supersede the imposition of import limitations, but quotas would be established for imports from countries that are not party to the agreements.

This approach provides for the orderly marketing of articles imported into the U.S., as well as a flexible basis for allowing foreign-produced products to enjoy a fair share of the growth of the U.S. market in the product or component.

In the Trade Expansion Act of 1962, Congress recognized the concept of orderly marketing in Section 352, which provides for international agreements on such import limitations. But this provision has not worked.

The AFL–CIO urges the Committee to adopt legislation along the lines of the Orderly Marketing bill.

*The escape clause*

The Escape Clause, under Title III of the Trade Expansion Act of 1962, has not worked satisfactorily.

Both the Administration bill (H.R. 14870) and the bill introduced by the Chairman of this Committee (H.R. 16920) recognize the need to remove the requirement to find a causal relationship between a tariff concession and the injury that results from imports. Thus, both bills would remove the burdensome, technical impediments to finding injury from imports.

However, these two bills differ on whether the imports are a "primary cause" of injury, as in the Administration bill, or a "substantial cause," as in Chairman Mills' bill. We believe that the Chairman's bill provides a more realistic test and we support it. Our concern is that imports be recognized as a cause of injury.

Both bills propose changes that affect the government's authority to reduce duties, in compensation for an Escape-Clause action. We believe that the 20% request of the Administration is too great and support the proposal of H.R. 16920, as more in line with the AFL-CIO request that this authority should be "minimal."

However, the most important cause of injury is the displacement of U.S. production and export of American jobs, while the Escape Clause deals with injury from imports. We suggest, therefore, that the relationship of injury to a decline in U.S. production be fitted into the Escape Clause and other adjustment assistance provisions.

*Unfair foreign restrictions*

The Administration has requested that the Congress strengthen the government's ability to act, when unfair trade barriers in

foreign countries are applied to manufactured goods from the U.S.

The AFL-CIO believes that such authority is contained in the 1962 Act. But it has not been operative for manufactured goods. Therefore, we urge the Congress to clarify its intent on this.

*Adjustment assistance*

The AFL-CIO has consistently advocated the concept of adjustment assistance. The AFL-CIO hailed the adjustment assistance provision in the Trade Expansion Act of 1962. But due to a rigid interpretation of the Tariff Commission, this provision has been of little value. Between 1962 and 1969, there were only three findings of injury to workers; in 1970, there have been three more.

While the AFL-CIO continues to support the necessity of workable and effective adjustment assistance, we believe that it is merely a supplement to the needed, meaningful legislation on international trade and investment. Adjustment assistance is most decidedly not a substitute for such legislation. Those workers, adversely affected by trade-problems, who can be retrained and helped to relocate, most certainly should have adjustment assistance. Those whose jobs have been lost through injury from imports should most certainly receive benefits. But the basic core of U.S. trade and investment policies should be aimed primarily at preventing such job losses, with adjustment assistance is a cushion for those few workers who are, nevertheless, adversely affected.

Therefore, the AFL–CIO supports the Administration's proposals for a workable adjustment assistance policy, which would provide for findings of injury by the President, with the Tariff Commission supplying factual information.

*Item 807 and similar provisions of the tariff schedules*

The AFL–CIO urges immediate adoption of H.R. 14188, introduced by Chairman Wilbur Mills, to repeal Item 807 of the Tariff Schedules. We also urge repeal of Item 806.30, which is a similar provision of the Tariff Schedules.

In introducing H.R. 14188 to delete Item 807 from the Tariff Schedules, Chairman Mills declared on October 3, 1969, that "item 807.00 is being exploited in a manner not originally anticipated by the Congress. If operations under it continue to expand and its use is adopted by other industries, the result will be loss of many jobs. While there may be meaningful economic operations being conducted under this provision, I am convinced that in many instances, it is being misused in some industries. Therefore, I feel the provision should be repealed until such time as the government can develop new language and assure that the operations under such a provision are economically viable and contribute to rather than damage the wellbeing of the U.S. labor force."

The AFL–CIO agrees with the Chairman of this Committee. Item 807 should be repealed. And the similar item in the Tariff Schedules, 806.30, should also be repealed.

Both Items 806.30 and 807 provide reduced U.S. tariff duties on imports which contain U.S.-produced components and which have been assembled or processed abroad. The U.S. tariff duty is applied effectively to merely the value added in foreign assembly or processing—often, to merely the very low wages of workers in the foreign operations. Under 807, the advantage to the firm is twofold. There is a substantial advantage from the utilization of American equipment and know-how in foreign assembly operations, usually combined with wages and fringe benefits that are 50% to 90% less than in the U.S., and frequently accompanied by lower taxes in the foreign country. Item 807 adds to this a reduced-tariff subsidy.

Item 807 is one small loophole in the trade and investment structure for the advantage of U.S.-based multi-national companies. It operates as a lubricant for the growing export of U.S. capital, which is a major factor in America's balance of payments difficulties. It provides financial encouragement of foreign production, by U.S. firms of goods that are sold in the U.S. market. It is a factor in the deterioration of both the volume and composition of the U.S. trade balance.

Like many tax loopholes, 807 and similar provisions tend to grow. Reported imports under 807 shot up from $577 million in 1965 to $1.6 billion in 1969. Moreover, these figures may well be understated, since multi-national firms can juggle their prices in intra-corporate transactions, for the benefit of the firm.

In addition, even the so-called U.S.-produced component, under 807, may not be what it appears. Such component may be an imported item, processed in the U.S. and assembled abroad, for shipment back to the U.S. under 807.

From 1967 to 1969, when reported 807 imports rose 77%, overall U.S. imports of all commodities increased 33.8.% Thus 807 imports are growing at double the rate of overall U.S. imports.

The expansion of 807 operations has been phenomenally rapid since 1967, in countries like Mexico, Taiwan, other countries in the Far East as well as the lowest-wage areas of this hemisphere. Reported imports, under 807, from Mexico alone soared from $3.1 million in 1965 and $19.2 million in 1967 to $145.2 million in 1969.

The operations of U.S. firms in foreign countries, with the utilization of this provision, have led to the export of one hundred thousand or more American jobs between 1967 and 1969.

At home, the U.S. government is engaging in numerous efforts to train unemployed workers for low-skilled jobs—jobs that are now disappearing, due to recent and current economic developments. But 807 provides firms with a federal subsidy to export such assembly and production jobs for the advantage of some companies and to the detriment of the American labor force, including the most disadvantaged. Thus, while the Executive Branch has been examining the issue in these past few years, and while the National Alliance of Businessmen has been training, with federal subsidies, a small portion of the disadvantaged unemployed for jobs in U.S. plants, many companies, including NAB members, have used the encouragement of 807 to export jobs to low-wage foreign subsidiaries.

The issue of 807 involved tariff savings to the companies of approximately $24 million in 1968, which may have increased to about $30 million in 1969. Of the $1.6 billion in imports under 807 in 1969, all but $339 million were charged the duties appropriate for the imported items. Payment of the appropriate duties on the excluded $339 million would surely not break the companies involved, but it would eliminate this specific type of federal inducement for the displacement of U.S. production and employment by runaway operations to countries whose wage levels are as low as 15 cents an hour. Moreover, it would end this federal government inducement for the export of American jobs.

*International fair labor standards*

Labor organizations in various parts of the world, as well as the AFL–CIO in the U.S., have advocated the establishment of international fair labor standards. The development of such standards, through appropriate international channels, is essential to protect and advance living standards in the U.S. and in other nations, as well.

For years, there have been occasional discussions of this issue within the U.S. government and in international agencies. But there has been no follow-through and no action.

This issue has grown in importance, as multinational business has been expanding its search to produce goods in subsidiaries in low-wage countries for sale at high prices in the industrial nations, particularly, the U.S.—without regard for labor standards or consumers.

The report to the President, "Future United States Foreign Trade Policy," issued on January 14, 1969, states:

"The United States should bring for review and resolution under appropriate provisions of the GATT cases of exports to this country produced under what it believes to be clearly unfair labor standards. The United States should also seek, through the GATT and the ILO and possibly other international organizations, to develop international agreement upon a workable definition of fair labor standards and upon realistic means for their enforcement."

The AFL–CIO urges the Congress to direct the Executive Branch to press for the establishment of international fair labor standards, as one essential step towards the development of a rational and socially responsible international trade and investment policy for the U.S. and all trading nations.

*American selling price*

The AFL–CIO is opposed to the Administration's proposed repeal of the American Selling Price.

The resolution on international trade, adopted by the AFL–CIO convention in October 1969, declared: "No tariff-cutting authority, beyond the authorization of the Trade Expansion Act of 1962 should be approved if there is any change of the methods of valuation of imports, such as the American Selling Price."

The Trade Expansion Act placed a 50% limit on tariff reductions. The Administration's proposed repeal of A.S.P., as negotiated, could result in considerably greater tariff cuts for affected products. Such action, therefore, would be unfair.

In conclusion, Mr. Chairman, we of the AFL–CIO are not isolationists and have no intention of becoming isolationists.

We support an orderly expansion of world trade. We oppose the promotion of private greed at public expense or the undercutting of United States wage and labor standards. We want expanded trade that expands employment at home and abroad and that improves living standards and working conditions, here and abroad.

No single action or one-shot panacea can meet the complex issues of world trade, foreign investments of United States companies and the operations of U.S.-based multi-national corporations.

A battery of realistic policies and measures must be adopted to meet the needs of the American people in world economic relations in the 1970s.

Practical, common-sense foreign trade and investment policies are needed that promote employment and achieve decent wages and working conditions—in the United States and in every nation with which we trade.

Mr. LONG. I pointed out, Mr. President, that this country is faced with an unfortunate situation where bad figures lead to bad conclusions. The books are deliberately kept in an erroneous fashion, in my judgment, to justify an erroneous policy that is benefiting somebody, but it is not benefiting this Government.

## EXTENSION OF TIME FOR COMMITTEE ON THE JUDICIARY TO REPORT S. 3201, THE CONSUMER PROTECTION ACT OF 1970

Mr. EASTLAND. Mr. President, I ask unanimous consent, on behalf of the Committee on the Judiciary, that the date of reporting S. 3201, the Consumer

Protection Act of 1970, be extended to September 28, 1970.

This has been cleared with the Senator from Washington (Mr. MAGNUSON), chairman of the Committee on Commerce, and with the Senator from New Hampshire (Mr. COTTON), the ranking minority member.

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

Mr. EASTLAND. I yield.

Mr. HRUSKA. I should like to confirm that Senator COTTON was consulted and that he is in agreement with the extension

The PRESIDING OFFICER. Without objection, it is so ordered.

## PALO VERDE LAND CLAIMS—CHANGE OF REFERENCE

Mr. EASTLAND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of S. 3248, relating to Palo Verde land claims, and that it be referred to the Committee on Interior and Insular Affairs. I make this request on behalf of the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at the conclusion of morning business today, the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1152, the manpower training bill, which was laid before the Senate last evening.

The PRESIDING OFFICER. Is there objection?

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

Mr. ALLEN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. Is there objection?

Mr. BYRD of West Virginia. I yield to the Senator from Indiana.

Mr. BAYH. Mr. President, I should like to propose one question—reserving the right to object, and I have no intention of objecting. It is my understanding that the effect of this would be to proceed with the other business on the calendar and then on tomorrow to again come back to Senate Joint Resolution 1.

Mr. BYRD of West Virginia. Mr. President, I have asked that we lay it aside only temporarily. I did not say until the conclusion of morning business. tomorrow. Therefore, a demand for the regular order at any time during the afternoon could bring Senate Joint Resolution 1 before the Senate.

I wanted to leave it in that status until the Senator from Indiana, the Senator from Nebraska, the Senator from Alabama, and others are willing to put it aside until tomorrow. I want to protect them to that extent. The request I have made is only to allow us, at the conclusion of morning business today, to take up the manpower training bill. We could proceed all afternoon if no Senator demanded the regular order. If any Senator did demand the regular order, then Senate Joint Resolution 1 would come back before the Senate.

Later in the afternoon I should like to ask unanimous consent that the unfinished business remain in the status of being temporarily laid aside until the conclusion of morning business tomorrow. I can do that now, if all sides are agreeable.

Mr. BAYH. I do not anticipate any reason to object to either this suggestion or the other one. I prefer the approach of the distinguished Senator from West Virginia.

Some thoughts have been raised most recently by the distinguished Senator from Delaware about what the Senate should do to show its determination to clear the calendar of the pending business. I should like to pursue this with the majority leader, the Senator from Nebraska, and the Senator from Delaware before making a final determination as to what we should do on Senate Joint Resolution 1, on which I am most anxious to have the Senate consummate business.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The request is still before the Senate.

Mr. BYRD of West Virginia. I yield to the Senator from Alabama.

Mr. ALLEN. I should like to inquire of the distinguished Senator from West Virginia whether he would be willing to put the unanimous-consent request that the present business, Senate Joint Resolution 1, be laid aside until the conclusion of morning business tomorrow. Otherwise, as the distinguished Senator from West Virginia has stated, on the call of a single Senator, the regular order could be demanded.

The effect of the Senator's present request is to have the bill in a state of suspended animation that could be ended in 1 minute's time, and that is entirely too indefinite to suit the junior Senator from Alabama.

Mr. BYRD of West Virginia. Mr. President, I thought I would begin by asking for an inch before I sought to take a mile. I would much prefer to proceed as the Senator from Alabama has suggested.

I gather now, from what Senators have said, that all Senators who are participating in this conversation at the moment would be agreeable to a unanimous-consent request to set aside temporarily Senate Joint Resolution 1 and that it remain in that status until the conclusion of morning business tomorrow.

Mr. ALLEN. Mr. President, reserving the right to object——

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

Mr. BYRD of West Virginia. I yield.

Mr. HRUSKA. This Senator would certainly agree with the suggestion of the Senator from Alabama. In that way, we can assess the situation tomorrow and see what it is.

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

Mr. BYRD of West Virginia. I yield.

Mr. PERCY. I would certainly support that position, because we have been waiting in a state of suspended animation to bring forward Calendar No. 1176, which is one of the urgent matters the President has asked for in connection with small business.

I think it would mean a great deal to the small business community to have a very forward-looking bill adopted by the Senate. The Senator from New Hampshire (Mr. MCINTYRE), as I understand it, is ready to go forward; and it would facilitate us a great deal if we could know that we could proceed with that business and dispose of tonight, manpower training as well as this additional important item that the President wrote us about just a few days ago.

Mr. ALLEN. Mr. President, reserving the right to object, the Senator said he was asking for an inch before asking for a mile, and he has not yet asked for the mile. The junior Senator from Alabama wonders whether he would then make a unanimous-consent request that the business be laid aside permanently, rather than until the following day.

Mr. BYRD of West Virginia. Mr. President, that unanimous-consent request may at some point down the road be made. The majority leader, and the Senator from Indiana, and various other Senators will discuss this matter during the afternoon, but at this point I could not make that request. But I would hope that Senators would allow me to get the following request adopted.

I revise my previous request, Mr. President. I ask unanimous consent that at the conclusion of morning business today, the unfinished business, Senate Joint Resolution 1, be temporarily laid aside; that it remain in that temporary status until the conclusion of morning business tomorrow; that the Senate proceed, immediately upon the conclusion of morning business today, to the consideration of Calendar No. 1152; and that it become the pending business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

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

Mr. BYRD of West Virginia. I yield.

Mr. HRUSKA. I want to make our position clear. We are prepared to proceed with the debate on Senate Joint Resolution 1, pursuant to the regular order, at any time. We have many requests on this side for opportunities to speak. We do, however, want to cooperate with the schedule that was adopted by the Senate some time ago and are willing to accommodate any such adjustments as we engage in at this moment.

Mr. BYRD of West Virginia. I thank the Senator for his statement. I also thank the Senator from Indiana.

There is no question that all sides have speakers and are prepared to talk, but in

the interest of cooperation and in the expedition of the business of the Senate, so that we might remain on the schedule that was promulgated, Senators have been willing to accede to the request, and I thank them.

Mr. ALLEN. Mr. President, as the junior Senator from Alabama understands, we can return to Senate Joint Resolution 1 by unanimous consent at any time.

The PRESIDING OFFICER. That is correct.

## UNITED NATIONS DEVELOPMENT PROGRAM

Mr. JAVITS. Mr. President, in the very near future the Senate will have before it the foreign aid appropriations bill. Provisions of this bill relate to the U.S. contribution to the U.N. Development program. At the same time that the Senate considers this bill, the United Nations in New York will begin the final negotiations which will result in the strategy document for the Second Development Decade. This strategy document will be one of the most important policy papers to come out of the Unitec Nations in the past 10 years.

To better acquaint my colleagues with the workings of the U.N. Development program and the progress the United Nations has made over the past 10 years in the field of economic development programs, I ask unanimous consent that an excellent and balanced article that appeared in the Orbis Quarterly be printed in the RECORD.

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

CRITICAL CHOICES FOR THE U.N. SYSTEM: THE SECOND DEVELOPMENT DECADE

(By Leon Gordenker and Harold Karan Jacobson)

The completion of the First United Nations Development Decade, marking both a clear failure to achieve goals and the beginning of a new effort, provides a critical juncture at which governments and international organizations can make significant choices about the future of assistance for development and modernization offered through the UN system. The Development Decade idea evolved from an imaginative proposal made by President John F. Kennedy in 1961. It foresaw a grand effort during the 1960's to link all UN components—specialized agencies, regional commissions, the United Nations itself and hitherto autonomous programs—in work toward a more satisfactory pace in the economic development of the less developed countries (LDC's). Increased financial contributions from governments were expected and would be essential if the goals set for the First Development Decade were to be reached.

Public and private assessments have incontrovertibly concluded that the main target of an annual growth rate of 5 per cent in the economies of the LDC's was not met. The total assistance offered by the developed countries failed to reach the hoped-for levels and, in particular, the United States government, which hesitates to assume but cannot avoid a leading position, gave financial support well below the rate implied by its sponsorship of the Development Decade idea. Nor have the other major donors, France, West Germany and the United Kingdom, shown much inclination to push up their contributions to development assistance in accordance with increases in their own Gross National Product.

With a new administration in Washington and the planning for the Second Development Decade approaching the point of decision, both the UN system and the United States can make choices that will contribute to real progress and enthusiastic cooperation in the LDC's. If the UN system ties together its programs, practices and proposals in such a way as to convince the Nixon Administration of their viability and potential success, subsequent strong support and leadership by the United States could produce an unparalleled global effort. Even if Washington chooses to downgrade its foreign assistance policies, it could still channel enough through the UN system to make the Second Development Decade a much more promising proposition. The decision made in the UN system and the U.S. government will influence each other. Both will help to shape the policies chosen by other donors.

Although assessments of the First Development Decade rely heavily on economic data, other aspects of its central concept deserve attention. From the beginning, a prominent feature has been an attempt to make existing programs and institutions more efficient and beneficial by means of coordination, selection of priorities and acquisition of firmer knowledge of obstacles and possibilities. Decisions for these purposes can be made without advance commitment to new financial support. They rest preeminently within the UN system, rather than primarily within national political arenas. Because these decisions, which make up a large proportion of the deliberations in the UN organs, are reached in a political process, the LDC's can exert a major influence. Because the outcome of this process of deliberation and negotiation, in which the secretariats of the UN system also play an important part, may have a discernible and perhaps critical effect on eventual financial support and general assistance policies of the developed countries, it needs more scrutiny than it usually has gotten. It is therefore useful to review the issues that have arisen in the First Development Decade, to seek the accomplishments as well as the shortcomings, to trace the evolution of the whole UN system, and to give special examination to the UN Development Program (UNDP), which has become a principal international instrument to encourage the progress of the LDC's.

II

The First Development Decade can be regarded as a process of role definition and "tooling up." In the General Assembly, the Economic and Social Council and other United Nations organs, the most extended and controversial debates have concerned what is to be done and which components of the system will perform which roles. The polar extremes in debate generally have been maintained by the developed countries of the West (although there are some exceptions) and the LDC's. Somewhere between the poles have been found the socialist countries, which vary their exact position with time and issue, usually speaking boldly but acting conservatively. This debate will certainly continue. Nevertheless, a number of decisions have been taken which at least establish certain patterns and approaches for the UN system.

Concerning what is to be done, three important issues have been raised. The first, in order of chronology, emanates from the LDC's and relates to the role of foreign trade, especially exports, in promoting economic development. After a long argument revolving around the doctrine developed by Dr. Raul Prebisch and his associates in the UN Economic Commission for Latin America during the late 1950's and early 1960's, the pressure and voting strength of the LDC's determined that the UN system should step up its activities to use changes in the terms and practices of foreign trade as a means of stimulating economic development. Even though professional economists are far from unanimity on this issue, the LDC's won their point in organizational terms with the convocation in 1964 of the UN Conference on Trade and Development (UNCTAD) and the decision then to create continuing machinery to carry out functions which were in considerable part opposed by the developed countries.

The second issue, also raised mainly by the LDC's, concerns the place of industrialization in advancing development. The LDC's have insisted on increasing the activities of the UN system to drive toward rapid and widespread industrialization, despite the fact that this approach is disputed by an even broader group of professional economists than the trade avenue to development. In 1966 the LDC's induced the General Assembly to create the UN Industrial Development Organization (UNIDO), an institution whose establishment reflects their zeal and ambition.

In raising and meeting both these issues, the LDC's have used their voting power to make certain that their point of view would be the basis of continuing institutions within the UN system. They did not succeed in this institution-creating course without opposition and deep questioning by governments lacking faith in the methods they proposed. Nor did they cope with the possibility of competing economic interests between themselves and developed countries. Such competition is inherent in, for example, the promotion of processing and light manufacturing industries in such fields as textiles. Yet the pursuit of industrialization clearly has been given higher priority than rationalization of the competitive and trade problems that may result.

The third issue is whether and to what extent the UN system should become involved, or take the lead, in population control activities. After many years of inability even to discuss the subject, the World Health Organization in 1966 made a tentative beginning on a population control program. The United Nations has contributed in a modest way to population control ventures, initially by fostering understanding of demographic developments and more recently by aiding in planning public acceptance of birth control programs and by sending advisory missions to the field. During 1968, both Paul Hoffman, the Administrator of UNDP, and Robert S. McNamara, President of the International Bank for Reconstruction and Development (IBRD), announced that their organizations would support sharply increased activities in this line of endeavor. In view of ever-widening governmental appreciation of the causal connection between explosive population growth and restricted economic expansion, and the public debate resulting from pronouncements by Pope Paul VI on the attitude of the Roman Catholic Church toward contraception, it seems likely that the UN system will eventually mount a substantial population control program. Even if the LDC's failed to favor population control programs—and on the contrary many LDC's are deeply committed to them—some major donor countries would probably insist on their establishment as the price for continued or additional collaboration on economic development.

Whatever the doctrinal arguments that remain unsettled, the decisions taken with respect to these three issues have had positive effects on the ability of the UN system to field a more comprehensive program during the Second Development Decade than it could manage in the First. The United Nations has additional institutions covering areas heretofore left with relatively little attention, and in the matter of population control it has made a start on one of the

most important substantive problems affecting a global program for economic development.

Concerning which components of the UN system should perform which roles, the central issue involves the provision of capital assistance. Since the 1950's, the LDC's have sought to have at least some of the capital assistance distributed through the UN system administered by an organization in which they had control or at least a greater voice than they have in the IBRD and its affiliates, the International Development Association and the International Finance Corporation, known collectively as the World Bank Group. The developed countries have a preponderant voice in these institutions because of weighted voting systems. With the swelling of their ranks in the General Assembly in 1960, the LDC's overrode the opposition of the developed countries and voted in principle to create a United Nations Capital Development Fund. In 1966, again despite the opposition of the developed countries, the General Assembly decided to bring the Capital Development Fund into operation. The limits of the powers of the Assembly majority were demonstrated, however, at the pledging conferences held in 1967, 1968 and 1969. The developed countries from both East and West refused to attend, and on each occasion the LDC's present pledged about $1 million, mostly in nonconvertible currencies. The developed countries are averse to being forced by General Assembly resolutions to distribute, through organizations of which they do not approve, the funds that they may be willing to make available for capital assistance to LDC's. For the time being, therefore, it seems likely that among the components of the UN system the task of distributing capital assistance will remain primarily the responsibility of the International Monetary Fund and the World Bank Group. The regional development banks will also have a role, although their formal relationship to the UN system is tenuous or nonexistent.

III

Some of the most important steps in the evolution of the UN system during the First Development Decade involve the UNDP. The mere existence of the UNDP is a major achievement. At the outset of the First Development Decade, the UN system had a variety of separate programs for providing technical assistance, the largest of which were the Expanded Program of Technical Assistance (EPTA) and the United Nations Special Fund. Although the latter had as its purview so-called pre-investment activities, in terms of the common distinction between capital and technical assistance both programs were confined to the technical assistance area. They were financed by voluntary contributions and were collaborative efforts, involving the UN and several specialized agencies. In addition, the UN and a number of the agencies had their own technical assistance programs, known as the regular programs because they were included in the organizations' regular budgets, financed by obligatory assessments. The creation of the United Nations Development Program in 1966 through the merger of EPTA and the United Nations Special Fund was a noteworthy move in the direction of increasing the coherence of these diverse programs. It has been followed by other steps with similar intent. For example, at its Twenty-third Session in the fall of 1968, the General Assembly voted to place the OPEX program, under which operational and executive personnel are provided to LDC's, within the framework of the UNDP.

Even more important that the creation of the UNDP, perhaps, is the fact that funds available within the UN system for technical assistance to LDC's have increased substantially. In 1958, before the Special Fund had begun its operations, the total costs of EPTA were $33.8 million, and those of the regular programs $10.7 million. Two years later EPTA's financial outlay had increased less than one million dollars, but the regular programs had grown by nearly 50 percent. By the end of 1960, the Special Fund reported after its second year of operation, 115 projects had been approved with a total allocation of $95.9 million. In 1967 expenditures for the technical assistance component of the UNDP amounted to $50.6 million, regular program expenditures were $45.5 million, and expenditures from special Trust Funds within the UN system totaled $14.4 million. Expenditures of the Special Fund component of the UNDP were $92.9 million. Through 1967 the Special Fund had approved 778 projects, involving a total allocation of $770.6 million. Many of these projects continued as long as five years. The immense increase in the resources channeled through the United Nations system can be seen with even more clarity by comparing the total amount expended on technical assistance and pre-investment projects in 1959 with that in 1967. In the former year, the UN system expended $44.5 million. Eight years later expenditures had reached $203.4 million, representing a growth of more than 450 per cent.

While the capital assistance activities of the UN system have not grown as dramatically, they too have increased. In 1960 the IBRD disbursed $516 million to LDC's, and the International Finance Corporation $19 million, making a total of $535 million. The International Development Association had just come into existence that year. In 1966 IBRD disbursed $603 million, the International Development Association $457 million, and the International Finance Corporation $54 million, adding up to $1,114 million for the World Bank Group. Thus in six years the disbursements more than doubled.

IV

By treating these developments as trends that could confidently be projected into the 1970's, the conclusion could be reached that the UN system would play an enhanced role during the Second Development Decade. The resources at its command and the comprehensiveness of its machinery would go far toward providing the LDC's with a vital means for attaining their goal of a rapidly rising rate of economic development. The system would be well on the way toward the role many delegates, secretariat members and scholars have long advocated for it. Unfortunately the period of substantial and successful growth appears to be hovering at a critical juncture and not moving over the threshold which would give confidence to the beneficiaries and advocates of the multilateral program. It remains possible that the apex of expansion now reached could become a base for further construction, but it is just as possible that it could remain the high point.

The decisions of fourteen crucial donor states, grouped in the Development Assistance Committee of the Organization for Economic Cooperation and Development, will have the strongest single effect on the magnitude of resources channeled through the UN system. In 1967 pledges of contributions by Australia, Austria, Belgium, Canada, Denmark, France, Germany, Italy, Japan, the Netherlands, Norway, Sweden, the United Kingdom and the United States made up 87 per cent of the financing available to the UNDP. The U.S. contribution by Congressional mandate may not exceed 40 per cent of the total. As for the World Bank Group, in 1966 the same fourteen countries accounted for 70 per cent of the funds of the IBRD, 78 per cent of those of the International Finance Corporation and 73 per cent of those of the International Development Association. The contribution of the United States was, respectively, 28 per cent, 35 per cent and 32 per cent.

There is no reason to expect a basic alteration in the pattern of support for the UN system in the foreseeable future. It is possible that the U.S. government, in which influential persons have sought to reduce bilateral aid programs, may prove willing to shift additional resources to multilateral programs. But so far no weakening in the support for a fixed upper limit on American contributions to the UN system has appeared.

The decisions of these major donor countries will be affected by their perceptions of the UN system, its problems and potentialities. Furthermore, the success or progress of the system will depend on more than the level of resources available to it. In this connection, the uses the LDC's make of assistance from the UN will contribute to decisions about the character and level of work to be undertaken in the 1970's.

Put in sharp terms, it is still not clear that the UN system can operate a large and coherent program adequately designed to promote development. The components of the system are legally, geographically and conceptually separate organizations; for them to mount a coherent program requires intricate coordination. The creation of the UNDP, and earlier of EPTA and the Special Fund, were important steps in this direction. The altered structural form has shifted the system toward more central budgetary controls and has enhanced the possibility of coordination. Simultaneously, the size of the programs and their particular emphases have stimulated unanticipated but important growth in the specialized agencies. Indeed, in recent years the annual allocations to the Food and Agriculture Organization (FAO) have been about twice as large as its overall regular administrative budget. Although the situation in FAO is the most extreme, other agencies, such as the Educational, Scientific and Cultural Organization (UNESCO) and the International Labor Organization (ILO), now depend heavily on UNDP funds for their most sought after activities in the LDC's. This dependence has been used as a force for coordination. And in this complex system of overlapping tasks, independent organizations and possibly competing interests, coordination achieves a value of its own, representing efficient use of resources and assignment of priorities according to some known scheme with its own presumed rationality.

Even so, coordination has come slowly. Despite the general statements emanating from the deliberative organs at various headquarters, what coordination there is in a practical sense has come mainly from the field level. From an institutional point of view, coordination in the field receives much impetus from the UN Resident Representative who can be found in almost all of the recipient countries. Whatever his background—he may be carried as a permanent employee of one of the specialized agencies—as Resident Representative he reports to and receives instructions from UNDP headquarters. His is the sole channel of communication concerning requests for UNDP assistance. His office has the theoretical ability to provide a central clearing agency for information and inspection of all UNDP-financed projects within a country. But even slight acquaintance with the realities of the field situation makes it obvious that mere formal powers do not overcome the administrative independence, pride of expertness and sheer bureaucratic protectiveness displayed by some representatives of the various UN institutions. The independent status of the specialized agencies in itself probably would have provided a nearly unmanageable dose of autonomy or a propensity to bargain in the system. It is further complicated by the increasing tendency to endow the UN regional economic commissions with operating functions.

As for capital assistance, Resident Representative of the UNDP have almost no au-

thority and sometimes not more than a distant and tenuous connection with representatives of the World Bank Group operating in the same territory. It is quite common for a Resident Representative to hear of an impending visit by World Bank Group representative only through governmental channel, not directly. Some World Bank Group representatives freely admit, almost flaunt, their lack of interest in consulting resident representatives, although this attitude is far from constant or consistent. Furthermore, the authority—either formal or actual—of the Resident Representative with regard to technical assistance provided by agencies of the UN system outside UNDP is ambiguous. Yet such programs accounted for 29 per cent of the technical assistance provided by the UN system to LDC's in 1967.

Nevertheless, where the government has a firm sense of its own priorities and a willingness and ability to enforce these, a strong and capable Resident Representative can use his position to shape a connected, well-designed program, at least with respect to that portion of it financed by UNDP. Given good will and a favorable situation, he can coordinate the UNDP program with regular programs and even occasionally with those of bilateral agencies so as to form a coherent whole. The total package can fit and sustain the local development efforts, while advancing the interests and ideas of the several donors.

Where these conditions do not prevail, or if agency salesmen are particularly persistent and can find allies within the bureaucracies of the recipient countries, serious distortions can easily arise. Because requests for UNDP projects result in the expansion of administrative agencies, a constant encouragement to "sell" new schemes is at work. At the same time, the agencies execute UNDP programs and furnish personnel for the recipient countries, which must provide counterpart personnel and assign officials to deal with the substance of agency work. In these circumstances, the growth of client groups naturally takes place. This tendency frequently receives impetus through the presence of a high official who serves as country representative for his own agency and sometimes simultaneously as a principal adviser to the relevant ministry. In addition, the agencies produce a flood of documentation which inevitably tends to support and give credence to specialized (and parochial) points of view. The resulting distortions of the UNDP program or the national program may have serious consequences not only because of using scarce external resources for less than priority tasks but also because they can involve important losses of opportunity in the utilization of internal resources.

In recent years the authority of Resident Representatives has grown steadily. In part this has been attributable to the appointment of men with the requisite skills for such demanding posts. Giving them increased administrative and executive support has helped, and an organizational innovation promises to strengthen their hand further. In several instances, as a result of an agreement between FAO and UNDP, the chief of the FAO program has been appointed as senior agricultural adviser to the Resident Representative, and his salary has been assumed by the UNDP. This arrangement is being extended to other agencies.

But there are limits to what can be achieved through steps such as these, although they certainly should be pursued vigorously. In any recipient country, the technical assistance program of the UN system will tend to appear as a series of discrete, though perhaps coordinated, sectoral projects, undertaken in separate geographic areas. There are few truly collaborative efforts among the components of the UN system. Economic and political modernization cannot always be approached in a sectoral fashion, and if the UN is going to make a maximum contribution to this process there will have to be far more collaboration among the components of the system than there has been in the past. Such collaboration may not be possible unless the UNDP moves beyond its basic concept of appointing one organization as the executing agency for its major projects.

Another difficulty caused by the historical development of the UN system is that the components were not created with the aim of providing comprehensive coverage with respect to the processes of economic and political modernization. Even with perfect coordination, not every aspect of development would be covered by the purposes of the UN agencies. Consequently, new programs have been improvised by the UN itself, which has entered such areas as public administration, urbanization, statistics, and development planning. The creation of UNIDO, in 1966, was a promising step toward closing a major gap, but whether or not UNIDO's record of achievement will fulfill this promise is as yet unclear. It is clear that the accomplishments of the UN system in the field of industrialization have up to now been minimal.

This is also true in the field of trade promotion. UNCTAD and the General Agreement on Tariffs and Trade have jointly established an International Trade Center, which conceivably could play an important role. The pressure to have UNCTAD become an executing agent for the UNDP, however, has thus far been rebuffed.

Still another difficulty attributable to the nature of the UN system is that because most of the agencies were not created with the primary purpose of conducting extensive operational activities, the great increase in such activities has seriously taxed their capabilities and has inspired them hastily to construct new administrative structures. Many of them are now administering total budgets several times the size of those for which they were responsible a decade ago. The agencies have grown rapidly, rather than deliberately, and many of them now suffer the consequences associated with such growth.

Moreover, technical assistance programs often are more than an end in themselves. They are intended to lead to capital assistance. This progression encounters a final difficulty attributable to the nature of the UN system. Moving from technical to capital assistance in a project deliberately set up by UNDP and the recipient governments to produce such an outcome requires steady coordination. But this is a particularly difficult task, because the structure and membership of the World Bank Group are substantially different from those of the other UN agencies. Fortunately, the World Bank's relationship with the UNDP shows signs of growing increasingly close, but it could be improved still further.

V

Thus far what we have dealt with might be termed administrative and institutional problems. There are also conceptual issues, relating to the role of the UN system in disbursing assistance. These issues can be summarized by the questions of to whom aid should be given and for what purposes.

Traditionally, the UN system has discriminated very little in choosing recipients. Particularly within the UNDP there has been strong pressure for distribution according to some concept of "air shares." The World Bank Group, to the extent that it has discriminated, has done so primarily on the basis of banking principles.

One consequence of this lack of discrimination is that during the period from 1963 through 1967, some 11 per cent of UNDP funds was given to eleven countries with per capita GNP's of more than $500 per year: Argentina, Cyprus, Czechoslovakia, Hungary, Iceland, Ireland, Israel, Kuwait, Poland, Trinidad and Tobago, and Venezuela. In 1966 four countries in this category, South Africa, Iceland, Japan and Venezuela, received 20 per cent of the loans made by the IBRD, and three, Greece, Spain and Venezuela, received 13 per cent of the commitments made by the International Finance Corporation. This distribution clearly conformed to a policy of giving assistance as widely as possible, so that recipients at both the upper and lower ends of the per-capita-GNP spectrum were included. But there is little evidence of the application of a doctrine that makes possible distribution of aid either where the need is most pressing or where developmental potentials are highest.

Particularly in the case of the UNDP, questions have been raised about whether there ought to be some level of per capita GNP beyond which countries would have to pay all or a substantial share of the costs of any assistance they received. The UNDP administration and the United States have resisted moves in this direction, mainly because of the effect they would have on assistance to some communist countries. Without questioning the objective of facilitating contact with Czechoslovakia, Hungary and Poland, it is not clear that the UNDP is the most appropriate vehicle for such efforts.

Overall economic performance is already an important criterion in the granting of assistance by the World Bank Group. If the UNDP is to grow substantially, some donor states will undoubtedly insist that more attention be given to performance in decisions relating to assistance under this program also. However, insistence on this qualification may meet strong objections from the LDC's, which would see in it another form of the "strings" they strenuously resist in bilateral programs.

In similar fashion, the UN system has been open-minded about the purposes of its assistance. Within its substantive and resource capacity, it has generally sought to respond to the wishes of the recipients. This was undoubtedly appropriate, for at the beginning the funds involved were minimal, and even as the program grew, it was still to a considerable extent experimental. But by 1969 the United Nations had approved a large body of doctrine, in the form of recommendations from the Economic and Social Council and the General Assembly, on economic development. While it is doubtful that member governments have been strongly influenced by this outpouring of which the Development Decade idea is a part, UNDP could base its decisions to discriminate among projects on those approved recommendations. Indeed this reasoning suggests that in addition to striving for administrative coordination a similar effort along conceptual lines might pay dividends.

In relationship to the bilateral programs, the posture of the UN system has implied that if it had the money it could do anything better than the bilaterals. It now seems clear than any foreseeable expansion in the assistance administered by the system will continue to be far less than the total of the resources transferred to LDC's. Given this situation, and for other reasons, it will increasingly be incumbent on the system to apply a strategic doctrine to guide its assistance efforts. This doctrine ought to stress the comparative advantages the UN system has.

The chief advantages of the system over bilateral sources are that it is relatively commercially disinterested and politically neutral. This would suggest that it should concentrate its efforts in fields where these qualities are particularly important assets. Pre-investment surveys and central planning are undoubtedly such areas. The UN system, because of its universality, also ought to have an advantage in fields where regional

and interregional collaboration is important. To some extent it already has interested itself in these areas, but it could go even further.

Beyond doubt, a necessary condition for development is the political viability of the country involved. A disorderly and turbulent society, wrecking what is new along with the fruits of the past, clearly cannot proceed to transform itself merely by deliberate planning, technical improvement and investment. Among the most important ingredients in political viability are internal security and innovative political leadership. To date, except for minimal involvement through its programs in public administration and through fellowships for upgrading the skills of government personnel, the UN system has largely steered clear of these provinces. It probably could not enter them overtly and would have to proceed quietly and obliquely. Yet the system, given its concentration on manpower training and planning advice, surely could help governments prepare better and more numerous officials to deal with the special social problems that cause turbulence in the economic development process. So far, it has barely begun to deal with social side-effects of economic development. To some extent, by the adroit use of fellowships and training and orientation tours, it has already begun to help prepare leaders for their roles, but in view of the cruciality of maintaining conditions of political viability, and the comparative advantages of the UN system, perhaps additional activity should be brought about. With the record of the Viet Nam imbroglio all too apparent, a number of major donors might find this a welcome step. Even if such expansion proves impossible, administrators in the UN system should give more attention to the often unavoidable consequences of their own programs.

VI

In the style of the UN system, a number of *ad hoc* groups, committees and commissions have been appointed to review the development activities of the system and to make recommendations for the future. The most illustrious of these are the commission headed by Sir Robert Jackson, appointed to consider the capacity of the UN and its associated agencies to administer an enlarged program of assistance under the UNDP; Lester Pearson's committee considering the role of the World Bank Group; and the Preparatory Committee of fifty-four governmental delegates appointed to consider the role of the UN system as a whole in the Second Development Decade. The Pearson and Jackson commissions have already issued their reports. Both have called for new action, and the latter particularly for reform of the UN system. Now the system itself must act. The hard questions already posed must be asked again, this time in meetings of governmental representatives. More than is often the case, these representatives have a serious responsibility. The answers they give will determine the role that the UN system will play in the 1970's. The new decade could end as a confusion of futile symbols, diffuse programs and frustrated hopes. Or it could end as a successful effort to deal with some of the pressing problems of international relations.

## PRESIDENT TO DISCUSS POW PROBLEM WITH THE POPE

Mr. PERCY. Mr. President, I should like to commend President Nixon for his initiative, once again, in going to Europe for the purpose of consultation with our allies and for the further purpose of exploration and study in various parts of the continent of Europe.

Late this month President Nixon will visit Rome and Vatican City where he will confer with Pope Paul. High on the agenda of that conference will be a discussion of the prisoner of war issue. President Nixon is hoping to enlist the Pope's good offices in a still stronger effort to gain humane treatment for Americans held by the North Vietnamese.

The administration is making use of every possible avenue of contact with the North Vietnamese in its drive to gain at least the minimum of care for these prisoners. Failing direct agreement with North Vietnam, our drive has been to strengthen world opinion against the irresponsible attitude and actions of our enemy.

The President's discussions with the Pope will be another and perhaps hopeful move in that direction.

## EXPORT-IMPORT BANK

Mr. PERCY. Mr. President, this morning, September 17, the Banking and Currency Committee is holding 1 day of hearings on S. 4268. This bill, introduced by Senators SPARKMAN and BENNETT, of which I am a cosponsor, would exclude receipts and disbursements of the Export-Import Bank from inclusion in the budget total and would exempt the Bank from any annual expenditure ceiling.

Under the present budget, Eximbank net disbursements, the difference between loans made and receipts, impact the Federal budget as well as the expenditure ceiling. Yet all Eximbank activities result in a 100-percent positive contribution to the U.S. balance of payments. All repayments are made to this country in dollars. The Eximbank is sound. Since it began operations, it has authorized direct loans, guarantees, and insurance for $35 billion of export sales. Out of this total, less than one-tenth of 1 percent is either in default or delinquent.

In making this change, the Eximbank still has full executive branch and congressional oversight over its activities. Eximbank will have to coordinate its work with the Treasury and its operations will be subject to review by the Congress. The President would submit an annual budget to the Congress for Eximbank program activities and for administrative expenses.

The exemption from the budget for the Eximbank should not be seen as precedent for other Government agencies. Eximbank activities are unique in Government. The Eximbank is a major factor in keeping the U.S. balance of payments strong. All its disbursements are repaid with interest. Eximbank programs benefit nearly all segments of industry and the country and help solve the balance-of-payments problem which makes the overall economic position of this country stronger.

Therefore, Mr. President, I am pleased to support S. 4268 and urge its swift adoption.

## THE UNITED METHODIST CHURCH AND JOB TRAINING PROGRAMS

Mr. PERCY. Mr. President, as our attention turns more directly to the crisis in health care delivery which our Nation faces in this immediate decade, many of us in the governmental as well as private sector are questioning what steps will best insure the availability of adequate health services to every citizen. We know that we face a critical shortage of manpower; our medicare/medicaid program has proved ineffective and overly expensive; and we have not set an obvious national priority on good health care at a reasonable cost. In the Congress we have a heavy responsibility to implement that kind of legislation which will provide the means for rechanneling both funds and manpower to obtain the greatest benefit from our health dollar. It is important to recognize, however, that the greatest share of the leadership burden or financial responsibility cannot ultimately be assumed by the Federal Government. While we must support programs aimed at solving our domestic needs, the initiative and drive of private groups and State agencies will have to be the key to the resolution of our social ills. I would, today, Mr. President, like to mention one organization which has shown the kind of initiative and leadership that is so needed to meet some of the failings of our current health care delivery system. That organization is the United Methodist Church, through its General Board of Health and Welfare Ministries.

The Department of Labor recently announced the approval of a $1.3 million contract to the Board of Health and Welfare Ministries for the implementation of a jobs 1970 program oriented toward the training of over 700 hard-core disadvantaged persons in hospital services. This grant represents the first time, to my knowledge, that a major Protestant denomination has signed such an agreement with the Federal Government. I believe that several of its aims are worthy of attention.

Recognizing that part of the formulation of an effective comprehensive health care delivery system revolves around the availability of a sufficient level of subprofessional manpower, the United Methodist Church is undertaking, in five of its major hospitals around the country, to train men and women to become X-ray clerks, nurses aides, inhalation therapists, ward clerks, dietary aides, and hospital maids.

Under the direction of the Reverend James C. Moore of the board staff, the program will offer on-the-job training for a variety of individuals from economically depressed areas who have heretofore been unable to obtain employment because they lack appropriate skills or experience. The applicant, referred to the board through the State employment service, will only have to qualify, meet good health standards, aptitude to complete the necessary training, with a sixth grade reading capacity, and be free of alcoholism or drug addiction. The trainee will have the benefit of regular supervisors, an income while training, and the likelihood of permanent employment.

To further insure the applicant's success in the program, 4 weeks of job-related basic education have been designed

to improve reading, mathematics, and communications skills. Since many of the trainees may have personal problems in adjusting to the startling conditions of hospital service, its long hours, and necessity for discretion, there are two counselling services available. Within the hospital the trainee may have special counselling, or "job coaches," to help maximize vocational and social adjustment. In addition, community volunteer assistants, offered through Joint Action in Community Service, Inc., will advise the participants on problems related to housing, transportation, family problems, budgetary advice, and community harmony.

Although a high turnover is anticipated, as it does occur now under regular hospital administration, this job program offers the trainee the advantage of a job guarantee upon completion of his 5-week training period. With the knowledge that his job offers upward mobility, an inhalation therapist, for instance, may and probably will develop significant interest in further learning.

It is yet too early to judge whether the program will completely succeed or whether it may fall short of its intended goal in some way. One thing is certain, and that is that the Board has accepted its responsibility to the community to improve conditions of life for at least a few of our economically disadvantaged citizens.

As Dr. Roger Egeberg has stated, the allied health profession is desperately needed to "extend the doctor's arms." I would offer that this venture by the United Methodist Church also extends and makes more relevant the real mission of the church.

## ADDITIONAL STATEMENTS OF SENATORS

### AIRPLANE HIJACKING

Mr. STENNIS. Mr. President, the lives of hundreds of Americans have been placed in jeopardy due to the dangerous practice of airplane hijacking. The time has long passed for this Nation to take affirmative steps in seeking an effective end to this kind of activity. In recent days hijackings have seriously strained relations in the international community and over the past 2½ years this country has suffered the embarrassment of having some of its airliners hijacked to Cuba. The more recent events concerning the Middle East have caused the President and our diplomatic corps undue and unnecessary hours of anguish.

I was pleased when the President of the United States took what I consider to be effective, positive steps toward remedying this situation. The President directed that specially trained, armed U.S. Government personnel be placed on flights of U.S. commercial airliners; and called for extension of the use of surveillance equipment and techniques, acceleration of the development of security measures, and for international cooperation in blacklisting those countries which refuse to punish or extradite hijackers involved in international blackmail.

I am also pleased to know that the President is apparently planning to take additional steps in the coming months to meet this menacing threat. I fully support the President's actions in regard to this serious matter, as a temporary solution. Mr. President, I am pleased to introduce an amendment to the request for appropriations transmitted in the budget for fiscal year 1971 in the amount of $28 million for the Department of Transportation.

The funds made available by this amendment are designated for the protection of persons and property aboard U.S. air carrier aircraft. The administration has indicated the funds will be used for training of personnel and purchasing of equipment to facilitate the directives President Nixon has outlined.

I am becoming more and more convinced that as long as hijackers do not fear the certainty of being returned to the country in which the plane is registered, and do not fear the certainty of punishment, we cannot expect these incidents to cease. The United States has got to show that it means business. A handful of international bandits should not be allowed to exercise authority and strength while this Nation is made to look helpless and defenseless. We should take the initiative and not wait on these outlaws to strike.

I think the only effective remedy is to have an extensive international agreement defining the crime of hijacking, prescribing the punishment for those found guilty, conferring and assigning jurisdiction in the crime, and providing for the return of those charged to the country which has jurisdiction. I think it will be necessary to invoke the rule that nations that do not go into a treaty and carry it out will be blacklisted and international air travel to or from those nations will not be permitted by other nations.

It is obvious there are no easy, instant solutions to this problem. However, I am hardpressed to imagine any action at this country's disposal which could be considered an over-reaction. I think for this country to blacklist any nation that refuses to extradite to the United States any person accused by the United States of committing aircraft piracy is indeed an extreme measure, but I also believe it is a solution that will meet the problem.

It is clear the civilized world is faced with a tremendous challenge, however, the future of commercial aviation, not only in this country but throughout the world, and the cause of international stability and peace, demand a prompt and effective answer.

### PEACE CORPS TRAINING CAMP IN MONTANA

Mr. MANSFIELD. Mr. President, the Peace Corps has done a great deal in recent years to improve the image of the American in many isolated and faraway places in the world. Peace Corps trainees have given a great deal in their efforts to help others to help themselves.

As a part of his training, every Peace Corpsman must be indoctrinated into the problems and customs of the country where he will be assigned. Much of this training is done in exotic places such as Puerto Rico, the Virgin Islands, and Hawaii. I am delighted to report that one of the special training camps is located on a dude ranch in Montana.

The current program at the Dot-Dot-S dude ranch, near Big Timber, Mont., is training the young people for work in Ecuador, South America. This program, under the guidance of Montana State University, has a fine record, and is the subject of a feature article appearing in several Montana newspapers, written by Fred Martin, editor of the Livingston Enterprise.

Mr. President, I ask unanimous consent to have this feature printed in the RECORD.

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

IN THE YELLOWSTONE BASIN—VISIT TO PEACE CORPS TRAINING CAMP

(By Fred Martin)

Up at the former Dot-Dot-S dude ranch about 25 miles northwest of Big Timber 44 young Americans, including six young women, all with college degrees or their equivalent, are preparing to dwarf their egos and to substitute humility and modesty as Peace Corps evangelists in Ecuador, South America.

Here in the U.S. we talk of setting aside the wilderness. Down in Ecuador there's a great need to carve out new homesteads in the equatorial jungles in a locale in sharp contrast to the multi-variations in the United States.

"Organizational promises and ideals here (in Ecuador) are worth less than the mud on the trails", Gary Dunlap, a dedicated veteran Peace Corps member who has done a superb job there declares in a mimeographed textbook letter which the trainees have a chance to read. The texts are down-to-earth exchanges between instructors and former Peace Corps veterans, Ecuadorian advisors, Peace Corps officials and a Montana State University staff under the overall direction of Dr. Robert G. Dunbar, MSU professor of history and director or participant during the nine years MSU has been in charge of the Ecuadorian training program in Montana.

The training program was held on the MSU campus at Bozeman for seven years, but the Dot-Dot-S ranch and dude ranch buildings provide a more primitive and isolated base for the training program, the emphasis of which is a crash program in equipping the Corpsmen with a speaking knowledge of Spanish, the problems they are likely to encounter, how to understand and work with the people they will work with in Ecuador and a knowledge of Ecuador's history, climate, soils, economy, crops, industry and what they might expect. The group talks Spanish six hours each day.

"Best of all, these people come equipped with the most essential elements, enthusiasm and dedication," Dr. Robert G. Dunbar, the director declares. "They know their task will not be an easy one, that they likely will have to face up to disappointments and discouragement, but that doesn't phase them, but, as Gary Dunlap wrote, '. . . So about all I can say to end this drivel is that in this colonization program the problems and hardships are fantastic, but there is fully an equal amount of satisfaction available.' So these people aren't looking at their assignment in Ecuador through rose-colored glasses—they readily accept the challenges, which mean a decided downturn in living standards.

"But, the formula is dedication on the part

of the trainees and the staff. We have had helpful assistance and understanding from the rancher neighbors, the folks in Melville and Big Timber. The food is purchased, prepared and served by the MSU staff."

Paul J. Miller of Gardiner and Yellowstone National Park is assistant to the director and his wife, Marilyn, is secretary to the director. George Hyland, a Spanish instructor from the state of Washington, is coordinator of the Spanish language staff, which includes five instructors and four junior instructors (In this group are a Franciscan nun, Concetta Fabo from Pennsylvania, four Ecuadorians and one from Peru).

David H. Drummond is coordinator of technical skills with John R. Baringer, former Park County agent, as associated coordinator, assisted by John Lowry and Ann Wederspahn, instructors. Then, there's the division of Cross-Cultural Studies with Gary Wederspahn as coordinator with Robert E. K. Wilson, a veterinarian, as instructors. All of these have served in Ecuador in the Peace Corps program. Jerry Thursh of MSU is orientation director.

Dr. Vernon D. Standish is medical consultant and program physician.

Besides their instructors, the trainees have practical work experience with cattle, sheep, hogs and chickens, even a smelly goat. They vaccinate, de-worm, castrate and get other practical tips and practice in the care and handling of livestock, plus instruction in agronomy, soils and other agricultural problems they will encounter. Some of the trainees are accountants, others are teachers, some have degrees in forestry, nursing and other skills which they hope to utilize to the best advantage to assist the Ecuadorians.

Ecuador covers 106,000 square miles. The Spanish name Ecuador stands for equator. So, Ecuador, about the size of Colorado, is considerably smaller in size than Montana's 147,138 square miles, though Ecuador now has an estimated population of nearly 6,000,000, compared to Montana's approximate 750,000. But, the elevation ranges from sea level to the Chimborazo volcano, still active, 20,577 feet. The coastal lowlands stretch along the country's 500-mile coastline; the Andes highlands, often called the Sierra, lie in the center with two parallel ranges of the Andes Mountains, which contain more than 30 volcanoes. The two cordilleras are 24 to 40 miles apart. Then, there's the Eastern Lowlands, the Oriente, made up of slopes and foothills of the Andes and plains of the Amazon River basin.

The colonization is in the highlands area, difficult of access with few roads, no bridges across the swift rivers, and access primarily by air.

More than half the people of Ecuador are Indians, many descended from the Incas. The Indians live mostly in the highlands. Almost one of three Ecuadorians is a mestizo (mixed white and Indian). The Mestizos live in the coastal and highlands area. About one in 10 Ecuadorians is white, mostly descendants of the old Spanish families. Very few people live in the hot, wet land east of the Andes. A high percentage of the Ecuadorians cannot read or write.

Although Agriculture is the chief industry, only a small percentage of the land is cultivated, much of it on large estates. Principal crops on the coastal lowlands include bananas, cacao, coffee, rice and sugar cane. Generally, the small farmers try to subsist from the land and they have formed colonization cooperatives for the establishment of colonies with the size of the individual's holdings approximately 40 hectares.

Here's the job ahead, as described in the writings of Gary Hill, another successful Peace Corps Volunteer:

" . . . As a colonization volunteer, you eat, work, drink, live, with a group of very warm and energetic people. Such a situation lends itself to making a good number of intimate relationships from which a candid understanding of their lives and thoughts can be achieved. Within all of this, the most interesting and crucial thoughts for the volunteer concern himself: What do they think of me? Do they consider my presence useful? What do they expect from me? . . . That's the challenge these 44 Peace Corps Dot-Dot-S ranch are working on.

They know that similar challenges, such as those of the pioneers and others on the threshold of progress had to face, and they are going into them with their eyes wide open. Some of the girls are signing up because they plan on getting married and their fiances are already in Ecuador in the Peace Corps. There's one married couple, Maureen B. Byrd, formerly of Helena, and Christ H. Byrd, Martin City (near Columbia Falls in Flathead county), in the group. Chris received his degree in agronomy and while in college Maureen majored in Spanish and English.

But, the trainees and the faculty enjoy their tasks and each other. They eagerly look forward to the next step on the schedule, four weeks of on-the-spot training and adjustment in Ecuador. The Montana camp will disband on Sept. 1. After that—there's work to do, the face-to-face challenges, new friends to meet and work with, and the hope that it all adds up to better living for scores, hopefully hundreds and thousands in the years to come.

If the living standards of Ecuadorians, Africans and Asians could be bolstered by just a few hundred dollars per year; if the health and educational standards could be bolstered; if Ecuadorians and their counterparts in the less privileged countries could appreciate the fact that Americans seek nothing but to help their neighbors—these would be priceless dividends. That's what the Peace Corps, Dr. Dunbar and his staff and the 1970 volunteers to Ecuador have as their goal—nothing more.

## THE HOSTAGES IN AMMAN

Mr. PROXMIRE. Mr. President, for 11 days the latest Middle East skyjacking crisis has continued. And, for this period of time, countless families in the United States, Germany, Switzerland, and England have been kept in agonizing doubt over the welfare of their relatives or friends who are being held hostage by the Popular Front for the Liberation of Palestine—PFLP.

Since the skyjacking occurred, I have been in constant touch with the family of 20-year-old Mark Shain of Milwaukee. Mark was unfortunate enough to have been aboard one of the airlines hijacked on September 6. He is presently being held hostage, along with 53 other persons, in Amman. Mark has not been able to communicate with his family since he was taken hostage. The uncertainty of Mark's welfare, caused by the PFLP's refusal to allow those being held hostage to communicate with the outside world, has meant untold agony and grief for his family and friends in Wisconsin.

Mr. President, our first responsibility is to obtain the release of all hostages held in Amman. Until this objective is achieved, however, I believe it is essential that the United States demand humane treatment for those persons held captive by the PFLP. This humanitarian issue could be dealt with separately from the political questions that are now being faced in this most recent Middle East crisis.

The hostages in this international crisis are innocent victims. They are not soldiers of war, or soldiers of fortune. They are innocent pawns in a cruel conflict.

Even prisoners of war are protected by most belligerents under the Geneva Conventions on the Protection of War Victims. Yet, the hostages of the Palestinian guerrillas, in some important respects, have fewer rights than actual combatants who are captured by one side or the other. I think we must insist that the Amman hostages receive, in every way, treatment which is comparable to that required under the Geneva Conventions.

In order to achieve this humane treatment, I have written President Nixon asking him to insist through Secretary Rogers, in intercessions with the United Nations, the International Committee of the Red Cross, or in direct or indirect negotiations over the hostages, that the PFLP abide by the international standards governing the treatment of prisoners.

Mr. President, I ask unanimous consent that my letter to President Nixon regarding Mark Shain and the other Amman hostages be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROXMIRE. Mr. President, certain actions would clearly flow from the application of the Geneva Conventions. The Conventions set forth the requirements of the humanitarian treatment of prisoners. First, all persons held must be immediately identified so that their families and their governments will know who has been captured. Second, persons held must be permitted to correspond freely with their families. Third, impartial observers, such as the International Red Cross, must be allowed to visit, on a regular basis, persons held to verify that their treatment is fair.

Although these minimum standards are recognized and applied by all civilized nations, the PFLP has steadfastly refused to recognize them. Although the airlines have given us fairly accurate lists, the hostages have not been identified by the guerrillas themselves.

The hostages have not been allowed to communicate freely with their families. And, the Red Cross has not been granted permission to visit regularly with the hostages to verify their welfare.

If these elementary and fundamental conditions could exist, at least some of the agony experienced by the relatives of the hostages would be relieved. At least they could communicate with them by letter, transatlantic phone, or wire. I know this would be of tremendous value to the parents and family of Mark Shain. I think this is an elementary condition upon which we should all insist.

Mr. President, the treatment of the hostages by the PFLP in Amman is of deep humanitarian concern to people throughout the world. It is an issue that transcends the political questions that are involved in the crisis. I trust that

President Nixon will instruct Secretary Rogers to insist that the PFLP live up to the international standards for the treatment of those who have been made prisoners in this act of international air piracy.

There is a long tradition among civilized nations on the treatment of captured persons. This tradition has been codified in the Geneva Convention of 1949 to which there are over 120 signatories. The denial of the Popular Front for the Liberation of Palestine of these principles in relation to the 54 hostages now being held in Amman will only result in unanimous public condemnation of its actions. The act of skyjacking is totally reprehensible in itself. The refusal by the PFLP to grant those persons held hostage their basic humanitarian rights is a moral outrage.

EXHIBIT 1

SEPTEMBER 16, 1970.

The PRESIDENT,
*The White House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: For eleven days the latest Middle East skyjacking crisis has continued. And, for this period of time, countless families in the United States, Germany, Switzerland and England have been kept in agonizing doubt over the welfare of their relatives or friends who are being held hostage by the Popular Front for the Liberation of Palestine (PFLP).

Since the skyjacking occurred, I have been in constant touch with the family of 20-year-old Mark Shain of Milwaukee. Mark was unfortunate enough to have been aboard one of the airlines hijacked on September 6th. He is presently being held hostage, along with 53 other persons, in Amman. Mark has not been able to communicate with his family since he was taken hostage. The uncertainty of Mark's welfare, caused by the PFLP's refusal to allow those being held hostage to communicate with the outside world, has meant untold agony and grief for his family and friends in Wisconsin.

Our first responsibility is to obtain the release of all hostages held in Amman. Until this objective is achieved, however, I believe it is essential that the United States demand humane treatment for those persons held captive by the PFLP. This humanitarian issue could be dealt with separately from the political questions that are now being faced in this most recent Middle East crisis.

The hostages in this international crisis are innocent victims. They are not soldiers of war, or soldiers of fortune. They are innocent pawns in a cruel conflict.

Even prisoners of war are protected by most belligerents under the Geneva Conventions on the Protection of War Victims. Yet, the hostages of the Palestinian guerrillas, in some important respects, have fewer rights than actual combatants who are captured by one side or the other. I think we must insist that the Amman hostages receive, in every way, treatment which is comparable to that required under the Geneva Conventions.

In order to achieve this humane treatment, I urge you to insist through Secretary of State Rogers, in intercessions with the United Nations, the International Committee of the Red Cross, or in direct or indirect negotiations over the hostages, that the PFLP abide by the international standards governing the treatment of prisoners. Certain actions would clearly flow from the application of the Geneva Conventions.

The Conventions set forth the requirements of the humanitarian treatment of prisoners. First, all persons held must be immediately identified so that their families and their governments will know who has been captured. Second, persons held must be permitted to correspond freely with their families. Third, impartial observers, such as the International Red Cross, must be allowed to visit, on a regular basis, persons held to verify that their treatment is fair.

Although these minimum standards are recognized and applied by all civilized nations, the PFLP has steadfastly refused to recognize them. Although the airlines have given us fairly accurate lists, the hostages have not been identified by the guerillas, themselves.

The hostages have not been allowed to communicate freely with their families. And, the Red Cross has not been granted permission to visit regularly with the hostages to verify their welfare.

If these elementary and fundamental conditions could exist, at least some of the agony experienced by the relatives of the hostages would be relieved. At least they could communicate with them by letter, transatlantic phone or wire. I know this would be of tremendous value to the parents and family of Mark Shain. I think this is an elementary condition upon which we should all insist.

With best wishes.

Sincerely,

WILLIAM PROXMIRE,
*U.S. Senator.*

## COLUMBIA FALLS HIGH SCHOOL BAND RECEIVES AWARD

Mr. MANSFIELD. Mr. President, during the spring of this year the Columbia Falls High School Band toured western Europe for 3 months. Its members proved to be very fine young ambassadors of our Nation, the State of Montana, and their own communities. All reports indicate that this was a most successful tour. On previous occasions the band has been complimented not only for its fine performances, but for the better image it created of young Americans.

The Columbia Falls High School Band was recently honored by the Flathead Associated Chambers of Commerce, which presented the group with the Civic Service Award. It was presented to the band's director, Don Lawrence, and its president, Ralph Mack. I am pleased not only that this tour by our Montana group was so successful, but also because the chairman of the civic group giving the award is Mrs. William Krall, who formerly was a student while I was on the faculty of the University of Montana, and a good friend today.

Mr. President, I ask unanimous consent that an article published in the Hungry Horse News of September 11, 1970, be printed in the RECORD.

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

BAND TO EUROPE GETS FLATHEAD SERVICE AWARD

HUNGRY HORSE.—Civic Service Award of Flathead Associated Chambers of Commerce was presented Columbia Falls High School Band Wednesday noon for their performance as "American good will ambassadors in Europe last spring."

Presentation was by Mrs. William Krall, Hungry Horse, president of the Associated Chambers, at the September meeting held at Willow's Honeyberry Farm. Receiving the award was Don Lawrence, band director, who was a guest along with Mrs. Lawrence, and Ralph Mack, band president.

Mrs. Krall referred to herself as "an ex band mother." Her son, Mike, now an Air Force officer and pilot, had been a band member.

She said that Columbia Falls High School band trip to Europe last spring saw "these young people serve as ambassadors for the nation, state and area."

Mrs. Krall continued: "It was a tremendous undertaking with much work and many headaches." "We've heard nothing but wonderful reports. They gave Europeans a better image of what young Americans are like."

Mrs. Krall praised Director Lawrence who "makes the band what it is," and introduced Lawrence, Mrs. Lawrence and Ralph Mack.

Lawrence thanked Mrs. Krall, the Associated Chambers for the award and "the support given the band by every one." He termed the students "excellent ambassadors for the United States, Montana and the Flathead."

Lawrence referred to the concert given at the great church in Purmerend, Holland near end of April 27–May 17 trip. The band played the Dutch national anthem, and then was asked to play the Star Spangled Banner. Lawrence commented the band hadn't played our national anthem since the last basketball game.

He noted tears on cheeks of the players and "The Star Spangled Banner was never played better by our band than in this Dutch cathedral."

Further comment was about the extremely friendly Dutch audience.

## NORTH BEND, OREG., AND RUSSIAN FISHING

Mr. HATFIELD. Mr. President, recently, I received a resolution from the North Bend Chamber of Commerce relating to Russian fishing off the Oregon coast.

Mr. President, the fishermen of my State are very much alarmed at the recent increases in the number of Russian fishing vessels operating within the 12-mile limit. I share their deep concern, for we cannot let a foreign country decimate our fishing grounds without taking action.

Some time ago, I wrote the Secretaries of State, the Interior, and Transportation, asking for a full statement on their powers, their interpretation of existing treaties, and what assistance I could expect from them. Recently, following a meeting with Under Secretary of Transportation James Beggs, at which I was represented, the Coast Guard announced it will take some limited steps to assist this situation for the duration of this fishing season. I certainly appreciate the Coast Guard's response to our request. I recognize that this is a temporary measure.

Mr. President, many of my friends are members of the North Bend Chamber of Commerce. I know them to be reasonable men, who share my desire to resolve this question on a long-term basis. I ask unanimous consent, therefore, that their resolution be printed in the RECORD.

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

NORTH BEND CHAMBER OF COMMERCE,
*North Bend, Oreg., September 10, 1970.*

Hon. MARK HATFIELD,
*U.S. Senate,*
*Washington, D.C.*

MY DEAR SENATOR HATFIELD: The North Bend Chamber of Commerce at their regularly scheduled Board Meeting Friday Sep-

tember 4, 1970 unanimously passed the following resolution:

"In as much as there is evidence that vessels of the Russian fishing fleet are in fact violating the existing fishing treaties and that certain species of fish (ocean perch) are endangered by the intensive fishing of foreign vessels the following resolution was enacted:

"Be it resolved that the congress of the United States take all necessary measures in the ways of commitments of funds, equipment, and personnel to enforce present fishing treaties existing between this nation and other nations to insure the protection of our fish resources.

"Be it further resolved that the congress of the United States take necessary action to dissolve the agreement between the Government of the United States and the USSR that allows Russian research vessels to operate within the treaty waters."

Very truly yours,

CLIFFORD C. SHAW,
*President.*

## RESPONSE FROM THE MEDICAL SCHOOLS ON INCREASING ENROLLMENT IS "VERY MEAGER"

Mr. YARBOROUGH. Mr. President, although two-thirds of all medical school funds come from the Federal Government, when we asked them to help alleviate the growing shortage of doctors, I received only very meager response from the medical schools.

Only five medical schools have informed me that, as a direct result of my requests to them, they will increase the number of first-year students this fall above the number they had planned to accept.

On August 20, 1970, I wrote to the deans of the 105 medical schools in the country urging them to accept 10-percent more first-year students than they originally had planned to accept.

When the medical schools said they could not meet this request, I followed my letter with a telegram on September 10. In my telegram, I said:

Therefore, I earnestly appeal to you to make room for at least one or two new students this fall. Even this small increase in enrollment would be a significant step toward eliminating the shortage of doctors in America and thus improving the health of our people. There are 134 counties in America without a medical doctor. Such a miniscule enlargement would at least educate that many doctors.

The deans of Brown University Medical School, Providence, R.I.; University of Colorado Medical Center, Denver, Colo.; the University of Alabama in Birmingham School of Medicine; Tufts University School of Medicine, Boston, Mass.; and Loyola University of Chicago's Stritch School of Medicine, have informed me that they are increasing their first-year enrollment in response to my urgings. The five medical schools among them will accept a total of 15 additional students.

These five medical schools are to be commended very strongly for their extended efforts. If each of the remaining 100 medical schools would increase their enrollments by an average of just three students, it would mean 300 more potential doctors, or a number equal to the entering classes in three new medical schools.

With a shortage of 50,000 doctors in this country, the medical schools must start producing more doctors. Only around 11,000 are expected to enter medical schools this year.

It is to offset some of this shortage of doctors that I have been pressing the medical schools to accept more first-year students.

Mr. President, once again I call upon the medical schools to refigure their space and budget situations, to see if it is not possible to accept some additional students. As I said in my telegram, 134 counties in this country are without at least one doctor. I would like to see admitted enough additional first-year students to average at least a doctor for each of these 134 counties, in addition to meeting some of the other needs in sections of the country where there is a serious doctor shortage.

## MONTANA TWINS ENTER AIR FORCE ACADEMY

Mr. MANSFIELD. Mr. President, all Members of Congress take pride in their appointments of young men to the military academies, and occasionally the situation arises which gives them a special degree of pleasure.

I am delighted to report that twin brothers, Brian and Bruce Leverson, of Whitefish, Mont., are among the 1,410 freshman cadets entering the U.S. Air Force Academy at Colorado Springs, Colo., this fall. The two young men, sons of Mr. and Mrs. Myron Leverson, are graduates of the Whitefish High School and have outstanding academic records as well as letters in football.

Mrs. Mansfield and I join in sending our congratulations and wishing them every success during their 4 years at this fine institution.

I ask unanimous consent that a news item published in the Hungry Horse News of September 11, 1970, be printed in the RECORD.

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

TWINS ENTER AIR FORCE ACADEMY

Our congratulations to Whitefish twins, Brian R. and Bruce N. Leverson, sons of Mr. and Mrs. Myron Leverson, who are two of the 1,410 freshman cadets entering the U.S. Air Force Academy.

The young men are 1970 Whitefish High graduates who lettered in football and were in other activities.

The Hungry Horse News presented a picture story of the Air Force Academy ten years ago. It's a great education for a young man, stressing languages and the humanities, more like engineering schools. The Air Force Academy provides five years education in four.

On our tip, information was that Montana wasn't sufficiently aware of the Air Force Academy, and there was comparative lack of young men from this state. That situation has changed.

## THE 240TH ANNIVERSARY OF BIRTH OF GENERAL VON STEUBEN

Mr. SCOTT. Mr. President, today marks the 240th anniversary of the birth of the great German general, Baron Friedrich Wilhelm August Heinrich Ferdinand von Steuben. This outstanding soldier can be credited with saving the Revolutionary Army during the winter at Valley Forge.

After a distinguished career in the Prussian Army, the general came to America in December 1777. He was sent to Valley Forge, where General Washington made him Acting Inspector General of the Continental Army. Von Steuben's experience enabled him to bring to Washington's staff a technical training that was unknown in either the French or the British Armies at that time. He quickly made a profound impression on the officers and men at Valley Forge. He set out to train the woefully unprepared troops. Von Steuben transcended the language barrier and managed to instill a new order.

It was this new order and discipline which helped to keep the Continental Army together that bleak winter. The value of his instructions first became manifest at the Battle of Monmouth in the spring of 1778. From that time on, the Continental Army proved itself, battalion for battalion, the equal in discipline and skill of the best British regulars.

Von Steuben went on to distinguish himself during the rest of the war and afterward became an American citizen.

The contributions of Von Steuben accent the importance of German Americans to our country. From its inception to the present, our country has been greatly aided by the accomplishments of German Americans. On this day honoring the Revolutionary War hero General Von Steuben, it is appropriate to salute all German Americans.

## WOMEN'S RIGHTS: A MATTER OF SIMPLE JUSTICE

Mr. HARTKE. Mr. President, I have long been an enthusiastic supporter of equal rights for women. That is why I have cosponsored and will support the proposed equal rights amendment to the U.S. Constitution, providing that—

Equality of rights under the law shall not be denied or abridged by the United States or any state on account of sex.

It would authorize the Congress and the States to enforce the amendment by appropriate legislation. The purpose of the proposed amendment will be to provide constitutional protection against laws and official practices that discriminate against women.

Some maintain that such a constitutional amendment is unnecessary and would represent a "constitutional frill." That view might have been excusable when an equal rights amendment was first introduced in Congress in 1923. Since then, however, hearings have been held in 1948 and 1956 in both the House and Senate Judiciary Committees. The amendment has often been reported favorably by the Senate Judiciary Committee, most recently in 1964, and it has twice passed the Senate in 1950 and 1953. Given the existence of such extensive legislative records, ignorance of the need of this amendment can no longer be excused. The most indifferent survey of State and Federal laws reveals a dark, insidious pattern of discrimination.

For example: laws and practices operating to exclude women from State colleges and universities; discrimination in employment by State and local governments; dual pay schedules for men and women; State laws placing restriction on the legal capacity of married women or on their right to establish a legal domicile; State laws that require married women, but not married men, to go through a formal procedure and obtain court approval before they may engage in independent business; and social security and other social benefits legislation which give greater benefits to one sex than to the other. These, of course, and the myriad of other discriminating laws and practices can be abolished one by one, but there is no adequate substitute for a constitutional guarantee against prejudice. A constitutional protection is not only a guarantee but also a symbol of women's full equality.

Unfair laws do not create discrimination but merely reflect it. Society and, in this case, men, act out their prejudices by enacting discriminatory laws. The discrimination exists before the law and is reflected in the money we pay women and the jobs we give them. In industry and in government, in the home and in the office, women are paid less, hired last, promoted least, and given the most boring work. Statistics as well as statutes reveal the same sad discriminatory pattern. This is so, even though women are becoming a more and more vital part of the economy. Today 31 million American working women represent 38 percent of the U.S. work force. Despite the growing number of working women and the enactment of various legislation, like the Equal Pay Act and the Civil Rights Act, relating specifically to sex discrimination in employment, economic discrimination against women is worsening, not improving.

In 1955 the median salary of full-time, year-round workers was $2,719 for women and $4,252 for men. Women were receiving only 63.9 percent of what their male counterparts received. In 1968 while the median salary for women workers had increased to $4,457, that of men had reached $7,664. In other words, women in 1968 received only 58.2 percent of what their male counterparts earned.

Even in fields traditionally associated with women, such as teaching, the economic bias persists. The National Education Association found that in 1965–66 the median wage of women who were members of teaching staffs on the college level was less than that of men on all professional levels. In fact, women who were full professors had a median annual salary of $11,649 and men $12,768.

Women are discriminated against not only in the money they receive, but also in the jobs they are offered. There is not only a money gap, but also a professional gap. Few women have been allowed to enter the professions. Only 1 percent of Federal judges are women, only 1 percent of engineers are women. Despite greater education for women and more freedom from household tasks, women's job opportunities have declined. In 1940 women constituted 45 percent of the work force in professional and technical work, but by 1968 they constituted only 30 percent. Once again we see that the problem is getting worse, not better.

Women are barred from professions partly by discriminatory practices in our colleges and universities. Hearings before the House Special Subcommittee on Education indicate that higher levels of previous achievement are required of women in order to gain admission to a college or university. Colleges discriminate against women by having administrative quotas and by providing fewer scholarships and less financial assistance for coeds.

These are some of the facts and situations that necessitate the enactment of the equal rights amendment. For these reasons, I support and cosponsor the equal rights amendment and oppose any substitute to it. There can be no substitute for justice. What women want is equality, nothing more, nothing less. A recent Presidential task force report on women's rights was entitled "A Matter of Simple Justice." And that is what is involved in this amendment. The concept of justice is simple, but its achievement is never easy or simple. It takes hard work, long years, persistent attention, and courage in the face of many setbacks and defeats, but justice is never defeated. I urge the Senate to respond unanimously to this longstanding call to justice.

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## IMPACT ON HUMAN BEINGS OF DAY-TO-DAY EXPOSURE TO POLLUTION

Mr. MUSKIE. Mr. President, the Subcommittee on Air and Water Pollution has long been fearful of the unhealthy impact on human beings of day-to-day exposure to pollution. There is strong evidence that regular exposure to even low levels of pollution aggrevates a host of human ailments.

Good Housekeeping magazine for August contains an account of how pollution affects health in a very personal way. The article, written by Charles and Bonnie Remsberg, is entitled "The First Victims."

I ask unanimous consent that the article be printed in the RECORD.

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

THE FIRST VICTIMS

(By Charles and Bonnie Remsberg)

(EDITOR'S NOTE.—Every day Americans are bombarded with alarming facts and figures about pollution. In recent months we have learned that: the last traces of clear air anywhere in the United States vanished 7 years ago . . . more than 90,000,000 of us today drink water that is unfit . . . the DDT concentration in mothers' milk has become so high that it could not be sold commercially . . . the incidence of chronic bronchitis and emphysema—two pollution-related diseases—is doubling every 5 years . . . the average man, woman, and child in this country throws away more than 5 pounds of refuse every day . . . world population is expected to double, with domestic, municipal, and industrial wastes skyrocketing along with it, in less than 30 years.

(Too often it is possible to shrug off the urgency of these facts by viewing them as worries for the distant future. Recently Good Housekeeping sent reporters Charles and Bonnie Remsberg on a cross-country investigation, searching for families who know that pollution is not just a future threat because their lives already have been seriously damaged by it.

(In large towns and small in all parts of the Nation, the Remsbergs found people whose health, livelihoods, dreams for children, and zest for living are currently being radically altered by the sudden or gradual intrusion of pollution. Here are the stories of just three such families. They are among the first victims of a growing world epidemic, the plague of pollution. The rest of us, scientists say, are or soon will be affected in ways no less alarming.)

I

One night a little more than a year ago, Mrs. Rose Mallon heard choking from the bedroom where her four-year-old twin daughters, Dorothy and Donna, sleep. "I ran in," she recalls, "and found blood all over Dorothy's face. Her hair was matted—the bed, mattress, everything was covered with blood. She was strangling in it."

Frantically, Mrs. Mallon pulled large lumps of blood out of the panicked child's mouth and discovered that fresh and clotted blood was erupting from broken sores on Dorothy's inner cheeks. Eventually the bleeding stopped. But it returned without warning off and on during the summer, remembers Mrs. Mallon, a dark-haired, weary-looking woman. "I started taking Dorothy to bed with me to be sure I'd hear her choking, and we both would wake up covered with blood."

At about the same time, Dorothy's gums and those of her twin swelled until they nearly covered the little girls' teeth. For days they could not eat because of the pain of chewing. Last spring Donna, too, suffered an attack of bleeding cheek sores. Both sisters have been subject to mysterious fevers for more than a year.

"So much has happened to the twins," says Mrs. Mallon, "it's hard to remember they're still so young." Sometimes they can play outdoors for no more than 30 minutes before they slump to the ground, exhausted. Once Dorothy sobbed that her legs hurt too much to walk, and her mother had to carry her into the house. Frequently they have aches in their joints so severe that they cry, and they massage their knuckles and knees like arthritics. At times, too, the children have needed medication for sleep because of intense abdominal pains.

What is wrong with Dorothy and Donna is the air they breathe. With their parents and seven older brothers and sisters they live in a new $25,000 home on a quiet, tree-lined street on the far southeast side of Chicago, the nation's second-most polluted city (New York is first). From their street they can watch traffic whizzing by on an interstate skyway, and plumes of blue, red, white, gray, yellow and black smoke rising from a nearby asphalt batching plant, a smelter, four steel mills, two electric power plants, two public school incinerators, a coke plant, a chemical company and a municipal garbage incinerator.

Night and day, foul odors, dust and chemical poisons, including carbon monoxide, sulfur dioxide, lead, iron oxides and dozens more, spew from the traffic and from the smokestacks ringing the Mallon neighborhood—and invisibly enter the lungs and bloodstreams of the twins, their family and neighbors.

Three years ago, when Chicago policeman Thomas Mallon moved his family to the neighborhood, few laymen were aware of the human dangers of polluted air. As longtime residents of the city's industrialized south side, the Mallons had learned to accept smoke and acrid smells as normal months after their move, however, as plant production in the area increased and more smoke-emitting industries started up, pollution began to take on grimmer overtones.

Some of the older Mallon youngsters, who range in age from nine to 16, complained of dizzy spells and developed mild rashes. They sometimes seemed listless and they tired easily. Under certain atmospheric and wind conditions, an intermittent sulfur-like stench—"like a hundred matches being lighted in your face," says Mrs. Mallon—swept through the house and caused members of the family, guests and neighbors to vomit repeatedly. Other odors were so strong that on several occasions the Mallons thought their house was on fire. Neighbors complained of runny noses and nosebleeds, burning eyes, coughing, sleeplessness. Then in May last year, Donna and Dorothy, previously in good health, came down with severe symptoms almost simultaneously.

"They ran a fever of 102 that wouldn't go down no matter what I did," recalls Mrs. Mallon. "They broke out in a rash that left little white scars. The itching almost drove them wild. Their legs, their eyes, their stomachs—everything hurt so bad they just lay around as though they were half dead. At first I thought it was the flu. Then Dorothy's mouth started bleeding."

Since then the twins have been in and out of the hospital, but exhaustive, costly tests and a search of medical literature have disclosed no disease, allergy or congenital condition to explain their recurring symptoms. "All the symptoms suggest that the twins are reacting to a variety of chemical 'insults' to their systems," says an expert on environmental health. But, he explains, present knowledge and technology are insufficient to determine precisely which pollutants are affecting the children—and how. "We haven't the vaguest notion of what all they—or any of us—are breathing," he told us. "Science comes up with 500 to 700 new chemicals a year, and many of these end up polluting the air. They mix entirely new compounds. Nobody knows how the vast majority affect us or how they interact in our bodies. For the most part we don't even have tests that can detect their presence in our systems."

"We know," says the twins' doctor, "that when the girls are away from their neighborhood, wherever the air is better, their symptoms disappear without medication. And we know that other children in the area suffer many of the same symptoms, although not as severely." Also, studies in Buffalo, N.Y., and other cities show that hospital admissions of youngsters with many of the same ailments—especially respiratory distresses and skin disorders—increase markedly on days of high pollution. In Los Angeles, the air is considered so harmful that some schools keep children in from recess on smoggy days.

"People say we should move," sighs Mrs. Mallon, "but dirty air is everywhere. You can't just leave the problem to somebody else forever. Sooner or later you have to stand and fight,"

And so she goes door to door urging people to complain about the polluted air. But she often finds apathy, indifference, hostility. One person tells her, "No smoke, no paychecks." Others say, "You're not going to get clean air, so why bother?"

"People don't want to get involved," she says, "I guess they'd rather breathe this stuff and let it kill them."

With the help of some concerned neighbors and interested outsiders, Mrs. Mallon has managed to bring one polluter in the area to court. But for the most part, she has found the machinery of city government unaggressive in fighting against pollution.

As this is written, the city administration is talking of "waging war" on pollution with "tough" new ordinances, but behind the headline-making statements is a dismal track record. Chicago's pollution-control department is understaffed, underfinanced and politically dominated. Air pollution in the city frequently rises beyond the level Federal authorities consider hazardous to health but antipollution ordinances are unenforced. Some of the major polluters are operating under long-term special exemptions from "clean air" standards, while their contribution to the city's air contamination continues to mount. When nationally recognized medical authorities announced last November that Chicago's air quality was contributing to a significant increase in the city's death rate, industry-oriented Mayor Richard Daley pooh-poohed the findings as "exaggerated." City councilmen have told complaining constituents that to crack down hard on polluting industries would be irresponsible.

A regional planning commission report states that, in the Chicago area, as in most U.S. cities, new pollution sources are developing faster than old ones are being brought under control, and a top state expert states that no abatement is likely for at least another 30 years.

Meanwhile, with no medication available to ease her children's plight, Mrs. Mallon keeps the twins indoors as much as possible. Even so, her doctor told us, "It is hard to believe that those kids are going to develop normally." Already, their mother reports, their experiences have "made nervous wrecks of them."

Dorothy and Donna often are afraid to go outside their house because they can see the smokestacks and that makes them cry. "They don't play with dolls," Mrs. Mallon says. "They play 'Pollution,' pretending to write letters to the mayor, or calling up mad to the pollution inspectors or going to court with different papers." Now and then they look outside and ask, "Mommy, why does bad air hurt us?"

Their mother has some questions of her own.

"What right do polluters have to take people's lives into their own hands?" she asks. "God gave us clean air, clean water to drink. What right do these people have to take this all away from us?"

II

The clear lake lapping the backyard of his home was the center of 18-year-old Fred Compton's world that summer of 1965. "Fred and his two brothers were spending half their lives diving, waterskiing, swimming," remembers his slender, soft-spoken mother, Virginia. "We were so happy to have that lake because we didn't have to worry about the boys being out in cars."

When Virginia and the elder Fred Compton, then a junior-high-school history teacher, bought the ranch-style house in Winter Park, Fla., they had expected scenic Lake Spier to be a source of recreation for the whole family. But for their eldest son, Fred, it had become something more. "Fred wanted to be a marine biologist," explains his father. "He loved to hunt for new fish specimens in the lake. He'd follow the fish right down into holes or into the weeds on the bottom."

It was a lovely setting. The rain-washed streets drained, by design, into the lake, which was surrounded by well-fertilized green lawns. Thriving orange groves dotted the nearby landscape, and even the area's septic tanks, made necessary by a population that outgrew the city sewer system, were hidden well below ground.

The last Saturday that August, Fred spent all day snorkeling in the lake, "trying to cram in as much as he could before he left home for college," Mrs. Compton recalls. Saturday and again Sunday after church he complained of a headache, "a blazing band of pain from temple to temple," that grew steadily worse.

On Monday, although he had an injection at the doctor's office, the pain was still so excruciating it made him vomit. The doctor ordered him into the hospital. Massive doses of penicillin, steroids, cortisone and antibiotics did not affect him. His temperature climbed relentlessly. Late Tuesday, the day he was to have left for college, he clutched his mother's hand and gasped, 'Mom, I can't see you! I'm blind!" That night, delirious with fever, he lurched from the bed, jerking the intravenous tubes from his arm and smearing blood all over the room. By Wednesday morning, he was in a coma and struggling for every breath. Doctors performed an emergency tracheotomy and inserted a respirator tube into his throat, but his lungs were becoming paralyzed. Saturday morning, at about three o'clock, he died.

"At first the doctors told us it was a virus, then spinal meningitis," says Fred's father. Tests after an autopsy, however, led to a startling discovery. Lodged in the boy's brain, a local pathologist found, were hundreds of strange microscopic, one-celled parasites—live naegleria amoebas, Fred had fallen victim to a rarely diagnosed, incurable disease of the central nervous system: primary amoebic meningo-encephalitis. And, as experts later reconstructed the circumstances, it became apparant that the lake that had been so much of Fred's life had quietly harbored the cause of his death.

A combination of pollutants—seepage from the underground septic tanks; lawn fertilizer; pesticide and fertilizer residue from the orange groves, automobile drippings, leaves and other materials from the street—were being washed by rain into the lake. There they had built up over the years, adding enough nutrient material, on which organisms could feed, to dangerously distort the lake's delicately balanced ecology.

This is the deadly chain these nutrients create. They produce abnormal quantities of weeds on the lake bottom. The nutrients themselves, plus decaying organic matter from the weeds, provide food for unusually large armies of certain bacteria which, in turn, arouse the deadly naegleria amoeba from its dormant state and serve as its food. One or more of these amoebas rushed up Fred's nose as he dove among the weeds. It then bore into a nerve and, using the nerve as a passageway, migrated into his brain cavity. There the amoebas multiplied and brought his swift and agonizing death.

Soon after their own loss, the Comptons learned that Fred had not been the first in the area to die under such bizarre circumstances.

In chance encounters with two other sets of parents, they discovered that two boys had died in 1962 from the same disease, one of them after swimming in Lake Spier.

"No public announcement about the disease or any warning about the lakes had been made," Mr. Compton recalls. Yet the pathologist who diagnosed the disease said privately that water samples taken from the area's lakes showed the amoeba to be widespread.

"Fred's mother and I met with city officials and county health-department doctors and pleaded that they ban swimming or at least make some official statement about the potential danger," says Compton. "Nothing happened. I think the city fathers were afraid it would lower property values on the lakefronts, and a town with many lakes that calls itself 'the Venice of America' doesn't want that."

It was 1968 before a detailed news account of the amoeba threat finally made the papers in neighboring Orlando. By then, the deadly parasite had claimed the lives of two more teen-age swimmers.

In Texas and Virgina, in Australia, Czechoslovakia and the British Isles, there have been other deaths from the disease. According to experts, other victims undoubtedly have been misdiagnosed throughout the U.S. because the amoeba is hard to detect and doctors often are unfamiliar with its symptoms.

"As pollution of waters in all parts of the country by sewage and other nutrients increases, the danger of an epidemic mounts," one scientist told us.

"The proliferation of the amoeba is just one small example of the changes pollution is bringing to our environment," we were told. "Many changes and what they mean to us may not be clear for years yet. But this we know: Pollution does not have to be gross and overwhelming to be serious. When man 'mixes in' with nature, he affects the normal balance of things—and the result is often tragic."

Not long after Fred's death, "to get away from the lake," the Comptons and their two surviving sons moved to Mount Dora, a little town 25 miles north of Winter Park. Compton opened a real estate office and set about trying to fight the pollution of lakes in that area as a city councilman.

"Back in Winter Park," says Mrs. Compton, "not much has changed."

At this writing, a county pollution-control official says his agency is seeking funds with which to study and correct some of the pollution problems relating to the area's waterways. But meantime, lawns around Lake Spier are still kept green with fertilizer, and streets still drain into the water. An anti-pollution adviser to the Governor told us there is nothing in state law and no legal measures proposed to stop those sources of contamination.

Pending promised new sewer lines, septic tanks still serve the families around Lake Spier and an estimated one-half of the other families in surrounding Orange County.

Weeds that provide additional food for the bacteria still grow in the city's chain of lakes. On some of the lakes, city crews cut off and harvest the tops in a $125,000-a-year "weed control" program. Often new weeds are able to generate from clippings that drop to the bottom. On some of Orange County's lakes, says the pollution officer, weeds are sprayed with chemicals, which cause them to crumple to the bottom where, through decay, they "offer more food for the bacteria, give rise to leeches and other undesirable life and make it difficult for fish to breed." According to the Governor's adviser, there are 39 separate government agencies in Florida that are supposed to "deal" with the aquatic weed problem, "but there is only fragmented research and development and no coordination. The problem gets bigger by at least 30 percent every year."

County pollution-and-health officials say they conduct no regular testing for the presence of the naegleria amoeba in local waters because they lack the necessary manpower, money, equipment.

On hot summer days, youngsters still ski, swim and dive in Lake Spier, which carries no warning of danger. And in Palm Cemetery, a headstone carved with a fishing rod and a fish marks the grave of young Fred Compton, who had hoped the lake would help him become a marine biologist.

III

"Red" Allen first spotted the oil as he steered his old fishing boat through the gathering darkness toward the Santa Barbara, Calif., harbor. "It was running in big, black tide-rips on the ocean surface," he remembers. "I tried to dodge around them, but as I got closer in, the oil got so thick I couldn't keep out of the stuff."

The harbor, ordinarily a scene of tranquil picture-postcard beauty against a backdrop of gentle mountains, was in uproar. Vainly, workmen were struggling to blockade the entrance against tides of tarry crude oil sweeping in from the sea. Oil-company maintenance boat crews were frantically spreading straw and chemicals on the water in a desperate attempt to absorb or break up the oil. Birds caught in the goo were washing helplessly against jagged rocks, and many were drowning. Fishermen, angry at being doused with waves of oil churned by a passing maintenance boat, were trying to hurl sharks onto its decks. The gagging stink of oil hung thick in the ocean air.

When Allen finally dropped anchor in a "lake of oil" inside the harbor and went home, "My boots were filled with oil, my clothes and boat were black, it was even in my hair." He told his wife, Josie, "People can't imagine what kind of tragedy is happening here."

For more than 30 years, Forrest "Red" Allen, a ruddy-faced 51-year-old grandfather, has been gill-net fishing from the same boat his father had used before him, the 38-foot *Vincent-K*. His main catches come from two seasonal runs of barracuda along the coast and through the scenic Santa Barbara Channel, which stretches 25 miles wide between the shore and a string of islands.

The first of those runs, normally his most lucrative season, was about to begin that evening in February, 1969, when the oil reached Santa Barbara harbor. About a week earlier, a well being drilled in the ocean floor by Union Oil Company from a platform in Federal waters five and a half miles out in the channel had suddenly "blown wild." Thousands of gallons of crude oil had surged out of control to the surface and spread toward shore at the rate of 5,000 barrels a day.

Critics of offshore oil operations had warned before the drilling began that undersea technology is not advanced enough to prevent such catastrophes. But officials of the oil company and the U.S. Department of Interior, which leases out the publicly owned drilling sites, had promised that nothing detrimental would happen. By the time the big leak was reported plugged eleven and a half days after it erupted, however, an estimated 2,000,000 gallons of oil had spurted out; oil slicks covered more than 800 square miles of ocean off Santa Barbara; more than 30 miles of beaches were fouled; thousands of birds were dead or dying, and baby sea lions were starving on the channel islands because their mothers' breasts were so caked with oil they could not nurse.

And Red and Josie Allen, along with his fellow fishermen and their families (many of whom were already deeply in debt for costly fishing gear), were abruptly cut off from their livelihoods.

"Spotters," the pilots of small planes who normally locate schools of fish up and down the coast for the commerical fleet, couldn't see through the oil on the surface. When Red took the *Vincent-K* out in hopes of discovering some fishing place the spotters had missed, he found oil fouling the big kelp beds where the barracuda hide. "Putting a net down in that stuff would ruin it," he explains, "and a net costs $3,000." Anyway, by the time they were brought up through the scum, the fish would have been unsalable. "You just had to sit there with dead birds floating all around you."

His fellow fishermen fared no better. Lobstermen, for example, found their traps on the ocean bottom filled with tarry oil and straw and their buoys soaked beyond salvaging. Trap lines were cut by oil skimmers trying to clean the ocean surface. Crab fishermen found their catch suffocated because the oil covered their gills.

Weeks dragged by and the oil remained on the waters. Red went out time and again, even when the expenses of running the boat began to pinch hard—and always he came back emptyhanded. Before long, the Allens had exhausted their savings and were forced into debt. "We were so discouraged every time he came back," says Mrs. Allen. "We wondered if it was ever going to be over."

It was not until May, three months after the well blew, that the ocean was clean enough for Red to lay his nets again. By then the barracuda were gone.

Based on previous years' averages, that episode cost Red at least $5,300—about half a normal year's income. Now, more than a year later, he and other fishermen claim that their incomes are still running below normal, for oil continues to ooze from fissures opened in the ocean floor by drilling. Last December a ruptured pipeline added to the flow when "safety" devices failed to function properly. Allen still sometimes finds kelp beds clogged. At times chemicals used by oil workers to break up oil slicks around the drilling platforms seem to destroy the nighttime luminescence of organisms on the ocean surface, and Allen depends upon this "fire" to guide him to the fish after dark. Yet, as this is written, Allen and his colleagues have been unable to win settlements from the oil company for any of their lost profits.

Several groups of aroused Santa Barbarans and elected officials are trying to prohibit further drilling and pumping in the channel. They are heartened that responsive California authorities have declared a moratorium on all such operations in state waters, which extend three miles out from the shore. But at this writing, lawsuits, proposed legislation, appeals from the state administration and citizens' petitions to government agencies and the President have produced no tangible results to stop pollution originating in Federal waters.

Federal officials have refused to hold public hearings on the matter even though public waters are involved. They would just "stir up the natives," said one bureaucrat. Instead, the Interior Department, under pressure from the politically powerful oil companies, has arbitrarily cleared the way for *more* drilling and pumping. There are now 13 oil-rig platforms dotting the channel horizon. If all Federal leases off Santa Barbara are exploited fully, there could eventually be more than 4,000 wells sunk there, threatening the channel with an estimated four major oil-drilling blowouts every year, plus countless possible spills from production accidents—a prospect from which the ocean's life might never recover.

As subsequent well leaks, pipeline breaks and tanker accidents in waters off Louisiana, Florida, Massachusetts and Alaska have shown, Santa Barbara is only one coastline area threatened by offshore oil. Worldwide, an estimated 284,000,000 gallons of oil a year empty into the sea.

In Red Allen's world, oil is only one encroaching pollutant. As he travels the coastal waters, he notices kelp beds dying and fish beginning to move in strange, erratic patterns. Some species seem to be disappearing, and the tiny animal life that he used to find in abundance on the ocean bottom seems to be diminishing, too. Recently he caught a grotesquely misshapen sardine, its spawn matted and hard instead of jellylike. Another fisherman showed him a sea bass blinded by deformity. "You can tell there's something in the water that's hurting them," Red says.

Scientists say that these fishermen are beginning to see the long-range by-products of raw, inadequately treated sewage and industrial wastes pouring into the sea from rivers and coastal cities, and of DDT and other pesticides washing down from farmlands and citrus groves. Added are the components of smog that drifts up from cities like Los Angeles and settles into the water.

Red Allen worries that he will be unable to fish if things get worse. He knows, too, that we all depend, for most of our oxygen on the microscopic phytoplankton that live in the ocean. Water pollutants are killing these tiny organisms, some scientists say, and air pollution is shutting out some of the sunlight they need for their vital work.

"Fishing used to be more than just a

way to make a living," Allen remembers. "You'd go out and the ocean was like something new, something young. Everything smelled fresh and looked clean. You'd go up the coast and you'd hear big flocks of birds squawking as they fed on bait. It was all *alive.*"

It was men like Red Allen, fishermen toughened by years on the sea, who, on the night the oil poured into Santa Barbara harbor, stood on the wharf and wept.

Significant victories against pollution will be hard won and, unless the mood of those in power changes radically, long in coming. For, despite all the rhetoric and the political exploitation of the issue, there is little indication that the leaders in industry and government—indeed, even average citizens—are yet fully committed to cleaning up the mess they've made and mending their ways in the future.

Much of industry, large and small, still drags its feet on meaningful reforms while mounting expensive propaganda campaigns to convince the public that real progress is being made.

For all of President Nixon's promises to save the environment "now or never," objective analysts warn that his proposals for cleaning our air and water are, so far, too vaguely drawn, too underfinanced and too soft on enforcement to get the massive job done. Columnist Michael Harrington has predicted that, on pollution, Nixon will soon create the same public "credibility gap" that President Johnson suffered concerning the war on poverty and the war in Vietnam.

As for state and local governments "there is very little evidence," says Senator Edmund Muskie, a leader in the anti-pollution fight, that with rare exceptions "they are doing anything" about pollution. At all levels of government, the bureaucrats who are supposed to regulate polluters often are, in fact, controlled by them.

Anti-pollution laws already on the books—and some have been there since the last century—are still largely unenforced and for the most part too toothless to be meaningful. It is a reflection of our national priorities on the subject that a businessman whose company is, through pollution, quite literally helping bring the end of the world is still safer from prosecution and punishment than the ghetto kid who holds up a candy store.

We ordinary citizens aren't changing very fast, either. Most of us would still rather buy phosphate detergents, unreturnable bottles, high-powered lawn fertilizer, extra cars and the latest electrical gadget than to sacrifice their "convenience" and "luxury"—even though increased demand for electricity, for example, usually means more toxic smoke pouring from some power plant; and phosphates, once they wash down our drains, end up causing useful life to die in a river or lake somewhere. We still vote down bond issues to improve antiquated sewer systems. And many of us still choose to ignore the fact that population increase is, in the long run, one of the greatest problems of all. "We have met the enemy," one observer puts it, "and the enemy is us."

Some experts say that America won't make the total social commitment, won't generate the lasting dedication and unremitting pressure that is necessary to stop pollution in time. We shall know very soon.

If present trends continue, some scientists predict that:

By 1980 the pollution problems of some major cities will be unsolvable.

By 1982 or 1983, an air-pollution catastrophe will kill thousands in some U.S. city.

By the mid-1980s, if not before, every man, woman and child in the hemisphere will have to wear a breathing helmet to survive outdoors. Most animals and plants will be dead.

By the end of the '80s, the U.S. will begin to experience major ecological breakdowns of its soil and water. Plagues of new diseases—which humans cannot resist and which our medicines cannot cure—will rage.

By 1990, those of us who are left will be living in doomed cities.

Within a generation, it may be all over for man.

Discussing pollution the other day, our 10-year-old daughter said, "If we don't stop *it*, it's going to stop *us*." The first victims have already fallen.

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## CRANE NAVAL DEPOT MUST BE SAVED

Mr. HARTKE. Mr. President, Crane Naval Ammunition Depot is not only the Navy's largest but the largest employer in southwest Indiana. Crane has, therefore, a vital role both in preserving our national security and in preserving the economy of this part of Indiana.

Over 95 percent of the employees at Crane come from the eight-county region surrounding the installation. These Indiana counties are Sullivan, Greene, Monroe, Lawrence, Orange, Martin, Daviess, and Knox. Four of these eight counties—Daviess, Greene, Lawrence, and Martin—supply over 82 percent of Crane's labor force.

Fifty-five percent of the people of Martin County are directly dependent upon Crane for their livelihood; 20 percent of the people in Greene County, 16 percent of the people in Daviess County, and 14 percent of the people in Lawrence County are similarly affected.

Crane is the largest source of income for the entire region. In 1969, the total annual payroll of all employees in Lawrence County covered by the Indiana Employment Security Act, which excludes Crane's employees, was $50,863,000. The total for the four-county area was $95,230,000. The Crane payroll for that year was $52,000,000—more than half as much as the total of all the salaries and wages otherwise earned in Daviess, Greene, Lawrence, and Martin Counties.

It does not take any imagination to realize the profound and devastating effect any reduction in employment or payroll by Crane would have on this part of Indiana. This would be true even if the region was booming and prosperous. Unfortunately, this is not the case. It is a depressed area of persistent unemployment. With the exception of Monroe County, unemployment in all of the eight counties is above the national average. Lawrence and Greene counties have long been officially classified as areas of high or persistent unemployment. Their unemployment rates of 12.9 percent and 10.6 percent respectively, mean great hardship for the people involved.

With this economic background, the decision by the Defense Department to reduce the labor force of Crane comes as an especially cruel blow. In October of 1969, Crane's labor force was 7,000 people. By October of this year it will be about 5,200. It is estimated that by January 9, 1971, the labor force will be further reduced to 4,700 and to 4,200 by July, with the eventual labor force to be as low as 3,200 employees. Such reductions seem to me to be not only unnecessary but unwise. The Crane facilities offer unique advantages to the Defense Department and to the country.

The workers at Crane want not special favors but adequate consideration of the merits and capabilities of this outstanding facility. Decisions involving its future should consider its potential, efficiency and cost record in relation not only to Navy and other defense installations, but to private industry as well. Also, any decision about Crane's future should take into account the high unemployment of this region and its great dependancy on Crane.

In trying to shape Crane's future, I have asked every Federal Department and agency to determine what work may be performed at Crane. Also, I have undertaken a review of the Navy's contracting out procedure to determine if there is any work being contracted out that can and should be done at Crane. Its loyal and hardworking labor force, large size and many facilities offer this country a rare opportunity for quality work.

America must always be strong and secure. Crane Naval Depot has a vital role to play in providing that security.

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## DEMAND EXCEEDS SUPPLY OF FAMILY DOCTORS

Mr. YARBOROUGH. Mr. President, the people of America are encountering grave problems in their efforts to obtain adequate health care. In recent years it has become increasingly fashionable for medical students to specialize in gynecology, neurosurgery, ophthalmology, internal medicine, and the like. This trend toward specialization has left the Nation with a serious shortage of family doctors. To meet this critical national need, I introduced the family practice bill, S. 3814, which is designed to attract more doctors into family practice.

The Senate, recognizing the urgency of the need for more family doctors, passed my family practice bill on September 14, 1970, by the overwhelming vote of 64 to 1. I applaud the action of the Senate, and urge Members of the House to take positive action on the bill before the end of this legislative session.

In 1931, three-fourths of all physicians in private practice were general practitioners. Over the years the enthusiasm for going into this field of medicine has diminished to the point that today only one doctor in five goes into family practice. This trend, coupled with the skyrocketing cost of medical care, is quickly becoming a major domestic crisis. If something is not done soon to remedy the situation, adequate health care will be available only to the very wealthy among our people. There are not enough doctors today to meet the needs of the poor, the disadvantaged, and even many middle-class-income citizens. The problem can only grow more severe in the absence of meaningful action.

As pointed out by Carl M. Cobb in an article entitled "Solving the Doctor Shortage," published in the Saturday Review of August 22, 1970, there are two primary ways to go about solving the

problem. We can either start training more doctors or start making more efficient use of the ones we have.

Mr. Cobb suggests that the establishment of a well organized group practice can provide care for more patients than would the same number of doctors engaged in individual practice. Another avenue for increasing the productivity of existing doctors is through the use of physician's assistants who are trained to assume many of the routine duties of the doctor. Both of these steps are important and necessary, but they are only "Band-Aids" designed to alleviate the crisis in the delivery of medical care. We must not only increase the productivity of doctors, but also increase the number of doctors.

My family practice bill would authorize $425 million over a 5-year period for making grants to medical schools and hospitals in order to assist them in establishing special programs in the field of family practice. These programs would include the training of family practitioners and related supporting staff. This legislation will help in supplying medical care to the 30 million Americans who presently have no access to a family doctor.

Mr. President, I ask unanimous consent that the very knowledgeable article by Carl M. Cobb, entitled "Solving the Doctor Shortage," be printed in the RECORD.

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

SOLVING THE DOCTOR SHORTAGE

(By Carl M. Cobb)

The physician is the central figure in American medicine, a role magnified by the near absence of a consumer or governmental voice in the health policy of this country. The doctor is the key factor in the cost of care, for he determines his patient's treatment, its duration, where it will be given, what drugs will be used, and what consulting services will be utilized. As an individual making a free choice and through groups such as specialty boards and medical school faculties, he also has been the determinant of how many specialists and of what kind our medical system will produce.

One result has been that neurosurgeons, thoracic surgeons, and even general surgeons have been produced in numbers all out of proportion to national need, while the general practitioner has all but disappeared. A poll of graduating seniors at the three medical schools in Boston in 1968 failed to turn up one student with the intention of entering general practice.

Another result has been geographic maldistribution along three lines: large city versus rural area, suburb versus core city, and medical center teaching hospital versus small clinic. Every major city has its statistics about the ghetto in which the ratio of doctors is one to a population of 20,000 or 30,000, and most of those in practice are at or beyond retirement age or are graduates of long since defunct medical diploma mills. The plight of poor rural areas of the nation tells a similar story.

The demand for medical care clearly exceeds the ability of physicians in practice to provide it. In its simplest terms, this is called a doctor shortage, and the nation is indeed short of physicians engaged in delivery of health care. Of some 318,000 living Americans with an M.D. after their names, only some 203,000 actually are treating patients. Others are retired, in training, in administrative posts, in full-time teaching or research, or in positions not involved with the dispensing of medical care. Further, as noted elsewhere in these pages, the full extent of the demand for medical care is just beginning to emerge.

The most direct solution would seem to be to train a batch of doctors adequate to meet the demand. If, as national policy, every medical school doubled the size of its freshman class, after eight years—four for attendance in medical school, one as an intern, and three in residency training—there would be 16,000 new doctors instead of the present 8,000 per year. Since current patterns indicate 25 per cent would choose not to be directly involved in patient care, this would be an increase of slightly over 6,000 practicing physicians. Thus, 18,000 practicing physicians could be added by 1980, and 78,000 additional doctors would be available by 1990.

Unfortunately, immediate doubling of the size of every U.S. medical school is a hopelessly unrealistic goal. The necessary teaching manpower is lacking; many experts say laboratory space necessary to double the first two years' class sizes is not available; and many schools are in such precarious financial straits that an additional load might sink them. Of some $11,000 per year required to educate a medical student, the student pays only some $1,200 in tuition and fees (on a national average); the rest must be made up from other sources. This is not to say that medical schools should not be expanded, or that new financing mechanisms should not be developed. However, a realistic goal of an immediate 10 per cent increase in medical school enrollment would add only 7,800 extra physicians to the national pool by 1990.

The obvious alternative to more physicians is greater productivity from existing doctors. Doubling the output of practicing doctors would have the same impact as doubling the number in practice. But increasing physician productivity is not simply a matter of longer hours. Many practicing doctors are already working sixty- to eighty-hour weeks and are giving up weekends and vacations to meet the demands for their attention.

The inefficiencies and waste of solo practice are well documented. Group practice is hardly a revolutionary step forward, but a well-organized group practice with physicians of different specialties, and in sufficient numbers to fill in for each other, can provide more care for more patients than the same number in solo practice. This is especially true if the group is willing to use its size to hire non-physician manpower as part of the practice. A good example is the Kaiser-Permanente prepaid group practice plan in California. Founded during World War II for his employees by Henry Kaiser, the plan now has nearly two million members. By emphasizing ambulatory and preventive care in the context of a group practice, the plan has been able to reduce the days of hospitalization for its members by nearly half. After years of opposition, the American Medical Association is now willing to tolerate group practice, while vigorously defending the physician's right to practice in whatever inefficient manner he chooses, most notably solo practice.

Increased productivity also requires delegating selected tasks to persons with briefer, less expensive training. A notable current example of this is military medicine. The range of tasks performed by corpsmen, nurses, and technicians is indeed remarkable. At one extreme is the medical corpsman trained to work with Special Forces teams. He is expected to cope with medical situations ranging up through appendectomies, on the assumption that no physician will be available. In noncombat zones and peacetime situations, the corpsman is the backbone of sick call and the practitioner of a wide range of routine procedures. With no adverse effects many a man has had his superficial laceration stitched by a corpsman. Military medicine has its shortcomings, and civilians would not be satisfied with it on a regular basis, but it does have valuable lessons to offer.

Programs attempting to adapt the skills of the military corpsman to civilian practice are under way on a limited basis. One, launched by Dr. Richard Smith, associate professor of preventive medicine at the University of Washington, is called Medex. In cooperation with the Washington State Medical Society, a class of fifteen former military corpsmen was enrolled in a three-month training program and is now in a one-year apprenticeship with rural physicians. The intention is that each rural doctor will hire his Medex student at the completion of the apprenticeship period.

"These fellows are treating, under our general supervision, children's upper respiratory infections, lacerations, and moderate traumas, and replacing one of us in surgery where normally two doctors are needed," says Dr. Richard Bunch of Othello, Washington, one general practitioner participating in Medex. "When they've finished their break-in period with us, I estimate we'll each be able to take care of twenty additional patients per day."

Some 30,000 medical corpsmen are discharged from the military every year, each with roughly $25,000 worth of training in medical skills. If only half of these were trained to participate in the delivery of civilian medicine, and each were to add twenty patients per day to the physician's service load, the results would be impressive. At the end of five years, 75,000 corpsmen practicing with physicians would permit them to see an additional 7.5 million patients every week. The Department of Health, Education, and Welfare is apparently favorably impressed with the potential of the Medex program. At a time of tight money and before the first class completed its training, HEW announced funding for similar programs at Dartmouth, University of North Dakota, and University of California at Los Angeles medical schools, and expansion of the University of Washington program into Alaska.

A similar philosophy underlies an experiment started in 1965 by Dr. Eugene Stead at the Duke University Medical Center. There, in a twenty-four-month program, civilians with some college education are trained to assume many routine duties of the practicing physician. Wherever they work, the physician assistants (twenty-nine have been graduated thus far) will make a contribution, but few are engaged with physicians in the delivery of primary ambulatory care.

Delegation of selected tasks is fundamental to the nurse midwife programs springing up across the nation. Of the deliveries at most municipal and county hospitals, 5 to 10 per cent have received little or no prenatal care. In many rural areas, the very poor and the black are routinely delivered by "granny midwives" who have had no training. If obstetricians and gynecologists continue to organize and practice as they now do, there will not be enough of them by 1976. Many services currently performed by a physician can be adequately provided by a nurse midwife, including routine prenatal care, supervision during labor, post partum care, and family and premarital counseling.

Johns Hopkins launched a midwife training program in Baltimore in 1961. Designed for girls holding baccalaureate degrees who are R.N.'s, the course lasted nine months. By 1969, eighty nurses had received this training. Then in 1969 the program was redesigned into a two-year course leading to a master's in public health. Spokesmen for the new program make it clear they do not anticipate that graduates will be involved in direct patient care. However, other programs are

clearly aimed at producing nurse midwives to participate directly in patient care. These include a nine-month program at Kings County Hospital in Brooklyn, and one-year programs at the University of Mississippi and in Hyden, Kentucky, as part of the Frontier Nursing Service.

Similarly, in pediatrics, the pediatric nurse practitioner can perform many tasks now carried out by the physician. Half the children in families with incomes under $2,500 a year have received no protection against polio, and there is a great list of confirmed medical needs among children in Head Start programs. Well baby care, inoculation, camp physicals, screening tests for hearing and vision, and routine home visits are all within the capability of a properly trained pediatric assistant.

Effective use of non-M.D. personnel is not the only way to increase physician productivity. There also is growing reason to believe that a variety of mechanical devices could help the doctor care for more patients. In Washington, D.C. a computer is now being used to interpret the electrocardiograms of patients at the Hartford Hospital in Connecticut. Computers are being used to automate history-taking, where questions are flashed on a screen and answered yes/no, and answers are correlated. Development of this approach is proceeding at several centers, including the University of Wisconsin and the Lahey Clinic in Boston.

Another potential contribution of the computer is in diagnosis. Here the physician feeds into the computer information about a patient's symptoms and laboratory results. The computer then provides the physician with the statistical probability of various disease-entities. Research on such computer-aided diagnosis is under way at the University of Utah Medical School and at the Massachusetts Institute of Technology.

Closed-circuit TV also may make a contribution by bringing expert consultation to patients never before within reach of such services. A pilot program at Dartmouth Medical School uses closed-circuit TV to make psychiatric consultations available to rural physicians and their patients, and Massachusetts General Hospital is using this technique to link a first aid station at Logan International Airport with the base hospital, where a wide range of specialists are available for immediate consultation.

If the physician assistant, nurse midwife, pediatric assistant, computer, TV camera and a host of other machines and people can be employed to increase the efficiency of physicians, why is so little being done to employ them? This brings us back to the physician, the central figure in medical care. The physician assistant must find a doctor willing to use his talents; the nurse midwife, an obstetrician willing to employ her. The computer with no one willing to use it has zero impact.

The nation's physicians must be willing to acknowledge that there is a problem. They must recognize that there are potential solutions other than more doctors. Yet, the attitude of even some of the most distinguished physicians of the medical profession has been, on the whole, negative.

Physicians acquire attitudes about the use of manpower and technology during their medical education. Their expectations about medical practice are molded during the seven- to ten-year period of medical school and training as an intern, resident, and fellow. If the attitudes and expectations of physicians are to be changed, this entire sequence must be examined and altered.

Medical education begins with selection of students. Here the traditions are well understood and have been very effective in providing carbon copies of the previous generation of doctors. Studies of medical school freshmen document the overwhelming predominance of white, male, upper- or upper middle-class students. Every medical school admits women, usually at the rate of 10 to 12 per cent of enrollment, and for decades enrollment of blacks (excluding foreign nationals) has hovered around 1 per cent. Today this is up to 10 or in a few instances 20 per cent of the entering classes. But there is some reason to believe that in 1969–1970 the nation's 101 medical schools admitted only 184 more black freshmen than were admitted the previous year by ninety-nine medical schools. Most doctors prefer to practice with and on those from their own socioeconomic background. As a result many doctors are not comfortable in rural or ghetto settings, regardless of the financial rewards.

The educational system's models are professors who impart not only factual knowledge but ethics, attitudes, and values. If, as is usually the case, these distinguished and revered men are specialists or subspecialists, it is not strange that their value system is imparted to the students. If promotion, peer approval, and prestige in academic medicine come from research and publication and not from patient care, it is only natural that the students should be drawn into research and the "publish or perish" syndrome.

Medical education is loaded with cues, subtle and overt, that help the student become a physician in the mold of his teachers and the previous generation. Harvard Medical School, for example, has no required course or rotation that teaches the student about private practice, group practice, community or rural clinic practice. It is argued that all of these experiences are available on an elective basis in a variety of settings, and that there is increasing free time in the curriculum to pursue such interests. Here is one of the less subtle cues. Group practice, rural practice, and similar concerns are appropriate as free-time electives if the student happens to be interested.

The second major component of medical education is the maze known as internship and residency training. It is not an educational experience in the usual sense, but rather a mélange of apprenticeship, cheap labor, and tradition. Perhaps the single most important theme of this training is that it occurs in the hospital. Students become convinced the real challenge in medicine is identifying and curing the one case in a hundred thousand, or doing the procedure so complex it requires a fleet of assistants, diagnostic tests, and/or equipment. Hence, the student comes to "understand" that the only good work is performed at hospitals actively affiliated with medical schools.

Another more subtle form of brain-washing occurs in this training. Exposure is primarily to specialists and subspecialists, not to first-class family doctors. These big, shiny referral centers get the unsolved problems, the botched jobs, the missed diagnoses; they do not see the good results of other kinds of medicine. It is not surprising that the students come to feel all the "shlunks" are out there, and all the quality is in here; the suburban hospital is just not as good as the teaching hospital. This helps create a "them and us" setting. Nor is it surprising that this system produces large numbers of doctors who want to specialize, who want to be on the staff of the large teaching hospital, who feel cut off from the mainstream of medicine if not in a city with a medical school.

The physician in training is exposed to a wide variety of non-M.D. personnel in the hospital, but rarely is taught how to work with or effectively use other kinds of manpower outside the hospital. For the most part paramedical personnel are used to achieve higher levels of excellence in treatment of the acutely ill, not to increase physician productivity. There are no lessons in how best to increase productivity through use of physician assistants, pediatric nurse assistants, or midwives in obstetric practice. In fact, in many medical schools students do not see a single tenured professor who treats the majority of his patients outside the hospital setting—with or without physician assistants or other non-M.D. manpower. Also, the medical student is too often separated from the student who is learning to become a nurse midwife or physician assistant, even when the training occurs at the same institution. It is little wonder there is marginal interest in this type of manpower.

Until the doctor is willing and able to use physician assistants and other types of manpower, and until he demands that such people be trained in much larger number, this approach to solving the doctor shortage will have little significance. Similar arguments can be made about technology in medicine. The young doctor has no trouble in using—even demanding—electronic monitoring equipment for his critically ill patient, because he has been exposed to it throughout his training. This is not the case with multiphasic screening (use of automated laboratory equipment in combination with computerized history-taking and screening tests), or computers, or closed-circuit TV. Because today's doctor is not learning with it, watching it in use, or coming to depend on it, this type of technology will have little impact outside the teaching hospital.

Solving the doctor shortage, then, ultimately will depend on doctors. While there are imaginative leaders—flexible men willing to experiment with new patterns—widespread solutions will probably have to wait for changes in the process that produces physicians. As long as the majority of those in positions of influence believe the system is good and getting better, and as long as protection of the status quo is financially rewarding, the prospects for change are dim.

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## SENATE COULD STRENGTHEN U.N. BY RATIFICATION OF HUMAN RIGHTS CONVENTIONS

Mr. PROXMIRE. Mr. President, I am sure that Senators are aware that the United Nations is becoming increasingly inefficient in dealing with the many critical problems facing the world today. According to the President's Commission on the United Nations, the major reason for this increasing inefficiency is due, in part, to the actions and attitudes of the powerful nations of the world. The Commission said:

> Too many national governments have either given lip service to the principles of the United Nations Charter or interpreted them for petty advantage and narrow self interest.

To date 75 countries have ratified the Genocide Convention, which was adopted unanimously by the U.N. General Assembly but not the United States, which is a charter member of the U.N. We have also failed to ratify the Convention on Political Rights for Women, as well as the Convention on the Abolition of Forced Labor. All three of these United Nations conventions guarantee some of the basic human liberties for which we as a country stand.

It is my firm conviction that a major step toward rectifing the apparent loss of influence by the U.N., would be ratification of the Genocide Convention, the Convention on the Political Rights for Women and the Convention on Abolition

of Forced Labor. By this affirmative action we would demonstrate to the world our continued belief in the U.N. as a preserver of peace in the world.

## SALUTE TO AMERICA PARADE, ATLANTA, GA.

Mr. TALMADGE. Mr. President, each year for 10 years, a Salute to America parade has been held in Atlanta, Ga., on Independence Day. It has become a yearly event and an important part of Atlanta's desire to demonstrate patriotism and love of country. The Salute to America parade is the Nation's largest annual Fourth of July celebration.

The parade last July 4 attracted more than 300,000 persons and another 300,000 saw the celebration on Atlanta's famous Peachtree Street by way of live, color coverage of WSB–Television, principal sponsor of the Salute to America event for the past decade.

According to all the participants and virtually everyone who saw it, this year's parade was extra special. Traditionally, patriotic people from the world of entertainment have been chosen to act as grand marshal of the parade. This year, however, it was decided to dedicate the parade to wounded veterans of all branches of the Armed Forces and, symbolically, all Americans in Veterans' Administration hospitals served as grand marshal of the 1970 parade. Through the assistance of the Veterans' Administration in Atlanta, a young man was chosen to lead the parade and appropriately symbolize the many men who have given so much for their country.

This was Capt. Johnny Thomas Clack, a hospitalized Army veteran at the Atlanta VA Hospital. Because of wounds suffered in Vietnam, Captain Clack is a triple amputee. He was awarded the Silver Star, the Bronze Star, the Army Commendation Medal, and he was presented the WSB–TV Salute to America Award in recognition of his courage. Captain Clack is a brave young man and won the respect and admiration of everyone who came to know him in connection with the parade activities. He plans to attend the University of Georgia this fall to continue his education, and I certainly want to take my hat off to him and wish him every future success and happiness. We owe our veterans more than could ever be paid.

I was also very much impressed by the Salute to America parade because it was such an inspiring demonstration of patriotism and expression of dedication to the principles for which the United States stands. Notwithstanding some of the things we have been witnessing in some quarters in recent years, I firmly believe the turnout and interest in the Salute to America parade was reflective of how a vast majority of Americans feel about their country today.

Through the facilities of WSB–TV a film was produced on the parade and Captain Clack's role as a symbol of all American veterans. I screened the film here in Washington, and thought it was a tribute to our Nation and its veterans that deserved wide distribution. I contacted the Veterans' Administration, and last week I was advised that the VA plans to reproduce the film for showing in the Nation's 166 veterans hospitals, before veterans organizations and at such public gatherings as would be appropriate. I understand that VA Administrator Donald Johnson has personally commended WSB–TV for its part in the Salute to America. I also want to express my appreciation to Atlanta Regional VA Director A. W. Tate and Assistant Director Harry W. Piper for their assistance in this project.

I am proud to bring this to the attention of the Senate, and I ask unanimous consent that an audio transcription of the Salute to America film, along with correspondence from the Veterans' Administration and a WSB–TV news release, be printed in the RECORD.

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

AUDIO OF WSB–TELEVISION'S SALUTE TO AMERICA PARADE, JULY 4, 1970

DON ELLIOTT HEALD. This is White Columns on Peachtree in Atlanta, Georgia. It's the home of WSB Television. We're proud of the opportunity to serve our community and the nation. On July 4, 1970, WSB–Television did something which has given us a great deal of satisfaction and has brought about a long overdue recognition of the wounded veterans of America. Each year the station puts on a Fourth of July parade. Because we've worked hard at it, the WSB–Television "Salute to America" parade has become the most famous and the biggest Independence Day parade in America. For the past nine years we've chosen patriotic people from the entertainment field to act as grand marshals of the parades. As grand marshal of the 1970 parade which was our 10th and best, we selected all Americans in Veterans Administration Hospitals. We asked the Veterans Administration here in Atlanta to help us find a suitable representation, someone who would appropriately symbolize the many men who have given so much for their country. This then is the story of the man chosen, and it's your story too if you were wounded while serving America.

TOMMY CLACK. I'm Tommy Clack. I was a Captain in the U.S. Army. I served as an artillery fort observer in Vietnam.

JOHN PHILP. I'm John Philp. I was a company commander in Vietnam. Both Tommy and I were wounded there. I'm now a newsman at WSB–Television here in Atlanta and Tommy is a patient at the Veterans Hospital here. What you are about to see is a couple of days in the life of Captain Johnny Thomas Clack, U.S. Army.

Tommy Clack, like thousands of others of us who were wounded in combat, is planning to go back to school. He'll go to the University of Georgia to finish his education. He'll study history and physical education and he hopes to teach and coach track. Tommy was hit in May of 1969 while serving with the 25th division on an operation along the Cambodian border. He was seriously wounded when an artillery shell exploded. Thirteen operations have saved his life, but the artillery shell cost him his right arm and both legs. Tommy was awarded the Silver Star, the Bronze Star, the Army Commendation Medal, the Purple Heart and several other decorations by the Army. This year on the third of July he received another decoration, another recognition of his courage.

Atlanta's WSB–Television honored Tommy Clack with its "Salute to America" award. The award is presented to persons who have made outstanding contributions to American patriotism. Before this year, the award had been presented only three times. Bob Hope, John Wayne and Raymond Burr, all of whom had made numerous trips to visit American servicemen overseas, were the three recipients. When WSB–Television presented its "Salute to America" award to Tommy Clack this year, thousands of other men could add their names to a list which contained the names Hope, Wayne and Burr. Captain Johnny Thomas Clack received the award on behalf of all American servicemen in Veterans Hospitals. James M. Cox, Jr., the Chairman of the Board of Cox Broadcasting Corp., WSB–Television's parent company, presented the award. On July Fourth, 1970, Atlanta was the sight of the nation's biggest Independence Day parade, WSB–Television's "Salute to America" parade. The presentation of the "Salute to America" award was held in conjunction with the parade. As "Salute to America" award recipient, Tommy Clack served as the parade's Grand Marshal. And more than 300,000 persons lined Atlanta's Peachtree Street to watch the parade and to honor Tommy Clack. An additional 300,000, according to estimates, saw the parade, live and in color on WSB–Television and some 4,000 persons actually participated in the parade with Tommy. Thirty floats, 14 bands, 40 marching units and hundreds of crack horsemen made the 1970 "Salute to America" parade the best in the parade's 10-year history. Led by city and state officials the parade featured beautiful Southern belles and celebrities from the world of professional sports. A number of prominent television and motion picture personalities also participated, including movie, television and singing star Debbie Reynolds, NBC newsman Frank Blair, nationally known comedian Stu Gilliam and Mr. Guitar Chet Atkins. No city in America honored this nation's flag with more patriotism and respect than Atlanta, Georgia, on Independence Day, 1970.

In the past nine years, nine other prominent Americans have come to Atlanta to serve as Grand Marshal of WSB–Television's "Salute to America" parade, but no one ever brought out more of the meaning of Independence Day than Tommy Clack did in Atlanta this year. Following the parade, Atlanta celebrated WSB–TV night at the stadium at the Braves-Padres game. Peanuts, popcorn, hot dogs, soda pop, and beer, a win for the home town Braves, and a fireworks display capped off a most all-American day in Atlanta, Georgia.

The celebrities who participated in the parade received special introduction to the 18,000 plus crowd at the stadium. When Tommy Clack was introduced it was an introduction unmatched in the history of Atlanta stadium. Here's the way the voice of the Braves, Milo Hamilton, remembers the event:

MILO HAMILTON. As a fellow celebrating a quarter of a century in the sports broadcasting business, I'm sure you can imagine I've seen a lot of thrilling things happen in sports arenas, especially right here in the Atlanta Stadium for the past five years. Three thousand hits by Henry Aaron, Hoyt Wilhelm, 1,000 appearances, years ago seeing Stan Musial hit five home runs in a double header. I know what an ovation can be and how much it can touch the person involved, but I'll have to say that connected with a sports affiliated event, as it was in this particular evening, in Atlanta stadium, some 18,000 fans were in here and almost as if one as if they had rehearsed it and planned it, they stood and joined in a real heartfelt, in-unison ovation and a heartfelt welcome for Captain Tommy Clack, a fellow we all learned to admire in two short days. Yes, it was the kind of ovation normally reserved in this ball park for fellows like Henry Aaron and Rico Carty. It's one that I'll never forget—the day they stood in Atlanta stadium for Tommy Clack.

JOHN PHILP. But all these people were thinking about more than this one man

Tommy Clack. They were paying tribute to the thousands of other men like Tommy in Veterans Hospitals throughout the world. They too were remembered in Atlanta on the Fourth of July. No one can ever forget them. We remember not only because they've given a lot more than the rest of us but because when they were knocked down they got back up, forgot about the grim past and began to look forward to a bright future. Despite all that these veterans have lost—arms, legs and perhaps the most valuable commodity of all, time—they go on living full and productive lives. Somehow more than anything else, that brings out the courage and what is best in the rest of us. Our feelings for Tommy and these other men is difficult to express. In a letter to Tommy the President of the United States put it this way:

Dear Captain Clack; I am very pleased to see that you received the "Salute to America" award at the recent 4th of July festivities in Atlanta. And after reading a newspaper report of your fighting spirit I can easily understand why you were selected for this honor. You have been asked to carry a special burden with the injuries you suffered while on duty in Vietnam. But your great enthusiasm and your determination to lead an active life tells me that while you may have a handicap you are still going to be away out in front in the days ahead. Keep up the good work. Mrs. Nixon joins me in sending our appreciation and our best wishes for your future, Sincerely, Richard Nixon.

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VETERANS' ADMINISTRATION,
*Washington, D.C., September 11, 1970.*

Hon. HERMAN TALMADGE,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR TALMADGE: The film "Salute to America" from the Atlanta 4th of July Parade has been screened here and we were very impressed with the ceremonies and particularly the relation and salute to the VA hospital and Capt. Tommy Clack.

As you have suggested this certainly is of interest to other veterans, their families and to the general public. As a result of your interest we have ordered a number of prints of this film that we will circulate on a scheduled basis in the 166 veterans hospitals, before veterans organizations and at such public gatherings as would be appropriate.

You will be interested to know that Administrator Donald E. Johnson has thanked the personnel of Television Station WSB for their great effort and a personal Certificate of Appreciation has been awarded to Mr. James M. Cox, Jr., Chairman of the Board of Cox Broadcasting Corp.

The Veterans' Administration greatly appreciates your personal interest in those who have been hospitalized through service and devotion to their country and it is a pleasure to have had this opportunity to acknowledge the services of a community such as Atlanta. I am sure those throughout the country who see this film will join in their appreciation.

Sincerely,
CHAS. F. BATCHFELDER,
*Assistant Director,*
*Radio and TV Division.*

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VETERANS' ADMINISTRATION,
*Atlanta, Ga., July 8, 1970.*

To: Field Director, Area 2 (201B), Department of Veterans Benefits, VA Central Office, 810 Vermont Avenue NW., Washington, D.C.

Attention: Assistant Field Director, Area 2.

Subject: WSB TV's Salute to America, Fourth of July Parade—1970.

1. In response to your request, I am enclosing newspaper accounts of the WSB TV's annual Salute to America Parade held July 4, 1970 in Atlanta. We are including in the report information provided us by Miss Jean Hendrix, WSB TV Station (Cox Broadcasting Company), since it is believed this information will be of interest to the Central Office.

2. During the latter week of June, this office was contacted by Mr. William Bohn, Director of Personnel and Public Relations, Cox Broadcasting Company, asking our advice on a proposed plan to select a hospitalized Vietnam veteran as the parade's grand marshal with the idea of symbolically awarding to the selected veteran the cherished Salute to America Medal. It was explained the medal had been awarded only three times heretofore and that the recipients of the medal were movie stars John Wayne, Raymond Burr, and Bob Hope. At the time of his call, Mr. Bohn explained that Miss Jean Hendrix originated the idea of selecting a Vietnam veteran and that in fact Miss Hendrix, Parade Director, had originated and guided the parade activity over the nine years of its existence. We expressed the opinion that we thought the idea to salute a Vietnam veteran to symbolically represent all veterans and all branches of the Armed Forces was particularly appropriate for any outstanding Fourth of July celebration.

3. We advised Mr. Paul Mills, Information Service Representative, of our contact with Cox Broadcasting Company and requested that he talk with Mr. Bohn for the purpose of arrangements, etc.

4. Eventual contact by Mr. Mills and WSB TV officials with the Director of the Atlanta VA Hospital resulted in the selection of Captain Johnny T. Clack, C 24 997 383, a hospitalized veteran at the Atlanta VA Hospital.

5. Capt. Clack incurred severe disabilities in the Vietnam Conflict. He now has service connection established for traumatic amputation of both legs, and right arm at shoulder level, multiple scars of the trunk and extremities, impairment of clavicle and scapula with partial removal, perforation of tympanic membrane, bilateral, with hearing loss and residuals of fracture of fifth rib, right. His combined disability evaluation is 100 percent. He is also entitled to special monthly compensation on account of anatomical loss of one foot and on account of traumatic amputation of his left foot and right arm. Action has been taken by our office to increase his compensation to $697 monthly. Further evaluation of left lower extremity has been deferred pending receipt of a hospital report which we have requested.

6. The WSB TV officials are all tremendously proud of the selection of Capt. Clack, stating they could not have found an individual more capable of symbolically representing the Armed Forces. On the day before the parade festivities, they asked Capt. Clack to act as cohost with movie actress Pat Delaney on their popular one hour TV show entitled "Today in Georgia". Miss Delaney is currently starring in the picture entitled "JC" now being filmed in Atlanta. The July 3d "Today in Georgia" program provoked tremendous interest in Capt. J. T. Clack.

7. The parade itself lasted for more than two hours. Local police authorities and Mr. Don Heald, General Manager of WSB TV, have stated that 250,000 people were spectators on the parade route. A conservative estimate by the news media indicates that the parade was witnessed on TV by an audience of more than 400,000.

8. Among the participants of the parade were Actress Debbie Reynolds, Honorary Grand Marshall; Tony Fontane (who had made eight prior appearances in this parade); Elizabeth Allen, currently starring in TV show "Bracken's World"; Leif Erickson, the High Chaparral's leading star, Big John; Stu Gilliam, nationally known comedian; Frank Blair of NBC News; Chet Atkins, nationally prominent guitar player, etc; Governor Lester Maddox; Lt. Governor George T. Smith; Mayor Sam Massell; Vice-Mayor Maynard Jackson; Atlanta Chief of Police Herbert Jenkins; Yaarab Shrine nationally known parade marshal, L. W. McPherson; candidates currently running for the Office of Governor; members of the Atlanta Braves; the Atlanta Hawks; elements of the Third U.S. Army; numerous colleges and schools throughout Georgia, Tennessee and Florida; and, of course, many, many others.

9. There were several outstanding memorable events concerning the parade and post-parade activities that WSB TV officials and members of the news media asked that we relate to you.

10. First, there is a consensus by the professional news media that they had never witnessed to a greater degree the unrehearsed spontaneous wave of emotion on the part of the parade spectators in their roaring moving ovation as was apparent when the Grand Marshal's automobile came into view. The appearance of the Grand Marshal, Capt. Clack, and the response of the people truly symbolized the real meaning of the Fourth of July and Salute to America to those who saw him.

11. The second memorable event occurred during the evening following the parade. Visiting parade dignitaries, including movie and TV stars, etc., were invited to a reception and party given by the Atlanta Braves. It is related that when Capt. Clack came into the Atlanta Stadium, immediately prior to the Atlanta Braves-San Diego Padres baseball game, he received the greatest spontaneous standing ovation ever witnessed in Atlanta.

12. A third significant event occurred the following morning, July 5, 1970. Movie and TV stars, Elizabeth Allen, Leif Erickson, and Stu Gilliam, despite a departure scheduled for 12:00 noon on July 5th, insisted on personally visiting Capt. Clack and other patients at the VA Hospital in Atlanta. We are advised by WSB–TV that their appearance was not suggested or planned by the Hospital officials or by the TV people—that they personally wanted to do this after a hard two-day schedule and after being with Capt. Clack.

13. Miss Hendrix has advised us that WSB–TV made some 800 feet of film of Capt. Johnny T. Clack. They state that this film will make an outstanding presentation for civic groups and in VA Hospitals. The Cox Broadcasting Company also advises they have 40 minutes of preparade video tape plus two hours of parade video tape. We are of the impression that the film and video tape may be given to the VA.

14. In summation, we believe that Atlanta held the largest and most outstanding Fourth of July celebration in the Nation. We know that the VA contributed greatly to the program and that Capt. J. T. Clack will be ever remembered for his symbolic representation of veterans of the United States. Certainly, we owe a debt of gratitude to the Cox Broadcasting Company, to the participants, and particularly to Capt. Johnny T. Clack. Johnny's request during the festivities that all Americans should support our President and our boys fighting in Vietnam and his expression that he wished he could grow another arm and two legs so he could return to Vietnam had a profound effect upon all who heard him speak.

15. We may have additional information to send you—information in which Central Office will be interested.

A. W. TATE, *Director.*

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WSB TELEVISION'S "SALUTE TO AMERICA" PARADE HELD JULY 4TH

More than 300,000 persons, according to Atlanta Police Department estimates, swarmed to downtown Atlanta, Georgia, to see the nation's largest Independence Day parade, WSB Television's 10th Annual "Salute to America" parade. An additional 300,000, according to WSB–TV estimates, watched the station's live, color telecast of the Fourth of July celebration which is held every year on Atlanta's Peachtree Street.

The parade, which was inaugurated ten years ago by WSB Television, was led by Captain Johnny Thomas Clack, a wounded veteran of the Vietnam conflict, who served as Grand Marshal. A triple amputee, Clack received WSB Television's "Salute to America" award, an honor presented in conjunction with the parade, on behalf of wounded veterans of all branches of military service.

The presentation of the award was made during a special WSB–TV pre-parade telecast on the evening of July Third. James M. Cox, Jr., chairman of the Board of Cox Broadcasting Corporation, WSB Television's parent company, presented the award to Captain Clack.

A native Atlantan, Captain Clack went to the University of Houston on a track scholarship to study history and physical education in 1965. After a year and a half at the university, Captain Clack joined the U.S. Army and went to Vietnam as a forward observer. He was seriously wounded in May of 1969 and is currently recuperating in the Atlanta Veterans Administration Hospital. He plans to attend the University of Georgia this fall and hopes to become a track coach.

Debbie Reynolds, Leif Erickson, Chet Atkins, Stu Gilliam, Frank Blair, Tony Fontane and Elizabeth Allen joined Captain Clack for the two-hour parade.

Led by Georgia Governor Lester Maddox, the state's Lieutenant Governor, George T. Smith, Atlanta Mayor Sam Massell, the city's Vice Mayor, Maynard Jackson, and Atlanta Police Chief Herbert Jenkins, the parade was a colorful composite of patriotic Americana.

Thirty floats, fourteen bands and forty marching units were cheered for the entire one-mile parade route. Judges selected Atlanta's Frederick Douglass High School Band, the Third U.S. Army Band, the American Legion Post No. 574 marching unit, the Mechanicsville Advisory Council and C & S Community Development Corporation float and Twirling Champion Dixie Lee as the most outstanding participants in the parade.

Following the parade the celebrities helped station employees celebrate WSB–TV night at the Atlanta Braves-San Diego Padres game. Tony Fontane sang the National Anthem, Debbie Reynolds threw out the first ball and the parade celebrities were presented. When Captain Clack was introduced the entire 18,000-plus crowd stood in unison and gave the "Salute to America" award recipient an ovation.

On the morning following the parade, Leif Erickson, Elizabeth Allen and Stu Gilliam paid a surprise visit to the Atlanta Veterans Administration Hospital to say goodbye to Captain Clack and to visit the many patients about whom the captain had told them so much.

## CULEBRA

Mr. MUSKIE. Mr. President, on July 14 I expressed my concern about naval shelling and bombardment of the inhabited island of Culebra, a municipality of Puerto Rico. In spite of strong objections expressed by many Senators from both parties, conservatives and liberals alike—as the Honorable JORGE L. CÓRDOVA, Resident Commissioner for Puerto Rico, recently expressed it in a letter to the Senator from New York (Mr. GOODELL).

The Navy has of late assumed a position of utter and arrogant intransigence, and it is my opinion that passage of your proposed amendment is necessary.

There are powerful reasons for terminating the shelling of Culebra now. Injuries, near misses, economic deprivation, and constant fear have resulted. All of Puerto Rico is united in demanding an end to this intolerable abuse. Continued naval bombardment and shelling of Culebra threatens the very presence of the Navy in the Caribbean at a time of increased Soviet activity there. The stakes are simply too high to permit this to continue.

Tragically these human and political costs have been borne needlessly. Alternative uninhabited sites are available and others could be constructed. These are not only adequate; they would provide superior training to that now conducted on the tiny inhabited island of Culebra. On uninhabited sites firing restrictions necessarily imposed on operations near Culebra could be removed to permit more realistic training with modern weaponry.

The Senator from Washington (Mr. JACKSON) has undertaken efforts to persuade the Navy to solve the political problem it has created. There can be only one solution—cessation of all firing activity on Culebra and its neighboring keys.

I hope that Senator JACKSON is successful in his efforts, but I am in agreement with the Commissioner from Puerto Rico. If the Navy does not agree to a complete cessation of its operations on Culebra within a brief and reasonable period of time, Senator GOODELL's amendment to the military construction authorization bill aimed at cutting off funding of further shelling of Culebra must be passed by the entire Senate, and I am pleased to ask Senator GOODELL to add my name as a cosponsor of this amendment.

There is, of course, a simple solution to this increasingly serious problem. The President as Commander in Chief has full authority to order the Navy to cease firing on tiny Culebra. I call upon him in the name of humanity and commonsense to do so immediately.

## THE "DELTA QUEEN": A CHERISHED LINK WITH THE PAST

Mr. HARTKE. Mr. President, today, as on most days, we are engaged on the Senate floor in the difficult task of trying to shape this great Nation's future. It is an arduous labor and rightly permits little time for other concerns. Nonetheless, I urge Senators to pause for a moment to consider an imminent threat to our country's cherished past. For the quality of life in America of the future will depend in some measure on how wisely we have dealt with the America of the past.

Unless Congress acts soon, an American heritage and tradition of some 160 years' duration will be legislated out of existence on November 2, 1970. The *Delta Queen*, the last overnight paddlewheel passenger steamboat, will be forced out of operation on that date unless we act to save her. The *Delta Queen* is the sole surviving reminder of the age when the riverboat was king and when hundreds of sternwheelers plied the Ohio, Mississippi, Tennessee, and Cumberland Rivers. Her end would mean the unhappy closing of an important and cherished chapter of American history.

The demise of the *Delta Queen* is ordained by the inscrutable logic of a marine safety law enacted in response to a problem which arose a long way from the Ohio and Mississippi Rivers. Public Law 89–777, the safety-at-sea law, was enacted in 1966 following two disastrous ship fires in the Atlantic Ocean. The primary focus of that law was to protect American citizens from substandard ocean passenger vessels. The law requires that passenger vessels with overnight accommodations be constructed of fire retardant materials. It is a good law and was badly needed. Unfortunately, it also applies to the *Delta Queen*.

I urge Congress to act now to save the *Delta Queen* from being needlessly destroyed by this law aimed at ocean vessels. There are good reasons why this law should not apply to her. Unlike an ocean vessel, the *Delta Queen* is never more than a few hundred yards or a few minutes from shore. Unlike ocean vessels, the *Delta Queen's* staterooms open directly to outside decks and there are no long enclosed corridors where passengers or crewmembers could be trapped. She is generally regarded as one of the safest river steamboats ever built. She is equipped with full coverage sprinkler systems, and fire-retardant coatings have been applied to nearly every surface. Her owners have installed new and additional safety devices and equipment and have promised to do even more. In the 44 years since her launching, her safety record is unblemished.

However, there is no practical way that the *Delta Queen* can comply with the safety-at-sea law. For one thing, that law requires that no wood be used on a vessel. Although the *Delta Queen's* hull is steel, the elegant teak, mahogany, ironwood, and oak of her superstructure and interior obviously cannot comply. Her curved staircase is mahogany trimmed with brass. In short, practically every piece of the vessel would have to be rebuilt. The cost would be astronomical and, in the process, much of her historical charm would be lost.

Mr. President, I have had the privilege of traveling on the *Delta Queen*. It is a delightfully scenic and historic experience which I earnestly recommend to my colleagues. There cannot be many rivers in the world as fine to travel as the Ohio. As the crimson paddlewheel churns, the verdant, varied river banks glide softly by. On the Indiana shore a great water meadow stretches serenely around a majestic river bend and later down the river gives way to steep wooded banks. Gnarled trees, the splash of the muskrat, the call of the heron and the chirp of the cricket all combine to turn back the hastening hands of the clock, and to transport the mind to days now bathed in the golden haze of history and nostalgia. The genial ghost of Mark Twain is elicited, and the passenger's thoughts move to a bygone area when the characters of Twain could be found along mid-America's riverbanks and not just in books. A feeling of continuity with our history and pride in our rich heritage is heightened.

The *Delta Queen* is far more than a mere means of transportation, and this should be taken into account. We Ameri-

cans have a curious affinity for thoughtlessly discarding anything old or out of style, and for rushing headlong into a life that is increasingly strained and standardized. We have let too much of our cherished past disappear. How much harder will it be to instill pride and understanding in our young people if we destroy not only much of our environment, but all of the physical reminders of our heritage and the building of our country? The *Delta Queen*'s continued operation on the rivers of the central United States can help to keep alive a small part of our past.

A law to save the *Delta Queen* would be one of the rare pieces of legislation that would cost the Government nothing. In fact, it would mean that she could continue to pay taxes. Her continued operation would also provide an excellent tourist attraction and further our national objective of encouraging travel to and within the United States both by Americans and our foreign visitors.

For all these reasons, I urge Senators to preserve this last vestige of our river heritage and not to let it be whimsically eliminated. I urge them to save the *Delta Queen*.

## THE DAY IS GETTING LATE: PRESERVE THE BIG THICKET NOW

Mr. YARBOROUGH. Mr. President, it has been my wish for more than a decade, now, to see, before the end of my service in this distinguished body, the creation of a national park in the Big Thicket in southeast Texas.

The day is getting late. It has been my great honor to serve and represent my fine State of Texas in the Senate for now some 13 years. But my term of office is soon coming to a close. And the reality of a national park in this forest wonderland still seems to be dreadfully far away.

It is imperative, not only for the sake of ecological balance in the Big Thicket but also for the sake of our people's esthetic and enjoyment needs, that we have immediate action by this Congress on the Big Thicket.

Tens and tens of citizens' groups, along with a multitude of conservation groups from all parts of the Nation, have endorsed the establishment of a national park in these "biological crossroads of America" in the Big Thicket. The first step toward this park can and, with the massive popular support it has received, should be taken at this session with the approval by both Houses of Congress of my bill, S. 4.

We can and should have affirmative action now. To turn the Vice President's accusation that the Congress is "goldbricking" on its legislative responsibilities around to where it actually belongs, we should point out and note the administration's footdragging on this most important conservation matter, the preservation of the Big Thicket. Without a clearcut administration recommendation and with a share of apathy on the part of some lack-of-conservation-interest Members of Congress, we have been unable to move this vital piece of legislation. Let us get down to the business of creating this park, and thus provide the people of our country another magnificent land source for scenic and ecological preservation. And let us postpone the undertaking of that business no longer.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "The Big Thicket Should be Preserved—and Now," from page 3 of the Texas Council for Wildlife Protection news bulletin of September of 1970. This fine article speaks to the urgency involved with the creation of the Big Thicket National Park.

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

THE BIG THICKET SHOULD BE PRESERVED—AND NOW

The Big Thicket of Southeast Texas, parts of which are really jungle, is a beautiful, unique botanical wonder. It has more kinds of trees and plants than any other area in Texas, or perhaps anywhere else in the country. Preservationists (or conservationists), see the Thicket as a preserve to be held free from spoilation by campers and hunters, with their beer cans and other refuse, and dangers, such as camp fires. The business men—the lumber men, want to use it for their own enrichment. If the Thicket is made into a National Park there is no doubt that tourism would increase.

Conservationists, alerted by Sen. Ralph Yarborough, are now making a strong effort for a bill to preserve it. In the meantime, it is being rapidly "whittled" away by the lumber interests.

The Big Thicket covers parts of seven counties. Once it was more than three million acres. Now, however, it amounts to about 350,000 acres. Senator Ralph Yarborough began urging a 100,000-acre park four years ago. Now, Representative George Bush, Houston, has come up with another bill. It calls for a number of separate plots of ground selected in the choicest areas and set aside for "a string of pearls," amounting to 35,000 acres of "pearls" plus another 115,000 acres of adjacent woods and wet lands, with a scenic roadway running through.

*Ecologists have said that if the destruction of mammals continues at the present rate, in forty years there will not be any left on earth.*

Though Senator Yarborough was the first to call the public's attention to the unique importance of the Big Thicket, Rep. Bush's bill is more likely to be accepted by the Administration, since they are very anxious to see Rep. Bush elected to the Senate.

We wish the Big Thicket could be preserved like the Brewster Wilderness in Maine, which is kept in its natural state, camping being allowed in certain areas and no hunting whatever. It would permit coming generations to see nature as it once was.

The reason for urgency has been many times pointed out by Senator Yarborough—the Big Thicket is growing smaller every day. It would be delightful if one could drive through it, as we did in the Brewster Wilderness, and see in the thickly growing timber, deer, while raccoons peered at us from tree-tops.

If the Big Thicket is to be saved, write to your Congressman, NOW!

## NATIONAL GALLERY OF ART AND SCHOLASTIC MAGAZINE SPONSOR MAGAZINE ART AND MAN

Mr. PELL. Mr. President, yesterday the National Gallery of Art, in conjunction with Scholastic magazine, announced the publication of their jointly sponsored magazine, Art and Man. This important event was marked by a special exhibit at the gallery of certain works of art which will be featured in the magazine.

It is most fitting that the National Gallery, under its brilliant director, J. Carter Brown, should be publishing such a magazine. The gallery is chartered as a national entity and indeed it has endeavored to make its resources available to the country at large. It is interesting to note that while 2 million people passed through the gallery doors during 1969, another 4 million viewed exhibits which traveled throughout the country under the aegis of the extension division. This national impact will now be enlarged by the use of the printed page as a vehicle to reach more and more citizens.

Art and Man, a magazine for schoolchildren, will bring to students an understanding and appreciation of the cultural heritage of our Nation. In this day, we speak of environment and ecology as concepts, but we all too often forget that too much of our Nation suffers from visual pollution. How many of us have driven down the main street of a town and remarked on the surrounding ugliness? Some means must be found to teach our youngsters that there is beauty and order in our world. Therefore, it is proper that the first issue of Art and Man should concern itself with the American wilderness, and present to schoolchildren the view of a United States, past and contemporary, as envisioned by poets, writers, and artists.

Perhaps the raison d'etue for this fine publication is best summed up by the following paragraph from the first page of Art and Man.

The arts cross all boundaries of time, space, nation, politics, religion. They offer a world of ideas and ideals, of experience for you to explore, where you will discover yesterday, today, and tomorrow. "Art and Man" invites you to share this world, to gain insight into yourselves and your part in the great adventure of human history.

I take this opportunity to congratulate J. Carter Brown of the National Gallery and Mr. Maurice Robinson of Scholastic magazine for their farsighted cooperative effort, and it is my hope that the magazine will be most successful in the years to come.

## THE FAMILY ASSISTANCE PLAN

Mr. PERCY. Mr. President, the time for reform of the present welfare system has long since passed. The system is degrading to the recipient and burdensome to the taxpayer. The enormous drain the system places on the fiscal resources of the States seriously jeopardizes their fiscal viability and prevents them from devoting these limited resources to other important State programs.

The President's family assistance plan is a bold initiative designed to completely reform the present system. The plan rejects the old approach of merely "tinkering" with the system and establishes an entirely new approach which will grant dignity and justice to the recipients and relieve the States of some of the tremendous burden they now bear.

In a recent intensive survey that I took of Illinois citizens on the question, welfare, 99 percent took the position that our present welfare system must be altered and reformed—only 1 out of 100 supported it.

The Nixon administration family assistance program, though not perfect in every detail, is the first major attempt to overhaul and reform our completely discredited welfare system.

Recently, the Governor of Illinois, the Honorable Richard B. Ogilvie, announced his support of the family assistance plan. As the Governor pointed out in his statement, the plan is not perfect. Nevertheless, the need for reform is so urgent, that we should not delay the enactment of this landmark legislation.

The Senate—

The Governor noted—

has before it the greatest single opportunity to reform by one legislative act the way government treats poor people that any legislative body in this nation has had in three decades.

We should not permit this session of Congress to end without taking advantage of this opportunity.

Mr. President, because I believe my colleagues may find Governor Ogilvie's statement announcing his support of the family assistance plan of interest, I ask unanimous consent that the statement be printed in the RECORD.

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

STATEMENT ON THE FAMILY ASSISTANCE PLAN

The Administration of the State of Illinois has carefully reviewed the Family Assistance Plan now under consideration by the Senate Finance Committee.

After extensive consultation and thorough consideration of the implications of the proposal, I am convinced that the program is fundamentally sound. The Senate has before it the greatest single opportunity to reform by one legislative act the way government treats poor people that any legislative body in this nation has had in three decades.

The President has adjudged our welfare system a "colossal failure." On the basis of my experience as the Governor of a major industrial state I must agree.

The present system is a waste of state and federal money.

It is a system that no one likes. And for good reason.

I have heard Illinois residents complain of intolerable injustices in the system. Benefits are granted begrudgingly, without dignity and often arbitrarily. Desertion of families by fathers is encouraged. The present system builds in incentives not to work.

I have also seen another side. The system places state government in an impossible fiscal and administrative situation. I have seen astronomic growths in caseload insidiously eat up moneys planned for other important state programs. I have watched these incredible increases in our caseloads undermine the ability of my state to deliver services such as child care, job training and work referrals which are badly needed to get people off of welfare. These sky rocketing costs have diverted scarce dollars from housing, education and health programs which are essential to break the dependency cycle. I have experienced the frustration of seeing directives not carried out because the system is unwieldy and hopelessly complex.

To my mind the present welfare system is the single greatest threat to the continuing vitality and fiscal health of the state.

This archaic and haphazard system simply must be reformed. The Family Assistance Plan is the way to do it. Meaningful improvement can come only from the bold and comprehensive change mandated by this landmark legislation.

The Family Assistance Plan would benefit the citizens of Illinois and other states in the following ways:

(1) It would provide, for the first time, federal assistance for families in which the father works full time but does not earn enough to keep his family out of poverty. It would do this with the most effective mechanism I know—dollars, rather than services, the effectiveness of which we have no adequate way of measuring. I believe this approach gives the poor a freedom of choice in purchasing goods and services that will inspire those qualities of human dignity and motivation essential for true human renewal. Moreover, the Nixon plan giving an earnings supplement to the working poor builds in a direct dollar incentive to work. For many worthy citizens of Illinois, Family Assistance will provide deserved and significant new help.

(2) It will require fundamental changes in the administration of welfare which are long overdue. Enactment of Family Assistance would clear away what the President has described as a "federal welfare guagmire" and permit the states to revamp their welfare delivery system. Only if eligibility determination for financial assistance is separated from the provision of the myriad of social services, can better management be achieved. In Illinois, in anticipation of the enactment of legislation such as this, we have already taken steps to test out the basic precepts of the President's plan in a designated geographical area. We need and welcome the challenge and the opportunity this legislation provides.

(3) The plan will assist the states to meet the crushing fiscal burdens of welfare, figures now available show ADC costs for August were fully 43% over the costs just one year ago. This is a rate of growth that totally dwarfs our annual revenue growth of 6%. Its size means that we must either cut back severely on existing state programs in other important areas, or place further strains on a state revenue structure that is highly regressive compared with the federal. Neither of these alternatives is sound in policy or makes sense to the people.

I have repeatedly urged the federal government to come to the aid of the states with revenue sharing. For the same reasons, it must more fully fund welfare costs. The Family Assistance Plan is revenue sharing *now*. That is the real New Federalism.

Many shortcomings of the welfare system today exist because we have merely tinkered with its details and added band-aid solutions, thereby warping its underlying objectives. The result is an unworkable system for moving people out of poverty into the mainstream of American life. It is my strong hope that well-intentioned efforts to improve the Family Assistance legislation will not be responsible for its failure. It is time for all persons truly interested in the improvement of our welfare system to come to the support of this legislation.

It is imperative that the states that bear the most direct responsibility for welfare have a major voice in shaping welfare reform policy. We all know that this legislation does not provide the full federal funding of welfare that the National Governors' Conference has sought. In my own budget message last April, I called upon the federal government to assume this cost and said "The greatest single contribution that the federal government could make to state and local government would be to pay *all* public aid grants." Nonetheless I am convinced that the Family Assistance Plan is a giant step in this direction.

We must recognize and accept the administrative problems which are inherent in shifting from the entrenched system to this new departure. But we cannot let these considerations distract us from the benefits this change will bring. We should not wait for the achievement of perfection while the vicious poverty cycle in this country continues unabated.

No one piece of legislation could do everything I would like to see done in the field of social welfare.

The Family Assistance Plan is the right beginning. There will be other opportunities for further reform. I am convinced they will come only if we succeed in this initial effort. Only if we turn the corner with this legislation will be able to meet the pressing demands for similar fundamental reform in medical care and other essential programs.

As the Governor of Illinois I stand four square behind the Family Assistance Plan and offer my services to assist in its passage. I intend to work with the Governors of the Midwest Governors' Conference as well as the chief executives of the large industrial states to see what can be done to move the Nixon Family Assistance Plan out of the Senate Finance Committee and into final enactment this year.

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## URGENT NEED FOR PERMISSION TO ACT ON OCCUPATIONAL HEALTH AND SAFETY LEGISLATION

Mr. WILLIAMS of New Jersey. Mr. President, in his congressional message of September 11, 1970, President Nixon called for action on various administration proposals, including legislation on the subject of occupational safety and health. The President said:

Unaccountably, this urgent legislation has not been enacted.

Many Members of this body received the President's message objectively and with open minds, for we share many of the President's legislative goals. I certainly am in complete agreement regarding the pressing need to enact meaningful occupational health and safety legislation.

The concern of the Labor and Public Welfare Committee over this matter is amply demonstrated by the fact that the occupational safety and health bills received 12 days of hearings with 86 witnesses and 1,790 pages of hearing record.

Unfortunately for the public interest, and the health and safety of working America, some of the President's own party in the Senate do not subscribe to the President's lofty statement of legislative goals.

A member of the President's own party objected this morning to the Labor Committee's executive consideration of the occupational health and safety bill. And although I am sure that a committee member did not object, the fact still stands that supporters of such legislation from both parties were denied a day of executive consideration in these critical closing days of this Congress.

In yesterday's executive meeting we received notice of 18 administration amendments intended to be offered by minority members of the committee. My Democratic colleagues and I were prepared to meet this morning at 10 a.m. to consider and vote on these amendments. It is not certain of course that we could have voted on all these amendments or that we could have reported the bill to the Senate today. It is clear, however,

that we would have been quite far along in our work if there had not been an objection to our meeting by a member of the President's party.

In relating these facts to the Senate, I convey to the President, himself, an account of why this legislation has not been enacted: Specifically, that the President's own party has used obstructionist's tactics against this vital legislation. And just so long as the President's party obstructs action on the health and safety bill, just so long will the President's party continue to imperil the health and safety of millions of working men and women throughout industrial America who daily work on inadequately protected work sites, or on sites with no protection of any kind. The urgent need for corrective legislation is reinforced by these tragic statistics:

More than 14,000 workers are killed each year on the job, and another 2½ million receive disabling injuries. Industrial accidents cause the loss of over 250 million man-days of productivity each year, with an estimated cost of $7 billion to the gross national product. Each year, employers or their insurers pay out almost $2 billion in workmen's compensation.

President Nixon, in his September 11 message respecting the health and safety bill, said:

> It does not exaggerate to declare that such a program ought to have become federal law three generations ago. This was not done, and three generations of American workers have paid for it.

I agree with the President's statement, and I wish him well in persuading all members of his own party to agreement and so demonstrate by actions taken here in the Senate.

The administration has advanced a bill which differs from my proposal on one major point. My bill places in the Secretary of Labor full and final responsibility for the development and promulgation of standards and the enforcement of such standards. In contrast, the administration bill would place these responsibilities and powers in an independent presidentially appointed board rather than the Secretary. The proper way to resolve these differences is by consideration and vote either in the committee or on the floor of the Senate. Instead of rational discussion and vote, however, we are confronted with obstruction of committee action altogether.

Executive consideration of the occupational health and safety bill is scheduled again for 9 a.m. tomorrow. I would hope that some special message from the White House to members of the President's party in the Senate will make it possible for the Committee on Labor and Public Welfare to meet, so that the work on this important measure can go forward.

## PRISONERS OF WAR IN SOUTHEAST ASIA

Mr. JORDAN of Idaho. Mr. President, in June of this year I had the opportunity to address the Idaho Republican State Convention shortly after the Cambodian operation was completed. I discussed the ramifications of that operation and addressed the greater topic of our military commitment in Southeast Asia. At that time I said:

> Total withdrawal should not be made without complete release of all American prisoners of war now held by the enemy. This point should be made crystal clear.

Since then I have continually given constructive support for an orderly withdrawal of American forces from Southeast Asia. I shall continue to give my support to this policy, but not at the expense of those American men being held captive or listed missing in action in North Vietnam today.

These men are not an abstract group from some unknown part of the United States who are missing; their families live in places like Pocatello, Boise, Burley, Coeur d'Alene, Idaho Falls, and Kellogg, Idaho. They are husbands, fathers, and sons of our neighbors, and their families are active community members.

Even while living in this never-never land of uncertainty some of the families are more fortunate than others. Mrs. Donald G. Waltman of Kellogg, State coordinator for Idaho for the National League of Families of American Prisoners Missing in Southeast Asia, recognized her husband in a 1969 Christmas film taken in a North Vietnamese prisoner of war camp. The Idaho Statesman reports that:

> Mrs. Waltman and her daughter Melinda, both of Kellogg, viewed the film in Spokane . . . it was the first time Mrs. Waltman had seen a picture of her husband since the North Vietnamese released a "poor photograph" of the downed pilot shortly after he was captured in September of 1966.

Others are not so fortunate. The Idaho State Journal of October 8, 1969, reported:

> Since June of 1967 Susan Lemmons has been wondering if her husband is dead or alive. Captain William E. Lemmons, an army helicopter pilot, has been missing since he and two others failed to return from a helicopter reconnaisance flight in Vietnam. There has been no sign of the helicopter or the men.
>
> Each month Defense Department officials send Captain Lemmon's attractive young wife Susan a form letter telling her that they're sorry but there is no word of her husband.

The Lemmons have two children who do not know whether they have a father or not.

What has happened to this brave man and the hundreds like him? In spite of repeated calls from the President, the Congress, the families, and the people of the United States, the Government of North Vietnam has not adhered to even the basic provisions of the Geneva Convention of identifying and caring for prisoners of war. It is apparent that this country's repeated calls for observance of the Geneva Convention have, for the most part, fallen on deaf ears in North Vietnam. We shall not forget this gross inhumanity which is being perpetrated on the American servicemen in North Vietnam nor their families. I urge all citizens to write to Premier Phan Van Dong in North Vietnam and express their outrage at this callous attitude and lack of human decency.

Let me go on record as insisting that we not forget or abandon those sons of ours whose sacrifice has been so great. Some of them were there in 1965. They were there when Neil Armstrong made his historic "one small step for man." They have children 5 years older now, with little prospect in sight of a reunion. The world is passing them by. We cannot have total withdrawal without them.

## CLARIFICATION OF POSITION ON VOTE ON GRANDFATHER CLAUSE AMENDMENT TO BANK HOLDING COMPANY ACT

Mr. MONDALE. Mr. President, during yesterday's debate on the Bank Holding Company Act of 1970, the Senator from Wisconsin (Mr. PROXMIRE) offered an amendment to roll back the grandfather clause date in the Senate bill from March 24, 1969, to June 30, 1968. The amendment was adopted by a rollcall vote of 42 to 31.

Although I was unable to be present for this vote, I strongly supported the effort to set the "grandfather clause" date at June 30, 1968. Had I been there, I would have voted for the Proxmire amendment.

Unfortunately, my vote was announced as against this amendment. The confusion may have resulted because of a misunderstanding of the instructions I left with the staff of the Committee on Banking and Currency.

In any event, I want to make it clear that I was very much in favor of changing this "grandfather" date to June 30, 1968. I am pleased that the amendment to accomplish this result was adopted by the Senate.

## TRIBUTE TO SENATOR GOODELL

Mr. SAXBE. Mr. President, I should like to add my voice to those rising to pay respects to the distinguished junior Senator from New York (Mr. GOODELL). The Senator is marking a milestone of sorts this week—the occasion of his second anniversay as a Member of this body. I express my hope that the junior Senator from New York will be on the floor of this body a year from now to mark his third anniversay and, for that matter, for many years beyond.

I know the distinguished Senator as a serious and fair-minded man, a progressive, social-conscious lawmaker who makes an important contribution to this body.

When he was appointed by the Governor of his State on September 10, 1968, to fill the unexpired term of the late Robert F. Kennedy, there were many, I know, who perhaps were not familiar with the name of the distinguished junior Senator. Although he served in the other body as the Representative of the Jamestown area of New York, his name was not exactly a household word in many other parts of that State.

As we all know now, it is not particularly difficult to become a household word today. I submit that the distiguished Senator has done a great deal on his own

merits to carve out the beginnings of a productive career in this body. I submit further that if the career is based on ability, his will be a long one.

## MILITARY ACKNOWLEDGES DRUG PROBLEM: DOD INVESTIGATORS IN FAR EAST

Mr. DODD. Mr. President, for the past 4 years, the Senate Subcommittee to Investigate Juvenile Delinquency has investigated what has finally been recognized as a severe drug abuse problem in the military and particularly among our troops in Vietnam.

The Juvenile Delinquency Subcommittee's hearings revealed studies by Department of Defense researchers which show that from 30 to 46 percent of the men in Vietnam smoke marihuana, and there is other material in our files that places the percentage of drug abuse in our military units even higher.

I point to these findings because several Senators questioned the need for such an investigation.

Our main concern, of course, was the health and welfare of our young people in uniform, although this whole topic has serious implications regarding the combat effectiveness of U.S. forces in Vietnam.

During the course of our hearings, we continually called on the Defense Department for a more intensive response to the drug problem.

I can now report that the Pentagon has taken steps to counteract the military drug menace, for I have received a letter today from the Office of the General Counsel of the Department of Defense informing me that the Pentagon was dispatching drug abuse control teams to Southeast Asia to determine the present state of the drug situation and to seek better ways of managing the problem.

The Defense Department has promised to submit the team's findings to the Juvenile Delinquency Subcommittee on its return from overseas.

Mr. President, I commend the Department for this step to confront the drug problem, and I hope that it will be followed by even more effective drug control measures.

I ask unanimous consent that the letter dated September 15, 1970, from Frank A. Bartimo, Chairman, Department of Defense Drug Abuse Control Committee, to me, be printed in the RECORD.

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

DEPARTMENT OF DEFENSE,
OFFICE OF GENERAL COUNSEL,
*Washington, D.C., September 15, 1970.*

Hon. THOMAS J. DODD,
*Chairman, Subcommittee to Investigate Juvenile Delinquency, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your letter dated September 8, 1970 to the Secretary of Defense concerning a team sent to Southeast Asia regarding drug abuse problems among servicemen in that area of the world.

This team is part of the Department of Defense Drug Abuse Control Committee program for continual surveillance of drug abuse problems world-wide. The purpose of the team's on-site visits is as follows:

(a) To evaluate current training and educational programs and practices.

(b) To determine adequacies of military customs procedures, to include the extent of employment of detection devices, such as the Buckey and Picker X-Ray units.

(c) To determine adequacies of investigations, laboratories, employment of informant networks, marijuana detecting dogs.

(d) Conduct spot checks of Service Records to determine if Service personnel received drug abuse orientation prior to departure to West Pac and that notation of such orientation was placed in the aforesaid record as required by DoD Directive 1300.11.

(e) Extent of problem in areas of marijuana, dangerous drugs and opiates.

(f) Cooperation and working relationship by military law enforcement components with local civilian authorities.

(g) Interview of selected service personnel to receive their views regarding adequacies/inadequacies of DoD Drug Abuse Control Program.

(h) Inquire into manner of statistical reporting.

(i) Determine effectiveness of any eradication/smuggling enforcement practices being employed by foreign governments and whether military resources can contribute to these endeavors.

You can be assured that we are most happy to cooperate with your committee and we will apprise you of the results of the team's inquiry on their return.

Sincerely yours,

FRANK A. BARTIMO,
*Chairman, DoD Drug Abuse Control Committee.*

## SPACE SHUTTLE STATION

Mr. MONDALE. Mr. President, on July 6, 1970, the Senate narrowly defeated an amendment to delete $110 million from the HUD—independent offices appropriations bill for design and definition of the space shuttle station. This amendment, which was jointly sponsored by the Senator from New Jersey (Mr. CASE), the Senator from New York (Mr. JAVITS), the Senator from Wisconsin (Mr. PROXMIRE) and me, represented an effort to avoid a commitment to a program which could cost at least $20 billion over the next 6 or 7 years.

Because of President Nixon's veto of the HUD-independent offices appropriations bill, the Senate will again have a chance to consider whether the United States should start down the road toward a new venture in manned space flight—a venture which could prove to be more costly than Apollo.

During the Senate debate in July on this issue, I pointed out that many of the Nation's leading space scientists strongly opposed development of the space shuttle station. These scientists are convinced that the U.S. space program must begin to emphasize unmanned space flight. As Dr. James Van Allen stated:

> Automated, commandable space equipment provides a much more economical method than do manned systems for the conduct of both utilitarian and scientific missions.

Unfortunately, NASA is headed in precisely the opposite direction. By advocating development of the space shuttle station, NASA is insuring that manned space efforts will continue to dominate its annual budget for many years.

When the NASA appropriations bill comes to the Senate floor, I shall again offer an amendment to eliminate funding for design and definition of the space shuttle/station. Before this debate begins, I think it is important that everyone be aware of the significant opposition to this project in the scientific community. Accordingly, I ask unanimous consent that the following letters addressed to me from three prominent space scientists be inserted at this point in the RECORD:

A letter of June 29, 1970, from Dr. James Van Allen—discoverer of the Van Allen Radiation Belts in space; consultant to the Space Science Board of the National Academy of Sciences; consultant to the President's Science Advisory Committee; chairman of the Department of Physics and Astronomy, University of Iowa.

A letter of July 3, 1970, from Dr. Thomas Gold—chairman, Space Science Panel of the President's Science Advisory Committee; consultant to NASA and member of NASA Lunar and Planetary Missions Board; director, Cornell University's Center for Radiophysics and Space Research.

A letter of June 29, 1970, from Dr. W. Ross Adey—principal investigator for NASA of the Biosatellite III Mission; professor of anatomy and physiology and director of the Space Biology Laboratory, UCLA.

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

THE UNIVERSITY OF IOWA,
*Iowa City, Iowa, June 29, 1970.*

Hon. WALTER MONDALE,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR MONDALE: I am writing to give you my views on the proposed *space shuttle* program of the National Aeronautics and Space Administration, as outlined in testimony before the Committee on Aeronautical and Space Sciences of the United States Senate on 20 and 27 February 1970.

During over 24 years of professional experience in space research, I have come to the considered view that automated, commandable space equipment provides a much more economical method than do manned systems for the conduct of both utilitarian and scientific missions. Nothing within the Mercury, Gemini, and Apollo programs has changed my mind. On the contrary they have reinforced my stand in a massive way.

The current and proposed space shuttle studies are being conducted on a competent engineering basis and may very well demonstrate the technical feasibility of developing such a system for $6,000,000,000 or thereabouts.

The *real questions* are, however, the following:

(a) Do manned systems possess any unique, useful capabilities in space that an unmanned system cannot be built to possess?

(b) Are manned systems at present or in the foreseeable future economically competitive for any specific purpose with automated, commandable systems?

(c) Can men operate alertly, intelligently, and healthfully for long periods of space flight?

I believe that the answers to Questions (a) and (b) are almost certainly "No". The answer to Question (c) is still unclear.

On these grounds I hold that large scale engineering studies looking toward the development of a space shuttle are not sufficiently well grounded in purpose or signifi-

cance to justfy a substantial commitment of national resources at this time.

Sincerely yours,

J. A. VAN ALLEN,
*Head of Department.*

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CORNELL UNIVERSITY,
*Ithaca, N.Y., July 3, 1970.*

Senator WALTER MONDALE,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR MONDALE: This is to present briefly my views as to the future importance to exploration, science, and technological development of manned and of unmanned, instrumented space flight.

1. The exploration and science of the planets is, in the foreseeable future, wholly in the hands of the unmanned instrumented space program.

The reason for this is that space flight by means of the presently known technology to the planet Mars will involve a round trip of more than 1½ years. This is so far removed from present day capabilities, and the uncertainties of prolonged manned space flight are so great, that no space program at the present time should be based on such a prospect. The suggestion that this prospect is a driving force behind the present space program has been made, but it is, in my view, irresponsible.

Planets other than Mars have circumstances that make a manned visit quite impracticable, and for the most part much longer travel times still would be involved. Asteroids and the satellites of the major planets are, it is true, no more inhospitable than the moon, but both because of their distance and the smaller intrinsic interest they have for us, the prospect for a manned visit is even smaller than for Mars.

On the other hand, complex remotely controlled instrumentation can be devised and is indeed being devised to perform almost all the actions in a remote location that a man could perform working under the constraints of space or Martian environment. One foresees a very successful period of instrumented discoveries in space, perhaps in the long run of great value to mankind.

2. Manned earth orbital flight is of very doubtful value for either science or applications. The prestige value, once no doubt very great, is by now very low also and will not be heightened very much by merely increasing the number of men or the size of the ship.

Many attempts have been made to find real uses for a group of men in earth orbital flight, but these have largely failed. Man in a spaceship is capable only of a rather limited and well-defined set of actions, and almost in all cases remote control mechanisms can be provided whereby all the information that would be available to him is equally available to the man on the ground, and whereby the actions that he could have taken can equally be initiated by the man on the ground. The man on the ground has, so to speak, remote eyes and hands in the space vehicle.

It is my opinion that all scientific experiments proposed for earth orbit can be done both more cheaply and better with suitable instruments. Repair and updating of expensive instruments is the one area where the methods of remote control would have to be advanced the most before they would be superior to the presence of a man in the remote location. Economically this will not make a case for a large manned space flight program. In any case, the remote control can be improved to take over this activity also.

3. The Apollo program was devised firstly as a great demonstration of capability and secondly for the exploration of the moon. Once this decision was taken, there was no point in competing in the lunar exploration with remotely controlled instrumentation. There will be good reasons, however, in continuing the exploration of the moon by unmanned devices at the end of the Apollo program.

When the success of the first Apollo landing had been achieved and when the end of the program was in sight, the whole question of the justification for a large manned operation should have been reviewed. The inertia of a large organization is a poor reason for the continuation of a program. I am sure this view is shared by most of the scientific community and even by many people within NASA. The argument only has been that the availability of funds is so dependent on the popular appeal of manned flight that the alternatives were to do a job that is worth doing by uneconomical means or not at all. That of course is a situation which the Congress could rectify.

4. Money spent on manned and on unmanned space flight has totally different consequences for general technological evolution and the economy. A large fraction of the money spent on manned flight goes into devising very large vehicles and the environment required by man. Comparatively little of this technology is applicable in other fields.

Sophisticated instrumentation, complex electronics, computers and remote control devices appear now to be the major line of evolution of technology, an evolution that pomises to improve greatly all of industry. The economic value of these advances will be immense, and the leadership of the United States in these areas is essential if the country is to remain the major economic and military power in the world. The space program has significantly contributed in the last ten years to this technological evolution, and a large instrumented space program would be a decisive factor in the future.

In the field of economically valuable applications no case has been made for manned flight. Communication satellites and, before very long, direct broadcasting and TV to the individual consumer would provide a very large political and economic stimulus for instrumented space technology. Meteorological satellites and other sensing systems from orbit will of course also improve, but almost certainly without any need for the presence of a man in orbit.

5. The biomedical problems of prolonged space flight are almost certainly severe. The fact that short duration flights have not incapacitated men seriously must not be taken to mean that very long duration flights will be safe. The indications are indeed that major problems do arise, and medical science cannot at the present time foresee their solution. From this point of view also it would be foolish to commit large sums to the development of space technology for long duration manned flights, which it may then not be possible to undertake.

I hope these remarks are helpful to you, and I would of course be happy to give you and your colleagues in Congress more details and substantiation for them if this were desired.

Yours sincerely,

T. GOLD,
*Director, Center for Radiophysics and Space Research.*

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UNIVERSITY OF CALIFORNIA,
LOS ANGELES,
*Los Angeles, Calif., June 29, 1970.*

Senator WALTER F. MONDALE
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR MONDALE: With Senate action now pending on the Space Shuttle, I submit for your consideration the following viewpoints as important in the determination of priorities in the space program in the coming decade. I write as a concerned biomedical scientist who has participated in the space program for the past ten years, both as an investigator in manned and unmanned flights, and as a member of committees and review bodies with an advisory role to both government and NASA.

Priorities in the space program since its inception have placed major emphasis on manned programs, with particular emphasis on the engineering aspects of needed hardware for reliable mission accomplishment. Although there can be no quarrel with the development of spacecraft engineering with reliability assured for manned flight, the price paid has been very high, so high that it appears to have been markedly detrimental to a balance between manned and unmanned space developments. Moreover, emphasis within the manned program has been on man as a test pilot in evaluation of engineering goals, rather than as a biological system himself, requiring the same careful long-term and detailed evaluation if the goal of long-term space flight is to be accomplished.

Biomedical information currently available is not adequate in critically important areas for the design or construction of space stations or interplanetary spacecraft. Specifically, we do not know whether it will be necessary to provide artificial gravity by some form of rotation of part or all of the spacecraft. Biomedical evidence from the U.S. manned program, and particularly from the recent U.S. monkey biosatellite flight, and from the Soviet Soyuz-9 manned flight, all indicate that there are significant problems of cardiovascular instability, body weight loss, and associated disturbances in daily body rhythms and certain nervous functions.

Yet to build spacecraft with a full artificial gravity as on earth, provided by rotation, predicates systems of very large dimensions for acceptable human comfort. Moreover, levels of gravity much less than 1 G may be adequate to prevent medical deterioration, and it is possible that drug and hormone therapy, properly developed, may greatly assist on long missions.

No adequate biomedical basis for these engineering systems is now available, either in the NASA or in the biomedical community. Therefore, it is imperative that NASA collect comprehensive biomedical data as an engineering baseline for design of future spacecraft for prolonged human occupancy.

It is here that there are grounds for concern. NASA has a long history of making commitments to biomedical investigations, which have been repeatedly reduced or even shelved in favor of mission goals of a primarily engineering character. The proposed medical studies in the Skylab missions were initially designed to overcome many deficiencies in the current status of space medicine and physiology. Every effort should be made to safeguard the prime importance of the biomedical aspects of these missions.

In this context, development of a Space Shuttle should be reviewed in terms of its potential contribution to acquisition of needed biomedical information. Its use as an adjunct to physical and life science investigations should be evaluated against likely progress of biomedical research in the Skylab program in the absence of such a vehicle. Medical and psychological studies planned for Skylab will provide much needed information relevant to design of spacecraft for prolonged human occupancy. They are expected to settle many basic issues concerning needs for artificial gravity.

Therefore, it is submitted that the program for a Space Shuttle might well remain in the phase of fundamental research and feasibility studies, pending the outcome of medical investigations in the Skylab program. At the same time, avoiding commitment to heavy expenditure in this area would afford an excellent opportunity to redress the traditional imbalance between manned spaceflight programs and other more modest but highly important developments. These include fundamental space biology related to medical problems of man in space, and studies in the physical sciences in plane-

tary programs, as well as in areas of the NASA Space Applications program.

Thank you for your consideration.

Sincerely,

W. Ross Adey, M.D.,
*Director, Space Biology Laboratory.*

## THE SST PROGRAM

Mr. TOWER. Mr. President, amidst the turmoil over national priorities expressed in Congress and in the Nation's news media, usually a few objective analyses are to be found intelligently assessing the actual merits of a given program and its place in our national priorities. I would like to introduce two such articles on the much-blasphemed, little-analyzed SST program, which will come up for funding before the Senate in several weeks. These articles from Saturday Review and Government Executive need to be read by all those in Congress who are interested in the sound management of our national goals.

I share the concern of the citizens of my State and of our country that environmental protection be accorded a position of highest priority by Congress in order to help insure that we and our children might have a decent, livable world in the future. In the case of the SST, it is evident that we are not risking damage to the environment for a very simple reason, and that is that this program is for prototype development only. As the research on the plane progresses, so will research on its environmental effects. After full testing of the prototype and before commercial fleets are in production, the full story of any effects of the SST on the environment will be known. If it should prove to be unfavorable, we will know to drop the SST commercial program. If we do not test our SST, we will not know what effect the French and Russian supersonics will have on the environment because they do not appear to be testing the effect of their planes on the environment. Once they produce their commercial fleets and we can buy one to test its effects, the die will be cast. Because of the investment that will have been made in these fleets, these countries will be unlikely to remove them from service even if we point out harmful effects that the planes might have on the environment.

In addition, the economics of the situation have become fully apparent from recent DOT and Treasury studies. If we do not produce a plane to compete with the foreign models—and we consequently have not been able to convince foreign countries to drop their commercial production if environmental studies so warrant—we will suffer a heavy loss in our export earnings due to airline "family buying" preferences and due to purchases by our own airlines of the foreign planes—if we do not proscribe their use here. Aircraft have been our leading export for years, and we have the most advanced technology in the industry. We can continue to improve our aircraft capacity, speed, and efficiency if we continue on this program, and, consequently, maintain our trade advantage in this product. Moreover, the SST would help keep fares down in spite of rising costs and keep airways congestion and aircraft disasters to a minimum. This prototype SST program must be allowed to progress to a testing stage.

I urge Senators to consider these crucial facts. I ask unanimous consent that these two articles be printed in the Record for consideration and review.

There being no objection, the items were ordered to be printed in the Record, as follows:

[From the Saturday Review, Aug. 15, 1970]

### Is the SST Really Necessary?

(By Horace Sutton)

Few other means of transport, when first proposed, have created as much partisan fervor in the United States as the proposal to build a commercial airplane that can travel faster than the speed of sound.

Not since the first attempted introduction of the horseless carriage—which was to bring with its conveniences a major source of pollution and fatal accidents—has such a shrill cry of outrage swept the land.

It is a widely held opinion, and one widely trumpeted, that the noise of the supersonic airplane, or SST, is deafening; that the sonic boom is unbearable; that a fleet of supersonic planes, flying in the upper levels of the atmosphere at 60,000 feet, could change the climate. Testimony has been given the Congress by public persons, private citizens, and scientists in and out of government referring to ultraviolent radiation capable of stripping all life from the planet. Jet contrails, it has been suggested, could leave a permanent cloud cover, heating the earth, melting the polar ice-caps, and flooding the continents. Less dramatically, there are those who are against it because the government is a partner in the project with the Boeing Company. Some consider government participation as a move toward socialism; others insist that the public money will never be recovered; still others, that the terms of the contract between Boeing and the government will never be met and the taxpayer will be paying for a highly sophisticated commercial airplane to be used by the privileged few. Prospective passengers aboard such aircraft, so some have warned, could suffer radiation exposure, or, in the event of a loss of pressure at the 60,000-foot level, suffer a boiling of blood and be rendered unconscious within a minute.

These pitfalls, dangers, annoyances, and disadvantages have been given wide public circulation by bands of outraged citizens, by conservation groups, by environmentalists, by academicians, by lawmakers, and by scientists of varying stripe. Full-page ads have appeared in the nation's newspapers. Mail campaigns have been organized in the schools. Quickie books have appeared. Hearings have been held in the Congress. Competing governments have allegedly essayed subtle intelligence techniques. Congressmen have waved smuggled "secret reports" in front of the press. As the summer matures, the fever has heightened. The bill to provide the funds to build a prototype of the American supersonic transport has already passed the House. This month it is expected to come before the Senate. On the other side of the ocean, a joint British-French supersonic plane called the Concorde, already built, is undergoing critical trials that may decide its future. The Soviet Union is eager to trade permission to fly the short route from Europe across Siberia to Asia for the purchase of its TU–144, an SST that it has already tested. In its waning weeks this is becoming the fateful summer of the SST, a plane which in its American version would carry 273 passengers in first and tourist class at a speed of 1,800 miles an hour.

A panel on the SST, organized by Dr. Lee DuBridge, President Nixon's science adviser, had as its chairman Dr. Richard Garwin, a forty-two-year-old IBM physicist and one of the most articulate and energetic opponents of the SST. The report submitted by the panel, while not made public, was widely held to be adverse, but the President elected to proceed with the SST program anyway. Dr. DuBridge, who had originally written a letter indicating his opposition to the SST, then wrote a second letter in which he reconsidered his opinion and came out in favor of the program. Congressman Henry Reuss, a vigorous opponent of the SST, sought to have the panel's report made public, but John Ehrlichman, the President's administrative assistant, invoked Presidential privileges. Dr. Garwin, although differing with DuBridge, who is chairman of the President's Science Advisory Board, remained on the committee, but aired his views through television broadcasts, interviews, and letters to the editors of newspapers. "I'm not a full-time member of the administration," says Garwin, "and I feel myself in the same position as a lawyer who has many clients. The fact that he deals with one doesn't prevent him from dealing with another so long as he doesn't use the information he obtains from the first in dealing with the second. Since there are so few people familiar with these programs, it is important for me to give the Congress, as well as the administration, the benefit of my experience."

#### NOISE

The most effective argument being used against the SST in this Year of the Environment, as it is being called, is noise. A popular term of reference that has been given wide display is that an American SST would, on the runway, sound like fifty subsonic jets taking off at the same time. This comparison, which was devised by Dr. Garwin, has been both supported and hotly contested by scientists and aeronautical engineers in and out of the SST program. It has become the touchstone of the great supersonic debate, a passionate dialogue that has inspired lay persons to learn the language of the scientists, and engineers to reduce their heady techniques to the sill of common understanding. One must first understand, for example, that noise is energy or pressure waves in the air, and a decibel is a unit of its measure. The decibel, as a unit for measuring sound pressure level, was named for Alexander Graham Bell, and was established soon after 1900.

But it was reasoned, half a century later, that some kinds of noise can be more annoying than others. A fingernail running down a blackboard does not create many decibels, but it sends shivers down the backs of some people. Hi-fi sets, turned up loud, register many decibels, but young people find that sound enjoyable. In 1959, Dr. Karl Kryter of the Stanford Research Institute created a new measurement that included sound pressure level as well as frequency. A measure of both noise and annoyance, it is called Perceived Noise-level in decibels, or PNdB. Acoustic engineers realized that high tones or, more particularly, the high whines of certain aircraft engines, for example, persisting for longer or shorter periods, can alter the PNdB. Therefore, in 1966, a new measure, EPNdB or Effective Perceived Noise-level, was created by the Aircraft Exterior Noise Committee of the Society of Automotive Engineers. The Federal Aviation Agency, in order to denote the annoyance factor, has adopted EPNdB, and uses it to measure the noise of all subsonic airplanes.

Airplane noise is measured at three places: one mile from the threshhold of the runway; about three-and-a-half miles from the start of the take-off run (for climbed-out noise); and about 1,500 feet from the side of the runway. Experiments on the American SST engine, which is to be built by General Electric, indicate that the airplane is already within the FAA's acceptable noise limits when landing and on takeoff. Indeed, since an SST takes off at a higher and faster climb-out rate, it is more quiet than existing jets when flying over the community. On sideline noise—at

the runway—it registers about 124 PNdB, whereas present jets register 108 PNdB. William Magruder, the forty-seven-year-old former test pilot who designed Lockheed's new jumbo, the L–1011, and who is in charge of the SST project for the Department of Transportation, concedes that the sideline noise of the SST is now three to four times as annoying as the noise produced by current jets. But there are still eight years to go in which to correct the sideline noise, he adds, before a production model of the American SST might appear.

"People like Garwin," says Magruder, "are creating technical mischief. He is playing on the difference between sound and annoyance." Garwin is quick with an answer. In his cluttered office on West 115th Street in New York City between Columbia University and the Hudson River, he told me, "When Magruder says I am in error in equating fifty subsonic jets taking off simultaneously with one SST, he is absolutely wrong. Whether disingenuous or ignorant is hard to tell, but I'm sure it's ignorant. All I want him to do is get the Department of Transportation to get one of their consultants, or Karl Kryter at Stanford Research Institute, who invented PNdB, to say I'm wrong, and I will be satisfied, but they don't."

Confronted with this challenge, the Department of Transportation, at *SR*'s request, convened a panel of consultants. They included Dr. John Powers, director of the Office of Noise Abatement, Federal Aviation Administration; Harvey Hubbard, director, Acoustics Branch, NASA, Langley Research Center, Virginia; Charles Foster, director, Office of Noise Abatement, Office of the Secretary, Department of Transportation; Newton Lieurance, director of Aviation Affairs, Environmental Sciences Services Administration, Department of Commerce; and George Chatham, aeronautics and space specialist, Legislative Reference Service, Library of Congress, who was formerly with NASA's Office of Advanced Research Technology.

Referring to Dr. Garwin's widely quoted statement that one SST sounds like fifty subsonic jets at take-off, the panel members concerned with sound had the following comments:

Dr. POWERS. "Technically, it is an accurate statement. It is a logarithmic ratio, but obviously you can't put fifty aircraft together, because the sound sources would cancel. The thing that is important is the manner in which the airport neighbor perceives the noise."

Mr. CHATHAM. "The statement from a technical point of view is correct. I've had to explain that statement many times, but it is a propaganda-type statement because it has a direct interpretation in terms of annoyance or perceived level. While it is technically correct, and the Bureau of Standards will say that it is correct, it is very misleading. It sounds as though an SST is fifty times as loud. That is the interpretation that everyone gives that statement. But it doesn't mean that at all. It appears as if you'll hear something with fifty times the loudness and you don't."

Mr. HUBBARD. "Say you had a four-engine airplane and you were running just one engine. There is a certain loudness associated with that one engine. Then you turn on the second engine. With two engines running it isn't twice as loud on any scale. If you turn all four engines on, it isn't four times as loud. Four engines make four times as much acoustic power, but the sound is not four times as loud to a person."

Mr. CHATHAM. "If you had an airplane with ten engines and you were to overfly with one engine going and hear that noise, and then overfly again with all ten engines going, the effect you would perceive would be double."

Pursuing Garwin's suggestion further, *SR* reached Dr. Karl Kryter, director of the Sensory Sciences Research Center at Stanford Research Institute. Dr. Kryter cautions that decibel measurements are preferred by engineers, but the "annoyance scale in your head doesn't go up as the physical noise increases in the air." Both Garwin and Magruder, as they state their respective cases, are correct, according to Kryter. However, says he: "I don't think Garwin needs to use this example of one to fifty, because it overstates the case. While Garwin is absolutely correct, I think he is overkilling by using a technical fact that would mislead some people. On the other hand, I think a three hundred to four hundred per cent increase in noisiness to something that is absolutely intolerable to some people is beyond acceptable limits."

As an experiment, Kryter says, a person might put his hand on a counter and put a one-ounce weight on it. By adding another ounce does he feel twice the amount of pressure? If four more ounces are added, does it feel like six times as much pressure? Kryter thinks not. The same is true in noise. As you increase the noise level measured in EPNdB, the subjective scale grows in such a way that every time ten EPNdB is added, it seems twice as bad as before.

THE BOOM

Quite apart from the noise created by the engines of the SST is the presence of the much-discussed sonic boom. Although some persons in the arena of the debate, among them Secretary of Transportation John Volpe and former FAA director Lt. Gen. Elwood Quesada (a vigorous opponent of SST), are confident the boom will ultimately be licked, the boom, or *le bang sonique* as the French call it, is there and it won't go away. The FAA established a rule this year forbidding SSTs to fly over land, thus the British-French Concorde, the Soviet TU–144, and the American SST, if it is eventually put in production, will, as far as the United States is concerned, be over-ocean planes only.

The opponents of the SST would like to see the FAA rule become a law. Should the SST not find a market in transoceanic flight, economic pressures might force the government to relax its rule, they argue. As Representative Sidney Yates (Democrat-Ill.) has said tartly, "Someday they'll say that the sonic boom is the voice of progress."

An elaborate system of world routes for planes flying at supersonic speeds has been planned, all of it over water. The New York-to-Paris flight profile, for example, calls for a southern track with supersonic speeds commencing twenty-five minutes out, or well after the plane has departed the southern tip of Long Island. The southern track would keep it below Newfoundland. The most intense part of the boom, known as the super boom, occurs just after transonic acceleration. The boom creates a carpet fifty miles wide, decreases as it spreads to the sides, and changes with the atmosphere.

The effect on sea birds is undetermined, but movies made of minks experimentally boomed in cages show a mother sniffing for danger and finding none, returning to her chore, washing her offspring. It is argued that the effect to passengers and crew on passenger liners and modern freighters and tankers will be minimal because ships are air conditioned and built to withstand heavy storms. The boom noise is expected to be attenuated by ocean waves and sounds of the ship itself. Those on sailboats and sports fishermen will not fare as well.

Harvey Hubbard, director of NASA's acoustic branch, says, "There may be some cases where the noise will not be as sharp as a boom, but there will always be some disturbance there. In twenty thousand measurements, never once have we failed to get a signal. Our aerodynamics people feel it is is pretty much the same as a boat going through water. It's pretty hard to eliminate the wake." While the sonic booms created by the SST flying at 60,000 feet should not be equated with military supersonics breaking windows while practicing evading techniques at low levels, about all science can do is to try to change the shape of the sound wave. These attempts are being called, in the elaborate argot of science, a "finite rise time pressure signature."

POLLUTION

Testifying before Senator William Proxmire's Joint Economic Committee studying the efficiency of the government, Russell Train, chairman of the Council on Environmental Quality, expressed doubt that a lowering of noise level can be made without cutting down the payload. Though building new airports would require enormous investment, some new airports will have to be built with or without an SST, and Dr. Train has acknowledged that "adequate land planning in such cases could minimize the effects of sideline noise."

While reaffirming the necessity of controlling the noise environment at the nation's airports, Train seemed more concerned with the problems that the airplane may create in the upper atmosphere. Accompanied by Dr. Gordon MacDonald, a member of the council, Train said, "The supersonic transport will fly at an altitude of between sixty thousand and seventy thousand feet. It will place into this part of the atmosphere large quantities of water, carbon dioxide, nitrogen oxides, and particulate matter. . . . A fleet of five hundred American SSTs and Concordes flying in this region of the atmosphere could, over a period of years, increase the water content by as much as fifty to one hundred per cent. This could be very significant, because observations indicate that the water vapor content of the stratosphere has already increased about fifty per cent over the last five years, due presumably to natural processes. There is a possibility, which should be researched, that subsonic jets have been contributing to this increase."

Train has indicated that the water in the atmosphere might warm the average surface temperature by two-tenths to three-tenths of a degree Fahrenheit. The water vapor could destroy "some fraction" of the ozone, exposing the Earth to ultraviolet radiation. Train called his evaluations "speculative," making the further point that the development of a prototype does not in itself have environmental consequences. Ultimately, Train, a lawyer, stepped aside in favor of Dr. MacDonald, a scientist who told the committee that the area in which supersonics plan to fly is ordinarily a dry part of the atmosphere, containing about two parts per million of water vapor. In the last four or five years, for reasons yet unfathomed by scientists it has increastd to three parts per million. Water vapor stays in the asmosphere for eighteen months, affecting the amount of heat that reaches the lower atmosphere. "If the concentration is increased sufficiently," MacDonald testified, "it could form high, thin layers of cloud that could persist for a long time and potentially could have a very large effect on climate."

MacDonald described the sun's radiation, and told about ultraviolet or hard radiation, which destroys cells. Ultraviolet radiation causes sunburn—"the fraction that does reach the surface"—and the ozone acts as a shield. As ozone is decreased in the upper atmosphere, "we *might* have *some* effect at ground level." If the ozone were to be stripped from the atmosphere, MacDonald said, and the surface of the Earth exposed to the full force of solar radiation, "it would wipe out all of life except in the oceans." Twice in his testimony MacDonald stopped to say, "But I must emphasize we are just beginning to understand these consequences. It is a very iffy subject," and later, "It would be my judgment as one who has worked in

the field that the effects probably would be minor." But, he added, he would not want to take the risk of tinkering with the upper air without more information.

It has been claimed, in a so-called domino theory of the upper air, that the change of a few tenths of a degree could set off a chain reaction that might produce an ice age, or conversely, as others say, start a warming trend that would melt the polar icecaps. Yet, the National Center for Atmospheric Research records significant temperature declines because of volcanic activity in 1816, 1837, 1844, 1893, and 1912. "The year without a summer," was the term for 1816, but as the chemicals and the water were cleansed from the air in a natural cycle, the earth found its mean temperature again.

William Magruder, who has recently announced a $27.6-million research program for the SST, questions the effects that the aircraft may have on the stratospheric pollution or weather change. He has said, "There is no evidence of any kind to verify that the temperature of the atmosphere will rise because of the water vapor in it. It's true that it's increasing, and we should know more about why it is increasing. We do have large research and development programs looking into it and not just because of the SST. There is just as much evidence to say it's good as it's bad, but if you've made up your mind to shoot at the SST, you can turn all your ifs against it. You can say *if* the water vapor were to get too high and destroyed the ozone, *all* of it, then the ultraviolet rays would descend on Earth and strip it of all life. Now, the total amount of zone that is going to be destroyed is about five or six per cent."

Many scientists agree that the amount of water placed in the atmosphere by a fleet of 400 SSTs in a day is the same amount injected into the upper atmosphere by one thunderstorm. There are about 3,000 to 6,000 thunderstorms exploding around the Earth every day.

"At one time," Magruder said, "the opponents in the scientific community wrote me a little paper that said the upper atmosphere went up nine degrees. From 1940 to 1955, it went down one degree. With the water being put out by the SST fleet in the atmosphere it *could* change the temperature one- to three-tenths of a degree. However, if it changed it five degrees, it would melt the polar icecap. Well, I went to them and said, 'From 1880 to 1940 when it went up nine degrees, no ice melted.' Back in 1883 when Krakatoa blew up and put a cubic *mile* of sea water way into the upper atmosphere, the explosion was heard three thousand miles away, and for one whole year the world had green sunsets. And nothing happened. The world temperature didn't change. The icecaps didn't melt. Isn't what's going on with natural evolution and what man is doing up there with a couple of airplanes pathetically tiny?

"We all agree we'd better do some research. But Garwin, who is predisposed one way and who has outlets through Reuss, Yates, and Proxmire, takes liberties with ifs and coulds and changes them to will and shall. There is nothing wrong with raising questions, but I very much disapprove of this approach people have that the end justifies the means. If I want the SST killed, it's okay for me to say it's going to melt the polar icecap, it's okay for me to play the sound game and make the housewife think it's fifty times as annoying while forgetting to say that out over the community it is half as annoying and it meets the best standards the FAA has set up to date. Only there on the runway do we have a problem, and we have eight years to work on it." Such attacks are very effective.

So, too, is the release of so-called secret reports attributed to the government in alleged collusion with the Boeing Company. Sometime this spring Congressman Henry Reuss received a page and a half of notes about the SST from an informant that were said to have been extracted from secret Boeing memos. "The uncertainties seem to surround nitrogen oxide enhancement and ozone deficiency in the stratosphere," said the report, a copy of which has come into the hands of *SR*. "You better check with some chemists or atmospheric scientists to see what effects this has on the environment. I think a stronger and possibly more politically powerful environmental argument can be made on jet engine noise level, particularly around the airports," the informant's note said.

A letter requesting a copy of the so-called Boeing report on which the informant's notes were based was sent by Reuss to Secretary of Transportation Volpe. The Secretary forwarded it immediately to Magruder, who had it by 5:30 Friday afternoon, June 5. Magruder ran a search of his organization, called Boeing in Seattle, and asked them to do the same. At 6:30 he called Reuss, who was on the floor and unreachable. Magruder left a message with his administrative assistant, James Verdier, offering to open his files and give the Congressman access to any material he had. Reuss's office declined the invitation.

Over the weekend Magruder did turn up a Boeing scientist who had been working in a laboratory environment employing a computer synthesis model. Using a hypothetical fleet of 500 SSTs, he fed equations into the computer to determine the effects on the upper air. In the experiment, the answer came out showing that moisture could cause a temperature change of ten degrees. When the report was examined, it was found that the computer programing was off by an order of magnitude. What should have been a tenth of a degree was shown as ten degrees, and the direction was wrong.

Magruder then called Reuss's office back to say he had found an interoffice memo in the Boeing scientific research laboratory. He asked for a copy of the notes given to Reuss in order to correct the error. Verdier refused on the grounds that Reuss's notes were secret. Magruder told Verdier, "If some evidence comes up that we ought to stop the SST, my voice is to be the first one that says so, and everybody in the administration will back me up. So I don't understand how you can have documents that are secret from me."

At 6 o'clock Sunday night, June 7, Reuss's office released a report to the press. The headline read: SECRET BOEING STUDY PREDICTS SST WILL INCREASE POLLUTANTS IN STRATOSPHERE. The text of the report implied that Boeing had discovered that water vapor in the upper atmosphere will be doubled and the protective ozone layer thinned by 10 to 30 per cent in areas where the SSTs travel; alongside these projections it juxtaposed Dr. Gordon MacDonald's claim that "if all ozone were stripped from the atmosphere, this would effectively wipe out all life." Oddly, in the press release, as in the report sent to Reuss by his informant, the temperature was going the wrong way to produce the effect that was claimed.

### THE ECONOMICS

Beyond all the threats to environment are the further twin deterrents of national priorities and economic doubt. Should the monies that the government is investing in the SST program (and that, according to its contract with Boeing, it hopes to redeem as planes are sold to airlines) be put in medicine, education, and environmental control? Richard Ottinger, the New York Representative who is running for the U.S. Senate, has called the "funding bill for fiscal 1970 a gross distortion of our national priorities." Representative Reuss thinks Boeing ought to be making a mass transit vehicle and GE a pollution-free engine for it instead of making the SST, which he has called "an environment-despoiling superplane for the jet set."

"Instead of building pyramids, they ought to be doing something that benefits large numbers of people," Reuss says. "Putting $290-million into the SST and one-third of that into fighting air pollution—that's not a good allocation of priorities. This administration is unusually ga-ga about subsidizing business and banking, but it's very niggardly about appropriating funds for education, which it vetoes, or hospitals, which it vetoes, or the environment, which it underfunds. I think this is part of the administration syndrome of siphoning off as much as possible of the taxpayers' money and shoveling it out to their pals in the banks or large defense plants. I think it would be good elementary morality to stop all these Teapot Domes that have been going on for the last five or six years. The SST doesn't have real scientific or human aspirations to it. It is wicked and obscence to defend as job-creating anything under the sun. It's undignified to ask human beings to work at something that is useless. Even the Treasury Department itself—until it got suppressed—said there would be a negative balance of payments from the SST. That is, more Americans would be encouraged to go to Europe, and that would take the advantage out of what we got for selling the plane to foreign airlines."

Far from being muzzled, the Treasury Department in a letter from Paul Volcher, Undersecretary for Monetary Affairs, to Senator William Proxmire, stated on May 1:

"On the balance of payments aspects of this question [the SST], we have no reason to alter our view that the potentially adverse impact on our travel account from the development of a U.S. SST could equal or outweigh the positive impact on the aircraft sales account. . . . If one were fairly sure that a foreign SST would become a viable commercial proposition within the foreseeable future, then the balance of payments arguments against proceeding with a U.S. SST would lose force."

Four days later Rocco Siciliano, the Undersecretary of the Department of Commerce, wrote to Proxmire:

"We continue to believe that only the effect of sales of aircraft and equipment can be taken into account in any meaningful way in evaluating the impact of the U.S. SST program on the balance of payments."

Siciliano noted that the travel deficit has long endured and that the era of the wide-bodied airplanes (747s, L–10–11s, DC–10s) as well as the introduction of the Concorde in 1973 would already have increased international travel growth by the time an American SST would appear. But more international travel, he argued, increased the need for additional travel within foreign countries, thus requiring more short-range aircraft "predominantly of American manufacture." Most importantly, perhaps, Siciliano noted that further delay in a U.S. commitment to the SST would encourage substantial orders for the Concorde and "provide greater incentive to develop a second-generation Concorde, which would be more competitive with the U.S. SST."

There is reason to believe that during the Congressional hearings on the funding for the U.S. SST some efforts were made to leave an impression with the American side—deliberately erroneous—that the Concorde was in trouble. By use of this propaganda ploy, it was hoped to gain for the Concorde even more lead time over the U.S. entry.

Information available to the State Department by the end of the first week of May indicates the Concorde is proceeding so well that the construction of twelve aircraft has been ordered, including six production models, two prototypes, two pre-production models, one model for static testing, and one for thermal testing.

The Concorde has still to test—as it will this summer—its performances at Mach 2, or roughly 1,400 miles an hour, for payload, fuel, maintenance, and, of course, noise and boom, especially to meet restraints that might be placed on it in the United States or other foreign countries. Asked in Congressional hearings at Washington whether the United States and Britain couldn't jointly ban supersonic aircraft on the basis of noise alone, Mary Goldring of the London *Economist* thought not. "Britain is not a very noise-sensitive country," she said. "And we would not have a great deal of sympathy with what we thought was a deliberate American move to try and keep the Concorde out." Nor could she see at the present stage how Britain and France "could gracefully fade out." She expressed doubts whether the United States can offer a "spectacularly better supersonic aircraft than we can, in which case our reaction will be that we are simply giving away the market to big bad Boeing again."

There seems little chance of that. The State Department information further states that consideration is being given to a second-generation Concorde, which would compete in size with the American plane. It would cost half a billion, a financial consideration that might force an invitation to Germany to join a consortium to build Concorde II.

"The trouble with our opponents," says Senator Henry Jackson, who, with his fellow Washingtonian Senator Magnuson, is leading the floor fight for the SST in the Senate, "is that they only talk about an American SST, which is not even yet flying. Let us address ourselves to an international SST. It is a fact of life that the SST is here. The question is whether America is going to participate in this technology."

While Senator Jackson is faulted because he represents the state of Washington, home of the Boeing Company, he is one of the leading environmentalists in the Congress, having been chairman of the Interior Committee of the Senate since 1963. He worked for four years on the National Environmental Policy Act, which passed the Senate a year ago and was signed by President Nixon on January 1 of this year.

Under the act, there is specific authority delegated to the President to enter into negotiations with other countries to deal with environmental problems that transcend national barriers. "I have strongly urged the White House to act under the authority of my bill to bring together the British and the French and the Russians so we can undertake an honest analysis of this problem," Jackson says.

"The whole fight over environment in the Seventies, forgetting for a moment the SST, will revolve around this question of trying to provide a balance in our society between our social and economic goals and objectives and quality life, a good environment." As one who has labored for environment since the early Sixties, the Senator decries what he calls "these people who discovered the environment a few months ago, these instant environmentalists." They worry about the poor among us, he says, while forgetting that to aid the poor we have to allow for economic growth.

"Any economic growth has an impact on the environment," says Jackson. "The question is how much of an impact and what can you do to lessen the impact. You can't talk about twenty-six million new homes by 1978, which is a minimal goal, without talking about how many trees you are going to cut. This, too, has an impact on the environment. People in the Congress, in the White House, and in the State Houses will be trying to reconcile this conflict between proper social and economic goals and a good environment. It is simple to say we'll just shut down this operation and we'll solve it. It's much more difficult to be given the charter to go ahead and say we want to fulfill the proper national goals—and do it under a mandate that it provide for quality life at the same time."

Echoing Jackson's Senatorial statement is Paul Charrington, James J. Hill, Professor of Transportation at Harvard Business School, who has been observing the SST since 1958. "Clearly," says Charrington, "this is a research and development project at this juncture. The two regimes that offer real promise are supersonics and some kind of V-STOL [vertical short takeoff and landing, i.e., helicopters]. We have probably put more in V-STOL in dribs and drabs than we have put into the SST. If we abandon the project and give the market to the Concorde and the Russians, we would damage our balance of payments by somewhere in the range of twenty-five to forty-five billion dollars over a fifteen-year period, so this would put us further under water than we are now.

"The fact that we go forward is no guarantee we are going to bring this home, but we surer than hell aren't going to bring it home if we haven't got an airplane. If there were an assurance that the dough would be returned, then I would not be in favor of the government's being in it, because then it would be merely a bankroll proposition; just find a friendly banker—big as the number is—to put up the dough. So, I look at it as an R-and-D project, and maybe the first of a series of advanced technology projects where there are a lot of chips and the government goes so far and then gets out."

While the Concorde might very well prove to be potent competition, there are those in aviation circles who say the Russians have never built a plane that makes any sense in a Western free enterprise market. Secor Browne, head of the Civil Aeronautics Board, who taught air transportation at MIT and who negotiated the delicate Soviet and American agreements that established regular flights between New York and Moscow, thinks the Russians are capable of developing a machine that could be sold on the world market. They could also hold out the bonus of a favorable route across the vast expanse of the Soviet Union. "If you are Japan Air Lines and you are offered a Concorde and a TU–144 and if the Russians can sweeten the arrangement by awarding favorable routes, what are you going to do? Then Mr. Halaby [president of Pan American] looks out the window while a TU–144 streaks past his 747, and he doesn't have much choice either."

Browne finds the Russians highly pragmatic, possessed of an infinite power to allocate men and resources. Skill is the one element they know is in short supply. "To the Russians, the SST is primarily an internal machine. It's a long, crummy ride from Moscow to Vladivostok or Novosibirsk, and if you can get your skilled people there in a half or a third of the time, you get more out of them. To move people who have the skills faster and get more productivity out of them—that's why they are interested."

The capability of moving skilled people around the world faster is a far different theory than calling the SST a fast plane for the jet set. Instead of seven hours to Europe it will fly in two-and-a-half, instead of fourteen hours to Asia, it will be five. These are the advantages to man. The continuity of an aircraft industry that provided $30-billion to the economy is among the advantages to the nation. Somehow along the way, the building of an SST became, in the minds of its detractors, a product of the military-industrial complex, the bogeyman of the Seventies. As Senator Jackson has said, "If the Ford Foundation were building this plane, I don't think there would be this opposition." Nor, had it surfaced in some other season, would the possible environmental dangers have provided such a fat target. Those who ask now whether we need the SST might well have asked similar questions at the onset of the steam-powered locomotive, of the electric trolley car, of the horseless carriage, and of the airplane itself. No nation that has placed a man on the moon needs to worry about national pride, and surely the American SST must not be built for reasons of national honor. But national economics is a vital issue, and employment is a vital issue, especially if we are to improve the lot of twenty-six million citizens who exist below the poverty level. If we are capable of producing a functional technology that will not despoil the planet, then the SST should be considered with favor.

It might be well to recall the Red Flag Act, a piece of British legislation passed in 1865 that required all steam carriages to carry a crew of three, one of whom was to walk not less than sixty yards in front of the vehicle and carry a red flag. The act, which diminished speeds of steam-powered cars to two miles an hour in cities and four miles an hour in the country, was not repealed for thirty years. By that time, road travel had been effectively muffled in Britain.

Given today's concern for the environment and the authority which the President holds in the National Environment Policy Act, the time to seek international and reciprocal research and development is now. Whether we build one or not, the age of supersonic transport has arrived. Discovering its environmental offenses and working cooperatively with other governments to correct and control them will protect us from these environmental indignities similarly inflicted by the automobile, which are only now becoming apparent. Stifling the SST with a Red Flag Act of 1970 is not going to make supersonic travel go away.

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[From the Government Executive, September 1970]

"WOLF" CRIERS IN THE POLLUTION BUSINESS

(By C. W. Borklund)

Who hasn't heard the story of the shepherd boy who cried, "Wolf!" so often as a joke that when one did show up nobody believed him? About a month ago, a study group of presumed experts from 17 universities, 13 Federal agencies, three national laboratories and 11 "think tanks" or industries, convened at Massachusetts Institute of Technology, ended a long study of critical environmental problems with, among other things, their own pollution version of the "Wolf" parable.

Said they: "The world in general is reacting to the environmental crisis without really understanding it." Relevant data on serious global problems, they added, "is very poor and this seriously limits our understanding of their meaning."

They didn't have to look very far for proof of their argument. Their own subgroup analyzing the possible ecological impact of the Supersonic Transport (SST) gave a marvelous demonstration of how a collection of supposedly knowledgeable people can drive us commoners up the wall—while at the same time confessing they aren't at all sure the SST will even cause a problem.

In brief, the SST study panel urged that development of the aircraft be delayed until they can determine for sure if what they fear is true, i.e. that a 500-plane herd of SST's zapping across the stratosphere by 1990 at 2.7 times the speed of sound will spew out of its engines a permanent layer of smog, upsetting the radiation balance between earth, sun and space. And, they added, in fine witch doctor fashion: "We simply don't know enough to know if they will cool or heat (the earth) and lead to long-term climatic changes."

Worrying about the SST's impact on the environment is quite proper and worthy, we think. More importantly, so does SST project

officer Bill Magruder (see story, this issue) to the point where he has set up two advisory councils for the program, one for noise abatement and one for pollution control, to make sure he builds an ecologically acceptable clean and quiet aircraft.

But, to delay the program while some guys fuss around in a laboratory trying to learn what they don't know is to us not just silly but technologically, economically, sociologically and politically dangerous—for lots of reasons. For one thing, using their own 1990 timetable, they've got at least 10 years to find out if their worry is well-founded or not; and all that time plus a decade more to rework the aircraft to avoid the problem if there is one. And, these same experts keep telling us, man is currently doubling his wealth of knowledge every 10 years. To us, that seems like more than enough time-and-technology cushion to neutralize what may not even be a threat.

And the onus ought to be on them to deliver within the program's timetable, not at their convenience. Because doing what they want, delaying the program one more time, shoves the U.S. just that much closer to paying some clearly recognized, not just "possible," penalties.

Among them: no SST just means more *Concordes* (the French-British SST) in the air not counting all the world's supersonic military aircraft sailing around up there, so no SST doesn't means no ecology "problem" at all; no SST would aggravate the currently developing brain drain in reverse, i.e. aeronautical experts out of work here taking jobs in Europe, a trend leading to loss of U.S. aeronautic leadership if continued for any stretch of time; a nasty kick in the slats for the U.S. aircraft industry which could lead to, among other things, U.S. balance-of-payments losses and weakening of the dollar.

Predictably some wet-lipped do-gooder is going to decry our bringing up the subject of economics when he or she is trying to "save humanity from the money grubbers." And if the problem was that starkly simply, they'd be right. But it's not and neither are they.

Best analogy, we think, is in the automotive industry where, again, a lot of goofy charge and countercharge is rolling around based, it becomes more and more evident, on a lot of misinformation.

For several years now, critics of the automobile and its "rotten" internal combustion engine have been claiming the Nation's main form of land transportation is causing 70 percent of the air pollution (some critics claim 80 percent) in the country. Yet, the Department of Health, Education and Welfare has long since published a report, based on 1966 data, saying motor vehicles contributed about 61 percent of air pollutants by tonnage.

In March this year, based on revised data, they dropped that contribution for the entire transportation industry to 43.5 percent; and they are working up a new report based on far more thorough and extensive measurements of source emissions in 1968. The result, we hear, is that the automobile will be blamed for less than 40 percent of the problem on a tonnage basis.

Far more important: two University of California professors, using the same old 1966 data but evaluated on a health hazard rather than tonnage basis, say the car is only 12 percent of the total pollution threat to people. And the auto industry thinks the new HEW report based on 1968 data is going to drop somewhere between five and 10 percent. The real source of as much as 75 percent of the health hazard: industry and public utility smokestacks pumping out dirt and sulphur dioxide.

That doesn't mean the industry is copping out on its responsibilities. Notes General Motors President Ed Cole (see story, this issue): "We have the technical feasibility to make the internal combustion engine essentially pollution free." More to the point: by 1975 GM cars will meet the Federal auto emission standards (based on 1970–71 certification procedures); and the goal for 1980 is "to eliminate all pollution from our vehicles."

They are going to need two big assists: the oil companies have to get the lead out of their gasoline; Government must stick to technically and economically feasible standards and apply them to all cars.

Thus, promises Cole, given the necessary evolutionary time and the benefit of Government exercising responsible common sense, the automobile is not going to be a part of the problem. What bothers us, however, is that it begins to look as though, when it comes to automobiles and airplanes, we taxpayers and Government referees operating on misinformation have been pumping a lot of time and money into the wrong parts of the problem. And, as part of that, who's going to be answerable a few years from now when the car is clean and the aircraft are clean and the pollution is still just as bad as it is today?

Continued U.S. world leadership in aviation, imperiled by massive attack by ill-informed conservationists and politically swayed economic prophets of doom, is right now at stake as the Senate prepares to vote on a $290 million appropriation that would keep alive the development of the supersonic transport airliner.

The stuttering history of the U.S. SST, which began 11 years ago, and to which "finis" appeared imminent five months ago, suddenly gained new life on April 1, 1970, with appointment of William M. Magruder as director of SST development in the Department of Transportation.

In that short interim the 47-year-old Air Force veteran, engineer and aircraft industry executive appears to have turned the tide until today there is a chance that development will continue on the aircraft.

Magruder, whose engaging grin does not mask his dedication to the SST, has already converted many of the critics simply by applying logic to the problem. To labor leaders he talked in terms of jobs the SST program would provide (150,000). To the conservationists he presented the results of studies demonstrating that the SST's sonic boom would cause no harm to human, animal or marine life, nor would it pose a threat of damage to property.

These same studies, he told the Sierra Club and other critical conservationist organizations, show that the SST will not, as charged, "pollute the upper atmosphere in such a way as may result in terrible alterations of global weather."

To the Friends of the Earth, Magruder said there is absolutely no scientific justification for their statement that the SST "will be far more dangerous than present aircraft because of severe problems of metal fatigue, landing speed, visibility and maneuverability." The fact is that the SST will be built of titanium which is stronger than steel. Its landing speed will be similar to many of the present air carrier jets, it will be instrument controlled all the way, and it will be the beneficiary of a greatly improved air traffic control system now being automated and expanded to meet the continuing growth in air traffic.

To other environmental critics, Magruder pointed out that the SST is the only aircraft development program ever undertaken with noise limitations written into the contract. In interviews with *Government Executive*, he said: "The SST engines (produced by General Electric) will be smoke-free, and powerful enough to take the airplane to altitude quickly to reduce the sound over the community.

"Overall," he continued, "the airplane is one of the most land-conservative forms of transportation. Airports consume far less real estate than is required for highways or railways. New airports will undoubtedly be designed to contain most of the objectionable noise of aircraft operations within their boundaries." Magruder added:

"Those of us who believe in the SST program also live on this earth and share the environment and we have asked many of the same questions certain ecologists are asking today. Only we asked them several years ago, and the program has moved forward with assurances from the best scientific counsel available to the Government that any adverse effects to the weather or from radiation are very unlikely."

But since some uncertainty does exist, Magruder has created an expanded environmental and noise research program representing about $27 million in ongoing or new research activities by various Government agencies, plus formation of two committees—the SST Environmental Advisory Council and the Community Noise Council—to explore further. Both of these councils are chaired by highly competent people—Dr. Myron Tribus, Assistant Secretary of Commerce for Science and Technology, who heads the Environmental Council, and Dr. Leo Beranek, general manager and chief scientist of Bolt, Beranek and Newman Inc., the eminent New York psychoacoustics firm. Each chairman has available 12 highly regarded experts in the areas of atmospheric phenomena, radiation, weather and noise.

Relevant to the noise issue, Magruder says: "The SST Boeing is proposing to build will be about half as annoying as present day 707s or DC–8s—the international-range subsonic jets. The high-pitched whine of the fanjets of today will be eliminated from the SST because of the unique supersonic engine inlet and the rapid climb-out capability of the SST on takeoff will take the airplane to about twice the altitude today's jets achieve at the three-and-a-half mile point from brake release. In effect, the SST will take the community noise of today's jets and confine it to the airport where it belongs."

The two prototype aircraft, to be built within the next two years, for which the $290-million appropriation is sought from the Senate (the House has already given its approval) must demonstrate, among other requirements, that the airplane will meet the stringent environmental standards prescribed for it.

To "Jet Set" syndrome critics, Magruder points out: "The SST enables us to calculate distances in time, not miles. Because of the SST's great speed (1,800 mph) compared, for example, to the 747's 625 miles an hour, one airplane can carry more passengers on more trips in a given period of time. The SST, therefore, is more productive and potentially more profitable, which means that fares will probably be about the same as on subsonic aircraft."

To economic critics, including some Congressmen who complain that the raison d'etre for the SST is "just so that we can say to Britain, France and Russia that we can fly faster than you can," Magruder has presented these statistics: "With no U.S. SST program, American airlines will be forced, in order to meet their competition, to import $12 billion worth of *Concorde* SSTs (built jointly by Great Britain and France). With a U.S. SST program we will fill our own needs, plus export of $10 billion worth of airplanes."

A point on which Magruder feels very strongly is the criticism of Government "subsidization" of the SST. He says: "We must remember that nearly every American commercial transport airplane has grown out of design and production for the military. Thus the manufacturer has paid for him, by the Government, the research and development costs of the airframe, the engine and other components. Now, for the first time, a commercial transport is being developed

without benefit of military research. The industry simply cannot bear the entire cost. The Government *should* help."

The facts on Government "subsidy" are these:

The SST program is being carried out as a partnership between Government, the manufacturers and the airlines, with each sharing the risks as well as the rewards.

The costs of the prototype development phase is estimated at $1.3 billion. The prime contractors, Boeing (aircraft), and General Electric (powerplant), will invest about $300 million. Twelve U.S. and 14 non-U.S. airlines have deposited $22 million to assure 112 delivery positions.

The Government will collect a royalty on all U.S. SST sales to recover all of its costs plus interest by delivery of the 300th airplane. Further, the Government will get additional return on sales beyond 300. Delivery of 500 airplanes, predicted by 1990, would give the Government a $1.1 billion return on its investment.

Facing media opposition, doubtless inspired by SST opponents while the program leadership before his accession was less than dynamic, Magruder has been heartened by developments. He says: "I would guess the press is now about 50–50. And that's 50 percent better than it was two months ago." He didn't say that this might be so because he has had several off-the-record sessions with editors and reporters.

Magruder came to Washington from the post of Deputy Director of Commercial Engineering for Lockheed (where he doubtlessly made considerably more money than the new job pays). In Washington he found (to his honest surprise) two Santa Monica, Calif., high school classmates—John D. Ehrlichman and H. R. Haldeman—both very top-level aides to President Nixon. This acquaintanceship probably has not impeded his access to the White House. (The SST program was taken out of the Federal Aviation Administration (FAA) and placed directly under Department of Transportation Secretary John Volpe. What this appears to add up to is that Magruder reports to Volpe and through him directly to the White House.)

Magruder has another, unique handle on the situation. He is a Fellow in and past president of the international Society of Experimental Test Pilots. The French chief test pilot of the *Concorde,* and his British counterpart, are also "members of the lodge." Magruder talks to them via trans-Atlantic telephone almost weekly. The trio compares progress. Thus Magruder knows almost as much about the *Concorde* as the other two. Reportedly, he will fly the *Concorde* himself sometime in the future.

Magruder's approach to the job went, in his own words, thusly: "Before accepting Secretary Volpe's invitation to direct the SST program, I spent several months satisfying myself that the development of a supersonic transport was a wise, productive, and altogether fruitful venture for the two participants, the Government and the aviation industry.

"I made a complete review of the SST configuration with NASA. I talked with every major U.S. airline president, most of the international airline presidents, and members of their staffs. I reviewed the major Air Force program contracts and project control procedures at Wright-Patterson AFB, for lessons learned on programs like the F–111 and C–5, the F–15 and B–1. I went over the SST program with other airframe manufacturers to ascertain their moral and technical support. Finally, I reviewed the British-French *Concorde* program with their government-industry leaders to assess the viability of that program and get a better sense of its timing.

"I found our configuration is a good one, with a 21 to 27 percent economic advantage to the airlines over the *Concorde.* Airline support for our program is 100 percent. The report that the airlines wish the SST would go away just plain isn't true. An in-service date of 1978 is considered by the airlines to be good timing. The SST will meet airline needs for increased productivity in that time frame, and still allow the airlines to recover from their heavy investments in prior aircraft purchases.

"These findings comprise the foundation on which I agreed to pick up and carry forward the direction of the prototype program. At present we are about midway in the prototype development phase which will be completed in calendar year 1973."

Discussing passenger comfort, Magruder said: "The prime comfort feature is, of course, the sharply reduced transit time. Studies have shown that the human body begins to show distress when sitting duration time exceeds four hours. With the SST, the five to thirteen hour transoceanic flights of today will be cut drastically; many major city pairs will be four hours apart, or less, by SST.

"The films, stereo recordings and lounges provided on today's jets," he continued, "are features designed to distract the passenger from the fact that travel is a necessary but not a very fulfilling use of one's time. The SST affords the traveler the most attractive of all comfort factors—short duration exposure to the confinement of flight."

Returning to the economic issue, Magruder said: "The assumption is that because the free world airlines buy about 84 percent of their jets from the U.S., this large share of the aluminum subsonic civil aircraft market would continue to be American-dominated. This isn't necessarily so. I have done some marketing of commercial aircraft and I can assure you that airline executives make their purchases only after careful examination of the manufacturers' 'family' of aircraft.

"There are logics of economy implicit in single-source purchasing. The European aviation 'cartel' could become such a source. With the *Concorde* on the blue-ribbon international routes, a twin-engine 250-passenger low-cost airbus for high density domestic routes, and the *Mercure* for the DC–9 and 727 market, the French/British industry would be in good position to challenge the U.S. aviation industry. Considering that the civil aircraft market represents a 100 billion dollar business (in the next 20 years) it's not surprising that other nations would be willing to compete aggressively for a larger piece of the action."

An airplane of the U.S. SST's capabilities, Magruder said, is not only economically practical "but virtually essential in a growing world with a large consumer appetite for air transportation." Continuing: "The SST's great redeeming value is its greater productivity. While the U.S. 2707 has about two-thirds the passenger capacity of the 747, it will be nearly twice as productive. Its ability to earn revenue will be about double the work capacity of the 747. The improvements in productivity that come with succeeding generations of aircraft are what enable airlines to accommodate travel growth requirements, maintain favorable departure and arrival schedules and, most important, stabilize fares in the face of rapidly rising costs.

"By 1985 the international traffic levels—the traffic SSTs can carry without violating overland supersonic flight restrictions—will equal the total free world traffic today. If productivity hadn't kept pace with demand, we would need nearly 300,000 DC–3s in the early 1980."

The SST, said Magruder, is clearly designed to meet future needs of travelers, airlines and the nation. To continue the current prototype development program, with the environmental safeguards implicit in it, he declared, "is also the best assurance we can give to ourselves and to the peoples of the world that supersonic air transportation will not distress the quality of life or further blemish what astronaut Frank Borman so aptly described as 'the good earth, an oasis in space.' "

The 2707 will be bigger, faster, and will carry more fare-paying passengers in greater comfort, and with commercial aircraft safety, than the *Concorde,* Magruder said, adding: "Without a U.S. SST, however, the *Concorde* and the Russian TU–144 would be the fastest planes in the commercial skies. Airlines will buy them and people will fly on them."

As far as "sharing the wealth" goes, the 2707 will. Boeing ultimately will subcontract at least 90 percent of the fabrication work. As of mid-year more than $150 million in subcontracts had already been let by the Seattle-based company to companies in 36 states, plus two in Canada.

To the dispassionate guy on the sidelines a few truths become self-evident:

There are very few, if any, land areas over which the SST would fly at supersonic speed. Further, once an SST reached supersonic speed it would be at such a high altitude that the sonic boom which would be transmitted to land or water surfaces would be greatly reduced from the sonic booms created by military aircraft with which the public is familiar.

Abandonment of the U.S. SST program would not prevent supersonic flights at the 60,000-foot altitude where the SSTs will fly, because both the *Concorde* and the Soviet TU–144 will cruise at the same altitude.

The threefold increase in flight speed will provide opportunity for international commuting. As an example, a passenger could leave the U.S. at 8 a.m., fly to Europe, spend eight hours there, and return to the U.S. at 10 p.m. the same evening.

So this is the plane that Bill Magruder, whom a few engineers in industry looked upon as the "the upstart test pilot who went and got an aeronautical engineering degree," is trying to get built. For the record, he joined Douglas Aircraft when he left the Air Force in 1956. In '60 he was named Chief Engineering Test Pilot. In that job he was responsible for reducing the landing field length requirements for the DC–8F by 1,000 feet. He was Director of Market Development for Advanced Systems and Research Programs when he left in 1963 to join Lockheed, where he was assigned as Chief Research and Test Engineer and Project for the SST. In 1967 he was SST Assistant General Manager when the Government contract for development of an SST prototype was awarded to Boeing.

Magruder has logged more than 6,000 flying hours—4,000 of them in jets. He has piloted 144 different kinds of aircraft, including 62 transports and 10 helicopters. He is an Associate Fellow of the American Institute of Aeronautics and Astronautics, won the Iven C. Kincheloe Award for his work on the DC–8.

THE BOEING STORY

Bob Withington is "the SST man from Boeing." He is very high on its chances for success.

H. W. (Bob) Withington has been an engineering executive at Boeing since he joined the company in 1941. He is a company vice president and became General Manager of the company's Supersonic Transport Division on March 9, 1967. In a recent interview with *Government Executive,* he summed up progress:

"I think one of the most significant things is the technical stability our design has maintained over the last year and half. We have been working more than a dozen years on the SST, and during most of that time almost every configuration we had gradually seemed to get worse the more we worked on it. This one has stayed good all the way and in some places has even improved. We know where we are technically and we are really ready to go with the prototypes."

Withington said the full-scale mockup,

with tolerances of plus or minus one thirty-secondth of an inch, has made possible testing of systems that will go into the prototypes. "So," he explained, "when we're ready to build the prototypes we can simply take the systems out of the mockup and move them into the airplanes. This will save at least a year—and money."

"We are," he continued, "ahead of schedule and under budget. All the major subcontracts are on board and drawings for the first two planes have gone to the shop. Our technical manpower is at full strength, with 2,582 people in the engineering department."

Withington emphasized the importance of overseas sales of the SST: "We need them to make the program an economic success. Right now, commercial transports are one of the very few kinds of manufactured products in which the U.S. still has a marked edge in the world market."

In re the environmental critics, Withington said: "It's popular these days to attack a great many things on environmental grounds, and a lot of these things should be attacked because we've got to stop the deterioration of our environment. In the case of the SST, though, the critics simply have the wrong whipping boy."

Regarding charges that the SST would magnify the already-dangerous congestion on the airways and airports, Withington said: "I guess you could call it that. But if anyone is suggesting that the SST will compound the congestion, he is still talking about the wrong whipping boy. This airplane will fly at 60,000 feet and above. This is a complete new chunk of airspace, so we actually will be helping to alleviate the airways congestion problem.

"As far as airports are concerned, obviously we'll have to go into the same traffic pattern as other aircraft. But the SST's short time of flight will give us an opportunity for wholly different schedules in terms of departure and arrival times.

"You know," Withington concluded, "there were equally unrealistic criticisms from some Congressmen when we were introducing the B–17 *Flying Fortress* in World War II. Some Congressmen opposed anything bigger than two-engine planes because 'there would be too many eggs in one basket.' Then when we were going from piston engines to jets for commercial travel, there were scare stories about what would happen if we tried to break the so-called sonic barrier. All those criticisms faded away promptly as soon as the airplanes had a chance to prove themselves. I expect the same thing will happen to the criticisms of the SST once we've got it in the air and demonstrated what it can do."

U.S. SST TECHNOLOGICAL BENEFITS

Technical advancements resulting from the SST program will bring about improvements in products used by consumers and industry in the future just as investments in research and development made in previous years have paid off in the products in use today.

The widespread use of aluminum as a common material in automobiles, building materials and consumer products was made possible through the development of this material for aircraft structure in the 1930s and 1940s. The SST will make possible similar exploitations of titanium where high-strength, light-weight, high-temperature materials are required. Industrial uses will include high temperature processing equipment in food, petroleum and chemical industries; components for internal combustible engines on tomorrow's automobiles, such as afterburners in the exhaust systems to reduce the level of pollutants; improvements in home and industrial heating equipment; and marine applications.

Man's progress has been paced by the development, control and efficient use of energy. The progress from animal power, to steam power, to the internal combustion engine and finally to the high performance aircraft engines in use on today's jet aircraft has made possible man's achievement in many other areas. The use of light-weight high-energy producing equipment has brought about the development of man's present transportation systems.

The improved burner technology resulting in the high thermodynamic efficiency of the SST's GE–4 engine will make possible more efficient, smokeless powerplants.

The development of automated flight control systems will make automated control systems possible for automobile and truck traffic of tomorrow's cities.

The total scope of the advancements of technology resulting from the SST program is only beginning to be realized. The effect of the benefits of these improvements in technology will soon be felt in the U.S. economy.

The long term benefits are impossible to predict at this time. However, past experience has shown that the ingenuity of American industry in the application of technological improvement is virtually unlimited.

THE FAMILY TREE

Even the official Department of Transportation biography doesn't tell what the middle initial "M." stands for in William M. Magruder. He was asked if there is any reason for this "secrecy." He replied: "None at all. It stands for Marshall, and thereon hangs a tale often told in our family.

"My grandmother was brought up in Marshall Hall, Va., which is named for John Marshall, Chief Justice of the United States. My grandfather was brought up a short distance away at Mt. Vernon by a foster parent, Bushrod Washington, a descendant of George Washington who, incidentally, was also a Supreme Court justice."

Other limbs of the family tree:

Magruder's father, Maj. Gen. Bruce Magruder, served under Pershing in World War I, and later formed and commanded the first armored division to exist in the U.S. Army.

Magruder's brother, Bruce, is a Colonel in the Marine Corps.

Magruder himself started down the military road, flying B–17s and B–29s in World War II. From 1949 to 1954 he served at the U.S. Air Force Flight Test Division at Wright-Patterson AFB (Ohio) and at the Flight Test Center, Edwards AFB (Calif.). As both pilot and engineer, he supervised the engineering and evaluated the performance of many aircraft, including the B–57, XB–52, C–124, F–86, C–133 and H–19. From 1954 until 1956, he was B–52 Test Task Force Commander at Edwards. He held the rank of Captain when he left USAF to join Douglas Aircraft.

His intimates believe that Magruder felt there was not enough of a further challenge in a military career.

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## THE NEW ACADEMIC YEAR

Mr. BAKER. Mr. President, most of the Nation's approximately 2,500 colleges and universities will open their doors for another academic year this month. A large majority of them will carry on their traditional functions of teaching and scholarship in an orderly fashion. But the experience of the past few years tells us that on a relatively small number of campuses, a destructive minority will take the law into its own hands and attempt to inflict its ideals on the majority by force and criminal acts of violence.

Mr. President, on September 14, the distinguished senior Senator from Illinois (Mr. PERCY), sent an open letter to college and university students, faculty and administrators in his State which I think merits the attention of us all. In an appeal for tolerance and reason on campus, Senator PERCY bluntly—and accurately, in my view—describes the mood of the country and urges the academic community to work to prevent violence and the unwelcome intrusions into campus affairs that violence would invite.

Mr. President, I ask unanimous consent that the text of Senator PERCY's letter be printed in the RECORD.

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

UNITED STATES SENATE,
*Washington, D.C., September 14, 1970.*

AN OPEN LETTER TO COLLEGE AND UNIVERSITY STUDENTS, FACULTY, AND ADMINISTRATORS IN ILLINOIS:

As a new academic year opens, I want to share with you some of my thoughts on why I believe the next few months will be crucial ones in determining the future course of higher education in our country.

I do not have to tell you that many campuses are in ferment. That would belabor the obvious. Nor would I presume to prescribe specific remedies for the situation on your own campus. I realize that different situations require different responses, and despite my service on the Senate committee investigating campus disorders, I do not presume to be imbued with any special insight that has eluded educational experts from New York to California.

Moreover, I am confident that the overwhelming majority of the approximately 80 college and university campuses in Illinois will adapt themselves to a changing society within the flexible framework of the Constitution. Only a comparatively small number is likely to attract the headlines through their excesses, but this potentially explosive minority has become a major source of concern throughout the state and the nation.

As a United States Senator from your state, I believe I have a good grasp of the sentiment of the public at large in Illinois and of the federal government toward campus unrest.

Without debating the merits of the prevailing attitudes, let me concisely and candidly summarize them. In my view, both the general public and public officials are, in words I have heard a thousand times, "fed-up." Their patience is exhausted. The majority wants order restored to our campuses, by whatever means, and it is no longer interested in what it considers to be esoteric debates over "responsiveness," or "relevance" or "social consciousness." Perhaps you sensed this during the summer recess, so I may be telling you something you already know.

I am presenting the situation to you very bluntly, however, because, as I assess it, the non-violent elements on college and university campuses have two choices open to them.

They can permit relatively few radicals, bent on challenging the overall temper of the country, to control their destinies. By their mute approval, they will in many instances be responsible for the transforming of campuses into armed camps.

Or, they can decide, as the largest component in the academic community, that their institutions will remain open. They can choose to shape their own futures, rather than having them determined by external forces.

It is an indisputable fact that no free society can ever deploy sufficient numbers of policemen or guardsmen to put down an irresponsible citizenry without resorting to repressive measures and sacrificing individual liberty and freedom. The majority of our citizens must be committed to the preservation of order, or there will be chaos. That is as true of the campus society as it is of society at large.

Quite properly, I believe, institutions of higher learning resent outside involvement in their affairs. They believe that self-government can work if allowed to flourish in an atmosphere of tolerance and reason.

But on many campuses today, intolerance and irrationality have grown to alarming proportions. Hisses and obscene chants bury the words of a speaker representing a different point of view. Meaningless slogans camouflage an absence of independent thought. Non-negotiable demands destroy any effort at negotiation. Civility is a lost art. Acts of terrorism—bombings, snippings, burnings—are regarded as acceptable expressions of free speech.

Perhaps most disillusioning of all, few voices within the academic population are raised in protest. Most of those who do not condone such behavior—a majority, I would surmise, albeit a shrinking one—acquiesce in it. Rarely does one hear a distinction made between laudable ends and deplorable—or criminal—means.

Some moderates speak despairingly of their inability to influence the direction of American institutions, and especially government, by working "within the system." I take strong exception to this attitude. As evidence that such defeatism is unwarranted, I would point to voter registration in the South, the impact of the McCarthy campaign in New Hampshire, the present policy of a steady withdrawal of American troops from Southeast Asia, the new willingness in the Congress to thoroughly scrutinize military expenditures and an increasing national commitment to preservation of our environment. The academic community has played a major role in bringing about each of these historic developments, and other similar examples could be found.

Yet, let me concede, for the sake of argument, that campus opinion cannot quickly and drastically alter the course of a complex society consisting of more than 200 million people. The fact remains that the non-violent elements can—and must—be instruments of orderly, appropriate change in their campus societies. To argue that a numerical majority must sit idly by and watch its institutions disappear in flames, clubs, and bullets, is wholly illogical.

If radicals—on the left or the right, Weathermen or Minutemen—gain control of life on a campus, responsibility for such a takeover is not theirs alone. It must be shared by those members of the academic community who retreat into silence, and thereby give their tacit authorization to the most destructive element in their society.

Both the extreme left and the extreme right employ violence for a single purpose—to encourage repressive measures by government. The radical right wants repression as an end in itself because of its distrust of the democratic process, civil liberties and established law enforcement processes. The radical left wants repression as a means of encouraging a revolution of class warfare that will destroy society as we know it.

To stand up against those who would substitute force for reason on our campuses will mean inconvenience and may require courage. But moderates must join together to stem the tide of campus violence by firmly stating that they will not permit it. If they abdicate their responsibility, in all likelihood they will invite swift and unwelcome intrusions into their affairs by the heavy hand of government. Make no mistake about it, given the choice between anarchy and repression, government will always choose repression. And even a free people will support such measures, abhorrent as they might be.

My plea, then, is not for less involvement in matters of public policy. We in government desperately need the contributions of young people and academicians. Nor do I urge anyone to refrain from expressing himself on the obligations and the functioning of his institution. Colleges and universities are not exempt from the flaws that scar the other segments of our society.

But I am earnestly suggesting that all members of the academic community in Illinois dedicate themselves to insuring peace on their campuses in this academic year. With a strong commitment to non-violence, you can rescue your institutions from an obstreperous minority who would sacrifice your right to teach and to learn to further their own ultimate interests—interests that you do not share no matter how they are disguised.

The future of this nation is inextricably linked to the future of its colleges and universities. With the stakes so high, Americans will not and cannot permit these institutions to cease their operations.

The key question is whether the campuses will function as centers of free inquiry, governed by the will of the majority, or as strongholds of anarchy, marked by riot and repression. In large measure, the moderate majority holds the answer—and it must be decisive.

Sincerely,

CHARLES H. PERCY,
*United States Senator.*

## A TRIBUTE TO EVERETT McKINLEY DIRKSEN

Mr. PERCY. Mr. President, on September 7, 1969, Everett McKinley Dirksen passed away. The Senate and the Nation have not been the same since. One year later, in the caucus room of the Old Senate Office Building, scene of many dramatic moments in the history of this body, several hundred friends gathered to pay memorial tribute to this great American whom President Nixon so rightly described as "one of a kind."

The evening was sponsored by the Everett McKinley Dirksen Republican Forum, of which Mrs. Dirksen is the honorary president. The forum was established last October 1, 1969, as a "living memorial" to the Senator and presents public discussions and debates on the major issues of the day.

Representative JOHN RHODES recounted that he had first met Senator Dirksen in 1952 when he came to Arizona to campaign for two unknown Republicans running for national office for the first time. The two "unknowns" were JOHN RHODES and BARRY GOLDWATER. Representative RHODES revealed that the 1968 Republican platform had been written over one weekend by Senator Dirksen and was one of the best platforms the GOP ever had.

In his eulogy, the distinguished Senator from Pennsylvania, HUGH SCOTT, who succeeded Senator Dirksen as minority leader, described our late colleague as one who "had the courage to agree and the courage to dissent." Senator SCOTT recalled one of the first meetings that Senate leaders had with President Nixon in early 1969, when the President mentioned something he intended to carry out. Senator SCOTT described how Senator Dirksen expressed disagreement, wagged a finger at the President, and said:

Mr. President, I'm not going to let you do that.

The last eulogy was delivered by Representative CHARLOTTE REID, of Illinois, a close personal friend of the Dirksens. She brought tears to the eyes of many in the audience when she sang, without benefit of accompaniment, Senator Dirksen's favorite song, "Danny Boy."

In her brief but eloquent response, Mrs. Dirksen said that her husband often reflected that if he could leave one legacy to the people of America, it would be enthusiasm:

But it must be constructive enthusiasm.

she said,

for that is the one thing that could carry this country to what he always wanted it to be.

Mr. President, it was indeed a moving and fitting tribute to a friend and colleague who became a legend in his own time, a legend that grows brighter and more inspiring with every passing day.

## EQUITY FOR U.S. AIR CARRIERS

Mr. HARTKE. Mr. President, this week in Tokyo our State Department is beginning consultations with the Japanese Government which are of the utmost importance to the future of international aviation. The purpose of these talks is to lay the groundwork for a bilateral treaty governing the landing rights of commercial charter flights.

Charter transportation has become a very important element of the international air transport system. It has enabled thousands of Americans, who would not otherwise be able to afford to fly, to travel by air. The development of this important mode of transportation has been greatly impeded, however, by the fact that up to now each country has been permitted to impose its own unilateral regulations or restrictions on charter operations. Despite the liberality of our own Government in granting access to foreign charter operators, U.S. carriers have had great difficulty obtaining landing rights in other countries. Again and again, our carriers find themselves stymied by highly restrictive, anticompetitive, and inconsistent regulations. Some countries permit no charter flights at all; other permit only certain limited types of charters; and many impose very severe quotas on charter flights. Recently, a number of European governments have adopted a policy of forbidding inclusive tour charters if the price paid by the tour participants is below the minimum price applicable to certain scheduled carrier inclusive tour services. Some countries will grant access to a foreign carrier only if its own flag carrier is unwilling or unable to perform the flight. The rules change so often and so unpredictably that it is difficult for the carriers and charter groups to make firm plans or commitments.

While our State Department has frequently expressed concern over this situation, it has so far done very little to remedy it. To my knowledge, the current negotiations with Japan are the first serious effort that has been made to establish treaty rights for charters. I certainly hope that this effort will be more than halfhearted, and that it will be followed up with similar negotiations with other countries.

Last June 22, the President of the United States approved a new statement

of international air transportation policy, which emphasizes the major importance of charter operations to a balanced system of air transportation. One of the key recommendations of that policy statement is that "the foreign landing rights for charter services should be regularized, as free as possible from substantial restrictions." The statement goes on to say that "intergovernmental agreements covering the operation of charter services should be vigorously sought." In my mind, Mr. President, that word "vigorously" should be underscored, because unless our Government pursues this goal "vigorously" it will not succeed.

The current Japanese negotiations are the first real test of this new policy. The world will be watching closely to see just how serious we are. I certainly hope these negotiations bear fruit, and that they will be followed by similar negotiations with other foreign governments.

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## DOT REPORT CONCEDES SST MIGHT HARM ENVIRONMENT

Mr. PROXMIRE. Mr. President, at long last the Department of Transportation has filed the first draft of the environmental report on the SST required by the recently-enacted Environmental Quality Act.

The report acknowledges that the SST may cause harm to the environment. But, in general, the report claims that the amount of the harm will be small, and should not be of concern to us.

For example: The DOT concedes that flying the SST may cause temperature changes in the earth's climate. But it states that the changes "should not be of practical significance in temperature and tropical zones but could be in some isolated polar areas of the world." Mr. President, it's hardly reassuring to be told that the climate in our part of the world will not be affected too much, and that all we have to worry about is what the temperature changes in the polar regions may do to the polar ice cap.

Another example: The report considers the possible radiation hazard resulting from flying at 65,000 feet and soothingly concludes that "the radiation doses which would be received by the passengers and the crew of an SST should be acceptable." However, the report conditions its finding that the dose "should be acceptable" on the absence of "significant solar activity."

The report does say that solar flares are infrequent. But do we ground the SST's when solar flares occur? Or do we simply fly them at lower altitudes and increase the strength of the boom? Or, worse yet, will we continue to fly them and hope that most of the passengers and crew will be able to tolerate the higher radiation dose? Again, the report is hardly reassuring on this.

Or, again: The report acknowledges that "SST sideline noise levels are higher than desired," but points out that prime and major research is underway to bring this problem under control. The report fails to note that one top scientific adviser to Presidents Kennedy, Johnson, and Nixon has estimated the SST's sideline noise level as equivalent to the sound of 30 jets taking off simultaneously. The report fails to note that even DOT's estimate of the sideline noise for the SST is three to four times as loud as the maximum now permitted. And the report fails to note that even the ultimate goal set for GE engineers for the sideline noise is 112 decibels, a full 40 percent above present standards. Clearly, the sideline noise associated with the SST just is not going to go away.

A potentially more serious noise problem associated with sideline noise is the noise generated by the SST just after liftoff. An MIT scientist, Laurence Moss, has estimated that this noise will prove intolerable to residents in single-family dwellings living within 15 miles of a heavily-trafficked airport, such as J. F. K. in New York; for a somewhat less busy airport, such as Los Angeles International Airport, the radius for intolerable noise levels is 9 miles. It would cost an average of $6,500 per dwelling to insulate one's home from this type of steady noise exposure. The DOT report at least partially acknowledges the severity of this problem:

> Failure to develop improved noise reduction devices that will significantly lower sideline noise without impairing engine performance might either cause a limitation on the number of airports from which the SST could operate, or expose areas perpendicular to runways to increased noise.

Finally, the most obvious environmental intrusion dealt with by the report is the sonic boom. The report acknowledges that if SST flights were permitted over populated areas, this would "undoubtedly be objectionable to the public." If it is that objectionable, why has the DOT consistently opposed congressional efforts to outlaw SST flights over populated areas at boom-producing speeds? And why did President Nixon say on television a few weeks ago that by 1980 we will be able to go from Washington to Los Angeles in an hour and a half. The President said:

> That's how fast we'll be moving with the new planes that will be available then.

This is an impossibility, of course, unless the SST is flown across the United States at boom-producing speeds. Congress is entitled to far greater assurances than it has thus far received that under no circumstances will the SST be flown across populated areas—the United States or elsewhere—at boom producing speeds.

Mr. President, I am pleased that the Department has finally made this initial effort to account for the SST's potential environmental impact. But I regret very much that DOT waited until this very late date to file this report. What this delay means is that the comments by 11 other Federal agencies on this report will not be coming in until after the Senate acts on the SST appropriations request. The agencies' comments are not due in for 30 days, and by that time the Senate will have voted up or down the $290 million requested this year for the SST.

This is most unfortunate. The Department of the Interior, the Department of Health, Education, and Welfare, and the Presidential Office of Science and Technology last year expressed very serious reservations about the SST's potential impact on the environment. Serving on the SST Ad Hoc Review Committee, those agencies spoke of possible cloud formation, and even weather modification, from the regular use of 400 SST's flying four flights a day. Interior, HEW, and OST warned of "a significant increase in cirrus clouds," and of "a significant increase in the relative humidity from a fleet of SST's." They also cautioned that these effects could "alter the radiation balance" and possibly affect "the general circulation of atmospheric components."

These are serious concerns, Mr. President. It would be very helpful for the Senate to have the benefit of any further thoughts these agencies may have before voting on SST appropriations. Unfortunately, because of DOT's delay in filing its draft, they would not be available in time.

But this is not all. This spring Chairman Russell Train of the Environmental Quality Council appeared before the Joint Economic Committee and warned that the water vapor emitted by the SST's flying at 60,000 to 70,000 feet "would react so as to destroy some fraction of the ozone in this part of the atmosphere." The effect of destroying the ozone, Chairman Train said, could be "that the shielding capacity of the atmosphere to penetrating and potentially highly dangerous ultraviolet radiation is decreased."

Subsequently, the Joint Economic Committee asked Dr. Gordon MacDonald, also a member of the Environmental Quality Council, about the importance of the protective layer of ozone and what would happen if it were destroyed. Dr. MacDonald's reply was chilling:

> Well, let us suppose that through some other means you stripped the ozone from the atmosphere and exposed the surface to the full force of solar ultraviolet. This would effectively wipe out life, except in the oceans, anything that would be exposed.

What will Mr. Train's and Dr. MacDonald's comments on the DOT environmental report be? It would be helpful to know. Again, the Senate would not have this either, because of DOT's tardiness.

Mr. President, I ask unanimous consent that an article from today's Washington Post entitled "U.S. Report Concedes SST Might Harm Environment," be printed in the RECORD. I also ask unanimous consent that the full text of the DOT report on the SST's environmental impact be printed in the RECORD.

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

### U.S. REPORT CONCEDES SST MIGHT HARM ENVIRONMENT

(By G. C. Thelen, Jr.)

The Department of Transportation concedes in a confidential report to the White House that the much-disputed supersonic transport may have some harmful effects on the environment. But it says they would be minor.

The document presented to the President's Council on Environmental Quality terms the still unbuilt SST an insignificant polluter but adds: "In a few areas additional research is needed to increase confidence that large-

scale SST operations will not significantly affect the environment."

The report says more research in particular is needed on temperature increases that would be caused by water vapor and exhaust from the 1,800-mile-an-hour aircraft.

A summary of the document was obtained yesterday from qualified sources.

The report concedes that airport noise from the SST would be higher than desired and that occupants would receive radiation doses greater than persons flying in subsonic jets at lower altitudes.

But compensating factors are offered in both cases.

Because of the SST's steep rate of climb, the report said, over-all community noise should be no higher than from existing jets.

Pollution from the SST will be a significant issue when the Senate votes later this fall on an additional $290 million for developing a prototype plane.

The Transportation Department report says the SST might decrease the amount of ozone in the upper atmosphere and increase the ultraviolet radiation reaching the earth's surface. But in any case, both possibilities "were found to be of insignificant effect and within present day-to-day variations," it says.

"The possible effect on temperature resulting from increased water vapor should not be of practical significance in temperate and tropical zones but could be in some isolated polar areas," the report says.

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ENVIRONMENTAL STATEMENT FOR SUPERSONIC TRANSPORT DEVELOPMENT PROGRAM

I. BACKGROUND

This environmental statement is submitted in conjunction with an ongoing program to design, develop, manufacture, and test two identical prototype United States supersonic transport aircraft. This program has been underway since 1963. The purpose of the prototype program is to provide the basis for the eventual development of a commercial SST which is safe for the passenger, economically sound for the world's airlines, and whose operating performance is superior to that of any comparable airplane. The U.S. SST Development Program is also committed to developing an SST that will be compatible with sound environmental practice.

The Department of Transportation has carefully separated prototype development from possible future commercial development. At this stage a decision has been made only to construct two prototype SST's and to subject these prototypes to a 100-hour flight test program and an intensive research and development effort. During this phase of the SST program, an environmental research program will be conducted to provide more concise information by 1973 regarding the effect of the operation of a fleet of SST's on the environment. The decision whether to proceed into commercial production of the SST is not scheduled to be made by the United States until 1973. The results obtained from the flight tests and from the environmental research program will be available to assist in determining the feasibility and the desirability of proceeding into commercial production of the U.S. SST's and to assess the environmental impact of military supersonic aircraft and foreign SST's.

Since the inception of the Supersonic Transport Development Program, the environmental aspects of the supersonic flight have received significant attention. Since 1963, the Government has funded studies and sought advice and guidance from throughout the scientific community to identify and resolve all areas of environmental concern. Early in the program three primary areas for additional research were identified: sonic boom, aircraft noise, and cosmic radiation. Regarding possible climate modification aspects resulting from large scale commercial SST operation, the Supersonic Transport Development Office turned to the primary source of Government expertise, The Environmental Science Services Administration, for advice and counsel in 1965.

A number of studies in these four areas have been conducted since that time. Studies to evaluate the effect of sonic boom on people, structures and animals were started in 1964. Data obtained from the research efforts provided the basis for recently adopted national policy and for the FAA Notice of Proposed Rule Making issued on April 16, 1970 (39 FR6189) that would prohibit the operation within the U.S. of civil aircraft at speeds which would cause a sonic boom on the ground. SST noise reduction research efforts have been carried out since the beginning of the program, primarily by the airplane and engine manufacturers. Tests regarding cosmic radiation were started in 1965 and are still ongoing. With respect to possible climate modification aspects of commercial supersonic flight, the Supersonic Transport Development Office has frequently consulted with the Environmental Science Services Administration of the Department of Commerce for advice and counseling in this area. Discussion of the significant research accomplished to date regarding the potential environmental effects of large scale SST operations will be found later in this statement under the discussion of specific environmental effects.

With the recently increased national concern for environmental quality, additional concerns have been expressed about certain environmental aspects of large scale SST operation. The Department of Transportation recognizes that in some areas more data is necessary to increase confidence that large scale SST operations will not significantly affect the environment. As a result, the Department in May 1970 assembled an environmental research program plan to provide more precise answers to the environmental aspects of supersonic flight. This program plan represents a cooperative effort of several Government agencies and includes research that was firmly planned or already ongoing within the Government. In some instances, planned or ongoing programs were modified to be more applicable to SST research requirements. New programs were identified and included in the plan to provide more complete environmental intelligence, particularly as concerns weather modification. The projects identified in the program will be further refined as necessary through the guidance of advisory or by parent organizations responsible for the projects. This program plan has been reviewed and approved by the President's Council on Environmental Quality. The proposed environmental research program is estimated to cost $26.68 million over a three year period. Action is now underway to determine funding sources and assignment of organizational responsibility for the new programs identified in the plan. A more detailed description of this plan is found in the appendix.

Additionally, the Department of Transportation has established two interdisciplinary advisory committees, the Environmental Advisory Committee is under the chairmanship of Dr. Myron Tribus, Assistant Secretary for Science and Technology, Department of Commerce, and the Noise Advisory Committee is chaired by Dr. Leo Beranek, Chief Scientist, Bolt, Beranek, and Newman, Inc., Cambridge, Massachusetts. Both teams will be comprised of scientists, and experts from a variety of backgrounds and experience. These two committees will monitor research activites and suggest and plan additional research programs where there exists a lack of information, or where doubts or uncertainties exist about current information.

The SST Development Program is committed to the development of two prototype aircraft that will demonstrate the performance, economic, safety and environmental qualities of the design before proceeding into large-scale production. The environmental aspects will be examined by:

Continuing ongoing research into all known areas of potential impact upon the environment and examining new concerns or unknowns as they arise.

Continuing ongoing discussions with other nations and manufacturers of civil SST aircraft to share knowledge regarding research into areas of potential environmental concern.

Continuing ongoing U.S. development of regulatory standards, and international development of criteria to assure that no significant degradation of the environment will occur from large-scale SST operations.

II. THE POSSIBLE ENVIRONMENTAL IMPACT

The development and testing of two prototype models of the SST will have no significant impact on the environment. Flight tests of the prototype will be conducted in designated flight areas, and will be subject to rigid controls to minimize any direct effect on the environment during the 100-hour flight test program.

The possibility of the future operation of a large fleet of SST's has raised questions regarding the cumulative environmental impact of such a fleet. Questions concerning sonic boom generated by flight at supersonic speeds, noise during takeoff, and effect on world climate have been raised as possible environmental effects which might occur from the commercial operation of SST's. In this regard the questions relate not only to future U.S. SST production models but those already being flown by foreign countries and scheduled to enter service in the near future.

Much environmental research has already been accomplished to date during the SST prototype development program, and most of the areas of potential environmental concern have been eliminated. Additional research is needed in a few areas to provide more data and increased confidence that large-scale SST operations will not have any significant effect on the environment. The concurrent environmental research program, discussed elsewhere in this statement, will allow the accumulation of necessary data to more adequately assess potential effects on world climate. This information, together with the results of the 100-hour prototype flight test program, will be available for use in judging the impact of foreign SST operations and will provide a scientific basis for use in deciding whether to proceed into commercial SST production.

III. POSSIBLE ADVERSE ENVIRONMENTAL EFFECTS

As indicated in Section II, only an SST prototype development phase is being proposed at the present time, and such a program will have no significant adverse environmental effect.

Because the prototype development phase may well constitute a major step toward a production model, the possible adverse environmental effects of a large-scale SST operation and the research being done in the prototype development stage are discussed below.

*A. Airport and community noise*

Aircraft noise is usually categorized as airport or community noise. Airport noise is produced by aircraft ground operations such as engine runup, taxi or takeoff roll. Community noise occurs during takeoff climb and approach to landing. It decreases as the aircraft altitude is increased. Both airport and community noise decrease as distance from the aircraft is increased. The preponderance of complaints about airplane noise originate as a result of noise over the community, not from noise on the airport.

SST noise values are calculated according to standard procedures and practices and are defined in EPNdB units. This method of calculating aircraft noise is contained in FAA's noise rule for new subsonic jets and is used

internationally for predicting human reaction to aircraft noise.

Since 1963, SST airplane and engine noise reduction research efforts have been carried out primarily by the airplane and engine manufacturers. Through their efforts, the noise predicated to be generated by the U.S. SST over the community adjacent to the airport during takeoff climb (3.5 nautical miles from brake release) in the direction of the flight path and on landing approach (one mile from the runway threshold) is less than that now generated by present four-engine jet transports such as the B707 and the DC8, and should be no higher than the even more stringent noise limits established for new subsonic jets in the recently issued FAA noise rule. Community noise after takeoff is less because the excellent climb performance of the SST enables it to achieve higher altitudes over the community.

The approach noise of the SST over the community will also be lower than the current DC8 and 707 jets. The high-pitched "whine" of the compressor (similar to the whine from today's subsonic jet aircraft) will not be heard from the SST because of the unique supersonic engine inlet. This inlet design prevents the whine from propagating forward out of the inlet thus reducing annoyance to the people on the ground. The 3.5 and one nautical mile points are standard measuring points used in Part 36 of the Federal Aviation Regulations which establishes noise levels for new subsonic aircraft. The favorable results of development efforts to date are best shown by comparing the 1963 noise objectives of 107 EPNdB on takeoff and 115 EPNdB on approach, with the presently predicted noise levels of 108 EPNdB for takeoff and approach.

Using today's demonstrated noise technology, the airport sideline noise generated during takeoff roll and measured 2100 feet to the side of the runway is greater than the sideline noise generated by presently operating four-engine subsonic jet transport aircraft. These SST sideline noise levels are higher than desired, therefore, sideline noise is the area of prime and major action by both the airplane and engine manufacturers and Government SST noise reduction research. Sideline noise concerns are relatively new in airport considerations. For example, no airport in the free world presently requires sideline noise limitation, all emphasis having been on approach and takeoff noise. The lack of exposure in this area has made the setting of sideline noise standards difficult for the subsonic jets and has been the subject of certification ruling for new subsonic jet transports. Sideline and community standards for supersonic aircraft are in the process of being developed through an ANPRM issued August 6, 1970. (See 35 F.R. 12555).

Vigorous noise reduction research programs are underway by both manufacturers and the Government. These programs include fundamental research to explore factors involved in the generation and propagation of jet noise, and applied research. The applied research incorporates results of previous noise research programs in developing practical concepts and devices to reduce sideline noise. For example, scale-model tests conducted by the airframe manufacturer indicate that a substantial reduction of sideline noise should be possible through use of multitube suppressor techniques. There are practical problems to be solved, however, and the research program will explore solutions to these problems in a program ultimately leading to full-scale technique application as may be warranted. Further research will continue to optimize all of the most promising noise reduction devices and techniques to provide maximum reduction of sideline noise with minimum loss of airplane performance.

Failure to develop improved noise reduction devices that will significantly lower sideline noise without impairing engine performance might either cause a limitation on the number of airports from which the SST could operate, or expose areas perpendicular to runways to increased noise. The possibility of an adverse environmental effect due to noise is therefore contingent upon noise reduction research, airport design, local zoning laws for land surrounding airports, the degree of compatible land use in the area, and local determinations regarding SST operations at a specific airport. Changes in land use are difficult for existing airports, but compatible land use can be planned for when developing new airports. In fact, the Airport and Airway Development Act of 1970 (P.L. 91–258), which provides $2,500,000,000 over a 10-year period for the development of new airport facilities, requires that proper consideration be given to environmental factors and land use compatibility before Federal funds can be granted for airport development.

It is reasonable to expect considerable improvements in SST airport sideline noise characteristics as the result of research programs can be incorporated in the SST production aircraft prior to its commercial introduction in 1978. It should be noted that the production program can enjoy the added advantage of the availability of the prototype aircraft for possible use in flight tests of actual noise reduction hardware.

The community noise generated during the takeoff and landing phases of SST operation is expected to be no higher than the levels established by Federal regulations for new subsonic aircraft, levels which are significantly lower than met by most presently operating four-engine subsonic jet transport aircraft such as the B707 and DC8.

*B. Weather and climate modification*

With respect to the possible weather modification aspects of large-scale commercial supersonic flight, the Supersonic Transport Development Office in 1965 turned to the primary source of Government expertise in this area, the Environmental Science Services Administration (ESSA) of the Department of Commerce for advice and counseling. ESSA responded to this request by soliciting advice and guidance from individuals and groups of scientists throughout the country and in a report to the Office of SST in October 1965 indicated that, "although an unequivocal answer could not be offered, the general opinion of a large number of scientific groups almost unanimously rejected any significant threat to modification of the weather. Many of the scientific efforts in progress, both in and out of Government, will increase our knowledge of the consequences of SST pollution of the stratosphere, but there is no sense of urgency in such research. Weather modification considerations should not in themselves alter plans by our Government to develop the SST."

Based on this advice, the program office elected to continue to monitor, through ESSA, those programs already in being within and outside of the Government to obtain additional weather modification information as such became available.

With the recently increased national concern regarding environmental quality, ESSA and other eminently qualified scientific organizations have identified new concerns relating to possible weather and climate modification effects of large-scale SST operations for which only a limited amount of data is available. In recognition of this newly identified need, ESSA, at the Department of Transportation's request, submitted in early 1970 an outline of a proposed program of additional research to obtain the needed data which was incorporated into the environmental research program plan. The concerns relating to the possible weather and climate modification effects of large-scale SST operations and the proposed research to resolve these concerns are discussed below. A detailed description of the proposed research can be found in the appendix.

1. Carbon Dioxide

The possibility that the carbon dioxide constituent of SST engine exhaust products might adversely affect world climate has been examined. It is known that carbon dioxide does not affect incoming solar radiation but that it can reduce the amount of heat radiated back into space. Increasing the $CO_2$ concentration in the atmosphere would tend to cool the stratosphere and increase surface temperatures, sometimes referred to as the "greenhouse effect."

At this time, the best indications are that the effect of $CO_2$ emitted by SST engines should be insignificant. The atmospheric working group of the August 1970 MIT sponsored "Study of Critical Environmental Problems" considered the carbon dioxide aspects of the operation of a large fleet of SST's and concluded that "We do not believe that $CO_2$ resulting from such operations is likely to affect climate," and that "$CO_2$ creates no special problem."

2. Water Vapor

It has been hypothesized that increased water vapor in the stratosphere might cause three effects: There might be an increase in cloudiness which could affect climate; there might be a depletion effect on ozone which could increase ultraviolet radiation reaching the earth's surface; and there might be an effect on temperature similar to that of carbon dioxide.

The effects of large-scale SST operations on water vapor in the stratosphere were considered in August 1970 by the atmospheric working group of the MIT sponsored "Study of Critical Environmental Problems." This group calculated the amounts of water vapor that would be produced by large-scale SST operations. Using a residence time of two years, they allowed the water vapor to increase in the stratosphere until concentrations reached a new balance. The group found that water vapor concentrations, for the global average, might be increased from the presently existing 3.0 parts per million by mass to 3.2 parts per million as a result of large-scale SST operations, and that water vapor concentrations might be increased to as much as 5.0 parts per million in regional areas of the northern hemisphere where traffic is heavy. In considering the possible effects of increased water vapor in the stratosphere, the MIT Study Group expressed the opinion that increased winter cloudiness in the polar region might result from the added water vapor. While there was no indication of the practical significance of increased winter cloudiness in polar regions, the group made the following recommendations:

"Determine whether additional cloudiness will occur in the stratosphere and the effects of such changes."

This information is to be obtained as a result of the environmental research program.

The MIT sponsored study group reexamined ozone depletion due to water vapor and the effects on ultraviolet radiation. On August 12, 1970, Dr. Lester Machta, a member of the group, provided information to the Office of Supersonic Transport Development indicating that the 0.2 and the 2.0 parts per million global and local increases in water vapor in the stratosphere had been estimated to produce 0.002 cm Standard Temperature and Pressure (STP) and .02 cm STP reductions in ozone concentrations, respectively. These ozone depletions were compared to day-to-day and place-to-place variations that occur due to nature and were found to be of trivial magnitude. For example, the predicted depletion in ozone concentrations in the stratosphere due to water

vapor from large-scale SST operations is generally less than 10% of the differences that are observed if one were to move from Bedford, Massachusetts, to Nashville, Tennessee, or from Nashville, Tennessee, to Tallahassee, Florida. Also, the normal day-to-day variations in ozone concentration over a given location are observed to be as much as 50 times greater than the predicted depletion of ozone due to large-scale SST operations. It would be difficult to detect this effect due to its relatively small magnitude and very much more difficult to detect the trivial effect upon ultraviolet radiation. Nonetheless, the effect of water vapor on ozone will be further examined through the environmental research program.

With respect to the possible temperature effects of increased water vapor on world climate, recent calculations by ESSA indicate that the predicted global and local region water vapor concentration increases of 0.2 and 2.0 parts per million might increase air temperatures at the ground by as much as 0.04°C. and 0.4°C. respectivelly. In this connection, it should be noted that observations made by H. J. Mastenbrook of the Navy Research Laboratory often include variations of 1.0 to 2.0 parts per million between observations taken from one location on consecutive months. The temperature changes due to this effect should not be of practical significance in temperate and tropical zones but could be in some isolated polar areas of the world.

3. Contrails

Observers all over the world have upon occasions watched jet contrails spread out to form a thin layer of cirrus clouds. Jet contrails are most probable at the flight levels used by subsonic jet transport aircraft because of the temperature and moisture content of these altitudes. Contrails rarely occur at SST cruise altitudes because the air is normally too warm and too dry. Mr. Herbert S. Appleman, Chief, USAF Physical Scientists Office, Air Weather Service, considered this question in 1965,[1] and concluded that the change in jet flight altitudes from 35,000 feet to 70,000 feet would result in a large relative decrease in contrail frequency.

4. Particles

SST operations will introduce particles into the stratosphere according to the sulfur content of fuels and the amount of hydrocarbons and soot contained in exhaust products. Introduction of these particles into the stratosphere has been suggested as a possible factor which might produce climate change. As a basis for comparisons, it is known that particles have been introduced into the stratosphere as a result of volcanic eruptions and that the Mt. Agung eruption of 1963 caused a 30 fold increase in sulfate aerosol concentrations in the stratosphere. Temperatures in the equatorial stratosphere were observed to increase 6 to 7°C regionally above pre-eruption levels for several years. The stratospheric warming effect apparently resulted from heat absorption by the particles. No apparent temperature change was observed in the lower troposphere as a result of the eruption. The comparison suggests that large-scale SST operations might also increase temperatures in the stratosphere if the production of particles was sufficiently great. This possibility was considered in the MIT Study of Critical Environmental Problems. Assuming the use of fuel having a sulfur concentration of .05% by weight, the Study Group found that particle injections into the stratosphere from large-scale operations might be sufficient to produce a comparable effect. There was considerable uncertainty in this comparison and the published "Summary of Findings and Results" therefore contained the following recommendation:

"Obtain better estimates of emission of combustion products under simulated flight conditions and under real flight conditions at the earliest opportunity."

The major source of particles that would be emitted by an SST is the result of the sulfur concentration found in today's aviation fuels. Sulfur in fuel serves no useful purpose and is found only because it occurs naturally in crude oil. This sulfur content does not contribute to combustion processes and will be increasingly eliminated because it is a pollutant, causes corrosion, and because it can be removed from fuels. Moreover, since the reduction of sulfur in fuel will be useful in preventing engine corrosion, additional incentives exist to remove the sulfur content of fuels irrespective of particle emission.

The sulfur content of fuels has recently received national attention as a factor which adversely affects environmental quality. A Cabinet level Presidential group has been directed to suggest ways to ensure an adequate supply of low sulfur fuel within the next five years. The Office of Supersonic Transport Development has also explored this question with major oil companies. Standard Oil Company of California, for example, has indicated that a hydrofining technique should enable an 80% reduction of sulfur concentration from 0.05% to less than 0.01% sulfur by weight. Texaco also considered the question for the Office of SST and has indicated that sulfur concentration by weight from their facilities is about .004% to 0.33% at the larger production plants with increasing concentrations up to 0.13% at the smaller plants. Texaco noted that aviation fuel generally would not be furnished by the small plants to airports used for SST operation. Texaco also indicated that the desired range of 0.005% to 0.01% sulfur by weight would be reached by 1978 irrespective of SST development.

When these reductions in sulfur content are achieved, the potential problem with regard to particles emitted by large-scale SST operations should be largely eliminated.

*C. Cosmic radiation*

The possibility that SST passenger and crew exposures to high altitude radiation environments might be unacceptable has been extensively investigated. A task group of the International Commission for Radiological Protection examined the biological aspects of SST operations in 1965. Their report which was published in February 1966 in Health Physics, Pergamon Press, indicated that the cumulative exposure of crew and passengers to solar as well as galactic cosmic radiation should be well within permissible limits. The report made an exception in the instance of major solar flares for which descent to lower altitudes were recommended. Uncertainties were also identified which required investigation.

A joint FAA/USAF/NASA radiation program was initiated in 1965. The Air Force provided RB57 aircraft which have the capability of operating at SST cruise altitudes. These aircraft were equipped with special airborne instrumentation to collect and record radiation levels. In this program, the USAF during the past two years has been collecting data at SST altitudes in polar regions where maximum radiation is known to exist. This data collection effort has been performed during the peak period of the solar cycle so that data during solar flare activity would be available. In 1967, a committee of eminent radiation biologists, headed by Dr. Harald Rossi of Columbia University was also established by the Federal Aviation Administration to review all available information pertinent to this environmental aspect of SST operations. Analysis of the data presently available has led these prominent radiobiologists to the conclusion that, in the absence of significant solar activity,[2] the radiation doses which would be received by the passengers and the crew of an SST should be acceptable. Indeed, the higher galactic radiation dose rates at SST altitudes are more than compensated for by the shorter transit time due to the higher speed of the SST compared to present subsonic aircraft. As a result, the doses received in an SST transoceanic crossing should be less than currently received in subsonic aircraft.

Details of further high altitude radiation research can be found in the appendix.

*D. Sonic boom*

The subject of sonic booms caused by supersonic flight has been a matter of serious concern since the inception of the SST program, and has been the subject of continuing inquiry. The most extensive study of public reaction to sonic boom ever conducted was initiated in Oklahoma City in 1964. This 6-month effort was followed by an extensive sonic boom structure response test at White Sands, New Mexico, followed by a third major study effort at Edwards Air Force Base involving sonic boom effect on people, structures and animals. In June of 1964, at the request of the Government, the National Academy of Sciences established a sonic boom committee under the Chairmanship of Dr. John Dunning, Dean of Engineering and Applied Sciences, Columbia University. This committee provided valuable guidance and data analysis expertise for Government conducted sonic boom research. Data obtained from these research efforts has provided the basis for subsequent policy decisions relating to sonic boom.

Sonic booms caused by supersonic flight of known versions of SST's over populated areas would, if allowed, undoubtedly be objectionable to the public. The Department of Transportation has based all of its program decisions, economic and technical on the assumption that supersonic flight over populated areas would not be allowed.

The Federal Aviation Administration issued a Notice of Proposed Rule Making on 16 April 1970 (39FR6189) which prohibits the operation of civil aircraft at speeds which would cause a sonic boom on the ground over United States territory. SST program decisions have been based on the assumption that the SST is to be operated primarily on international, long-range, overwater flights with overland subsonic operations to primary and secondary gateway cities.

With regard to the possible effect of the SST sonic boom on marine life, Dr. John C. Calhoun, Chairman of the National Academy of Sciences Committee on Oceanography, has stated that "A substantial amount of work has been done on the effects of explosions in air, which demonstrates clearly that acoustic energy is transmitted very inefficiently from the atmosphere to the ocean. Other experiments on attempts to influence fish acoustically are trivial if detectable."

*E. Environmental research*

The Office of Supersonic Transport Development of the Department of Transporta-

[1] PSO Report No. 20 June 1965, by Herbert S. Appleman, "Effect of Supersonic Transports on Artificial Cirrus Formation in the Stratosphere and Resultant Effects on Circulation and Climate."

[2] Solar flares will not pose a problem to SST operations because: (1) Solar flares occur very rarely in significant degrees. The committee of radiobiologists mentioned above concluded that occasions when solar flare radiation would change normal conditions appreciably should be rare (once in 25–50 years) and situations when permissible limits are exceeded are much rarer still. (2) Operational procedures can be employed if necessary on the rare occasions that solar flares do occur. Solar flare observation and early warning techniques are being developed in connection with space programs and the Concorde will have radiation monitoring equipment on board.

tion in April–May 1970 took the initiative to formulate a document that describes Government programs of environmental research that will provide more concise answers to the few remaining environmental unknowns related to the operation of a fleet of supersonic transports in commercial service. These many projects will provide additional valuable information to enhance a sound decision as concerns the environmental aspects of commercial SST fleet operations before the United States SST production program is initiated. Also, these data will be available before foreign-produced SST's enter fleet service.

Enclosed in the appendix is a brief discussion of each of the projects in the environmental research program, and the identification of the responsible agency under which each component will be accomplished.

IV. ALTERNATIVES

A. As proposed, the U.S. could continue the program of developing the two SST prototypes and accompany this program with an extensive environmental research program which continues to examine any known area of possible environmental impact arising from large-scale commercial SST operation and examines new concerns as they arise. Since the development of two prototype aircraft will have no environmental impact, selection of this alternative would cause no degradation of the environment. This course would commit this country only to the building of two prototypes, and not to large-scale production of SST's. This alternative would keep the U.S. in a competitive position for the commercial aircraft market, while at the same time permitting continuing valuable research to be done on possible environmental effects arising from large-scale commercial SST operations. The results of the 100–hour flight test of the prototype and of the desired environmental research would give this country substantial data on which to base a reasoned decision on whether to continue into commercial production of the U.S. SST, and by which the environmental impact of military supersonic aircraft and foreign SST's can be judged.

B. The U.S. could withdraw from SST competition. Russia, England, and France are presently testing SST's for use in providing transportation between major population centers of the world. Failure to construct a U.S. SST which is competitive with these aircraft would yield a major market to foreign countries and cause a major financial loss to the United States commerce. The magnitude of this loss would be increased due to the probable loss of sales of subsonic aircraft which would result from failure to provide a complete product line and demonstrated technical excellence. This alternative would not eliminate the need for an environmental research program, because large-scale SST operations of foreign SST's in other parts of the world could still affect climate in the U.S. if indeed climate would in any way be affected by such operation.

C. The U.S. could withdraw from SST competition and attempt to prohibit the operation of foreign supersonic aircraft at U.S. airports. This alternative is impracticable due to the retaliatory actions of other countries, and it would violate current international agreements. This alternative would not eliminate the need for an environmental research program, because large-scale SST operations of foreign SST's in other parts of the world could still affect climate in the U.S. if indeed climate would in any way be affected by such operation. It is of international interest that all aspects of SST environmental effect be factually understood.

D. The United States could wait for the results of environmental research programs before proceeding with the development of its prototype SST. Delaying the U.S. SST program to wait for the results of environmental research programs would not remove the potential environmental impacts, since other countries are now developing SST's for commercial production and because of the existence of military supersonic aviation. It is expected that sales of these foreign produced aircraft will occur to United States and foreign airlines whether or not there are U.S. SST's available.

Thus, a delay in producing a U.S. SST prototype could produce significant economic losses for the United States without any decrease in potential environmental impairments arising from large-scale SST flights. The risk to the Government would be significantly increased since later market introduction would find the U.S. SST seven years behind the Concorde and in competition with advanced versions of the Concorde. Delaying the present program would result in dispersing the present SST engineers and manufacturing teams requiring their reassembly later at a significant cost. The manufacturers would probably also be unwilling to cost share in such a venture and a significant fundamental cost increase would result over and above the increase in cost from the delay.

E. The United States could delay production of an SST prototype, and urge that production of all SST's on a worldwide basis be halted until the environmental effects of SST flight can be explored. However, the development of the British-French SST, and the new Russian SST is significantly ahead of the U.S. model and it is unlikely that at this state production could be halted since it would appear to be a U.S. attempt to overcome their lead. Furthermore, construction of a U.S. prototype now would permit continuing research to be done to provide more precise answers regarding environmental effects.

It is clear that the environmental aspects of the SST must be dealt with during the SST prototype development program so thoroughly and effectively that the results are convincing enough to affect all nations involved in SST development in the same amount that the U.S. SST program will be affected.

V. RELATIONSHIP BETWEEN LOCAL SHORT-TERM USE OF MAN'S ENVIRONMENT AND THE MAINTENANCE AND ENHANCEMENT OF LONG-TERM PRODUCTIVITY

The development of two prototype SST's will not give rise to any long-range environmental problems. The results of the prototype flight tests and the environmental research program will be available and used in determining the feasibility and desirability of constructing a fleet of U.S. supersonic transports. The possible adverse environmental consequences discussed elsewhere arising from fleet operations of SST's represent the only possibly effects on long-term productivity of environment.

VI. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

The development of the two prototype model SST's will not involve an irreversible commitment of any environmental resources. The possible adverse environmental impacts discussed elsewhere with respect to large-scale SST fleet operations represent the only known possibility of environmental degradation. Any adverse environmental effect of large-cale operations of the SST on the environment remain in the realm of speculation at this time. Answers to such questions will be obtained through an intensive environmental research program and flight testing of the two prototypes, prior to the decision to progress into the stage of commercial production of the SST.

VII. SST PROGRAM PLAN

The SST Development Program is committed to the development of two prototype aircraft that will demonstrate the performance, economic, safety, and environmental qualities of the design before proceeding into large-scale production. The environmental aspects will be examined by:

Continuing ongoing research into all known areas of potential impact upon the environment and examining new concerns or unknowns as they arise.

Continuing ongoing discussions with other nations and manufacturers of civil SST aircraft to share knowledge regarding research into areas of potential environmental concern.

Continuing ongoing U.S. development of regulatory standards, and international development of criteria to assure that no significant degradation of the environment will occur from large-scale SST operations.

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GOVERNMENT RESEARCH APPLICABLE TO SST ENVIRONMENTAL FACTORS

*Noise reduction research program*

1. NASA's Lewis Research Center has agreed to conduct a research and development program to further examine the feasibility of the tubular noise suppression technique for SST engines. This program plan, developed by The Boeing Company, will be accomplished by NASA up to full scale hardware demonstration. At this point the potential value of this suppression technique will be assessed and a "full scale" engine demonstration will be conducted as warranted. The assignment of organizational responsibility and resources for accomplishing the full scale test will be determined after this evaluation.

2. Other noise research programs applicable to the SST that are either ongoing or firmly planned by the Department of Transportation and/or NASA include:

(a) Noise Reduction and Control at the Source—The work will involve investigation into parameters that cause or influence the generation of aircraft noise, plus development of guidelines for changes to the engine hardware to minimize noise.

(b) System Analysis—This program involves a systematic study of all facets of the aircraft noise abatement. Costs and benefits of alternative solutions, land use guidelines and operational standards will be defined.

(c) University Research Program—This project is to develop and expand noise research interest and activities within educational institutions throughout the Nation. Research grants will be directed toward identifying transportation modes including the SST.

(d) Studies—Both theoretical and experimental, of the overall structure and turbulence levels of supersonic jets toward reducing the SST sideline noise at jet velocity above 2,000 fps and the reduction of turbomachinery noise at the lower jet velocities.

(e) NASA Lewis Studies on Supersonic Jet Noise—This work would provide increased emphasis on investigating noise reduction potential of different types of suppressors and engine cycles.

(f) Noise Reduction and Control/Human Factors—This work concerns efforts to reduce, control and evaluate noise at the receiving end. The work involves developing and refining acceptable yard stocks for evaluating and rating of various levels of aircraft noise and development of guidelines for planning for control of the residual noise inherent in airplane operations.

*High altitude radiation research program*

1. Since 1965 a combined DOT, NASA and USAF program has been underway to obtain cosmic radiation intensity data at SST cruise altitudes. This data collecting effort has been conducted primarily in the polar regions where radiation intensity is normally higher than elsewhere throughout the world. Since 1967 the flight program has been in operation including the use of RB–57 aircraft equipped with special radiation data collec-

tion devices. In addition to obtaining normal or average intensity levels, another program objective is to obtain intensity levels associated with major solar flare activity. The solar flare cycle, normally every 11 years, is currently in the latter stage of peak activity. Some minor flare radiation levels have already been recorded. Late last spring this program was increased to include the assignment of 3 RB–57 aircraft and 5 crews to Eilson Air Force Base, Alaska.

2. Other cosmic radiation research programs soon to be initiated by the Department of Transportation include:

(a) Measurement of radiation over polar routes at subsonic aircraft altitudes. Compare these data with that collected at supersonic altitudes.

(b) Parametric study considering subsonic vs. supersonic flight parameters as concerns the occurrence of a solar flare. This study would provide the answer as to whether descent to subsonic altitudes is required in the case of solar flare occurrence or whether continuation at supersonic speed at cruise altitudes is more desirable.

(c) Prepare an operations analysis to predict radiation exposures of subsonic and supersonic crews according to airline system flight requirements.

(d) Study and define the operational system and procedures for rapid dissemination of solar flare warning information to pilots.

(e) Development of inflight radiation monitoring system.

*Air transportation atmospheric weather modification research program*

1. At the request of the Department of Transportation, the Environmental Science Services Administration has prepared a research plan to further examine atmospheric environmental aspects of aviation activity including the SST. This research will be initiated as soon as funds are obtained and organizational responsibility assignments are completed. This program includes:

(a) Monitoring the Atmosphere—To measure the geographical and altitude distribution, day-to-day variability, and long term trends of air composition and atmospheric properties likely to be affected by present and future, including SST, aviation activities.

(1) Ground based stations—Although the properties such as solar radiation, dust loading will be altered by other natural and human activities than aviation, it is desirable to initiate new stations and improve existing stations in the ESSA ground based network. These measurements will include the receipt of solar radiation at the ground in selected spectral bands, growth of carbon dioxide, vertical profiles of electrical properties, lidar, and other indirect sensors. Emphasis will be devoted to instruments and programs which contribute primarily to aviation sources of contamination (such as lidar which measures layers of dust aloft).

(2) Tropospheric measurements—Again, the aviation contribution to upper tropospheric (30–40,000 feet (pollution represents only a fraction of the natural and manmade sources. However, by sampling both at the earth's surface (see (1) above) and in the free air some indication of the aviation contribution can be ascertained. The proposed mode of sampling envisages development of small "black boxes" attached to commercial airlines flying selected, representative routes around the world which would automatically sample and record the properties of the air. These will include sampling total particulates by filtration and by continuous recording, water vapor, oxides of nitrogen, and hydrocarbons. After development, about 15 of these systems should be available to be used on about 10 selected aircraft.

(3) Stratosphere—This important segment of the atmosphere will be monitored in situ by an aircraft which flies in the same layer (60–70,000 feet) as the SST. The air qualities to be measured include the distribution and composition of particulates which are of special concern because a unique layer of dust in this altitude range), water vapor (in situ and total between aircraft and sun), oxides of nitrogen, hydrocarbons, ozone, and other photochemical products. Experimental programs to track specific aircraft and study changes downwind of exhaust constituents in the stratosphere will be undertaken.

(b) Stratospheric Photochemistry—To determine the altered stratospheric photochemistry from the addition of SST pollutants including water vapor, oxides of nitrogen, and carbon particles.

There is uncertainty in the reaction rates of many of the photochemical reactions in the present "uncontaminated" stratosphere and in a hypothetical SST "contaminated" stratosphere. Many of these reaction rates can be found from simulated laboratory experiments. The composition of relevant atmospheric constituents such as ozone, oxides of nitrogen, O and OH radicals may be measured in the present atmosphere as well as the intensity of sunlight as input to the photochemical theory of a real atmosphere. A numerical model of detailed photochemical reactions and atmospheric motions in the stratosphere will simulate the existing distribution of photochemical products such as ozone; the expected distribution of SST products will be added to let the model reflect the predicted distribution of the photochemical products in the stratosphere.

(c) Geophysical Modelling—To convert predicted changes in air quality and properties from aviation activities to changes in weather and climate.

ESSA is developing large-scale models of atmosphere-ocean circulations which, it is hoped, will simulate the present day climate and weather patterns. These models can simulate the alterations or lack thereof, which might result from any alterations of atmospheric qualities and properties due to aviation activities. The proposed program will accelerate the model development in the first several years and run cases of altered atmospheric conditions in later years.

(b) Contrails and Climatic Change—To determine whether contrails from both existing and future, including SST, aircraft can alter the climate by upsetting the atmospheric heat budget or by seeding lower clouds with ice crystals.

The presence of contrails is a matter of everyday experience; increases in cirrus cloudiness over two American cities from routine weather observations, probably from contrails, have been documented. Two climatic effects may be expected from increased cirrus cloudiness; the first is an upset in the radiation balance and second the seeding of lower altitude clouds. Existing field tests of the radiation budget around cirrus clouds should be expanded and made more precise. They should be conducted with a greater variety of contrail cirrus clouds.

Experiments to form and record persistent contrails in the polar winter stratosphere and just above the equatorial tropopause will test the possibility that these cold parts of the stratosphere can form persistent clouds from increased moisture. Creation of the contrails will require aircraft capable of reaching 60–70,000 feet. Finally, a field study will examine the fate of ice crystals formed in contrails under a variety of weather conditions particularly as they may artificially seed lower clouds and stimulate precipitation.

(e) Monitoring Possible Weather Effects at Airports—To determine whether and by how much an airport and airport aviation activities alter local climate.

The construction of an airport alters the character of terrain; aircraft activities add heat, moisture and exhaust products to the local environment. It is desired to ascertain whether these environmental changes influence the weather. Three airports of varying size and in different climatic regions will be surveyed using both existing weather data and short term field studies. Noise is excluded, however. The airport locations will be chosen which are as far from their serving cities as possible to permit distinguishing between urban and airport effects. Studies using existing data and formulating theoretical models will be undertaken. Field surveys by helicopters, small aircraft, and ground vehicles will delineate differences found between airports and their environs. A final integration of all information will assess the impact on weather and climate created by airports and aviation activity.

(F) Program Office—To direct, collate, and evaluate findings obtained by the entire aviation weather modification program.

The ESSA aviation—weather modification program will be problem oriented to environmental quality. Its objective will be the assessment of actual or expected alternatives of climate or weather resulting from aviation activities. Overall direction will be vested in a full time Director with a staff of nine. The Director will be responsible for the program execution and for preparing continuing assessments of all of the findings. He will prepare reports for the Administrators of ESSA and Federal Aviation Agency and for the Director of the SST program. These reports will include evaluations relating to the reality and magnitude of weather changes from an enhanced aviation industry and the introduction of SST aircraft and recommendations for program modifications and techniques to minimize observed or predicted weather changes due to aviation activities.

These noise, cosmic radiation and atmospheric environmental research programs will provide additional valuable information to enhance sound judgment of the environmental aspects of commercial SST flight operation before the U.S. SST production effort is initiated.

## ED SYNAKOWSKI

Mr. HANSEN. Mr. President, on Saturday, September 12, tragedy struck when Ed Synakowski, a student at the University of Wyoming and the senior quarterback on the Wyoming Cowboys football team, was drowned in a boating accident near Laramie, Wyo.

Ed was a transplant to Wyoming who had been recruited to come from his home in Utica, N.Y., to participate in Cowboy football at the university.

For 2 years it had been my pleasure to watch this fine young man lead Wyoming's football team. It was obvious to everyone that Ed had the qualities of leadership which enabled him to be a fine football player. But even more important, these same qualities carried over into his academic and social life at the university to make him loved and respected by his classmates, teammates, and friends.

Ed was admired both on and off the athletic field. His easy-going, friendly manner became a trademark and quickly won him friends and companions. In this regard it is especially meaningful that his classmates at the university have seen fit to initiate a memorial fund to his name.

My sympathy goes out to the Synakowski family and his wife. I am sure that Ed will be missed tremendously as a football player, a student, a friend, and a man.

Today is the funeral for Ed Synakowski, and I join with his family, his

friends, and his university in paying my respects.

## JAPAN—THE FIRST BILLION-DOLLAR EXPORT MARKET

Mr. DOLE. Mr. President, recently at a luncheon sponsored by the National Feed and Grain Association Secretary of Agriculture Clifford Hardin recognized Japan for its purchase of over a billion dollars of agricultural exports from the United States in the fiscal year 1970. This amount more than doubled their purchases of 10 years ago. These purchases signify the tremendous growth in the economic growth of Japan. At the same time, Secretary Hardin honored the agricultural commodity groups who assisted in the promotion of this market.

So the entire Nation may be made aware of the importance of trade with Japan, I ask unanimous consent that Secretary Hardin's remarks on this occasion and the response of Japanese Ambassador Nobuhiko Ushirba be printed in the RECORD.

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

STATEMENT OF SECRETARY HARDIN

Mr. Ambassador, Minister Yoshino, distinguished members of Congress, embassy guests, leaders in American agriculture and the councils of international trade, Mr. Theis and others of the National Grain and Feed Association—our hosts on this memorable occasion: We are here to celebrate a landmark year in agricultural trade relations between our two countries.

We do this in optimism that the success we celebrate will continue and grow.

We do this in recognition that trade is essential to good living in both of our countries.

And we do this in tribute to a remarkable island people whose energy and productive genius have made this observance possible.

The Japan story is without precedent—without parallel.

The Japanese economy is the third largest in the world—and growing at a rate that is unmatched by any nation in history.

In the 1950's, Japan's gross national product grew at a rate approaching 10 percent a year.

In the 1960's, it rose at an annual rate of 11.4 percent.

In recent years, the pace has quickened still further—to above 13.5 percent in the past two fiscal years.

This growth in the Japanese economy has paralleled that nation's growth in trade.

In the years between 1960 and 1965, Japanese shipments in world trade more than doubled. By 1969, they had almost doubled again, reaching $16 billion. Shipments to the United States increased in those nine years by more than four times—to $4.9 billion.

Of course, these figures are important only if they benefit people. And when you apply the yardstick to better living and family prosperity the Japan story is just as dramatic.

The Japanese householder's disposable income has more than tripled since 1960.

His demand for meat, milk, and eggs—a good "horseback" measure of consumer prosperity—has increased by more than four times in 15 years.

He is diversifying his eating habits as his income goes up. For example, per person consumption of wheat flour in this traditionally rice-eating society has increased by 30 percent in a decade and a half.

It is this remarkable economic rise—plus an equally remarkable ability of American agriculture to produce efficiently the food and feedstuffs demanded by increasing affluence—that have brought us together at this luncheon today.

Ten years ago, Japan's agricultural imports from the U.S. were $440 million. In the fiscal year just past, they were more than twice as great—nearly $1.1 billion.

That's good! But we think Japan can do even better. And we're going to be pushing you to do it. I still think, Mr. Ambassador-Designate, that it would be to Japan's advantage and ours to entirely remove your duty on soybeans.

But agricultural exports are only one aspect of a beneficial trading relationship that can be summarized very simply: In terms of total exports, the United States is Japan's best customer, and Japan is the United States' best off-shore customer.

As you might expect, two-thirds of U.S. shipments to Japan last year were raw materials, mineral fuels, and food-stuffs while 90 percent of Japan's shipments to the U.S. were manufactured goods.

But this is the basis of beneficial world trade—an exchange of goods based primarily on production efficiency.

It is this principle that led Japan to look to efficient producers on the broad farm lands overseas for the feed grains needed to satisfy its people's rising demand for livestock products.

As a result, imported feed grains have triggered a rapid expansion of Japanese livestock production. This has brought Japanese consumers more meat and poultry at better prices; it has opened opportunities for Japanese farmers for new and profitable livestock enterprises; it has meant an important and expanding feed grain market for world agriculture.

And I am happy to say here that it has been particularly important for U.S. agriculture, which shipped more than 6 million tons of feed grains to Japan last fiscal year—just about one-third of our feed grain exports. The dollar value of U.S. feed grain exports to Japan last year was $335.5 million, a dramatic contrast to shipments of $13.7 million in 1960.

Soybean and wheat exports to Japan have also gone up dramatically. In 10 years, soybeans increased from $103 million to $251 million—wheat from $54 million to $136 million.

In fiscal 1970, we supplied Japan with more than two-thirds of its imports of fats and oils, and of feed grains; more than half of its wheat, and hides and skins; Japan took nearly half of our lemon exports. Japan is our best cotton customer, taking one-fourth of its cotton from us. We sold Japan $50 million worth of tobacco last fiscal year, up almost 40 percent from the previous year.

Almost the whole range of U.S. farm commodities finds Japan a leading customer.

Japan wants, needs and can afford these products, and the U.S. can supply them in any system of international trade in which price, quality and availability are the primary factors.

I am not here to tell you that we have no problems. I am not here to pretend that all questions relating to market access have been solved. But I can tell you that I am optimistic that we can resolve any differences—and that trade between our countries will continue to grow. As far as I am concerned, the record of the past year is simply a new "take-off" level, and I will do everything I can to make that proposition come true.

And now, Mr. Ambassador-Designate, may I take a few moments to recognize the U.S. farm producers and marketers who have contributed and are contributing so much to trade between our countries.

In a world of competition, export expansion means salesmanship and service as well as price, quality and availability. The producers and marketers of the major U.S. agricultural products have understood this, and they support some 68 private trade organizations formed to develop markets overseas in cooperation with the Department of Agriculture. This is, of course, a mutual effort—with many strong Japanese organizations bringing to it their special knowledge, their special abilities.

Today, I want to recognize with a special certificate the producers and marketers of three U.S. commodities who have, through their trade organizations, maintained offices and market development programs in Japan for 10 years or more, and who last year, among them, exported two-thirds of our total agricultural exports to Japan.

For the feed grain industry:

Mr. Clayton W. Johnson of the U.S. Feed Grains Council.

For soybeans:

Mr. Leslie Tindall of the American Soybean Association.

For wheat:

Mr. Don Woodward representing Western Wheat Associates and Great Plains Wheat, Inc.

Mr. Ambassador-Designate, before I take my seat, I give you a special welcome to this country—on behalf of my colleagues and American agriculture. You have our best wishes for a most successful and most enjoyable tour of duty in the United States of America.

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REMARKS BY AMBASSADOR-DESIGNATE NOBUHIKO USHIBA

Secretary Hardin, other leaders of the Administration, distinguished members of the Congress, leaders of American agriculture, ladies and gentlemen, I appreciate the words of tribute to Japan and the warm welcome to Washington. I want to add my word of appreciation to the National Grain and Feed Association, our hosts for this occasion.

Mr. Secretary, for me, in my respects, coming to Washington is like a reunion with old friends, and I am pleased to see that so many of mine have prospered and advanced. I am glad to say that many of the leaders of American agriculture are longtime friends of mine. Assistant Secretary Clarence Palmby and I have had several occasions in the past, while he was the U.S. Feed Grains Council, to work together. Mr. Carl Campbell, of the National Cotton Council, and I have known each other for over 20 years and had many fruitful conversations about American cotton, and there are others whose friendship I am looking forward to renewing.

I am happy that my first public speech after arriving in Washington is at an event to commemorate such a significant milestone, the fact that Japan has become the first billion-dollar customer for the United States agriculture. I might add that forestry products are not included in that figure, and if they were added, agricultural and forestry product sales to Japan would have exceeded $1.5 billion.

While in one sense Japan is the honoree today, the real honorees are the American farmers and their (as I would call them) "supersalesmen." American agriculture in a number of commodities is competitive in price and quality, and importantly for Japan, on a continuing basis. And, as the affluence of the Japanese consumer increases, the demand for more and better food increases. For example, present per capita consumption of red meat is only 17 pounds per year. To grow more red meat, more grain, mostly from the United States, will be necessary. Bread is another item of increasing importance in the Japanese diet, increasing the demand for wheat, again substantially from the United States. The market for soybeans, your biggest agricultural export item, is also expanding in Japan. During the 1960's Japanese consumption of United States soybeans increased 115 percent; wheat 120 per-

cent; feed grains just more than 400 percent. It is my sincere hope that these agricultural products will continue to be supplied to Japan on a stable basis in the years to come.

Your agricultural marketing experts, many of whom are present at this luncheon, have served the Japanese market well. Their innovative ideas, such as the promotion of the livestock and poultry industries as a means of increasing demand for United States feed grains, have contributed to the increased sales of American agricultural products in Japan.

In the broad perspective, today's commemoration is also a tribute to the policy of free trade which has been mutually beneficial to both our countries. Each is the other's best offshore customer. The United States has been for years in the foremost leadership position in seeking free world trade. This policy has worked well for both countries. During the past ten years, for example, Japan imported $21.4 billion worth of American products and exported $24.1 billion worth of Japanese products to the United States. In the first seven months of 1970, according to United States Department of Commerce figures, United States exports to Japan are up 46 percent and imports from Japan are up 18 percent compared with the figures for the corresponding period of the last year. The 46 percent increase in sales to Japan is more than twice the 20 percent average increase in American exports to all countries. These figures accurately indicate the importance that each country's market is to the other, and they also indicate a significant strengthening of the U.S. balance of trade position.

A continuation of free trade policies is essential if the successes of the past decade are to be exceeded during the 1970's. By free trade, I mean free trade in all countries. Although Japan had to establish artificial barriers to trade during its reconstruction period, it is incumbent upon Japan, now that the Japanese economy has emerged as the second strongest in the free world, to remove all unnecessary barriers to international trade.

I am happy to say that, at a time when many countries of the world are erecting or threatening to erect new trade barriers, Japan is removing its trade restrictions. On September 11, my Government announced a new accelerated schedule for trade liberalization. By the end of September, 1971, residual import restrictions will be removed on more than 50 additional items. In 1963 Japan had more than 200 such items. It had been reduced to 121 by 1968. According to the new schedule, in a year's time, the number will be drastically reduced to fewer than 40, which compares favorably with those of other industrial countries. I know that this has not been done as rapidly or dramatically as some of our foreign friends would have wished, but *it is a continuous and irreversible movement.*

As you might imagine, the affected industries have resisted the liberalization, but the Japanese Government has been persistent. In political terms, increased liberalization at home while Japanese products are discriminated against in European and other markets has been controversial. The question is often asked by Japanese businessmen, "Why should Japan liberalize at a time when other countries are establishing new trade barriers?" But the consensus in Japan is that trade liberalization must continue in Japan's own interest, in order to effect the most efficient allocation of resources—and this is why it will be carried out notwithstanding the objection of some of the Japanese interests that are affected.

I think that Japan and the United States have in the past few years reached a new relationship; as statesmanship has defused some of the politically explosive issues, the focus of attention is now being placed increasingly on economic problems, which are bound to arise in a relationship between two countries enjoying the volume of mutual trade of nearly $10 billion. It is, however, not easy for us to grasp full implications of this development or to find out how to tackle these problems. At any rate, it is essential that decisions be generated out of the inner life of Japan and not appear to be dictated from abroad. In my opinion this is a healthy devedopment, which will strengthen our friendly relationship of mutual respect and trust, and create the circumstances in which to work out differences.

In closing, Mr. Secretary, I want to note that your "SUPERSALESMEN" have not been content with reaching the goal of selling $1 billion worth of agricultural products to Japan. They exceeded it by over $100 million. It seems to me that they are well on their way to selling Japan $2 billion worth of American farm products. Knowing many of them as I do, I am sure they will in typical American fashion reach that goal ahead of schedule, and I am already looking forward to commemorating that event.

## ISRAEL

Mr. WILLIAMS of New Jersey. Mr. President, in the midst of the Middle East crisis, the Prime Minister of Israel, Mrs. Golda Meir, has arrived in this country for top-level meetings which hopefully will result in the necessary agreements to assure Israel's continued, secure existence.

For 22 years, Israel has led a very precarious existence in the Middle East. It is in the interest of the United States and the interest of world peace for the United States to assure Israel's continued existence within secure and recognized boundaries on the shore of the Mediterranean.

Out of the holocaust of the Second World War and the slaughter of 6 million Jews, the world witnessed and approved the rebirth of a nation. Israel declared its statehood on May 14, 1948. Within minutes of this declaration by Israel, President Truman announced the recognition of Israel by the United States. This was the beginning of a continuing commitment reiterated by Presidents Eisenhower, Kennedy, Johnson, and Nixon, a commitment to the little pro-Western bulwark of democracy to help Israel to fulfill its dream to reclaim and rebuild the Holy Land.

During the 22 years of Israel's existence, she has been forced into a continuing state of hostilities with her Arab neighbors. Reaching its peaks of hostility in 1948, 1957, 1967, and now in 1970, this constant state of war has drained Israel of the resources necessary for peaceful economic development. It has forced Israel into a continual state of military preparedness and has taken a heavy toll in the life of its youth.

Although I deplore a continuing arms race in the Middle East, I believe that the hostilities can only be brought to a peaceful conclusion if the Arab nations know beyond a doubt that America's commitment to Israel is resolute and firm, and that our resolve will not be weakened by international blackmail, economic or otherwise, and if the Arab nations realize that they must reach agreement, directly with Israel, to live together in peace.

History has demonstrated that the Arab nations respond to any and every apparent weakening of American resolve with acts of belligerence. For example, in May 1967, Egypt blockaded the Gulf of Aqaba, Israel's only southern sea outlet. Despite my urging and the urging of numerous congressional leaders, the United States and other naval powers, failed to test this blatant violation of international law and grave threat to Israel's security. Within days, Egypt moved its divisions to the Israel border and the 6-day war of June 1967 had erupted.

Since that war, America's commitment has been tested on numerous occasions, and has been found wanting. Two years ago, despite our recognition that peace can only come to the Middle East through direct negotiations by the parties to the dispute, the United States undertook negotiations with the Soviet Union, Great Britain, and France over the Middle East crisis. These negotiations proved to be fruitless. Moreover, they relieved the Arabs of the urgency of dealing directly with Israel and provided the cloak for a complete rebuilding of Arab military potential by the Soviet Union. I joined with the overwhelming majority of both Houses of Congress in 1969, and again in 1970, in urging that the United States insist on direct negotiations between Israel and the Arabs.

Similarly, since the fall of 1969, Israel has pleaded with the United States for the opportunity to purchase jet aircraft. Since Israel is greatly outnumbered in military manpower, the military balance can only be maintained if Israel retains superiority in the air.

The refusal by the United States to agree to the sale of these new jet aircraft for the year since October 1969, in my judgment, inexorably led the Soviet Union to continue to increase its military buildup in Egypt. The Soviet Union and Egypt apparently interpreted American hesitancy as a weakening of our resolve.

I joined with three-quarters of the U.S. Senate in calling upon the administration to demonstrate to Israel and to the Soviet-Egyptian axis our support for Israel by agreeing to sell jets to Israel to maintain her air force as a credible deterrent. After several delays by the administration, the Soviet Union moved its missiles into Egypt, closer and closer to Israel-occupied territory. Then Russian pilots began to fly Middle Eastern skies. Yet, the United States delayed at a time when a display of solidarity with Israel was clearly called for and could have been effective.

I believe that out of both self-interest, and moral imperative, it is incumbent upon the United States to help maintain the security and sovereign rights of the democratic State of Israel. To this end, it is of the utmost importance that peace be established in the Middle East through direct negotiations between Israel and her Arab neighbors.

Therefore, I have joined in praising the President for recent efforts by our Government to bring about a cease-fire and negotiations, albeit indirect, between the parties. The negotiations have broken down because of the Soviet-Egyp-

tian serious violations of the standstill understanding. If the cease-fire is to remain in effect and hopefully lead to ultimate peace, it can only come about if Israel is able to maintain a credible deterrent against potential Arab aggression.

Further, I am convinced that there is a vital role that can be filled by the United States in the sphere of economic development.

Economic development is not only vital to Israel's survival, it is an absolute necessity for the well-being of 100 million Arab people in the Middle East. Also, in my view, it is essential to peace.

When I visited Israel last year, I discussed economic development of the entire region with the Prime Minister, Mrs. Golda Meir. In discussing the potential for Arab-Israel cooperative economic development, she explained the view of a relatively advanced technological and economic society such as Israel toward her underdeveloped Arab neighbors, by saying:

> No one likes to have the only decent flat in a bad neighborhood.

Yet, neither the Arabs nor our own Government have been willing to commit themselves toward peaceful economic development of the region. For example, for years the Arabs have been attempting to strangle Israel economically. As I learned in 1965, during my hearings on the Williams-Javits anti-Arab boycott bill, the Arabs have demonstrated a suicidal tendency to forgo the possibility of improving their own condition in order to destroy Israel economic security.

The administration, on the other hand, has quite inexplicably refused for 2 years to activate the financial aid program for a desalinization project in Israel. When I had the privilege of sponsoring that project with several of my colleagues and when Congress, in a nonpartisan manner, approved it, we all hoped that this might signal a more rational future. Israel's 2.5 million inhabitants are more than willing, even eager, to share the benefits of this brackish water conversion program with her 100 million Arab neighbors, as she has shared her other economic and technological advances with countless millions of African and Asian peoples.

I believe there is a peaceful solution to the Middle East crisis, one which will result in long term stability and growing prosperity for all the peoples of that region. It can be found through a double-barreled effort to wind down military hostilities while simultaneously promoting economic cooperation.

I will, therefore, be proposing a series of measures during the next several days which I believe will help to achieve that goal.

I believe that in order to achieve that objective, we must look beyond Israel's military needs.

Since the date of the rebirth of the State of Israel, she has had to expend an undue portion of her resources on maintaining a credible military deterrent. This has been necessary because of the day in, day out pressures and challenges to her continued existence from many quarters.

The demands have multiplied immensely since the 1967 war. In part this excessive demand is attributable to our timidity in support of Israel which, in turn led to increasing Arab and Soviet pressures.

Furthermore, Israel's defensive posture, in my judgment, has been seriously prejudiced by our failure to insure compliance with the cease-fire arrangements.

All of this has resulted in a serious weakening of Israel's economy to the point where she is finding it more and more difficult, almost impossible, to carry her defensive burden. Nor can she develop economically.

I believe we must view this as a real crisis for world peace. We cannot allow disaster to occur in Israel whether by the military threat of the Soviet-Egyptian axis or by the awesome prospect of internal economic collapse.

This crisis must be averted. And it can be averted if we approach the situation with the same urgency we approached the European situation after World War II.

What is needed today is a Marshall plan to insure Israel's survival and growth. What is needed today is the same kind of far-sighted commitment to Israel's economic development as this Nation gave, in one of its finest hours, to Europe's reconstruction.

The financing of such a new Marshall plan need not be limited to American grants. Rather, it would best be a composite of grants, development loans, and Government-guaranteed private loans on the most satisfactory and long-term credit arrangements.

For such a plan to achieve its purpose requires a commitment between public and private funds of between $1 and $1½ billion annually at least until peace in the Middle East relieves Israel of the heavy financial burden of maintaining a strong defensive posture, a defensive posture which, let us never forget is in the national interests of the United States without ever having cost the life of one American soldier.

I know that many will be concerned about the cost of such a program and about the prospects of repayment of that part of the funds which are committed through loans. First, let me repeat that I propose a combination of public grants and public and private long-term loans.

And second, let me note that when we talk of loans to Israel we are talking about extending credit to one of the best credit risks in the world. Just as an example, since 1949, the Export-Import Bank has loaned Israel $288.4 million in long-term loans. Of this amount Israel has repaid $247.6 million already leaving a balance due of only $40.8 million, a sum just slightly in excess of the amount loaned to Israel in 1969. In other words, Israel already has paid back every penny loaned to it by Eximbank between 1949 and 1968.

I will be introducing legislation to accomplish this objective next week and I would welcome the joint sponsorship of my colleagues. I will also be proposing in the coming weeks a specific legislative measure dealing with Israel's military needs and a measure which I consider to be vital to the ultimate peaceful development of the entire Middle East.

## "DELTA QUEEN"—HER MAJESTY SHOULD NOT BE DETHRONED

Mr. YOUNG of Ohio. Mr. President, the *Delta Queen* is a sternwheel passenger vessel which for 44 years has carried Americans along the Mississippi, Ohio, Tennessee, and Cumberland Rivers. She is the only passenger vessel with overnight accommodations and operating solely on the inland rivers of the United States.

The provisions of Public Law 89–777, enacted in 1966, would end the *Delta Queen's* long, colorful history of service for the reason owners are unable to make her comply with all the safety regulations imposed by that law.

Mr. President, a Senate Commerce Committee amendment to H.R. 15424 would exempt the *Delta Queen* from the fire retardant construction requirements of Public Law 89–777, permitting her to continue her many years of service. That bill has been reported favorably and is now on the Senate calendar.

In the committee's words:

> The committee is thoroughly familiar with the *Delta Queen* and her manner of operation and believes that she presents a special case worthy of exemption. Unlike an ocean vessel, the *Delta Queen* is never more than a few hundred yards or a few minutes from shore. Unlike ocean vessels, the *Delta Queen's* staterooms open directly to the outside decks and there are no long enclosed corridors where passengers or crew members could be trapped. Her compartments and rooms are equipped with full coverage sprinkler systems maintaining constant pressure. In the 44 years since her launching, her safety record is unblemished.

The committee goes on:

> Although her hull is steel, the elegant teak, mahogany, ironwork and oak of her superstructures and interiors do not conform to the provisions of the 1966 law which permits no woods to be used, and her stairways, steamplants and electrical machinery do not conform to the law's requirements. Practically every piece of the vessel would have to be rebuilt to make her conform; the cost would be astronomical and, even so, much of her historical charm would be lost.

Mr. President, I agree with the committee's conclusion:

> The *Delta Queen* brings back memories of a bygone era and her continued operation on the rivers of mid-America will permit us to recall the day when the riverboat was king, the primary means of transportation for all of the central United States, and when the characters of Mark Twain could be found along the riverbanks and not just in books.

Mr. President, I am reminded of George Pope Morris' great poem, "Woodman, Spare That Tree":

> Woodman, spare that tree!
> Touch not a single bough.
> In youth it sheltered me,
> And I'll protect it now.
> 'Twas my forefather's hand
> That placed it near his cot;
> There, Woodman, let it stand,
> Thy axe shall harm it not!
>
> That old familiar tree,
> Whose glory and renown
> Are spread o'er land and sea
> And wouldst thou hew it down,
> Woodman, forebear thy stroke.
> Cut not its earthbound ties,
> Oh, spare that aged oak,
> Now towering to the skies!

When but an idle boy
I sought its grateful shade;
In all that gushing joy
Here, too, my sisters played.
My father pressed my hand—
Forgive this foolish tear,
But let that old oak stand!

My heartstrings round thee cling,
Close as thy bark, old friend!
Here shall the wild bird sing
And still thy branches bend.
Oh tree! The storm still brave!
And, Woodman, leave the spot;
While I've a hand to save,
Thy axe shall harm it not.

Mr. President, the *Delta Queen* is a great towering oak in America's history. To cut her down now would be to remove an important remnant of our past, and for no purpose. She has served us well and we must not abandon her.

Mr. President, the committee is right and I commend them for a fine amendment. In permitting the *Delta Queen* to continue its colorful and romantic history, they have shown not only compassion for those who love her but concern that this important vestige of another era be preserved for Americans to enjoy. I urge my colleagues to support this amendment.

## WE SHOULD SCRAP ARCHAIC PAGE SYSTEM

Mr. YOUNG of Ohio. Mr. President, earlier this session on May 27, I introduced S. 3886, a bill to provide for the appointment of congressional messengers from among young men and women between the ages of 17 and 24, who are attending college in the Washington area. This bill is presently pending before the Senate Committee on Rules and Administration.

The fact is that the time is long past for the Senate to establish a more equitable and sensible system of hiring pages and abolish the archaic page program that has been in operation for so many years.

The Rules Committee of the House of Representatives, in its wisdom, has already adopted rules changing the page program in the other Chamber, adopting the rule that as of the opening of the coming session of Congress next January, pages or messengers will be selected from young ladies and young men who are college students.

If the Senate were to also modernize its outmoded method of selecting pages this session as the other body has done, it would provide an excellent opportunity for employment for the many young men and women attending universities in this area.

Mr. President, in 1965 when I introduced the first bill on this subject and again in 1967 when I was the author of a similar measure, officials of universities in the District of Columbia informed me that they would make class hours of any young men or women who are selected to be pages and messengers conform with their duties here. I am sure that now with the intensified interest of students in participating in the political process as shown by the movement for a new Congress and the plan to campaign for peace candidates in the upcoming elections that universities would welcome and encourage the chance to give college-age youth an opportunity to work in the Senate and observe its operations. Mr. President, under the present system pages from the ages of 14 to 17 are employed. Some remain in this employment until they are too large to serve inconspicuously—a nebulous standard for terminating employment.

The boys who presently serve as pages and messengers in both the Senate and the House of Representatives are fine boys. However, they are part of a system which developed historically but has no validity today.

Mr. President, historically, the custom of hiring pages goes back to the very first Congress of the United States.

In those days, Members of Congress who knew of young orphan boys in destitute circumstances had their sympathies aroused. They were successful in having officers of the House of Representatives and of the Senate employ these boys as runners.

Originally, in 1789, a few runners were employed—three, I believe. The early records show that in the 20th Congress, which sat from 1827 to 1829, three boys were also employed as runners.

In succeeding Congresses, the numbers have increased. But the custom has continued of bringing youngsters from 14 to 17 years of age to Washington to serve as pages or runners—taking them from their dates, and from their homes, and from their fathers and mothers.

In the 27th Congress, which sat from 1841 to 1843, a select committee was appointed to look into the number of persons employed by the House of Representatives to ascertain whether there were "more than the public good required," and also to determine whether their pay should be adjusted.

One result of the inquiry was that the number of pages at that time was reduced from 12 to 8 and their compensation was increased from $1.50 to $2 a day, a far cry, Mr. President, from the salaries now paid the pages of the U.S. Senate.

Mr. President, at the present time, page positions in the Senate are filled with youngsters barely out of grade school whose average age is 15 and who draw an annual salary of $6,960. This is quite a lot of money for a young boy just out of grade school to send home to mama and dad for carrying messages and taking telephone calls.

In addition, when these youngsters come to Washington, they are left on their own to secure adequate housing and meals and they are without the benefit of parental guidance that is so necessary for young boys of this age.

They attend the Capitol Page School for 3 hours daily and at some times they work for as much as 40 hours a week—perhaps longer on occasions.

We all know that the pages are very willing and that they are always on the job as long as the Senate is in session. This sort of a schedule would not be tolerated in any job covered by the Federal child labor regulations. Yet, that practice is in effect in the Senate and in the House of Representatives at the present time. And there has even been talk that the Government should buy valuable land close to Capitol Hill and erect a dormitory for pages, together with personnel—I suppose including house mothers and other help—at huge expense. I did my best to combat that and spoke out against it in the Public Works Committee and in the Senate Chamber.

Besides giving young men and women of college age the invaluable opportunity to view the workings of Congress first hand, it would help them and their parents pay their way through college. Also, it would relieve the Senate—I do not need to say the House of Representatives, because the other body has already taken care of this situation as of next January—of the responsibility of looking after the welfare of young boys, many of whom are on their own for the first time in their young lives, far away from their parents and from their homes in the various States.

The fact is, Mr. President, that working in Congress would be far more meaningful for college students who have greater experience and maturity than young boys just out of grade school. Certainly, having young college students as pages or messengers with a uniform or dress would add dignity to the Senate.

Mr. President, I realize that whenever a long-established tradition or custom is set aside, very careful consideration should be given to the reason for doing so. I am convinced that in this fast-moving space age of change and challenge, the present method of selecting very young teenage boys as pages for Congress is outmoded and really serves no useful purpose.

Mr. President, change is not necessarily reform. However, the change that I am suggesting today would be real reform and would be highly beneficial not only to worthy young ladies and men attending the many universities in this area, but also to the Senators and the operation of the Senate. To continue the present page program would be to perpetuate an unnecessary, unjustified, and archaic system.

## TRIBUTE TO SENATOR GOODELL

Mr. MATHIAS. Mr. President, it is a real pleasure to join so many of my colleagues in paying tribute to the distinguished Senator from New York, Senator GOODELL, as he ends his 2d year of service in the Senate.

During the past 2 years Senator GOODELL has made a mark here as a forceful advocate, a creative legislator, and an energetic champion of the interests of his State.

This record is not at all surprising to one who had the privilege, as I did, of working with CHARLIE GOODELL during his years of service in the House of Representatives. It was in the House that he first established a record of constructive action and perceptive initiatives, for he was instrumental in shaping Republican alternatives to many Great Society proposals in fields such as economic opportunity and manpower training.

Through my service with Senator GOODELL on the Senate District of Columbia Committee, I have been particularly impressed with his understanding of urban problems and the needs of our great metropolitan areas. For example, during a District Committee hearing on narcotics, Senator GOODELL took the opportunity to urge Justice Department witnesses to give far greater priority and support to a nationwide drug control and addict rehabilitation program, as proposed in the legislation he has introduced. His work on the omnibus D.C. crime control legislation has also shown his keen grasp of the real challenges of law enforcement and the administration of justice in the 1970's.

I want to join in congratulating my colleague from New York on his contributions during his first 2 years in the Senate.

## INTEREST SUBSIDY AMENDMENT TO SMALL BUSINESS BILL

Mr. PERCY. Mr. President, I intend to offer an amendment to S. 4316, a bill to clarify and extend the authority of the Small Business Administration. This amendment will authorize the SBA to grant interest subsidies to borrowers who receive loans guaranteed by the Administration. The language proximates that contained in the original bill which, for want of sufficient background information at the time of our executive session, the Banking and Currency Committee chose to delete, and I participate in that decision.

Since that time, Mr. President, the Small Business Administration and the Department of Commerce have come forward with the sort of information and assurances that I think warrant our reinserting this section in the pending legislation. In short, they made their case, and I am pleased to have this opportunity to sponsor an amendment which will provide essential funds for the Nation's small businessman.

Specifically, this amendment would authorize SBA to make interest subsidy grants to small business concerns which borrow money from private lenders under SBA guarantees. The maximum amount of such a grant would be governed by a formula, but in no case could the grant exceed 3 percent of the amount of the loan. Grants would be made annually to small business concerns which are about to be established or have been in existence for less than 5 years and no grant shall be made later than 3 years from the time the loan was disbursed.

The subsidy program is intended to assist those small businesses suffering the special problems of their first years in existence. As President Nixon said in the small business message which he transmitted to Congress in March of this year:

> The risk of failure for small business is high, and the early years are the most perilous. These are the years in which the small businessman most often finds himself short of working capital and when high interest rates can have their greatest impact.

I doubt if there are many Senators, certainly no small businessmen struggling to get their enterprises on their feet, who would take issue with the President's observation.

If direct funding money were available, SBA would probably prefer to assist borrowers directly rather than through the guarantee program. However, the shortage of funds has been a longstanding, conspicuous problem, a "fact-of-life" for Government agencies who are charged with the responsibility of injecting capital at pressure points in our economy. It was out of this situation that the SBA loan guarantee program developed. However, the loan guarantee program does not stand on a par with the direct funding program because of the disparities in interest rates: a borrower from the Government has to repay his loan at 5½ percent; a borrower from the private sector has to repay his loan at the open market rate, most recently set at around 8½ percent.

The amendment I am offering represents an attempt to make the guarantee program come as close to the direct funding program as possible.

I should reemphasize the fact that in no case could the subsidy exceed 3 percent of the loan amount according to the terms of the amendment, and the authority granted is not couched in mandatory terms requiring that every borrower who falls within the guidelines of the amendment automatically receive the subsidy.

The SBA has estimated that this program will cost approximately $3 to $5 million the first year, $6 to $10 million the second year, and $11 to $15 million continuing at that level each year thereafter.

The amendment requires a careful report to Congress each year on the implementation of this subsidy authority and the activities accordingly undertaken.

As I indicated earlier, Mr. President, the Banking and Currency Committee on which I serve expressed initial reservations about the interest subsidy. Our reservations were largely predicated on a lack of understanding as to how it would be implemented. The SBA and Department of Commerce have in the meantime supplied us with sufficient information to warrant our granting them this additional power.

I ask unanimous consent that the text of this letter from Hilary Sandoval, Administrator of the Small Business Administration, be printed in the RECORD at this point wherein many of the questions raised by the committee are clearly and carefully answered.

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

SMALL BUSINESS ADMINISTRATION,
*Washington, D.C., August 17, 1970.*

Hon. THOMAS J. MCINTYRE,
*Chairman, Subcommittee on Small Business, Committee on Banking and Currency, U.S. Senate, Washington, D.C.*

DEAR SENATOR MCINTYRE: This communication is in response to your oral request, transmitted through your staff, for a description of the manner in which the Small Business Administration plans to conduct the *interest subsidy program* which will be established in the event section 101(3) of S. 3699 is enacted into law.

Section 101(3) would authorize SBA to make interest subsidy grants to small business concerns which borrow money from private lenders under SBA guarantees. The maximum amount of such a grant would be governed by a formula. In no case, however, could the grant exceed 3 percent of the amount of the loan.

Grants would be made on an annual basis. A borrower could obtain as many as three grants applicable to the interest due on each of the first three years of his loan.

It is to be noted that section 101(3) is not couched in mandatory form. It would not require SBA to make grants across the board to all small business borrowers. Instead, we would have discretion to provide such assistance on a selective basis. In the exercise of this discretion, we would decline grants to borrowers who fail to demonstrate their need for such assistance.

Another factor to be considered is that the subsidy program is intended to benefit those businesses which are in the early years of their existence. Relevant in this connection is the following observation made by the President in the small business message he transmitted to the Congress on March 20, 1970:

"The risk of failure for small business is high, and the early years are the most perilous. These are the years in which the small businessman most often finds himself short of working capital and when high interest rates can have their greatest impact. In order to help small businessmen in such crucial early years, I propose legislation to authorize the Small Business Administration to make grants to borrowers whose loans are guaranteed by the SBA. . . ."

As a general rule, therefore, we contemplate making these grants to those small business borrowers who are in their first three years of operation.

In contrast to some of the other programs proposed by S. 3699, however, the benefits of section 101(3) are not limited to persons who are socially or economically disadvantaged. Nobody would be denied an interest subsidy grant merely because he does not fall into the disadvantaged category.

I trust you will find these comments useful in evaluating the merits of S. 3699. If you have any further questions, I would be glad to answer them.

Sincerely,

EINER JOHNSON,
(For Hilary Sandoval, Jr., Administrator).

SMALL BUSINESS ADMINISTRATION,
*Washington, D.C., September 8, 1970.*

Hon. THOMAS J. MCINTYRE,
*Chairman, Subcommittee on Small Business, Committee on Banking and Currency, U.S. Senate, Washington, D.C.*

DEAR SENATOR MCINTYRE: Reference is made to my letter to you of August 17, 1970, concerning Small Business Administration implementation of the interest subsidy program which would be established if section 101(3) of S. 3699 were enacted into law. The importance of this legislation cannot be overemphasized and therefore, I would like to take this opportunity to supplement my earlier comments.

As the President has stated, the early years of a small business are the most perilous and at this time high interest rates can have their greatest impact. Moreover, as we have pointed out on several occasions the interest subsidy provision as a part of our guaranty program would put eligible small businessmen in substantially the same shoes as are borrowers included in our direct loan

program. In addition to narrowing the interest gap between our guaranty program and our direct loan program, the interest subsidy would provide the additional advantage of establishing an early rapport between a private banking institution and a small businessman—a relationship that must inevitably be nurtured if the small business borrower is to achieve success.

In a recent meeting of SBA officials, committee staff and representatives of the Commerce Department and the Office of Management and Budget, the various concerns about this legislative proposal and its administration were discussed. The purpose of this letter is to respond to some of the concerns expressed in the meeting and to broaden our explanation of how we would administer the interest rate subsidy if enacted.

1. *The interest rate subsidy could result in an escalation of interest rates.* Under current procedures our district offices may not accept an application for guaranty that bears an interest rate more than 2 percent above prime without approval of and written justification by the district director. Our local offices are familiar with interest rates in their areas of operations, particularly those of banks that participate with SBA. If the subsidy were available, additional emphasis would be placed on interest rate surveillance. We would be able to detect interest rates that were not out of line in individual cases as well as any trends toward escalation. But to provide more assurance to the Committee on this point, we are suggesting that the legislation include language requiring that SBA control this problem by regulation.

2. *Loans may be put to SBA for guaranty simply to accommodate borrowers in obtaining the subsidy.* Our statute prohibits us from guarantying a loan if the financing is available without it. In its application, a lender must certify that it cannot make the loan without the SBA guaranty. We review the small business applicant's financial information submitted in detail with the lender's application as well as the lender's evaluation of the credit information. Once again, with the availability of an interest rate subsidy, we would be especially alert for cases that should not require Government guaranty assistance.

3. *Businesses not initially in need or subsequently becoming successful would have the benefit of the subsidy.* The existence of SBA rests on the recognition that a large and healthy small business community is vital to the economic well being of the Nation. Since small businesses are at a competitive disadvantage with their big business counterparts, a primary objective of SBA is to reduce this competitive disadvantage in a variety of ways.

We know that high interest rates and tight money fall most heavily on the smaller businesses. Their financial needs tend to be served last by the financial community and at higher interest rates. New businesses and those with a short business history are at the greatest disadvantage.

The legislative proposal and our administration of it are designed to make the interest rate subsidy available when and where it is needed most. First, the subsidy would be available only during the first 3 years of the loan. Second, we would make it available only to new businesses and to those in business for less than 5 years. Third, the subsidy would be available only during the first 5 years of the business. In other words, new businesses and businesses up to 2 years old would receive the maximum subsidy for 3 years allowable under the legislative proposal. A 3 year old business would get the subsidy for only 2 years, and a 4 year old business would receive the subsidy for only 1 year.

The approach described above relates to the Dun & Bradstreet statistics on business failure. In 1969, 53.2 percent of the failures were in businesses in existence 5 years or less. The highest percentages of failure were in the second and third years, with a steady decline in the percentage of failures for each year of business age thereafter. The 1969 failure experience quite closely follows that of earlier years.

If business discontinuances that are not included within the Dun & Bradstreet definition of failure were added to the statistics, it is certain that the difficulties of businesses during their first 5 years would be illustrated even more dramatically.

It is our opinion that it would be extremely difficult and inequitable to try to distinguish the various shadings of need for the interest rate subsidy among small business loan guaranty applicants. We *do* think that we can identify and eliminate those especially strong applications for which a Government guaranty should not be sought. Since the risk of failure remains disproportionately high for small business during the first 5 years of their business life, even businesses that might look quite strong at loan inception or a year or two later, could get caught by the volatile array of adversities that beset small businesses in their early years.

Limiting the subsidy to the first 3 years of the loan and to businesses less than 5 years old, with less than the full 3 year subsidy available for businesses over 2 years old, will go far toward meeting the concern expressed in this section heading. We recommended that the legislative provision be so limited.

4. *The interest rate subsidy will cut into funds available for direct loans.* The funds required for interest rate subsidy would be carried as a separate line item for Agency budget and appropriations purposes and would thereby not affect a reduction in direct loan funds. We want to increase our guaranty program and the small businessman's chances of success. More leverage in the form of loan dollars to small businessmen will be accomplished by interest rate subsidy than by the use of the same funds for direct loans, at substantially less cost to the Government.

Interest rate subsidy will put the guaranty loan about on par with a direct loan insofar as interest rate impact on the small businessman is concerned. In addition, another legislatively recognized objective of the Agency is achieved; that of helping the small businessman establish a banking relationship with a lender who makes and services his loan and may consequently be more ready to assist him with respect to other financial needs of the business. Limiting the interest rate subsidy to guaranty loans rather than extending it to other forms of participation on guaranty loans which the Congress wisely saw fit to place in our basic legislation. Since only about 25 percent of an immediate participation loan bears a bank interest rate (limited to a maximum of 8 percent), there is little justification for interest rate subsidy in our immediate participation program. Again, to provide the Committee with more assurance on this point, we would suggest that the legislative provision so provide.

5. *It is unclear how SBA will define new businesses and businesses 3 or 5 years old.* We have been making distinctions between new and existing businesses and determining age of business establishments for some years. The guidance that our field offices follow now should be sufficient for purposes of administering the interest rate subsidy provision. The basic instruction on this matter follows:

"*Year Established.* This is the year the business became a recognized, continuously operating entity. Business structure and ownership may have changed over the years (as in the case of a partnership, incorporation, ownership of a family firm being turned over to succeeding generation), but if the firm is recognizably the same regardless of these changes, year firm established applies to the originating date rather than to dates of these later changes."

We would want to tie the administration of an interest rate subsidy program into our existing fiscal and loan accounting system. Details of this have not been worked out but no basic changes would result in the administration of the program described in this and my letter of August 17, 1970. As we achieved experience with the program, we would no doubt see opportunities to improve its usage and effectiveness in accomplishing our objectives, and we would be in further communication with your Committee and staff about any significant changes contemplated.

We continue to feel that an interest rate subsidy authority would be an important new tool with which to achieve additional and more effective financing for small businessmen in their early years of business. We urge that such a provision be included with the SBA legislation now under consideration. Enclosed is a proposed provision in line with the foregoing discussion to amend S. 3699.

Incidentally, your Committee staff has asked that we express our thoughts with respect to the mechanics that would be used to implement the interest subsidy. One possibility would be for SBA to make payments periodically, perhaps annually on the loan disbursement anniversary date, upon receipt of certification that the borrower made interest payments on the loan during the year.

As an alternative, the borrower could pay the bank the interest due less the subsidy as determined by SBA at the time the loan is made. Then the bank could bill SBA periodically, perhaps annually on the loan disbursement anniversary date, for the subsidy amount.

If you, members of your Committee or staff have further questions about the proposal or its implementation, we would be pleased to try to answer them.

Thank you for this opportunity to discuss this matter in more detail.

Sincerely,

HILARY SANDOVAL, Jr.,
*Administrator.*

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. HOLLINGS). Is there further morning business? If not, morning business is concluded.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EASTLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DISCHARGE OF COMMITTEE AND REFERRAL OF BILL

Mr. EASTLAND. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of S. 298 for the relief of Nick Norbert Reis, and that it be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EMPLOYMENT AND TRAINING OPPORTUNITIES ACT OF 1970

The PRESIDING OFFICER (Mr. HOLLINGS). The Chair now lays before the Senate Calendar No. 1152, S. 3867, which the clerk will state.

The legislative clerk read as follows:

S. 3867, to assure opportunities for employment and training to unemployed and underemployed persons, to assist State and local communities in providing needed public services, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. EASTLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMINICK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHURCH). Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, we have before us perhaps one of the more important bills we will consider in this session, a bill which, if implemented correctly, will be of enormous value in reducing unemployment and decreasing underemployment, giving aid and assistance to those who would like to move up in their own scale of productivity and their standard of living; a bill which hopefully, with some amendments, can provide a very useful function for the country as a whole.

In the process of the hearings and the discussion on this particular measure, it became apparent that the comprehensive manpower legislation—and I emphasize the word "comprehensive"—which had been embodied in the manpower bill proposed by the administration, S. 2338, was widely different from the approach taken by the majority of the committee during the executive sessions and widely different from the bill as it has been reported to the Senate. Many of these differences are spelled out in the supplemental views of the Senator from New York (Mr. JAVITS), the Senator from Vermont (Mr. PROUTY), and the Senator from Pennsylvania (Mr. SCHWEIKER).

Many of the statements which are made in those supplemental views I would subscribe to; not all of them, because I felt the bill, as reported from committee, did not approach the problem correctly. Supplemental views were drafted, and we were joined by the Senator from California (Mr. MURPHY) and the Senator from Illinois (Mr. SMITH).

The supplemental views can be found in the report starting at page 133.

There are at least two or three areas that I think illustrate what could almost be called ideological differences between many of us here on the floor of the Senate and the majority of the committee. One of them, of course, is the question of public service employment, Should the Government, through public service employment, be an employer of last resort?

If it is used in that way, as has been envisaged by many, it would be nothing more than a dole, a make-work program. Or should it be used in trying to bring people into a productive capacity and into the mainstream of life.

In addition, it seemed to me that what we were trying to do was to develop a flexible, comprehensive series of training programs which would upgrade the skills of those people who are minimally employed or not employed at all. I do not think we have done this in terms of fitting together the tremendous variety of categorical approaches we now have in the training program, nor have we made adequate use of the differing needs of the various States.

The problem of how to put our respective citizens into training programs which will fit within their areas and within their States seems to me to be, in many cases, dependent upon what training programs are available in those States and also, it seems to me, to be dependent upon the circumstances of the areas themselves.

Yet, this bill does not give the States an adequate role in the shaping of these training programs into an overall manpower program.

Those are only two ideological differences, and those are some of the areas where I will try in my amendments to focus the issues.

I will give just a few examples of the bill as it is now written. We are dealing with a massive amount of money. The authorization in the bill as reported by the committee is $2 billion. That is a lot of money. The authorization is split into one-third for title I, one-third for title II, and one-third for title III, as being separate types of programs. Why is it insisted that the money be put together that way? This is one of the things to which the first amendment I offer will be addressed.

Why is it necessary to do that rather than leaving it much more flexible with an overall approach, with the ability of the States to use funds wherever they think they could be used, and thereby to have more value in their own areas.

The bill in the public service employment as I have said provides only the most minimal link between the public service employment program and the basic manpower delivery system.

We do want a manpower delivery system and it would seem to me whatever public service is going to be in the bill, and there will be provision for that, should be directly geared to the opportunity of that person to get training there and then move into the mainstream of life and not simply be an additional number of State or federally supported employees.

The only reference in the bill with respect to the link between public service and the basic manpower delivery system is in section 204(b) (10) which provides for "appropriate arrangements for the integration of training activities conducted under title I of the act where programs with the same training objectives are to be conducted under both titles by the same prime sponsor."

If the bill were enacted in this form, only those public service employment programs with training components similar to training already conducted by a particular prime sponsor would become part of a local comprehensive manpower program. Very likely, the large bulk of public service job programs would not meet these specific requirements and would therefore be conducted independently of the basic manpower program.

There are other concepts here which I think are of importance, but in order to shorten the length of the debate, I ask unanimous consent that the supplemental views of myself, Senator MURPHY, and Senator SMITH of Illinois, encompassing pages 133 through part of page 135 of the committee report, be incorporated at this point in the RECORD.

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

SUPPLEMENTAL VIEWS OF MR. DOMINICK, MR. MURPHY, AND MR. SMITH OF ILLINOIS

We strongly favor the approach to comprehensive manpower legislation embodied in the manpower bill proposed by the administration, S. 2838. As the "supplemental views" of Messrs. Javits, Prouty, and Schweiker indicate, there are wide differences between that approach and the one taken in the bill reported by this committee. We agree with many of the reservations of these Senators to the bill as reported by the committee. We also believe, however, that in at least two areas of fundamental importance, a stronger emphasis is required, further delineating the differences which separate us from the approach of the majority.

PUBLIC SERVICE EMPLOYMENT

Title II of S. 3867 would establish a massive permanent job creation program in the public sector. In addition to the separate authorization in section 202 ($750 million for the remainder of fiscal year 1971; $1 billion for fiscal year 1972; $1.25 billion for fiscal year 1973; $1.5 billion for fiscal year 1974), section 4 would allocate one-third of the total unreserved funds appropriated under the bill ($2 billion is authorized for fiscal year 1972, $2.5 billion for fiscal year 1973, and $3 billion for fiscal year 1974) for title II public service employment programs. Section 601 would make additional funds available when the national unemployment rate exceeds certain levels.

These funds would be used by the Secretary of Labor to contract with prime sponsors (States and eligible units of local government) or other public and private nonprofit agencies for the establishment of public service jobs for unemployed persons. While section 204(b)(4) would require that "special consideration" be given to subsidizing jobs involving preparation for advancement to higher level skills or other suitable employment, this section also specifically includes "persons for whom the foregoing goals are not feasible or appropriate." Thus, the bill would permit the creation of employment for such individuals on a permanent basis. The procedures provided in section 204(b)(15) for review of a participant's employment after 1 year to determine his advancement prospects do not provide for mandatory termination of an individual's participation in the program when these prospects are not being served effectively.

The bill provides only the most minimal link between the public service employment program and the basic manpower delivery system provided in the bill. The sole such reference is contained in section 204(b(10) which provides for "appropriate arrangements for the integration of training activities conducted under title I of the act where programs with the same training objectives are to be conducted under both titles by the same prime sponsor." If the bill were

enacted in this form, only those public service employment programs with training components similar to training already conducted by a particular prime sponsor would become part of a local comprehensive manpower program. Very likely, the large bulk of public service job programs would not meet these specific requirements and would therefore be conducted independently of the basic manpower program.

While we recognize that involvement of the public sector in manpower training programs is desirable, we strongly disagree with the concept that manpower funds should be used to finance either mere job creation or a permanent expansion of public services. The Congress should determine independently whether additional Federal financial support is required to provide adequate levels of public services, recognizing that such action would automatically generate additional employment opportunities.

We oppose the concept of Government as the employer of last resort. By whatever name it is given, we are deeply apprehensive that the type of public service employment program envisaged under this bill would establish a permanent submarket in the public sector characterized by minimum wages and poor advancement opportunities, regardless of overall economic conditions.

Certainly, the manpower development process could be substantially aided by a variety of related, nonpermanent public service employment mechanisms. The preparation of low-income persons for placement in jobs in State and local government, supported by regular State and/or local revenues—or by the administration's revenue sharing plan—is one example. The utilization of federally supported work stations in public agencies, as part of an individual's employability development, is another example. Moreover, the program could also provide short-term employment programs to cushion manpower program graduates during periods of weak labor demand. Temporary job creation as an antirecession measure is feasible and desirable. Such a response should be triggered in a seriously deteriorating employment situation. This would be just one tool to deal with the full problem of cyclical unemployment and also serve specific manpower goals.

We hold it a crucial concept that the role of public service employment in the manpower program should be one of providing temporary jobs as part of the preparation of disadvantaged individuals for placement in nonsubsidized public and private employment. Such programs should be tied securely into the manpower services network administered by the local comprehensive manpower agency.

THE ROLE OF THE STATES IN THE DELIVERY OF MANPOWER SERVICES

In order to decentralize and consolidate the administration of what has become an almost unmanageable collection of manpower programs (the Labor Department directly administers about 10,000 separate manpower agreements), the administration's bill would have shifted the major responsibility for planning and delivery of manpower services to the State and local levels. The States would have been responsible for developing, in cooperation with localities, comprehensive statewide manpower programs designed to meet local needs.

The delivery system set forth in title I of the bill reported by the committee falls far short of that objective. It perpetuates the administration of manpower programs through direct relationships between the Secretary of Labor and the localities. The States are given no significant role in terms of reviewing local plans and operations, coordinating all manpower activities in the State, and integrating State resources into locally developed programs to be financed under the proposed act. Section 104 would make the States responsible for planning and administering manpower programs and services in nonmetropolitan and rural areas. However, there would be a complete separation of State and local governments' conduct of manpower programs in the urban areas. The Governor would only have the right to "comment" on local plans.

In short, as presently written, rather than providing for the establishment of coherent, integrated State-local comprehensive manpower plans, the bill would permit State and local governments to go their separate ways in delivering manpower services in metropolitan areas.

Ongoing State programs, such as adult and vocational education and employment services, could continue to serve local applicants while independent local sponsors establish redundant and competitive service facilities.

In place of the integrated Federal-State-local partnership envisioned by the "New Federalism" in the administration's bill, the bill reported by the Committee provides little authority or incentive for State governments to integrate State and local applications, or State resources, into comprehensive and coordinated manpower systems. This is shortsighted and excludes a vital partner in any efforts to provide improved delivery of manpower programs and services.

The role of the States is employment and unemployment within its boundaries is clearly established by its activities under the Wagner-Peyser Act operated through the State Employment Service, in unemployment compensation, the regulation of labor-management relations, workmen's compensation, general and vocational education, vocational rehabilitation, and a myriad of other State responsibilities, resources, and services. Further, the vocational education and employment service agencies in each State have been directly engaged in manpower development activities under the Manpower Development and Training Act. Consistent with the foregoing responsibilities, each State would be the logical partner to perform the review and coordination role for manpower programs and services within its boundaries.

AMENDMENTS

We think the bill should be substantially amended in order to make it more compatible with the foregoing principles and those set forth in the administration's bill.

PETER H. DOMINICK.
GEORGE MURPHY.
RALPH T. SMITH.

AMENDMENT NO. 906

Mr. DOMINICK. Mr. President, having made those preliminary remarks and having tried to reassure the Senate that I am neither attempting to block this bill nor objecting to its concept—as a matter of fact, I have been one of the strong supporters of a manpower training program—at this time I bring up my amendment No. 906 and ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read amendment No. 906.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 906 is as follows:

AMENDMENT NO. 906

On page 81, strike out lines 15 through 21 and insert in lieu thereof the following:

"(1) three-quarters shall be for training and employment programs carried out under titles I, II, and III of this Act; and

"(2) one-quarter shall be reserved to the Secretary of Labor to carry out his special Federal responsibilities under title IV of this Act."

On page 82, between lines 12 and 13, insert the following new section:

"APPORTIONMENT OF FUNDS

"SEC. 5. (a) The amounts available for any fiscal year for titles I, II, and III which are not otherwise reserved in accordance with this Act shall be allocated in such a manner that of such amounts—

"(1)(A) not more than 5 per centum shall be available for financial assistance under subsection (c) of this section, and (B) not more than 5 per centum shall be available for financial assistance under subsection (d) of this section;

"(2) not less than 70 per centum shall be apportioned among the States in the same proportions as the total number of persons in the labor force, of unemployed persons, and of persons heading low-income families and unrelated low-income persons, in such State bears to such total numbers, respectively, in the United States, but not less than $1,500,000 shall be apportioned to a State, except that not less than $150,000 each shall be apportioned to the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands; and

"(3) the remainder shall be made available for such purposes under this title as the Secretary deems appropriate.

"(b) The amount apportioned to each State under clause (2) of subsection (a) shall be apportioned among areas within each such State which are served by prime sponsors approved under the provisions of section 104 of this Act in the same proportions as the total number of persons in the labor force, of unemployed persons, and of persons heading low-income families and unrelated low-income persons, in each such area bears to such total numbers, respectively, in the State. To the maximum extent feasible, such apportioned funds shall be expended through approved applications submitted by such prime sponsors.

"(c) The amount available pursuant to clause (1)(A) of subsection (a) shall be available to the Secretary for the purpose of providing additional financial assistance as an incentive for the designation of prime sponsors for appropriate labor market areas or portions thereof. Financial assistance provided to any such prime sponsor may not exceed an amount equal to an additional 20 per centum of the financial assistance otherwise available to the area so covered under subsection (b) of this section. The Secretary shall confer with units of general local government eligible to be prime sponsors in appropriate labor market areas and encourage such units to cooperate on an areawide basis to the maximum extent practicable.

"(d) The amount available pursuant to clause (1)(B) of subsection (a) for the purposes of this subsection shall be available to the Secretary for the purpose of providing additional financial assistance as an incentive for the establishment by the prime sponsor of appropriate procedures for coordination and cooperation with agencies administering vocational education programs in the area to be served by any such sponsor. Financial assistance provided to any such prime sponsor may not exceed an amount equal to an additional 20 per centum of the financial assistance otherwise available to such prime sponsor under subsection (b) of this section. The Secretary, with the concurrence of the Secretary of Health, Education, and Welfare, shall establish criteria for the establishment of such procedures.

"(e) The Secretary is authorized to make reallocations for such purposes under this title as he deems appropriate of the unobligated amount of any apportionment under

subsections (a) (2) and (b) to the extent that the Secretary determines that it will not be required for the period for which such apportionment is available. No amounts apportioned under subsections (a) (2) and (b) for any fiscal year may be reallocated for any reason before the expiration of the ninth month of the fiscal year for which such funds were appropriated and unless the Secretary has provided fifteen days' advance notice to the prime sponsor for such area of the proposed reallocation. Any funds reallocated under this subsection are not required to be apportioned in accordance with subsection (a) (2) or (b), and no revision in the apportionment of the funds not so reallocated shall be made because of such reallocations.

"(f) As soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsections (a) (2) and (b) of this section and the labor market areas described in subsection (d) of this section."

On page 115, beginning with line 10, strike out all through page 118, line 13.

On page 129, beginning with line 10, strike out all through page 131, line 21.

On page 82, line 14, strike out "SEC. 5", and in lieu thereof insert "SEC. 6".

On page 83, line 2, strike out "SEC. 6", and in lieu thereof insert "SEC. 7"; on line 17, strike out "SEC. 7", and in lieu thereof insert "SEC. 8".

On page 84, line 12, strike out "SEC. 8", and in lieu thereof insert "SEC. 9".

On page 86, line 24, strike out "SEC. 9", and in lieu thereof insert "SEC. 10".

On page 87, line 13, strike out "SEC. 10", and in lieu thereof insert "SEC. 11".

On page 88, line 2, strike out "SEC. 11", and in lieu thereof insert "SEC. 12".

On page 91, line 2, strike out "SEC. 12", and in lieu thereof insert "SEC. 13".

On page 92, line 13 strike out "SEC. 13", and in lieu thereof insert "SEC. 14"; on line 22 strike out "SEC. 14", and in lieu thereof insert "SEC. 15".

On page 93, line 14, strike out "SEC. 15", and in lieu thereof insert "SEC. 16"; on line 21 strike out "SEC. 16", and in lieu thereof insert "SEC. 17".

On page 94, line 2, strike out "SEC. 17", and in lieu thereof insert "SEC. 18"; on line 8, strike out "SEC. 18", and in lieu thereof insert "SEC. 19"; on line 15, strike out "SEC. 19", and in lieu thereof insert "SEC. 20"; on line 23, strike out "SEC. 20", and in lieu thereof insert "SEC. 21".

On page 95, line 20, strike out "SEC. 21", and in lieu thereof insert "SEC. 22".

On page 96, line 2, strike out "SEC. 22", and insert in lieu thereof "SEC. 23".

Mr. DOMINICK. Mr. President, at the outset, let me say that this amendment has been carefully gone over as to its mechanics. It was originally drafted by the Department of Labor. We have reviewed it and gone into it very carefully to make sure it is satisfactory.

Let me outline just briefly for the record what it does. Under the present program, as I said, there are fixed amounts for each of the first three titles of the bill. My amendment, if adopted, will eliminate that, but will retain the formula apportioning funds to the States.

It will put into one section of the bill uniform provision that 75 percent of the funds will be used for titles I, II, and III. The other 25 percent of the funds will be reserved for the Secretary, largely to be used for title IV, perhaps to be used in part for some special activities in the other titles.

Then it has an apportionment of the 75 percent I referred to in order to assure that minimum amounts go to the States. There would be a minimum amount of $1.5 million which goes to each State, and the remainder of the 75 percent goes to the States in proportion to the people who need the training and services as compared with the total number of people in the country.

Mr. President, it seems to me that this provision is necessary if we hope to create a really comprehensive approach aimed at solving the national manpower problems; and they are national in scope.

The main reason for the legislation's being considered during this session is the fact that in the last year or so many of us have heard from manpower program administrators, elected officials from all levels of government, organizations and agencies planning manpower programs, that have requested consolidation of the various manpower training programs.

We were asked, in public hearings on the bill, to combine the numerous categorical programs passed during the last 8 years into one joint program under which it would be possible to refer eligible individuals to training courses which would fit their individual needs.

The pending amendment, as I said, specifies that 75 percent of the total appropriation will be for the training and employment programs under titles I, II, and III. It does not set aside an arbitrary one-third, one-third, and one-third of the $2 billion as the bill does.

The State and local authorities will be apportioned 70 percent of that. Ten percent will be set aside for incentives. The remaining 20 percent will be set aside for the Secretary's discretionary use.

Local officials and Governors will be able to determine for themselves the mix of manpower and training programs that they feel is necessary in order to be able to upgrade the people in their own communities. I want to emphasize that.

As a result, I think we could view this 70 percent of the total authorization as a block grant to the States and the local communities to use as they decide.

The committee bill, as I said, imposes a division between manpower training and public service employment on the part of communities and permits local prime sponsors to submit separate applications for the title I and II programs.

I ask my colleagues to consider these amendments, and to join me in voting for their inclusion in the Senate bill.

The type of rigid legislation in the present bill, it seems to me, as I have said before, and I want to reemphasize at this point, totally fails to recognize the existence of different local labor markets even within States. One area might most effectively utilize a larger portion of its funds for comprehensive manpower services to support training for private sector employment. At the same time, another area might find it necessary to use a much greater portion of its funds to create new public service opportunities.

The critical point is that each area should be allowed to make its determination in the context of its own labor market and economic conditions.

Unless we express confidence in the State and local officials by giving them this authority, we seriously hamper those officials who are most directly involved in trying to solve problems in their own communities.

I mentioned what the 70 percent of the 75 percent would be used for. In general, one could say that they are bloc grants designed to go to the Governors and to the local prime sponsors in order to try to get them to integrate their overall employment policies. Of the remaining funds—in other words, 30 percent of the 75 percent—that are left, 5 percent would be available as an incentive for the local governmental sponsors to join together to create a single prime sponsor. This would be an incentive to try to get groups of people who want to do something in this area to try to funnel themselves as one main group in order to try to provide manpower services for an entire labor market area. This 5 percent is by way of being an incentive to encourage those people to go that way.

Another 5 percent is available as incentive grants to prime sponsors who develop effective linkages between manpower and vocational education programs at State and local levels. It has always seemed to me necessary, in the process of our trying to take care of the training and educational requirements of people who are in the productive stage of life, to integrate these two, so that, where you can see there is a growth in certain areas—in an industry or in a new pattern of living, or whatever it may be—you can also feed this information into the vocational schools, so that they will have the opportunity to be able to pick these patterns up, and be able to train more people for those areas. Wherever we can develop this effective linkage, I think we will be much better off; and there will be a 5-percent incentive for this purpose.

In both instances, both where the local sponsors can get together to service a labor market area and where effective linkages are developed, the maximum amount by which such supplementary grants could increase prime sponsors' basic allocations would be increased from 10 percent in the bill as it is presently written to 20 percent to make these provisions more effective incentives for improved cooperation between political jurisdictions and between our manpower and educational agencies.

Finally, the remaining 20 percent or more would be available for the Secretary's discretionary allotment. It seems to me this flexibility is necessary to meet the problems of communities—often major urban areas—whose manpower problems are severely concentrated.

In addition, the amendment would clearly focus on the importance of State and local governments who are recognized as prime sponsors. The committee bill does not, after careful analysis, provide prime sponsors with any special standing with regard to any other groups or organizations which are eligible applicants to conduct manpower programs. In fact, it places a number of further limitations and administrative complexities upon State and local prime sponsors. In reality, many governmental units might be better advised to apply for sponsorship of manpower programs simply as eligible applicants rather than

undergo the additional problems of recognition as prime sponsors.

This amendment, if adopted, will, to the maximum feasible extent, provide prime sponsors with the planning and administrative opportunities which they need in order to be able to implement these programs within their own areas.

Mr. President, that explains in brief, I think, the major portions of this amendment. As I say, it is a detailed amendment, and it requires that several changes be made in the bill; but the effective function of it is to eliminate the rigidity of the bill, to give more flexibility, and to provide more opportunity for State and local governments to participate in these programs in ways to fit the needs of their own areas.

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

Mr. DOMINICK. Mr. President, I reserve the remainder of my time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. NELSON. Mr. President, first I wish to say that the Senator from Colorado has been and is a very valuable member of the Manpower and Poverty Subcommittee and the full Labor and Public Welfare Committee, and has constantly made a valuable contribution to the development of this bill. I would guess we are probably in agreement on more than 90 percent of what is in the bill. I appreciate his help in the development of this measure.

This issue on this amendment is simply one as to which we differ—that is, the majority of the committee and the Senator from Colorado—as to how much flexibility the Secretary should have. In the bill, there is a great deal of flexibility—more than we have put into any other manpower bills or OEO bills in the time that I have been in the Senate.

Before I comment specifically on the amendment offered by the Senator from Colorado, I should like to point out that after 9 months of hearings in 22 days, including hearings in San Francisco, Los Angeles, Corpus Christi, Cleveland, Milwaukee, and Washington, and after a long series of executive session markups in the subcommittee and the full committee, we completed the draft of a bill which I think is the better because of all the confrontations, discussions, and revisions that we made in the bill over this long period of time.

It came out of the committee by a vote of 15-to-1. I recognize that among the 15 who voted for the bill, there were those who reserved the right to support amendments during its consideration on the Senate floor. The majority of the committee were unanimous in their support of the allocation of money, one-third to comprehensive manpower services, title I; one-third to public service employment, title II; and one-third to special work and training programs and special Federal responsibilities. That concept was also supported by some Members of the minority.

Again, before I discuss the amendment in any detail, I should like to point out that after all of this effort, the bill has now received the strong endorsement and support of the U.S. Conference of Mayors, the National League of Cities, the Urban Coalition, the AFL–CIO, the National Farmers Union, the Leadership Conference on Civil Rights, the Congress of American Indians, and the National Council of Senior Citizens, plus many other endorsements by special groups on special provisions within the bill, those groups being listed in the remarks that I made on this floor last night.

Mr. President, as I stated earlier, the difference between my position and that of the Senator from Colorado is as to how much flexibility should be granted to the Secretary to spend the money authorized in the bill and subsequently appropriated.

As I have stated, the position of the committee was that one-third of the money should be spent on comprehensive manpower services, title I; one-third on public service employment, title II, and one-third on the other titles, special work and training programs and special Federal responsibilities.

The bill also provides that the Secretary may take 15 percent of the money from any title and transfer it to any other title or any other purpose authorized. That means that the Secretary has about $200 million that he can transfer among the titles within the bill.

Furthermore, within any particular title, whatever money is there unallocated, unrequested by any State or local prime sponsor, which is not committed, the Secretray can reallocate.

So we have given the Secretary the flexibility of about $200 million plus reallocation of funds uncommitted 9 months after the beginning of the fiscal year.

Furthermore, built into the bill is the fact that the Secretary has the plenary power to approve or disapprove the application for manpower programs by prime sponsors. If a city of 75,000, or New York City or San Francisco or Philadelphia, develops a manpower program and applies to be the prime sponsor for that particular area, that program has to be submitted to the Governor for comment, and the original goes to the Secretary of Labor.

So the Governor has a right to look at the prime sponsor's plan for the city; and if he thinks that it needs to be changed, needs to be improved, he then submits his comments to the Secretary of Labor. The Secretary of Labor has the authority to attempt to reconcile their differences. He has the final authority.

If the prime sponsor, be it the State or a local prime sponsor, has included in its application some manpower programs or methods of operating the manpower programs that the Secretary believes are not in the best interest of a good manpower program, he sends it back. He gives the prime sponsor an opportunity to be heard. He gives the prime sponsor an opportunity to amend the application. But he has the final authority to deny it and to require the prime sponsor to amend it to comply with what the Secretary, himself, believes is a sound manpower program.

Titles III and V, special work and training programs. include such programs as all Senators are familiar with—New Careers; Operation Mainstream, a new one, Community Environment Service; and Opportunities Industrialization Centers OIC. That program has demonstrated, by its actions in 90 cities around the country, that it is a very successful, very creative job training program, led by a very distinguished, creative, and forceful leader, the Reverend Leon Sullivan. That is one of the programs in title III.

We have allowed the Secretary the flexibility within title III to spend whatever amount he feels is necessary for each of the programs and in the best interests of the programs, without our insisting upon a specific amount for each special program as has sometimes been done in the past. But we insist that one-third of the authorization be spent in those titles, and we insist that these special programs, as we have authorized them, be continued by the Secretary. But we leave the size of each program up to the Secretary, because we think that it is wise to give him some flexibility to expand or contract a particular program, depending upon how effective that program is, for example.

There is a tremendous amount of flexibility in every way. I favor that because I think the Secretary has to have a voice in reviewing programs to be sure that the money is not being wasted; but, at the same time, we are giving local responsibility that was never given to local groups before, unifying their efforts by requiring the local prime sponsor to create a manpower services council. On that local manpower services council they have to have the mayor, representatives of the employment service, vocational education, the school system, representatives from labor, from business, and others. They then work up their program which they think best suits the local needs of the area they represent. The governor appoints a similar council. Then they submit their plans to the Secretary for approval.

This is a superb concept. I think everybody here favors it. The President of the United States advocated it and favors it, and I think this is going to be a vast improvement over the present system. We will have local responsibility, and State responsibility, for manpower programs with an overview by the Secretary to be sure that they are in fact developing sound, feasible, flexible, workable manpower programs at the local level. Therefore, I would hope that we would not unearmark, so to speak, all of the moneys for titles I, II, and III and simply provide that 75 percent of all the money that is going to go to titles I, II, and III shall be handled by the Secretary, with no requirement that he spend anything on public service employment or on any one of these other special programs which Congress has authorized.

Mr. JAVITS. Mr. President, a reading of the report will indicate that this entire bill is the result of a most intensive process of committee consideration, bargaining, and adjustment, which has brought it to this point of consideration legislatively.

From the number of references to

amendments which I and other members of the minority have incorporated in the bill—and the majority was gracious enough to state that by name of the proposing Senator—it is also obvious that the final result is an amalgam of the thinking of the minority and the majority, with some exceptions which have been highlighted by Senator DOMINICK'S amendments.

In the process, a good deal of the bill's structure has been compromised as between the majority and the minority, and has given accommodation to the views of the administration. I think that this is important, because we always look closely at where we differ. We look all too infrequently at where we agree.

It is very significant, for example, that the amendments proposed by the Senator from Colorado do not even contest the authorized amounts for the total manpower training program which approximates $2 billion, or even for the public service portion which runs to a billion dollars and more as time goes on. Indeed, it is interesting Republicans should have accepted that some element of public service employment must be incorporated in the bill. I remember that I joined former Senator Clark of Pennsylvania in early efforts to get some acceptance of this principle but we were frustrated and turned back time and again. Now both Republicans and Democrats accept it, and so does the administration to some extent.

There will be other amendments which the Senator from Colorado (Mr. DOMINICK) will offer, which will point up the differences in view between the administration and the majority of the committee respecting who shall administer the programs. The administration is largely committed to State administration. The majority favors local administration by the mayors.

Again, there has been great give and take. We have evolved a workable system. Indeed, the amendments of the Senator from Colorado do not really change the basic structure of the bill. We may be working on a little refinement. The role of the States was perhaps depreciated in the course of trying to arrive at some amalgam of views. The important point I make here is that the critical nature of the measure, which is one of the real elements of the cornerstone of the U.S. economy, should be borne in mind as we vote on the amendments. The fundamental proposition as to major manpower training efforts and public service employment will be inaugurated by the bill, even if we take all the amendments offered by Senator DOMINICK.

The administration favors that proposition. Indeed, it proposes a $2 billion budget for such a program and it will insure training for approximately 1 million people, which is a large number. Also I beg Members to consider, in connection with voting on the amendments, that we face a serious unemployment situation. One of the big defects in our economy is the unemployment rate which is unacceptable—over 5 percent generally, with a tremendous impact upon the poor and teenagers who have unemployment at triple the national rate. In the ghettos and the slums, it runs more than five times as high. Almost 30 percent of teenagers in the slums and ghettos among the poor and the blacks are unemployed.

We are seeking to reach into that tremendous group which, as everyone knows, amounts to over 4 million in unemployment, with the underemployed added to that in an equal number, and those who really do not work on jobs up to their capacity, even taking their full time.

In regard to Senator DOMINICK'S present amendment, there is a fundamental issue involved and it is the following: Shall we devote a given part of the appropriation to each of the categories by categories? In short, shall we devote $600 million to manpower training, and $600 million to public service employment, and $600 million to various categorical programs including New careers, Mainstream for older people, and so forth.

The issue raised by the Dominick amendment is whether we shall support $600 million for each of these broad categories, or shall lump all the categories and give decategorized discretion to the Secretary of Labor in administering the programs?

The majority contends for the categorization and they have made many concessions in that regard. The administration position is for decategorization, as exercised in the Dominick amendment.

I shall explain the reason for my not offering an amendment, I felt that the administration's position was entitled to be presented exactly as the administration had it before, similar to the bill which I introduced for the administration. In the course of trying to work out a compromise in the bill with the majority. A good deal was done. I think the administration had a right to assume that I was also bargaining my own position. Hence, I thought it was proper for me to be free to vote yea or nay on the amendments and on the bill in its final form, so that the majority would not feel the concessions they had made, so far as I was concerned, had really not moved the case for it at all.

Accordingly, I am pleased that the Senator from Colorado (Mr. DOMINICK) was willing to undertake the arduous responsibility to present the pure administration's position.

Now, on the merits of the case, Mr. President——

Mr. NELSON. Will the Senator from New York yield right there?

Mr. JAVITS. I yield.

Mr. NELSON. When the Senator from Colorado (Mr. DOMINICK) called up his amendment, I think the Senator from New York was not in the Chamber. I should like to comment that the Senator from New York mentioned the fact we keep discussing points on which we differ which comprise a small fraction of the bill. The fact is, we did not end up either with the bill introduced by the Senator from New York or the bill introduced by myself, but we refined, refined, and refined the language and, I think, vastly improved the bill as a consequence, and left open two or three items on which there were some slight differences.

As I pointed out, the difference between Senator DOMINICK'S position and mine is not whether the Secretary should have flexibility but whether he should have as much flexibility as the Senator from Colorado says, or the amount that the committee agreed on.

I also want to say that it was the distinguished Senator from New York, by his careful work and regular attendance at executive sessions, who made it possible to get out a bill at all. Without the assistance of the Senator from New York, there would not be a manpower bill on the floor of the Senate today.

I wish publicly to thank him for the valuable contribution he has made.

Mr. JAVITS. The Senator from Wisconsin is most gracious. Of course, he is the chairman of the subcommittee and this is essentially his work. I am very glad to have been his collaborator.

Mr. President, I am sure that with the cooperation of the Senator from Colorado (Mr. DOMINICK)—I am sure we have it—we will then have a completed measure today with which we all can live. I appreciate so much his understanding and cooperation in that regard.

Now, Mr. President, I have presented the choice on allocation respecting manpower training, public service employment, and categorical programs.

The majority, in order to get a bill reported at all, made a concession in respect of its insistence on categorization, in permitting a 15 percent transferability clause between the titles.

The Dominick amendment—and the Senator will correct me if I am wrong—does not disturb that at all. So, there will be transferability whether or not we combine the categories.

Also, we gave certain incentives. We gave an incentive of 5 percent to encourage consolidation of areas. There again, the Dominick amendment preserves that 5 percent. We then give another 5 percent incentive for linkage with voc-educational programs. The Dominick amendment also does not disturb that.

I repeat again that the Senator from Colorado tries to preserve in every way the best features of what we did, while making a bid for the administration's desires regarding decategorization.

I should like to ask the Senator two things concerning his amendment.

First, his amendment provide that not less than $1.5 million shall be apportioned every State—and that is on line 17 of page 2—and that not less than $150,000 shall be apportioned to the Virgin Islands, and so forth.

As a practical matter, the committee bill provides that $3 million shall be apportioned to every State and $300,000 to these various possessions, because each State's guarantee appears in a different title. I think that it would be desirable that the committee's intention in that respect be retained. I wonder whether the Senator might be willing to do that.

Mr. DOMINICK. Mr. President, I might say to the Senator from New York that he has just gladdened my heart. I have been active for a long time in trying to increase the direct allowances to the States.

I would be delighted to accept the modification. I ask unanimous consent

that the amendment be modified in that respect.

The PRESIDING OFFICER. Is there objection?

Mr. NELSON. Mr. President, what was the request?

Mr. JAVITS. Mr. President, since I requested the floor and have the floor in my own right, I state to the Senator from Wisconsin that the request is that the $3 million guarantee for each State which we have in the committee bill and the $300,000 assurance to the possessions may also appear in the Dominick amendment. He is willing to do that, and I think that is desirable.

Mr. DOMINICK. Mr. President, that would be a modification in lines 17 and 18 on page 2 of the amendment.

Mr. President, I ask unanimous consent to modify the amendment in that respect. I understand that I must ask unanimous consent because the yeas and nays have been ordered.

Mr. NELSON. The Senator is asking unanimous consent to modify his amendment?

Mr. DOMINICK. The Senator is correct.

The PRESIDING OFFICER. Without objection, it is so ordered. Will the Senator send his modification to the desk?

Mr. DOMINICK. Mr. President, I can state it for the RECORD. It concerns lines 17 and 18 of page 2. In line 17, change $1.5 to $3 million. In line 18, change $150,000 to $300,000.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. JAVITS. Mr. President, there is one other question that I would like to ask the Senator. The Senator provides in his amendment that the amount apportioned to each State, under his concept of the decategorization of titles 1, 2, and 3, shall be apportioned among areas within each State which are served by prime sponsors by the same criteria as applies to the State.

I point out to the Senator that this is rather inconsistent with a subsequent amendment of the Senator relating to a State manpower plan.

He will make an endeavor in due course to strengthen the power of the State to have a manpower program for the whole State.

If we build into this amendment, I say to the Senator from Colorado, a strict rule of distribution, it seems to me that we would take a very material element of discretion and flexibility away from the Governor of a State.

If we wish to do that, fine. But I do think that the Senator ought to examine that provision in the light of his own intention when he comes to seeking to give the State greater flexibility and greater authority. He need not decide it at this minute. We will undoubtedly be talking about it later. I merely suggest it as a problem.

Mr. DOMINICK. Mr. President, I think the purpose, since it applies only to an apportioning of the funds within the State, is to make sure that we do not run into the problems of some States where, for some particular reason, one area gets all the money.

If we want to be able to have it distributed throughout the State wherever there is need, this is the only way at the moment that looks as though it would fit into the apportionment formula we had for the bill as a whole.

Mr. JAVITS. Mr. President, I have no objection on that score. I might point out that under these circumstances the city of New York will probably do a lot better than it would otherwise do. But I did think that if the Senator was giving us the administration's position on the bill, he ought to give that matter consideration because it does have bearing on his subsequent effort to give more authority to the governor of a State.

The sentence which follows the one we have just been discussing says: "To the maximum extent feasible, such apportioned funds shall be expended . . ."— and I emphasize the word "expended"— ". . . through approved applications submitted by such prime sponsors.

The word "expended" means that if we get a local political unit, for example a mayor or county executive, administering this program, we are really compelling him, whether desirable or advantageous or wise for the community, to expend the funds. Again, I would ask the Senator if he could explain to us his reason for that; It is really not an essential point.

Mr. DOMINICK. Mr. President, I say to the Senator from New York in reply that I do not interpret the word "expended" as being a mandatory requirement. The purpose is simply to say that whatever funds are expended should be expended through approved applications submitted by the prime sponsors. And the words "approved applications" are the key as far as I am concerned without trying to imply that there is any mandatory provision in the word "expended."

Mr. JAVITS. Mr. President, I realize that the Senator's explanation is to that effect. But the fact is that if we do make this law, we are hung on the word "expended," and that means what it says. Of course, where a word is as clear as that, an explanation of the intent of the sponsor will not change it.

Mr. DOMINICK. Mr. President, if the Senator had a word that he would be more happy with, I think I would be perfectly happy to accept the suggestion.

Mr. JAVITS. Mr. President, we may make a suggestion on that score later.

In view of the insistence of the other side upon categorization and in view of the feeling on this side that some decategorization is desirable, I have been thinking through the possibility of finding some middle ground which might be acceptable to the Senator from Colorado and which might be acceptable to the committee.

I would endeavor, if the Senator would show any interest in it, to make a provision for a share of the aggregate to be vested in the Secretary, giving him a much larger share of the total—perhaps as much as one-third of the total—to be administered without categorization.

If the Senator perhaps would give that proposal consideration we might find a way to give a greater degree of flexibility and decategorization and still preserve for the majority two-thirds of the funds which would be available in the scheme which they have in the bill—which does provide for transferability.

The Senator does not have to give us his views on that now, but that would be a possibility of getting over the first hurdle with respect to this bill.

Mr. DOMINICK. Mr. President, will the Senator yield so I might comment on that?

Mr. JAVITS. I yield.

Mr. DOMINICK. I am not quite sure we are in agreement on the effect of the amendment I am offering.

The effect of the amendment I am offering would be to eliminate the one-third, one-third, one-third apportionment of funds between titles I, II, and III, and lump that $2 billion in one provision in the bill, and then say that 75 percent of that one lump sum may be used for title I, title II, and title II, as proposed plans within the particular area involved 25 percent of the total amount will be reserved for the Secretary for title IV Federal programs. And out of that 75 percent lump sum, 20 percent is reserved for the discretionary use of the Secretary.

So I think we have already reached that maximum degree of flexibility we could willingly ask for.

Mr. JAVITS. The proposal I have made would split up the 75 percent so that that is devoted, subject to the other conditions of transferability to the three programs by category; that is, manpower training; public service; and the group of categorical programs which I have described before.

On that basis the Secretary would have his funds, but the majority would have the benefit of allocations to the three major program areas. To that extent it would pay some heed to their deep interest in some categorization.

Mr. DOMINICK. Do I understand the Senator to suggest that we leave the 75 percent as it now is in the bill, but that we say that within the 25 percent that is left, that one-third of that amount goes to each——

Mr. JAVITS. No. Just the other way. The 75 percent, which is in the Senator's amendment, be divided three ways among titles I, II, and III, and otherwise the treatment of the 25 percent be treated as it is in the Senator's amendment.

Mr. DOMINICK. I thank the Senator for clarifying that point. I think the amendment would more rigidly categorize it.

Mr. JAVITS. I do not agree with that. It is obviously less in percentage and amount. In any case, the Senator would not find that attractive?

Mr. DOMINICK. Not at the moment.

Mr. JAVITS. Mr. President, to sum up, I think the issue which has been made before the Senate is the following: Shall we place in the hands of the Secretary an aggregate fund, which in round figures we can call $2 billion, and he can then use 25 percent of that fund for any of the purposes of the bill, which includes the three major aspects of the bill—manpower training, public service employment, and certain specialized categories—or shall we earmark one-third each in these categories?

That is the issue which faces the Senate and I hope very much that having sharpened the issue that closely we might again hear from the Senator from Wisconsin and the Senator from Colorado on that one specific point—the majority accounting for why it wants funds earmarked. Of course, as any of us can easily point out in terms of the aggregate percentage involved, we are dealing with approximately $1.5 billion that would be earmarked. Again, in the order of magnitude, something in the area of $400 million to $500 million, with transferability, would go to each of these three titles and something on the order of $500 million would go to the Secretary which he could use in any of the titles under the committee plan.

Under the plan of the Senator from Colorado the $1.5 billion could be used by the Secretary in different proportions for any of the first three titles.

I think the Senate would be helped in its consideration of how to make this decision if we could have some pinpointed explanation as to why the majority is dissatisfied with the latter proposition of the Senator from Colorado and why the Senator from Colorado is dissatisfied with the committee proposition.

Mr. PROUTY. Mr. President, as we enter the debate on S. 3867, the Employment and Training Opportunities Act of 1970, I would like to comment briefly on the bill. It comes from committee after consideration for more than a year. It is the product of diligent work, lengthy hearings, careful analysis of the issues, and much compromise between divergent views. The bill comes before the Senate at a time when the legislative calendar is jammed with many equally important measures to be considered. Yet, this is no reason to treat it lightly, for the issues of manpower training reform and employment opportunities must be addressed if we are to right the imbalances affecting our economy and help millions of deserving individuals.

In looking at the composite bill, one can see there were many sources or inputs, not all of them consistent with each other. In committee we struggled to reconcile them, but the result may contain provisions which please very few.

For this reason, I believe we must examine carefully the issues raised in the bill so that through our debates here in the Senate Chamber, we may bring improvement by clarifying the specifics and the legislative intent. In so doing, we need not disavow the work of the committee. It has gone far in setting the stage for further beneficial debate. The bill we bring to the Senate pleases me because it incorporates issues worthy of deep discussion. I am grateful to all those members of the committee who made this possible. However, should the bill remain basically intact when disposed of by this body, I believe each Member must review once again the vital issues that are raised.

The basic topics are not new—categorical programs, decentralization of operation, public service employment—and they have been considered many times before in regard to several poverty or manpower bills. But times have changed, not only in terms of our economy or social outlook, but particularly in view of other legislation that has been enacted or is being considered now. We have had time to evaluate alternative methods devised to accommodate previous congressional mandates. They deal with categorical versus block-agent funding procedures or centralized/Federal versus decentralized/State and local operations.

We are taking time to evaluate proposals for massive welfare reform affecting all the disadvantaged, including those to be served under manpower programs. We must take time to examine the relation of the new proposals to the bill under consideration. We must also take time to determine the present conditions of our economy and our culture. Otherwise, whatever we enact now will not incorporate solutions of today suited to minize the needs of tomorrow.

Very briefly, I would like to review the major issues mentioned earlier. For too long we have had to contend with a multiplicity of programs and administrative mechanisms that hinder our efforts on behalf of those needing manpower services. I can cite over 20 programs designed to help such individuals, but even with these multiple approaches there are many whose needs go unmet. This is because there is no pattern to the way these programs are run at the Federal level, no way of determining what gaps exist, no way of assuring that each participant gets the mix of services that he needs, and no uniform system of delivery among the States that engender better coordination or dissemination of information.

For these reasons, I strongly supported the administration in its desire to provide a uniform system for delivering a comprehensive range of services to all participants. In committee, we had to compromise our original position calling for overall State plans and coordination through the Governors by exempting those municipalities having populations over 75,000.

As I said in committee, I believe this population figure is too low and should be raised so that the number of eligible prime sponsors can be reduced to a more workable level. Beyond this, I believe the role of the Governor could be enhanced so that the potentially poor coordination between the cities and the State is minimized. It pleases me that the Governors will be responsible for all rural and nonurban areas, thus assuring delivery of services to such residents. But I fear that unless there is some mechanism for overall statewide planning and coordination, inefficiencies will result. These will be very costly to sparsely populated areas where it is difficult to provide services. In such cases coordination with or reliance upon delivery systems available elsewhere in the State would be helpful. I am also concerned that without statewide planning, coordination, and evaluation, the quality of services available throughout a State may vary unfairly. Proper evaluation and improvement is not likely to be generated from a Federal bureaucracy unfamiliar with the local situation.

Out of this same desire to provide all participants a uniform quality of services, I am opposed to the continuation of categorical programs. In my own State, we have encountered much difficulty in providing needed services because very often we are too small to comply with the regulations of each categorical program. If given greater flexibility, however, we could blend or add components to programs and provide each applicant with services tailored to his needs. Admittedly, it is beneficial that funds are not earmarked for each of the categorical programs. I would like to see each of them continued because they have proved to be good models. However, I would like to see more flexibility allowed in the way they are administered.

My views on public service employment are known to those of you who were present for the 1967 debates on the poverty bill. Title II of the bill amending the Economic Opportunity Act contained a $2.8 billion, 2-year emergency employment program to create public service jobs for the hardcore unemployed. This measure was opposed by the Johnson administration because of the costs and by others opposed to make-work programs in general. In an attempt to prevent total defeat of a program providing needed jobs and out of a desire to upgrade the make-work approach, the senior Senator from Pennsylvania and I offered a substitute measure. The Prouty-Scott plan called for a $925 million program allocating most of the funds to training programs run by private industry and on-the-job training or other vocational and institutional training programs under the Manpower Development and Training Act. In offering this substitute proposal, it was my intention to reduce the costs to a level more justified for initial operation and at the same time prevent a return to the "30" approach of WPA.

My views on the bill under consideration today are very similar to the ones that I expressed then. Again, we are considering a provision involving great cost and a startup size which may be unjustified. Again we are considering a measure which encompasses the make-work approach to job creation. It is ironic that many of those who were so quick to join the Johnson administration in defeating the 1967 Emergency Employment Act are supporting a measure of greater size and similar nature now.

Admittedly, times have changed and the conditions are different, but several basic tenets still prevail. First, very few programs can justify a first-year expenditure of some $2 billion. This case is particularly doubtful, since the prime sponsors specified for in the delivery system will not come into existence until the following year.

Second, make-work programs alone are not likely to solve the problems of unemployment and underemployment. There must be a dignity to work lest it becomes futile. Salary alone does not assure this dignity. Unless we assure that the jobs provided have a dignity of their own and add to the employee's growth and measure of self-worth, we will be creating a second-class category of jobs sure to go unfilled or sure to be filled by

complacent and inefficient workers. We need not risk defeat of our objectives and reduced support of the program because with a little forethought this can be prevented. To do so, we must assure that these jobs are not relegated to a secondary position and assure for such employees the same opportunities for job mobility and fulfillment as are given trainees of any other manpower program. We must recognize that there are many jobs in the public interest—some which require training, others which do not—that are going unfilled, to the detriment of our society. At the same time, many able persons are available to work but cannot find opportunities in the private sector and may not be able to do so for quite some time, if ever. The handicapped and the marginally employable persons have been too often overlooked in this regard.

When it comes to a choice between a job and no job or welfare, then I do not believe there is any choice. But when it comes to a choice between a job with dignity, mobility, or fulfillment versus none of these prospects ever, I believe the needs of the individual are paramount, and must rule the decision. In the same way, I do not think we can look upon this public service employment program solely as a means for helping the cities. Approximately one-half the poverty in this country is outside of the cities and many opportunities for jobs benefiting the public interest do exist in rural areas, too. Here, again, the needs of the individual must rule so that persons are not uprooted but can find jobs in areas where they live.

Several of the amendments that I offered in committee were designed to carry out these beliefs. One would prevent the placement of employees in public service jobs in separate training programs, when similar training programs were also being conducted by the same prime sponsor. Another would assure special consideration in filling jobs which provide prospects for advancement or continual employment through training, and so forth. A third amendment I offered protected the employee from an unfulfilling experience by prohibiting referral to training programs of less than 2 weeks duration unless a job is already available. My belief is that in such cases, on-the-job training is better and prevents false promises of employment when it does not exist.

Also designed to concentrate services where they will do the most good is an amendment which gives special consideration to heads of households with dependents who can serve as models to their children or others.

Efficient administration of manpower programs is another way to assure that benefits are spread to all who need them. One amendment I offered assures that referral to jobs will include special consideration for the unemployed, underemployed, and the unskilled. Another will allow the Secretary of Health, Education, and Welfare, to enter into agreements directly with the States for institutional training. This will clear away unnecessary paperwork that only interferes with speedy disbursement of services.

One of the amendments I proposed will help the smaller States that are often hampered in their efforts to develop good programs for lack of adequate resources. It establishes a minimum State allocation of $1.5 million and was worked out in agreement with the distinguished chairman of our subcommittee. This minimum allocation is fashioned after one that I established under MDTA in 1967. I am very pleased that it has been accepted for I have already seen first-hand the good it has done for Vermont.

Another amendment benefiting smaller States will prevent reallocation of funds until after the 9th month of the fiscal year and then only with 15 days' notice to the State. Unfortunately, we from the smaller States often have difficulty marshalling resources to qualify for funds. We have been greatly distressed in the past when our funds were reallocated before we could use them.

Finally, I offered two ideas which should further improve administration of manpower programs. When we were considering eligibility for prime sponsorship, it was suggested that a very broad base of local units should participate. Knowing that this would create administrative turmoil here in Washington, I suggested that some limitation be imposed in terms of size. This was worked out to be the 75,000 population level. I also suggested that in cases where a State had no local unit of that size, the largest metropolis within the State be considered as a prime sponsor also. It was my hope that we could give flexibility in this manner and at the same time maximize the possibilities for coordination by limiting the number of sponsors which must relate to each other. The other idea also concerns the need for coordination at the local level. Realizing that coercion is not often as effective as inducement, I supported a set-aside of 5 percent of the funds under title I. The funds will be used as incentive grants for coordination with vocational education and other educational programs at the local level.

Mr. President, I am hopeful that we can dispense with this bill in the same manner of cooperation which brought it from the committee. The need for manpower reform is urgent and I would very much like to see a good bill providing comprehensive services enacted this year.

Mr. WILLIAMS of New Jersey. Mr. President, it is with a sense of grave concern that I join in support of S. 3867—the Employment and Training Opportunities Act—a bill which I cosponsored. I am proud to say, too, that as chairman of the Committee on Aging, I had a hand in making the case for certain provisions for a special emphasis program for middle-aged and older persons which I will describe later.

First, however, I would like to congratulate the chairman of the Subcommittee on Employment, Manpower, and Poverty (Mr. NELSON) for his outstanding leadership in bringing this legislation to the Senate floor for a vote. He has helped to alert the Nation to the serious problems now crippling our greater resource: the working men and women of our Nation.

Today our Nation is confronted with a crisis of mounting proportions. From January 1969 to August 1970, unemployment has jumped sharply from 3.4 to 5.1 percent, adding nearly 1.6 million individuals to the joblessness rolls.

Unemployment is now at its highest level since October 1964. More disturbing, administration economists have warned that the rate is likely to increase in the months ahead.

Unfortunately, this is just one striking example of the suffering sustained from the administration's economic policies. Today every American is paying the price for these policies in one way or another, whether it is in the form of mass layoffs, large scale unemployment or underemployment, shorter work weeks, the highest interest rates in nearly 100 years, forced salary cuts, rampant inflation, or slow business.

In a strange reversal of economics we have seen everything that should go up—corporate profits, real spendable income, productivity—go down; and all things that should go down—unemployment, prices, interest rates—go up.

Despite Pollyanna prophecies by the administration, most Americans expect continued hard times for themselves and millions of their fellow citizens.

However, the measure before us now can provide an effective and far-reaching weapon to combat widespread unemployment.

PUBLIC SERVICE EMPLOYMENT

One important feature in the bill is the establishment of a new system of public service employment to fill vitally needed jobs in health, public safety, education, pollution control, neighborhood development, and other public programs.

According to estimates by the National Commission on Technology, Automation, and Economic Progress, there are approximately 5.3 million potential jobs in public services.

Yet, despite the critical need for expanded community services, many localities are finding it virtually impossible to provide these crucial services for their citizens. Many cities are crumbling at the core. Their neighborhoods are blighted. Their schools, libraries, hospitals, and recreation programs are deteriorating or overcrowded. And their public health and sanitation programs are seriously understaffed.

But, the provisions in this bill can help to provide new, realistic career opportunities for thousands of persons who now find themselves unemployed or underemployed. It will also open the doors for opportunities for occupational development or upward mobility in jobs that are needed and vital. At the same time, necessary community services can be greatly strengthened and improved.

COMPREHENSIVE MANPOWER SERVICES

Moreover, the bill authorizes a comprehensive range of manpower services. Before jobless individuals can become gainfully employed, they must first be interviewed, counseled, trained, and placed in productive work.

In this manner they can be successfully integrated in the labor market for long-term employment.

S. 3867 will help to do this by an effec-

tive and orderly delivery system tailored to the diverse community needs.

Equally important, it will help provide a coordinated program of supportive services:

An early warning system to assure a timely and adequate response to major economic dislocations from changing markets, rapid technological changes, plant shutdowns, or business failures;

Relocation assistance for persons desiring to move to obtain more productive employment;

Improvements in the linkages between vocational institutions and job markets to reduce the level of youth unemployment;

Placement and related services for persons discharged from military service;

Prompt referral to suitable employment opportunities for persons seeking work;

Child care and health services; and

Orientation to work discipline and acclimation to the work situation.

Particularly helpful, I believe, will be the provision for a strike force to assist communities with large-scale unemployment. Several major cities now experiencing a permanent large reduction in their labor forces can be helped by this standby capability.

In my own State of New Jersey, Atlantic City and Jersey City—with August unemployment rates of 6.1 and 7.5 percent—could be helped substantially by the counseling, placement, and recruitment services authorized under the bill.

SPECIAL EMPHASIS PROGRAM

In addition, S. 3867 authorizes a number of special emphasis programs for the pressing problems of groups who have been frequently overlooked or ignored under present manpower programs—Indians, migrant workers, Spanish-speaking minorities, and the elderly.

Although no sector of our labor force has been spared by the grim upward climb in joblessness, these groups have been especially hard hit.

Without specific statutory direction, their outlook for improvement would be bleak.

But, the categorical programs authorized in title V of the bill can help to assure that these disadvantaged groups—because of race, nationality, or advancing age—will be more active participants in our employment and training programs.

MIDDLE-AGED AND OLDER WORKERS EMPLOYMENT AMENDMENT

One such measure, which I sponsored with the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Massachusetts (Mr. KENNEDY), is the middle-aged and older workers employment amendment.

This amendment authorizes a mid-career development service program in the Department of Labor to provide training, counseling, and other supportive services directed at the special needs of persons 45 and older.

From January 1969 to August 1970, the unemployment rate increased by 50 percent for all age groups. But for individuals 45 and older, it rose by 55 percent—from 596,000 to 922,000. During this same period, their long-term unemployment—15 weeks or longer—has jumped precipitously from 115,000 to 210,000—nearly an 83-percent increase.

Today nearly 1 million persons 45 and over are unemployed. Yet, this total is conservative because the unemployment figures to not reflect the labor force "drop-outs"—those who have given up the active search for work.

This rate would also be even higher if it were not for the "escape" through pre-65 social security eligibility. In recent years, about 50 percent of all men claiming social security have taken actuarially reduced benefits at an earlier age. In many instances, this decision was made only as an alternative to long-term unemployment or sporadic underemployment.

Despite the urgent employment needs of middle-aged and older persons, we still do not have a clearcut, effective policy for maximum utilization of individuals now regarded as "older" workers. The price the Nation pays for this neglect is a growing dependency ration of nonworkers to workers.

In terms of dollars and cents, underutilization of middle-aged and older persons is probably costing the United States billions of dollars in lost production plus added costs for unemployment insurance and public assistance. And in terms of loss of dignity, frustration and despair, these costs are incalculable.

Much more can be gained, I strongly believe, through a national effort to raise our productive capacity and to provide new employment opportunities and related manpower services for persons 45 and older.

NEED FOR FAST ACTION ON S. 3867

With unemployment reaching critical proportions, prompt enactment of the Employment and Training Opportunities Act is urgently needed now.

The rewards of this action await us at all levels.

For the unemployed worker, a regular paycheck can be a passport for self-sufficiency and self-respect.

For his family a paycheck offers the promise of a better standard of living.

Our society will also benefit when welfare recipients become taxpayers, and new jobholders increase the Nation's purchasing power.

These are concrete dollars and cents advantages.

But there is no way to measure the value of a decent job, which can replace despair and hostility with new hope and opportunity.

And there is no way to measure the respect of a child for his parent who can once again provide for his family.

For these reasons, I emphatically urge passage of this much needed measure.

Mr. BAYH. Mr. President, the lack of jobs in our economy, jobs that pay a living wage, jobs near where people live, jobs that require skill that people have or can be taught is at the heart of the poverty problem in the Nation.

It is obvious now—with over 4 million unemployed and the unemployment rate standing at 5.1 percent—that there simply are not enough jobs.

But even during the late 1960's with national rates of unemployment unusually low, the underemployment rate in our city's poverty neighborhoods averaged over 30 percent.

As former Labor Secretary Willard Wirtz told President Johnson in January 1967:

> If a third of the people in the Nation couldn't make a living, regardless of the reason, there would be a revolution. This is the situation—and the prospect unless action is taken—in that nation-within-the-nation, the slums and ghettos.

Manpower training programs in such neighborhoods, and during such a time are a farce unless these programs can provide jobs as well as training.

Therefore, I believe that the Employment and Training Opportunities Act, S. 3867, now before the Senate, which for the first time would face this challenge head on and provide jobs as well as training is vital legislation and deserves the support of every Senator.

This legislation can have real impact on joblessness and hopelessness in poverty communities and the Nation.

It is legislation that will also establish a new partnership between mayors, Governors, and the Federal Government in the administration of manpower programs.

It is a bill that will make it possible for mayors and Governors, to do something about the inadequacy of public services in many poverty communities, urban and rural.

The Labor and Public Welfare Committee has worked on the bill for nearly a year now, holding 23 days of hearings in cities across the Nation and reported a bipartisan bill after months of detailed consideration. I believe the committee deserves much credit for the work they have put into the legislation. I support the bill as reported. I believe it deserves the support of the Senate.

The bill has three major elements: public service employment, manpower reform and decentralization and special programs for neglected groups in the country.

For public service employment—the employment of the unemployed and underemployed on vitally needed public service projects—the bill would require that a third of the money in the funds for on-going manpower programs be spent for such a program. In addition, it would authorize special appropriations for public service employment of $750 million this fiscal year, $1 billion for fiscal year 1972, $1.25 billion for fiscal year 1973, and $1.5 billion for fiscal year 1974.

At an average cost of $5,000 per job, and the Federal Government paying 80 percent of that cost, about 250,000 jobs could be created for each $1 billion in Federal outlay.

The fact that the Federal Government would supply only 80 percent of the funds is an important assurance that only truely needed jobs would be carried out. The local and State governments would be required to appropriate $1 in every $5 spent.

Under the bill local officials working together with broadly representative manpower services councils would develop the public service employment proposals assuring local determination and local control of the program.

Public service employment may well

be an idea whose time has finally come. A million public service jobs were recommended by the Kerner Commission. There is a potential of 4.3 million jobs to be done according to Greenhigh Associates. The concept has been endorsed by the National Governors' Conference, the National League of Cities, the Urban Coalition, the AFL–CIO, the Leadership Conference on Civil Rights, and many other organizations.

Witnesses appearing before the committee at hearings all across the country pleaded for jobs as well as training opportunities.

And mayors in particular, under obligation to provide better public services but restricted by inadequate or dwindling property tax bases, asked for public service employment funds to help meet the crisis in sanitation, health, education, fire, police, recreation, probation, and welfare staffing.

DECENTRALIZATION AND REFORM

Manpower training programs, first authorized by the Manpower Development and Training Act of 1962 and then expanded by the Economic Opportunity Act of 1964, and by later amendments to both acts, have grown rapidly throughout the 1960's.

Now nearly all of the programs authorized by these pieces of legislation are administered by the Labor Department through some 10,000 separate contracts with a welter of State and local and private agencies and companies.

Manpower experts agree that the system cannot be efficiently administered directly by the Labor Department.

The administration in its proposed manpower reform bill asked that the system be turned over to the Governors to run on a State-plan basis.

However, the Nation's mayors—and community action agency representatives at hearings made it perfectly clear to the committee that turning the program over to the control of Governors at a time when big city mayors and Governors often locked in political battles could lead to even greater friction and chaos in the system.

So the committee worked out a careful compromise to share power and responsibility between mayors, Governors, and the Department of Labor.

Under this system, Governors would have responsibility for rural area and smaller city manpower programs in their States. The mayors of cities of 75,000 or more population would have responsibility independent of the Governor for programs within their communities:

Both would send their applications to the Department of Labor. The Secretary would have the power and the responsibility to resolve differences between the State and local plans where that became necessary.

Community Action agencies would be represented on the Manpower Services Councils at the State and local level. The plans drawn up would require their participation both in planning and in operation of the manpower programs.

I believe that the compromise worked out by the committee is sensible and deserves support against all of the amendments to it that have been proposed.

SPECIAL GROUPS

The bill also adds to the manpower programs now in operation special funds to be used for programs for Indians, migrants, those who are handicapped because their first language is not English, and older workers. Each of these groups has been seriously neglected in the past. The new programs included in the committee bill are designed to assure that they will receive a just share of the available manpower resources and that programs responsive to their particular needs will be carried out.

This bill would give the 50 Governors and about 235 mayors an opportunity to devise local manpower programs to attack both joblessness and inadequate public services. It deserves our strong support.

In the final analysis we cannot have a just and stable society unless we provide job opportunities for those who need work. It is a first principle. At the present time we do not meet this test. Despite the generous intentions of the Employment Act of 1946, Congress has never acted to assure full employment. Now the hour is very late. It is essential that we begin.

## THE FAMILY ASSISTANCE PLAN AND CRIME

Mr. LONG. Mr. President, in connection with the legislation to be considered today and in connection with the family assistance plan, there was published in the St. Louis Globe-Democrat a thoughtful editorial entitled "Put 'Crime Pros' Out of Business."

It occurs to me that we might very well find, unless we take precautions in connection with the family assistance plan, that we could be paying out billions of dollars to professional criminals because many of them would be eligible for the family assistance plan. I am sure no one would want that to happen.

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

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

PUT "CRIME PROS" OUT OF BUSINESS

Law enforcement authorities are becoming more and more convinced the best hope for a sizable reduction of crime in America are tougher new laws aimed at putting professional criminals out of business.

Police chiefs and prosecutors have long recognized that the same group of hardened hoodlums commit most of the crimes day in and day out. They remain in the business of crime because under present laws and court penalties they can make it pay.

J. Edgar Hoover, head of the FBI, estimates there are at least 1.1 million full-time criminals in the United States. They had a banner year in 1969 as serious crimes increased 16 per cent over 1968 but arrests rose only 4 per cent, and convictions actually decreased 8 per cent.

In a five-year study made by the FBI on 18,333 persons who were released from the federal criminal justice system, it was found that by the end of the fifth year 63 per cent had been arrested again on new criminal charges.

In St. Louis County, Prosecutor Gene McNary estimates professional criminals commit more than half the crimes.

Present Missouri law is no deterrent to the professional thief.

Take the case of the expert burglar. In the first place, he is difficult to catch because he knows his illicit trade. It is estimated he can steal up to $250,000 in valuables in a year's time. But under Missouri law and court practices, he really has little to fear.

If he is caught, the general rule is to give him probation after his first conviction. Even when he is caught a second time, the general practice of juries and judges is to give him close to the minimum of the prescribed 2 to 10 years sentence.

If he gets two years, the statutes give him an automatic reduction of one-fourth of this "flat time." Under present parole procedures, nearly everyone sent to prison in Missouri is released after serving only half his sentence. This usually includes repeaters as well as first-time offenders.

Thus the professional burglar probably would serve only about a year even if convicted a second time. By the time society catches up with him a second time he might well have stolen $500,000 worth of valuables.

The wealthy burglar therefore doesn't feel too badly about being locked up for a year. He has an illicit fortune to which he can return and may steal another half million in merchandise before he is caught again and given another light sentence.

To put the professional criminals and other crime repeaters out of business, Missouri should adopt a new crime control act similar to the recently passed District of Columbia crime law.

The D.C. crime act, for example, authorizes imposition of a life sentence for a third felony conviction and up to three times the maximum penalty for the third misdemeanor.

It sets a mandatory additional sentence of five years for a second armed crime of violence.

Beyond this there should be mandatory minimum sentences for all serious crimes—minimums of two or more years that must be served with no time off for parole or any other reason.

Another section of the D.C. statute that could be adopted in a new Missouri crime control law is one that authorizes pretrial detention for up to 60 days in certain kinds of cases involving dangerous defendants, repeaters of violent crimes and those charged with threatening a witness or juror.

Missourians have to wake up to the fact that crime "pros" consider them patsies, too soft and too pre-occupied to take the tough measures necessary to put the year-round hoods out of action.

It is up to the law-abiding citizens to throw off their lethargy and take the initiative to get new laws passed that will give law enforcement officials and the courts the powers needed to put the crime professionals and other repeaters out of business for long terms.

Only then will it be possible to cut the rate of crime in Missouri drastically.

## EMPLOYMENT AND TRAINING OPPORTUNITIES ACT OF 1970

The Senate continued with the consideration of the bill (S. 3867) to assure opportunities for employment and training to unemployed and underemployed persons, to assist State and local communities in providing needed public services, and for other purposes.

PRIVILEGE OF THE FLOOR FOR STAFF MEMBERS OF COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. NELSON. Mr. President, I ask unanimous consent that staff members of the Committee on Labor and Public Welfare be permitted access to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, unless another Senator wants to speak, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMINICK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, my remarks will be brief. A half hour or so ago I presented in some detail the argument against the amendment proposed by the Senator from Colorado. I shall repeat very briefly here that the proposal of the Senator from Colorado simply desegregates the money allocated to titles I, II, and III and authorizes the Secretary to spend money within those titles or not to spend it on any of the programs—special programs, for example.

The committee considered the proposal. The issue was fought out. Of course, when the OEO took the same position against congressional earmarking, its position lost on the floor of the Senate and on the floor of the House and in the committee of the Senate and in the committee of the House. They too argued that they needed more flexibility.

I simply repeat that one-third of the money goes to title I, one-third to title II, one-third to title III and the other titles, and that the Secretary can take 15 percent from any title and apply it to any purpose authorized in the bill. That is about $200 million of flexible funds.

Within the title comprising the special programs—such as OIC, Neighborhood Youth Corps, Job Corps, Operation Mainstream, and New Careers—he is not directed or required to spend any specific amount on any special program within that title. He has one-third of $2 billion that he can spend within those titles. He is required to maintain the programs authorized by the Congress, but we do not direct him to maintain the special programs at any particular level. So if the Secretary decides that Mainstream—which I hope he will, because not only am I the author of it, but it is the least criticized program in the whole program—should be doubled or tripled, or if he decides, based on his best judgment, that the Neighborhood Youth Corps or some other program would be the best program on which to spend more money, he has the flexibility to do that.

As I said previously, he has additional flexibility in that no prime sponsor can get any money until the Secretary approves his application, and, if he is a local prime sponsor, until the Governor of the State has had the opportunity to comment on the viability and the effectiveness of the proposed prime sponsor's plan.

So the Secretary, in looking at a plan developed by a prime sponsor and his Manpower Services Council, has a chance to look at that and say, "I think you are spending money on a program here that simply will not work."

The Governor has a chance to comment on it, and the Secretary has authority to resolve their differences. The flexibility in the program is vast. I think the bill has enough flexibility, and I do not think that this house nor the House of Representatives will accept the proposition that these special categorical programs can simply not be funded at all.

Yet, under the proposal of the Senator from Colorado, if the Secretary decided he did not want to spend a single penny on special programs, he would not have to spend a penny. If he decided that he did not want to spend any money on New Careers, he would not have to spend a penny. He could abolish a program that has been voted and reinforced by votes on the floors of both Houses of Congress.

Mr. President, I do not think the Secretary should have that authority. I am not critical of the Secretary for making the request. That is exactly the request made by previous Secretaries, and by the Director of OEO, when we fought that out on this floor. The Secretary of Labor under the Johnson administration took the same position.

They all take that position. If I were the Secretary, I would also. I would take the position, "You give me $2 billion; I am smarter than you, and I will spend it on the programs I think best."

Congress has yet to accept the concept that we just appropriate money and the executive branch spends it, and I do not think we should. If, after 3 or 4 years' experience, we develop prime sponsors, whether they be the State governments or local prime sponsors, who demonstrate great skill and creativity in developing programs, then I would guess that pretty soon we would move to just authorizing them to develop any program they pleased, under the supervision or the veto power of the Secretary. But I do not think we have reached that stage at this time. So I believe that we have provided enough flexibility, and that, at this stage in history, it would be a mistake to accept the amendment of the Senator from Colorado.

Mr. JAVITS. Mr. President, I have given this matter a little more thought in the course of our debate, and it is my judgment that, in view of the negotiations which I conducted in the committee and the concessions which I received in respect to this particular matter and many others, I shall have to vote "nay" on this amendment.

I wish to state, however, that if the amendment should be successful, that is fine, and the administration position will have been very much sustained. As I authored its bill, I can be nothing but gratified. If it should fail, I would propose to offer the proposal for decategorization—giving the Secretary more flexibility and a greater fund which will be flexible—that I suggested to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I shall wind this up, unless the Senator from Wisconsin has something more to say, in a very short way. Just for the record, I wish to make a couple of points.

What I am trying to do here is to persuade the Senate as a whole that the position for decategorization is correct, and that is what I am presenting on behalf of the administration, and I might add on behalf of myself, because I have brought this point up with the Senator from New York in committee on many occasions.

What are we talking about here? Granted that we are talking, first of all, about an enormous amount of money—$2 billion. If any one of us had started spending a thousand dollars a day, 7 days a week, in the year 1, and tried to spend a billion dollars, we still would not have spent it by now, and we would not for another 650-some-odd years. That is an enormous amount of money; and we are talking about $2 billion in 1 year on these programs.

So we immediately become bemazed by the enormity of the figure. That does not mean we will have appropriations for this much. We know this is an authorization bill; but this is the degree of need we think the country has for these types of programs, and we are not attacking the figure.

What I am attacking is the assumptions by the committee that they have more expertise in committee than do the Government and the local sponsors in their own areas, as to what their manpower training needs are. We do that by insisting that there be a certain amount of money for each one of these titles.

We insist, for example, that there be $600 million authorized for the Mainstream, New Careers, and similar programs included in title III. We insist that $600 million be used for public service employment.

There may be places where this is not needed. There may be many areas in our country where we can be far more productive by concentrating on manpower training services rather than on public service. There may be some States where they are going to have to go more heavily into public service in order to take care of concentrated areas of unemployment.

It seems to me it is only proper, in view of these facts, to give the maximum amount of flexibility so that the moneys can be used for the mix of manpower services determined by the States and localities to be necessary to satisfy the needs of their own areas. That would be far more effective, in my opinion, and far more productive of the results we all want, to do it that way rather than the way the committee bill provides.

The PRESIDING OFFICER (Mr. JORDAN of Idaho). The question is on agreeing to the amendment of the Senator from Colorado, as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SAXBE (after having voted in the affirmative). On this vote I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withdraw my vote.

Mr. STEVENS (after having voted in the affirmative). On this vote I have a pair with the Senator from New York (Mr. GOODELL). If he were present, he would vote "nay." If I were permitted

to vote, I would vote "yea." I therefore withdraw my vote.

Mr. KENNEDY. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), the Senator from Georgia (Mr. TALMADGE), and the Senator from Maryland (Mr. TYDINGS), are necessarily absent.

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Washington (Mr. JACKSON), would each vote "Nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senator from New York (Mr. GOODELL), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), and the Senator from Texas (Mr. TOWER) would vote "yea".

The pair of the Senator from New York (Mr. GOODELL) has been previously announced.

The result was announced—yeas 19, nays 55, as follows:

[No. 307 Leg.]

YEAS—19

| | | |
|---|---|---|
| Aiken | Dominick | Miller |
| Allott | Fannin | Pearson |
| Baker | Griffin | Prouty |
| Bellmon | Gurney | Thurmond |
| Bennett | Hansen | Williams, Del. |
| Curtis | Hruska | |
| Dole | Jordan, Idaho | |

NAYS—55

| | | |
|---|---|---|
| Allen | Hart | Pastore |
| Anderson | Hartke | Pell |
| Bayh | Hatfield | Percy |
| Bible | Holland | Proxmire |
| Boggs | Hollings | Randolph |
| Brooke | Hughes | Ribicoff |
| Burdick | Inouye | Russell |
| Byrd, Va. | Javits | Schweiker |
| Byrd, W. Va. | Jordan, N.C. | Scott |
| Case | Kennedy | Smith, Maine |
| Church | Long | Sparkman |
| Cook | Mansfield | Spong |
| Cooper | Mathias | Symington |
| Cranston | McCarthy | Williams, N.J. |
| Dodd | McGovern | Yarborough |
| Ellender | McIntyre | Young, N. Dak. |
| Ervin | Mondale | Young, Ohio |
| Gore | Nelson | |
| Harris | Packwood | |

PRESENT AND GIVING LIVE PAIRS AS PREVIOUSLY RECORDED—2

Saxbe, for.
Stevens, for.

NOT VOTING—24

| | | |
|---|---|---|
| Cannon | Eastland | Goldwater |
| Cotton | Fong | Goodell |
| Eagleton | Fulbright | Gravel |
| Jackson | Montoya | Smith, Ill. |
| Magnuson | Moss | Stennis |
| McClellan | Mundt | Talmadge |
| McGee | Murphy | Tower |
| Metcalf | Muskie | Tydings |

So Mr. DOMINICK's amendment was rejected.

Mr. NELSON. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. KENNEDY. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

AMENDMENT

Mr. JAVITS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. DOLE). The amendment will be stated.

The amendment was read, as follows:

On page 82, line 1, strike the numeral "15" and insert "25".

Mr. JAVITS. Mr. President, the amendment which I have submitted, goes precisely to the same point Senator DOMINICK was trying to make; namely, that the Secretary should have more flexibility among the various activities under the bill.

As the Senate has rejected the idea of doing that by eliminating the categorization programs as between manpower, public service, and so forth, I am now subjecting that the general flexibility already provided by the bill, which is 15 percent in the hands of the Secretary, be increased to 25 percent, so that there will be flexibility.

We fought this out hard in committee—but in view of the feeling of many Members that we should give some consideration to the need, for greater flexibility—I would hope that the manager of the bill might look at this amendment with more sympathy than he did the last time.

Mr. NELSON. Mr. President, as I mentioned previously, we put into the bill the 15-percent transferability from title to title totaling about $200 million out of $2 billion. The Senator suggests that we make it 25 percent. That would be about $333 million of flexibility.

I have always felt that we should give flexibility when we can to an administrator so long as we have some assurance that he is carrying out the authorized objectives of whatever program Congress devises. I do not think that the figure 15 percent, 20 percent, 25 percent has any special magic. I will accept the 25-percent amendment of the Senator from New York which would increase the flexibility to $333 million. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMINICK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 907

Mr. DOMINICK. Mr. President, I call up amendment No. 907.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to state the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment (No. 907) reads as follows:

On page 112, strike out lines 8 through 12, and in lieu thereof insert the following:

"(9) integrating the services provided under this title with other manpower and manpower-related services in the area served by the prime sponsor for which financial assistance is provided by the Secretary of Labor."

On page 112, beginning with line 25, strike out all through page 113, line 2, and in lieu thereof, insert the following:

"(4) the Governor of the State has reviewed the application and has determined that it is consistent with the State comprehensive manpower plan developed pursuant to section 111 and that it makes effective utilization of available resources and facilities to meet local needs. If the Governor, after consultation with the applicant, determines that modifications of the application are necessary to meet the above criteria, he shall transmit the application, together with his recommendations for modification and reasons therefore, to the Secretary who shall determine whether such modifications are required."

On page 122, following line 3, insert the following new section:

"STATE PLANS

"SEC. 111. (a) Any State seeking assistance under this Act or the Wagner-Peyser Act (48 Stat. 113) shall submit an annual State comprehensive manpower plan to the Secretary for approval in accordance with the requirements of this section.

"(b) The State comprehensive manpower plan shall—

"(1) Provide for the cooperation and participation of all State agencies providing manpower and manpower related services in the development and implementation of comprehensive manpower services plans by prime sponsors in accordance with the provisions of this Act;

"(2) Set forth an overall State plan for the development and sharing of resources and facilities needed to conduct manpower programs without unnecessary duplication and otherwise in the most efficient and economical manner;

"(3) Contain information regarding economic, industrial, and labor market conditions which will be useful to prime sponsors in the development and implementation of comprehensive manpower services plans under this Act including, but not limited to, job opportunities and skill requirements, labor supply in various occupations, and economic and business development and location trends;

"(4) Provide for the conduct of programs financed under the Wagner-Peyser Act in accordance with such rules, regulations, and guidelines as the Secretary determines necessary for the purpose of providing coordinated and comprehensive assistance to those individuals requiring manpower and manpower related services to achieve their full occupational potential in accordance with the policies of this Act; and

"(5) Contain other items as the Secretary deems necessary, in accordance with such regulations as he shall prescribe."

Mr. DOMINICK. Mr. President, I say to the Senators that since we took about

an hour to get a rather sharp licking on the last one, maybe I will do better by taking only 5 minutes on this one. That is the way I intend to proceed.

Mr. President, I ask for the yeas and nays at this time.

The yeas and nays were ordered.

This particular amendment is the one that the Governors are particularly concerned with and one that the administration is particularly concerned with and one that I think most of us are particularly concerned with.

What it is designed to do is to strengthen the opportunities of Governors and local mayors within cities and towns to be able to run their own programs and to integrate them into an overall plan for the State.

It is the feeling of the Governors that the bill as now worded—and I think there is a copy of this wire on the desk of every Senator from the present chairman of the National Governors Conference and the ex-chairman of the National Governors Conference pointing out their concern—provides neither the authority nor incentives for State governments to integrate State and local applications for manpower services programs into a comprehensive and coordinated statewide plan. Moreover, it does not establish a system which would relate Nelson bill-funded programs to other manpower activities, such as FAP, local operations of the employment service, and others. Thus, the current bill would perpetuate the gaps in services, duplication of programs, and general lack of coordination which characterizes present manpower activities.

I might point out concerning the telegram which is on every desk that the second sentence says:

> Although it proposes consolidation and decentralization to correct confusion, profusion of authority and inefficiency prevailing in the manpower field, we are overwhelmed by the failure of the bill to provide for any overall State role.

This is the key.

The amendment I propose would require State and local prime sponsors to integrate manpower and manpower related services under other Labor Department programs with services supported under this act. This would turn the "application" into a quasi-comprehensive local manpower plan and allow applications for funds under this act to be judged in the context of the community's overall activities.

Second, a new section 111 would require States to develop annual comprehensive manpower plans if they are to receive funds for programs under this act and under the Wagner-Peyser Act. This annual State comprehensive manpower plan would analyze manpower needs and economic trends, set forth a State plan for sharing resources and facilities for the conduct of manpower programs through the State, require the cooperation and participation of all State agencies in comprehensive manpower services plans developed by local prime sponsors, and incorporate Wagner-Peyser activities as an integral part of State and local manpower operations.

Finally, the Governor would be required to review local applications to assure that they are consistent with the State comprehensive manpower plan. If the Governor feels that modification of such plans are desirable, he shall submit his comments to the Secretary of Labor. The Secretary of Labor will then decide whether such modifications are required during his review of local applications.

Mr. NELSON. Mr. President, may we have order? I cannot hear the distinguished Senator from Colorado.

The PRESIDING OFFICER. There will be order in the Chamber.

Mr. DOMINICK. Mr. President, I thank the Senator from Wisconsin. I am a little hoarse already, and it is a little hard to talk over the noise.

In short, what the amendment tries to do is to provide that the States have a larger role in developing statewide plans and that the Governors have the right to review and comment on the local plans to see if they can coordinate the manpower activities of each State.

Mr. NELSON. Mr. President, I do not interpret the amendment quite in the way that the Senator from Colorado does. I think that the amendment gives the Governor a veto over a prime sponsor's plan, although the final word rests with the Secretary of Labor.

The original proposal of the administration was that the prime sponsor shall send his proposals to the Governor and that the Governor shall develop a statewide plan. The Governor, in effect, had a veto power over what was proposed by the prime sponsor with, of course, the Secretary of Labor again having the final determination.

The Dominick amendment reads that the plan of the prime sponsor is submitted to the Governor. The Governor, after reviewing the application, must determine that it is consistent with the State comprehensive manpower plan and that it makes effective utlization of available resources and facilities. Without this determination, the local prime sponsor's plan could not go into effect.

What we would have is a confrontation between mayors of large cities and Governors around the country. In fact, I think it will work out to be a Governor's veto, because it amounts to a veto when the prime sponsor's plan must conform with the State plan.

We can continue on this point and discuss it in detail and decide upon a formula which I think treats everybody fairly and does not force unnatural confrontations between Governors and the mayors of larger cities.

The bill provides that the prime sponsor, the city of New York, the city of Philadelphia, the city of Pittsburgh, or smaller communities, shall develop a manpower plan. They are required under the bill to send their applications to the Secretary of Labor with a copy going to the Governor.

The Governor has the right to comment on the plan of the prime sponsor. If the Governor is critical of the plan of the prime sponsor, the Secretary is to attempt to reconcile differences.

Following this procedure, you will have coordination; but you are not forcing the cities to go through the States with Governors having the advantage of saying, "I do not like this plan," and the mayor having to go to the Secretary to get him to overrule the Governor. We do not think that is a good approach. The mayors are absolutely opposed to it. They sent a letter which I think all Senators received. The letter is dated September 1, 1970. The letter is from the National League of Cities and the U.S. Conference of Mayors, and it states as follows:

> The proposed manpower bill coming before you this week will for the first time give the mayors throughout the country the major role in planning and operating federally financed local manpower programs. Under the proposed legislation every mayor in a city of 75,000 or more would be given the opportunity to designate the prime sponsor of the local manpower training system. This step, in our opinion, would go a long way toward giving the mayor the needed flexibility at the local level to insure coordination, avoid duplication and overlap, and thus begin to move toward truly meeting the needs of our citizens.

In the testimony by the U.S. Conference of Mayors and the National League of Cities on June 1, 1970, they say in their statement on page 3027 of the hearing record:

> (a) The U.S. Department of Labor should make manpower funds available directly to the cities for the planning, evaluation, coordination, and administration of manpower programs;
>
> (b) The mayor should be given authority to coordinate all local manpower programs.

Mr. President, we think we have designed a bill to provide for development of good and comprehensive plans with appropriate authority in the Secretary to require coordination without forcing the mayors into a fight with the Governors unnecessarily.

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

Mr. NELSON. I yield.

Mr. PERCY. Mr. President, I have been impressed with the complexity of the problems and programs mayors must deal with, with respect to the Federal Government. Last year I sponsored a conference of 150 mayors, to have them come to Washington and have various agencies of the Government present to them the kind of programs they have for their better understanding.

The turnover of mayors, their sometimes inadequate staffs, the complexity of the problems they are dealing with, are all such that I feel it a good thing to have the Governors, in a rebirth of federalism, take over more responsibility for coordination of these programs within their own States.

I am rather surprised that a distinguished former Governor, who held that Chief Executive responsibility, would see fit to have so many mayors deal direct with Washington on local community problems rather than in the federal system through the 50 Governors.

I would be very much interested in the observations and personal experience of the distinguished Senator, but my feeling is we have to work to strengthen our Governors rather than to weaken them. I hope this Congress will take many steps

to strengthen our federal system, leaving for the Governors and States an adequate role as was originally envisioned.

Mr. NELSON. Mr. President, I thank the Senator for raising the question.

The bill does strengthen the Governors. But here is the problem, and I would say this as a former Governor. I really did not, as the Governor of my State, know anything significant about the manpower problems of our major cities compared to what was known by the mayor, the city council, the employment service in the city, the vocational schools in the city, the school system, the labor leaders, and the business leaders of that local community. This is true all over.

What we are trying to do in this program is to have the manpower programs originate with the people who have the problem at that place where it exists. Starting out in these programs there was no competence, understanding, or experience at either the State or local level in the development of manpower programs. So Congress started out to pass bills in which we said, "We will establish this national program," and then say to Chicago or some other city, "We will give you 300 slots in the Neighborhood Youth Corps and X amount of money for this program and that program," without ever having developed a comprehensive manpower program to service the needs of that city.

The State government is not nearly as qualified as the people in the local community to develop a manpower program for Chicago, for example. Under this bill there would be created a local manpower services council. On that manpower services council in Chicago you would have the employment service, the community action agency, the educational institutions, the mayor, representatives of labor and representatives of business; you would have the people who have studied and lived in the community and who know the problem.

They would develop a comprehensive manpower program. But in order to be sure it makes sense and that it fits in with what should be done in that State, they have to send a copy of their plan to the Governor. He would have an opportunity to review what Chicago proposes. If he has a sensible objection he makes it to the Secretary. The Secretary has the authority to review the Chicago plan or a part of the Chicago plan or make requirements, if he thinks the Governor is right. So you have the Governor commenting on it and the Secretary responsible for coordination, if it is necessary.

The State is not as well equipped to perform that functon as the city; the city of Chicago has to do it. This would give authority in communities of 75,000 people or more to develop their own manpower program.

Mr. PERCY. The same argument, in principle, could be made about almost any of the great problems we have; and it could be urged that we simply proved that all your larger cities deal directly with Washington, bypassing the States.

My feeling is that in my own State, our Governor, Richard Ogilvie, is developing a tremendous amount of competence in certain fields at the State level which is providing invaluable service to communities on a coordinated basis; many of our mayors would rather deal with Springfield—though on second thought perhaps Mayor Daley would not want to—but most mayors would rather than with Washington.

I hope the thrust and direction of our work here in the Senate would be toward strengthening Governors and State capitals rather than having duplicative services developed in many cities and a tremendous hierarchy developed here in Washington, where it is pretty hard to find the answer and when we have so many duplicated, complex, and overlapping programs very difficult for our mayors to even discern much less fully utilize.

Mr. NELSON. First, I would say that the Secretary may approve anything the State is developing that makes sense. The National League of Cities was unanimous in urging that mayors be able to develop their plans without having veto power in the hands of the Governor.

Mr. JAVITS. Mr. President, again, this was a tremendous struggle in the committee. I sponsored the administration bill, which bill called for the State comprehensive manpower plan and everything else to be a satellite to that plan. We were unsuccessful in that effort in the committee. We fought that battle very, very hard, but we did have a decent compromise.

It is interesting to me that the decency of that compromise has not even been disclosed in this debate.

I ask Senators to follow me on this. It is not very technical, but Senators will have to follow me. I ask them to look at page 103 of the bill, headed "Prime Sponsors," which has not yet been mentioned in the debate. The first entry says:

For the purposes of this title, any State—

So that the first prime sponsor that is contemplated by the bill is a State. So we then go on and reserve this right to the States and to any units of general local government which have less than 75,000 persons, because they cannot participate as a prime sponsor. So we really make for the State a comprehensive plan; otherwise it is sent out to the rural community.

It was understood that the State would take care of that end of the bill. Then we would come to other prime sponsors, which can be aggregate units which must be in some kind of related position so that they can represent a labor market.

When we get to that point we put the State on a parity with other eligible prime sponsors. Those prime sponsors can be a city or a county or a group of governmental units. If they are competing, the Secretary has to make a choice. For example, there might be a labor market of 75,000 in which a county executive will compete with an ad hoc committee that commissioners have put together. The Secretary will make a choice.

So, we did provide the States a role. The Governors wired us. Having lived with this matter and understanding that it is one of the most complicated measures we have put together, the Governors are not entirely right, because the fact is that there is a big role for the States if—and this is a big "if"—they will take it.

I was on the side of the Governors to this extent, but I must say I had to be impressed—because of the substantive facts—with the view of the majority. The fact is that there are many States in which—if it were left to the States and the Governors—the big cities and the major population areas would have a rough time, logically and politically——

Mr. PASTORE. Mr. President, if the Senator will yield, like New York City and Providence? Is that right?

Mr. JAVITS. I am afraid so, although I am Governor Rockefeller's campaign manager. I have to be very careful about it.

Mr. PASTORE. I know, but the Senator lives in New York City.

Mr. JAVITS. Hence, we worked out this compromise so that when we get to the level of below 75,000 population, the States have to do it or it is not done. That is not too happy a situation. But that is made a rough rule of thumb. When we get above the 75,000, the States and local units of governments are really competing. That is what it comes down to. The decider is the Secretary of Labor.

In order to give the State adequate play, as it were, we wrote in the requirement that before the Secretary can act he has to have the State's view, through the Governor. It is not a veto, but, public life being what it is, it is a pretty potent thing. The Governor does not have to be in a terrible flap about giving his views. The Secretary may say, "We have waited 2 months and we are not going to wait longer."

Consistent with the fact that the majority was flatly against the concept which we espoused on the part of the administration—to wit, a State comprehensive manpower plan I think we did really preserve a very important role for the States, if—I repeat—the States want it. If the Governors are animate, themselves, they can really run it within the bounds I have described. If the Governors are going to be asleep and be against it, that fact does not hamstring the cities.

It seems to me that is about as fair a compromise as we can make if we lose the main battle, which was that the States should run it.

I do not look down my nose at them, although I do not agree with them; but there are some people who argue that freedom requires that we should make a sacrifice, and if a State does not like a certain program, whether welfare or manpower training or poverty, that State ought to be able to veto it; freedom in the United States demands that kind of power in the States.

To me, that is a reputable argument. I do not look down my nose at anybody who makes it; I do not agree with him; but that is the essence of a very important ideological difference between me and many of those who think likewise and others here. On that ground, they should vote for the amendment of the Senator from Colorado (Mr. DOMINICK) at the least.

The last point with respect to the Dominick amendment is this, and I know he will——

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

Mr. JAVITS. I yield.

Mr. DOMINICK. I want to make clear that there is no veto by Governors in this amendment.

Mr. JAVITS. The Senator is absolutely right. I was just coming to that.

The other factor which determines my point of view is that apparently the administration, for the purpose of these amendments, has reached the conclusion that these provisions will be in the bill, because—as the Senator from Colorado has said—his amendment does not impose any veto. His amendment does not say there shall not be direct relations between municipalities and the Secretary of Labor. What he says is that this machinery shall not get going until the State produces a comprehensive manpower plan.

Once we get over that difference of principle, then we should go to the most efficient way to proceed. If we are going to stick to a principle that there shall be no plan by a municipality unless the State wills it, that is one thing. Then we get into the question of yes or no. But when we get to the finite details of whether——

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

Mr. JAVITS. I yield.

Mr. PASTORE. Getting back to New York State, the problems of New York State generally may be different from the problems of New York City, and the Governor may not be interested because of the overall situation of the New York State, and yet the mayor of New York City may be very interested.

Mr. JAVITS. The Senator has tempted me very much on New York.

Mr. PASTORE. All right. Let me bring it back to Rhode Island, if the Senator does not want to talk about New York.

Mr. JAVITS. No; I love New York. I will stick to that.

I wish to confirm my confidence and faith in the progressiveness of Governor Rockefeller. To be sure he would be among the first to have a comprehensive manpower plan within which New York City could do very well.

Mr. PASTORE. I did not mean this in derogation of Governor Rockefeller.

Mr. JAVITS. I know that.

Mr. PASTORE. But there may be a situation in which the rest of the whole State may lead him to one conclusion as against one large city which may look at it from the opposite point of view. The Senator has settled it so it can be worked both ways. Is not that the purpose of the compromise?

Mr. JAVITS. That is right.

The Senator from Colorado (Mr. DOMINICK), who is not bashful, will interrupt me if I am wrong. The administration has pretty well come to the conclusion that they are really arguing about degree rather than the issue of principle. They are accepting the issue of principle that we have to allow—one way or another—local units of government to have a direct relation, if need, be, with the Secretary of Labor.

Therefore, I feel that this scheme in the amendment simply makes it a little more difficult to run through the same process; and as long as we have made that decision in principle, I am in favor of using the machinery in the bill.

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

Mr. JAVITS. Certainly.

Mr. PERCY. Do I correctly understand, though, that the amendment offered by the Senator from Colorado is essentially the position taken originally by the administration?

Mr. JAVITS. No. I say again, the Senator from Colorado is not bashful, and may interrupt me.

The administration originally took the position that you had to have 50 State plans, and everything else became a satellite within that plan, and only in extreme emergency situations could you pierce that State veil—to use the lawyer's term, like the corporate veil.

Now the administration's position is that it is apparently willing to come some distance toward the majority, and it is not insisting that any direct local plans be barred absolutely unless they have a State plan as paramount. It is willing to accept local plans after there is a comprehensive State plan in being. That is all they ask for now.

I do think there is a fundamental difference in concept between the original position—which I introduced as the administration's bill—and their present position, as incorporated in Senator DOMINICK's amendment, which is the administration position today.

Mr. PERCY. I think we are indebted to the minority members of the committee for having brought the bill to its present stage. It is somewhat more realistic, possibly, in concept than the original introduction, but also, the administration has modified its position somewhat. It is being presented to us by the Senator from Colorado in such a way as to take into account some of the testimony heard and new experience, so that neither position is as extreme as, possibly, when it started. I commend the Nixon administration for its position and I support it.

Though I still support the position of Senator DOMINICK, we are grateful to the ranking minority member and to the other members of the committee, together with the majority, for working out a much better bill than we would have had otherwise.

Mr. JAVITS. I thank my colleague.

One thing we have to add to Senator DOMINICK's argument, and that is that it represents the administration's evaluation of what is the most successful way to run a national manpower training program. I may not agree, but we have to add that that is their view, and it has a lot of expertise in an enormous department back of it.

Mr. COOPER. Mr. President, the Senator from New York makes a very persuasive argument for his position, as does the Senator from Colorado.

I remember the beginnings of the conflict between the positions of Federal control, or State control or at least State participation in connection with manpower programs. I am glad that at last the programs have been joined and many improvements made and this is greatly to the credit of the committee.

But on the question of relative powers of the States and the Secretary, I would ask these questions. It is correct, is it not, that the committee bill does not mandate that there shall be a State plan?

Mr. JAVITS. No.

Mr. COOPER. It is correct is it not that other than asking for the comments of the Governor of the State, there is no further participation guaranteed in this bill as far as the State is concerned?

Mr. JAVITS. The word "guarantee" could be misleading, and I cannot accept it, because it all depends on the State and the Governor. If it is not guaranteed, it is only because the State and its Governor are either indolent or against the idea of a manpower training program. If they are on the ball and they are interested, then it is guaranteed.

Therefore, I think that, as a legal concept, it depends solely upon a person's own volition as to whether he has a right or not. I would say that the right is guaranteed.

Mr. COOPER. Well, perhaps the characterization by word is unimportant. What I am saying substantively is that the language of the bill provides no assurance or mandate that there shall be a State plan and provides no authority to the Governor other than to make comments on programs.

Mr. JAVITS. No, I cannot agree with that. There is no mandate, but there is an assurance. A State has a topflight right to a plan, and, indeed, it is the duty of the State to have a plan, because if it does not, it shuts out all its less populated areas from participation in the program at all. So, I would construe it to really give assurance that there is a State plan. It is hardly conceivable to me that if a rural State has one big city, and that big city is definitely going to have a manpower training program, that the Governor of that State and its legislature would—simply, because they will not prepare a State plan—deprive all of its less populated areas of Federal manpower training funds.

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

Mr. JAVITS. I yield.

Mr. DOMINICK. My amendment does not do that.

Mr. JAVITS. No. The Senator from Kentucky is talking about the bill.

Mr. COOPER. Yes. We have already provided assurance that the States will have programs by our vote on the first amendment of the Senator from Colorado.

I voted against the amendment, because I wanted to be sure that the States will have programs. Also, I was concerned about the concentration of authority in the Secretary which the amendment directed. We might be for control in this administration, but we might have been very much against it

in past administration; and I say "past" because I do not see any prospect of Democratic administrations in the immediate future.

All of us have been familiar, through experience, with systems and programs in our own States with the overlapping of programs, duplication, lack of priorities, and actual waste of money. I do not wish to speak against my own State, but I know that in certain cases and in certain areas of our States, there have been millions and millions of dollars spent with very little result, I am sorry to say.

It seems to me that the amendment of the Senator from Colorado provides, for the Governor of the State—though he cannot veto these applications—the opportunity to say, upon the basis of information which is certainly more currently available to him than to an agency in Washington, that there are certain programs that are duplications, that are wasteful, and that really do not move toward the objectives of these programs and provides him authority to recommend changes and priorities, which the Secretary can and must consider.

This is almost the minimum that the Senator from Colorado is asking for, and, while I am not an expert in this area, I have had the experience of discussing this problem with people who were sponsors with public officials and with the people who participate in the programs.

I shall digress for a moment, and say that I can remember, on many occasions, applicants for OEO programs came to Washington to discuss their applications and secure their approval from people, who while doing their best, had little understanding of the necessity or nature of the program being asked for, but had to pass upon it. It seems to me this is a sensible and limited approach to provide this authority to the Governors, so I shall vote for it.

I hope the Senator from New York will respond to my question about duplication, establishment of priorities, and whether or not it is a limited amendment.

Mr. JAVITS. Yes. I shall respond to the last question first. It is a limited amendment, and within the parameters of its limitation, it does not involve a veto. It involves more restraint upon the localities than is provided in the bill, because it does require—as a condition precedent to local plans—that there be a State plan and the State plan can be stalled for years. It may never come into being.

Again, the dynamics of life are such that that is unlikely, except in some really dug-in situation. But it is precisely the dug-in situations which we are trying to reach. Accordingly, given the choice between the two, an indeterminate, nonvetoing block, which a State could throw in—using the word "block" in the football sense—and the procedures of the bill, I would choose the procedures of the bill, because I do think that they give the Governor—a lively Governor in a lively State, which is really interested—everything which Senator DOMINICK's amendment gives it if they move. But Senator DOMINICK's amendment does build in a right in a State which is superior to the power of the Secretary of Labor to move it. That is why I feel there is not a chasm of difference between the Senator from Kentucky and myself.

If the Senate prefers to build in such a block—it is not a veto—then of course the Senate will support this amendment. If the Senate prefers to require Governors and States to be activists in order to put themselves in the same position which Senator DOMINICK's amendment would put them in, then it will reject the Dominick amendment.

I thank the Senator.

Mr. DOMINICK. Mr. President, I have enjoyed listening to the very distinguished Senator from New York make counterpoint after counterpoint concerning my amendment. I should like, if I may, simply to interpret my own amendment the way I think it is designed, without infringing on his interpretation in any way.

First, this amendment does not in any way change the prime sponsor provision. Cities and localities meeting certain size criteria, and a State can still be the prime sponsors. That provision would not be affected by this amendment.

Second, no legal authority is given under this amendment or in the bill for anyone to hold up anybody's program.

What this does is to say that where you have an overall State plan and a local sponsor has another plan, that plan shall be submitted to the Governor for his comments, to see whether or not it fits with the State plan which has already been adopted, and to see whether it makes effective utilization of resources and facilities which are already available. If in his opinion it does, he can so state. If in his opinion it does not, he can so state. Those comments are sent on with the local sponsor's plan to the Secretary, for the Secretary's review. Hopefully, it will introduce a greater partnership between the mayors and the Governors than there is in many areas of the country at this time.

The only other point I wish to make—and I think this is accurate—is that, so far as I am concerned, if there is no State plan, there is no reason why the local prime sponsor cannot submit his application. The Governor could review the plan and comment on it, but the absence of a State plan would not mean the local prime sponsor's application could not be approved by the Secretary.

What I think this does—and I think it is important—is that it gives a coordinating role to the Governor of the State. It creates an atmosphere for partnership between the Governor and the mayors and the localities, and it requires that existing facilities be used, to avoid the duplication of facilities and services which has occurred in the past.

This is the purpose of the amendment. I think it strengthens the Governor's role; but, more important, I think it strengthens the opportunity for partnership among the localities, the mayors, and the Governors.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. DOMINICK. I yield.

Mr. JAVITS. Strictly on the technical interpretation of the amendment.

I invite the Senator's attention to page 2, lines 1 to 6, which is what I call the condition precedent before a local unit of the State can submit a plan. It reads as follows:

> The Governor of the State has reviewed the application and has determined that it is consistent with the State comprehensive manpower plan developed pursuant to section 111 and that it makes effective utilization of available resources and facilities to meet local needs.

As I understand the Senator now, he wishes us to take that language to mean that this only is true if the State has a comprehensive manpower plan. If it has not, then the Senator says that that is not a condition precedent. In other words, if it does not have a comprehensive manpower plan, then the Governor, nonetheless, is under the duty to determine what modification he wants and to send it on to the Secretary.

The language, it seems to me, does not permit me to agree with that interpretation. I did want to be sure that the Senator's comment was directed precisely at what made me say what I did about the condition precedent.

Mr. DOMINICK. The Senator from New York is totally correct. If he will look at lines 16, 17, and 18, he will see that it starts out under section 111 saying "any State seeking assistance under the act." It does not talk about a local prime sponsor or anything else—"any State seeking assistance under the act shall submit an annual State comprehensive manpower plan."

It is my hope—and the Senator has said it is his expectation—that all States would do this. But if they do not, it seems to me that the local sponsor can certainly go ahead and submit their plan to the Governor, saying, "We have not been able to get anywhere with the local plan."

Mr. NELSON. Mr. President, I realize that in reading legal language, statutory language, lawyers will disagree about what it means. My interpretation of the language in the amendment is that the Governor has veto power. Senator DOMINICK's amendment provides that an application for financial assistance under this title "may be approved only if the Secretary determines that"—and I quote Senator DOMINICK's amendment beginning on page 2, line 1—"the Governor of the State has reviewed the application and has determined that it is consistent with the State comprehensive manpower plan." If he determines that it is not consistent, he has vetoed it, because the Secretary cannot approve it unless the Governor takes that position. So the Governor has the veto power.

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

Mr. NELSON. I yield.

Mr. DOMINICK. Let me say for the record—and I think it ought to be crystal clear—that the administration has assured me, and I specifically asked them, that this is not intended and is not designed and is not worded to give the Governors the veto. All it is designed

to do is to give them the opportunity to review the applications of local prime sponsors to see whether their plans fit into the overall State plan, and if not, to suggest changes. The Secretary would decide whether the changes should be made.

Mr. NELSON. But if that is their intent, I do not think that is what they say. If the Senator will look at the bill, section 106, page 112, it says that an application for financial assistance under this title "may be approved only if the Secretary determines that"—and the Dominick amendment adds this language—"the Governor of the State has reviewed the application and has determined that it is consistent with the State comprehensive manpower plan."

If the Governor determines that if it is not consistent with the State comprehensive manpower plan, the Secretary may not approve it. I consider that a veto power, and I do not think we should approve that.

As I stated earlier, it is opposed by the people who are most directly involved. The National League of Cities opposes this. The U.S. Conference of Mayors opposes this.

I may say that it is interesting that the Governors' Conference was invited to testify, and the Governors could not agree on what to say, so they never appeared before our committee despite 7 months of hearings.

In the committee bill, all the power that is necessary to require the development of sensible plans is in the hands of the Secretary, without forcing those kinds of confrontations that all the mayors in this country want to avoid.

Mr. DOMINICK. Mr. President, I am ready to vote, with the final comment that I do not agree with this interpretation. As carefully as I read the language, I do not see how the Senator arrives at that conclusion.

I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BOGGS (after having voted in the affirmative). On this vote I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from Arkansas (Mr. FULBRIGHT) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. GOODELL), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) is absent on official business.

If present and voting, the Senator from South Dakota (Mr. MUNDT), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 28, nays 46, as follows:

[No. 308 Leg.]

YEAS—28

| | | |
|---|---|---|
| Aiken | Ervin | Packwood |
| Allen | Fannin | Percy |
| Allott | Griffin | Prouty |
| Baker | Gurney | Saxbe |
| Bennett | Hansen | Scott |
| Byrd, Va. | Holland | Talmadge |
| Cook | Hollings | Williams, Del. |
| Cooper | Hruska | Young, N. Dak. |
| Curtis | Jordan, N.C. | |
| Dominick | Jordan, Idaho | |

NAYS—46

| | | |
|---|---|---|
| Anderson | Hartke | Pell |
| Bayh | Hatfield | Proxmire |
| Bellmon | Hughes | Randolph |
| Bible | Inouye | Ribicoff |
| Brooke | Javits | Russell |
| Burdick | Kennedy | Schwengel |
| Byrd, W. Va. | Mansfield | Smith, Maine |
| Case | Mathias | Sparkman |
| Church | McCarthy | Spong |
| Cranston | McGovern | Stevens |
| Dodd | McIntyre | Symington |
| Dole | Miller | Williams, N.J. |
| Ellender | Mondale | Yarborough |
| Gore | Nelson | Young, Ohio |
| Harris | Pastore | |
| Hart | Pearson | |

PRESENT AND ANNOUNCING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Boggs, for.

NOT VOTING—25

| | | |
|---|---|---|
| Cannon | Jackson | Murphy |
| Cotton | Long | Muskie |
| Eagleton | Magnuson | Smith, Ill. |
| Eastland | McClellan | Stennis |
| Fong | McGee | Thurmond |
| Fulbright | Metcalf | Tower |
| Goldwater | Montoya | Tydings |
| Goodell | Moss | |
| Gravel | Mundt | |

So Mr. DOMINICK's amendment No. 907, was rejected.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that all debate on each of the four remaining amendments to be offered by the Senator from Colorado (Mr. DOMINICK) be limited to 30 minutes, the time to be equally divided between the Senator from Colorado (Mr. DOMINICK) and the manager of the bill, the Senator from Wisconsin (Mr. NELSON).

The PRESIDING OFFICER (Mr. COOK). Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time on the bill be limited to 30 minutes to be equally divided between the able Senator from Wisconsin, the manager of the bill, and the minority leader or his designee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

The bill is open to further amendment. The Senator from Colorado is recognized.

AMENDMENT 908

Mr. DOMINICK. Mr. President, I call up Amendment No. 908.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment reads as follows:

On page 132, beginning with line 25, strike out all through page 133, line 8, and in lieu thereof insert the following:

"(4) wages paid to a participant shall be equal to (A) the minimum wage which would be applicable to the employment under the Fair Labor Standards Act of 1938 if section 6(a) (1) of such Act applied to the participant and he were not exempt under section 13 thereof, or (B) if higher, the State or local minimum wage for the most nearly comparable covered employment, or (C) where the participant is being prepared for particular employment which will not be supported by funds under this Act, a rate equal to 80 per centum of the prevailing weekly wage for such employment, whichever is greater: *Provided further,* That such additional wages as the applicant may pay the participant from non-Federal sources may not be applied to meet the matching requirements under section 205(8)."

On page 125, beginning with "skills" on line 6, strike out through line 8, and in lieu thereof insert "skills,".

On page 126, strike out line 23, and in lieu thereof insert the following: "at least once every six months during their em-".

On page 127, line 8, strike out the word "locate", and in lieu thereof insert the following: "place the participant in"; on line 11, strike out the words "which he chooses", and in lieu thereof insert the following: "to which he is referred"; after line 12, insert the following new subparagraph:

"(16) assurance that no participant shall receive assistance under this title for a period which exceeds two years from the date of his placement in public service employment under this title, except that eligibility may be extended for such period as emergency employment assistance is in effect under the provision of title VI of this Act;".

On line 13, strike out "(16)", and in lieu thereof insert "(17)"; on line 21, strike out "(17)", and in lieu thereof insert "(18)".

On page 191, line 6, beginning with the words "The Secretary" strike out through line 10 and in lieu thereof insert the following: "The Secretary may make equitable adjustments in the funds reserved to carry out this part to take into account that persons eligible for assistance under this part are receiving assistance under other provisions of this Act."

On page 197, line 8, beginning with the word "including", strike out through line 10 and in lieu thereof insert the following: ". . . and the Secretary may make appropriate arrangements for the conduct of such programs and activities, including but not limited to arrangements with eligible applicants under other provisions of this Act."

On line 18, beginning with the words "The Secretary", strike out through the word "section" on line 22 and in lieu thereof insert the following: "The Secretary may make equitable adjustments in the funds reserved to carry out this part to take into account that persons eligible for assistance under this part are receiving assistance under other provisions of this Act."

On page 206, line 14, beginning with the word "including" strike out through line 16 and in lieu thereof insert the following: ". . . and the Secretary may make appropriate arrangements for the conduct of such programs and activities, including but not limited to arrangements with eligible applicants under other provisions of this Act."

On page 206, line 25, beginning with the words "The Secretary" strike out through page 207, line 3, and in lieu thereof insert the following: "The Secretary may make equitable adjustments in the funds reserved to carry out this part to take into account that persons eligible for assistance under this part are receiving assistance under other provisions of this Act."

Mr. DOMINICK. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 5 minutes.

This amendment will strengthen the emphasis on the career development of individual participants in public service employment programs under the bill. It will also safeguard against possible abuse of this program which might convert it into a permanent program of disguised revenue sharing without relationship to a community's manpower needs and economic conditions.

Mr. President, may we have quiet?

The PRESIDING OFFICER. May we have order in the Chamber, please.

The Senator from Colorado may resume.

Mr. DOMINICK. Mr. President, first, this amendment would modify the proposed wage levels which would be paid participants in public service employment programs. The committee bill would require that wages paid public service employees be at least equal to the Federal minimum wage—as if it were applicable—the State or local wage for comparable covered employment, or the prevailing rate of wages in the area for similar work.

The committee bill will only establish a floor for wages in federally subsidized public service employment.

Keep in mind that the Federal Government is going to pay 80 percent on this. So, there would be no ceiling or limit to the level of Federal wage subsidies. Under such conditions, limited manpower appropriations might be fairly rapidly exhausted. Furthermore, all incentive might be removed for participants to move out of subsidized employment and into nonsubsidized career opportunities in both the public and private sectors.

My amendment would establish a ceiling or limit on the level of Federal wage subsidies. Federal wage payments for public service employment would be fixed at the Federal minimum wage—as if it were applicable—the State or local minimum wage for comparable covered employment, or 80 percent of the prevailing weekly wage in employment for which the participant might be preparing, provided that nothing shall be less than the Federal minimum wage. This would focus both participants and sponsors on training and preparation for placement in nonsubsidized employment.

Sponsors could further supplement Federal wage subsidies out of non-Federal funds. Additional wage payments could not be applied to the sponsor's obligation to provide a 20-percent matching share for title II funds.

This amendment will also bring wage payments for public service employment conceptually into accord with the level of allowances and compensation for other manpower training programs authorized by this act. These provisions are laid out in title I. This will permit participants and counselors to choose between different types of occupational training opportunities and public service employment in terms of the participants' overall career objectives. Such decisions will not be distorted in favor of programs which may have a higher immediate income maintenance effect but offer less in terms of long-range earning power and family income.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DOMINICK. Mr. President, I yield myself 4 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 4 additional minutes.

Mr. DOMINICK. Mr. President, second, this amendment will limit eligibility for any individual placed in public service employment to 2 years from the date of entry into the program.

The purpose of this is to assure that public service employment would be used only as one part of an overall manpower training program. Applicants for funds under this title would be required to design their programs to insure that participants moved up the job ladder and into other employment within 2 years.

It will provide for a community manpower agency to review his status periodically and make every attempt to place him in other employment or training opportunities. This review must occur at least every 6 months during the course of the participant's enrollment in public service employment.

At the same time the amendment recognizes that there are periods when our economy has slowed and no longer maintains a high demand for trained labor. Title VI of this act would trigger automatically additional manpower appropriations when the rate of national unemployment exceeds first 4.5 percent, then 5 percent for 3 consecutive months. That remains the same. Such funds would be available until overall national unemployment has fallen below these levels for 3 consecutive months.

During such periods as this national "trigger" is in effect, the eligibility of those who have exhausted their 2 years' placement in public service employment would be extended.

Overall, these amendments will assure that public service employment plays its proper role within a comprehensive manpower system. This is a long way from where the administration originally started. Federally subsidized work stations in public agencies should be used to prepare disadvantaged persons for career placement in nonsubsidized public and private job opportunities. Furthermore, during periods of higher unemployment such public service jobs can form a needed bridge for more skilled workers until the regular demand for their skills returns with overall economic recovery.

It would seem to me that this amendment, as it does put a ceiling on the amount that can be federally subsidized in the way of payments and requiring review every 6 months to try to get them into higher income jobs, and the 2-year limit, would make public service employment more closely fit into a manpower training bill.

I reserve the remainder of my time.

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

Mr. DOMINICK. I yield to the Senator from Iowa.

Mr. MILLER. I would like to ask a question so I can understand the matter of the minimum wage to be paid under the Senator's amendment. If the individual concerned is being trained for employment which would be covered by the Fair Labor Standards Act, would he be paid 80 percent of the prevailing weekly wage for such employment or would he be paid, if it is higher, the minimum wage under the Fair Labor Standards Act?

Mr. DOMINICK. He would be paid the latter. In no event, wherever the job is covered by that, would he be paid less than the Federal minimum wage.

Mr. MILLER. If he were being trained for a position not covered by the Fair Labor Standards Act, would he be paid 80 percent of the prevailing weekly wage or would he be paid the minimum wage under State or local minimum wage law?

Mr. DOMINICK. Whichever is higher. He would be paid whichever is higher.

Mr. MILLER. I have another question I wish to ask the Senator.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMINICK. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized for 1 additional minute.

Mr. MILLER. I wish to ask whether this is realistic because I can understand that if he is being trained to work, let us say in a local municipal courthouse building, the people who are there earning the minimum wage under the State or local minimum wage law could be resentful of him coming in and receiving as much as they are receiving, or is that the intention behind the Senator's amendment?

Mr. DOMINICK. The intention is to be

sure that participants in public service employment have some incentive to move out into other jobs. That is why we put the limitation on. They cannot continue to stay indefinitely.

Mr. President, I reserve the remainder of my time.

Mr. NELSON. Mr. President, I will be very brief. The amendment demonstrates the fundamental difference in position between those who believe that there are a large number of public service employment jobs to be performed in the country, which are not now being performed and those who do not. Studies indicate that there are about 5 million such jobs. The National Commission on Technology, Automation, and Economic Progress estimated there are 5.3 million potential jobs in public service. So this represents the difference in position of those who believe that there should be permanent public service jobs of some great number and those who do not. Under the bill public service jobs would be funded 80 percent by the Federal Government and 20 percent by the municipality. Jobs would include assistance and aid in the schools, supervision of classrooms, assistance in various nonprofessional work, on police departments, or work in the field of transportation or in the parks.

Under the bill they could go to better jobs elsewhere, but this amendment provides they could only work for 2 years in some necessary public service job in some city or community, and at the end of that time they would have to leave, whether there was another job for them or not. Then, they would take another person and he would work for 2 years and be released whether there was a job or not.

Then the amendment provides for paying only 80 percent of the prevailing wage. I do not think we can justify taking an employee and putting him in some department of the municipal government next to another employee and have him work at a wage 20-percent less than the other employee is getting. I do not think that is fair or that it makes sense.

The question is, Do we establish public service jobs to perform these necessary jobs, or only to serve a training function? Some agree with the amendment's position and some people agree with the committee position which was very strongly in favor of public service jobs.

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

Mr. NELSON. I yield.

Mr. MILLER. The Senator said he does not think that one of these public service employees should be brought into a purely local job and paid 80 percent of what regular employees are receiving. By the same token does he think that person should be paid more than the regular employees?

Mr. NELSON. That the person who is brought in to perform——

Mr. MILLER. The Senator made the point he did not believe a person on this public service training program should come in and work for only 80 percent of what regular employees were getting.

Mr. NELSON. Yes.

My question now is, does he think that this public service employee should be brought in and be paid more than the regular employee is getting?

No. I think he should work for comparable pay for comparable work. Whatever the pay for that job classification is, he should receive it.

Mr. MILLER. I would think the Senator from Wisconsin would say that is what he believes. I anticipated his answer.

If that is so, then why does the committee insist upon this language:

> Wages paid to a participant shall not be lower. . . .

Why does not the bill just say: "Wages shall be equal to?" When the language is "shall not be lower," that gives discretion in the Government to pay higher. I do not think that would reflect the Senator from Wisconsin's intent.

I am referring to the language at the bottom of page 132 of the bill, which begins:

> Wages paid to a participant shall not be lower—

Mr. NELSON. The draftsman of the bill tells me it is technical language which fits in with the rest of the paragraph, but, for legislative history, I want to make it clear, of course, that they should not be paid more to perform the same function.

Mr. MILLER. I think it is well for the legislative history to show that. I would feel more comfortable if the Senator from Wisconsin might, depending upon the outcome of the pending amendment, have the words "shall be equal to" or "substantially equal to" in there.

Mr. NELSON. Let me point out the problem. The provision says:

> Wages paid to a participant shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employment under the Fair Labor Standards Act of 1938—
>
> And so forth—
>
> (B) the State or local minimum wage . . .
> (C) the prevailing rate of wages . . .

I think the use of the word "lower," matched against sections or part (A) and (B), is the technical, legal way to phrase it. However, so there will be no misunderstanding, it is the intent that one get equal pay for equal work for the same type of position as any other employee performing the same type of work.

Mr. MILLER. I am pleased to get the intent of the Senator from Wisconsin. That is what I would expect it to be, but I must say I have great admiration for his capability as a legislator. He is a long-time legislator. I do not think when he says in the bill that here are three areas of wages—this one, this one, and this one—and we are going to manage this program so that we will see to it that the wages paid to a public service employee shall not be any lower that the highest one of those three, it exactly follows his intent.

That, to me, means the wages shall not be lower than the highest, but they can still be higher. That is why I think, if we are going to do a good, clean job of legislating here, the Senator from Wisconsin ought to consider modifying that language so it will be exactly what the legislative intent is—that it shall be equal to the highest of those three. Then we will have it in the law, and there will not be any problems in its administration.

Mr. NELSON. Counsel advises me that the Senator's perceptive eye has found a little point in there that ought to be corrected, and he is drafting a technical amendment.

Mr. MILLER. I thank my colleague from Wisconsin. I am merely trying to be helpful. I thought the Senator from Wisconsin and the Senator from Iowa would be seeing eye to eye on it. I think most of us, if not all of us, in this Chamber have this in mind.

With respect to able counsel, may I say that, because this bill is so complex, I would be the last one in the world to suggest any criticism for anybody overlooking something like this. After all, that is what debate on the floor is supposed to do. If we can dig out any defect, this is the time to do it.

Mr. NELSON. I would suggest to the Senator that counsel has drafted a technical amendment. If the Senator and counsel want to consult on it at the rear of the Chamber and check it over, they may do so. If it clarifies the situation, we will offer it as an amendment. I think he has raised a good point.

Mr. President, I have made all the remarks that I care to make. I am willing to yield back the remainder of my time.

Mr. DOMINICK. Mr. President, how much time do I have?

The PRESIDING OFFICER (Mr. DOLE). The Senator from Colorado has 4 minutes. The Senator from Wisconsin has 6 minutes.

Mr. DOMINICK. Mr. President, I yield myself 3 minutes.

I think one thing that we want to keep well in mind here is that we are embarking on a new program. To the best of my knowledge, this whole title is a new concept in manpower training. Never before, as far as I know, has the Federal Government undertaken to establish a program by which it will pay the wages of local and State employees. That is exactly what we are doing under title 2.

The very least we can do under title 2, as far as I am concerned, is to make sure that this is not a permanent program in which, all of a sudden, the Federal Government is required to pay salaries of all State and local employees who need training throughout the whole country, and keep them there forever.

This amendment will put a 2-year limitation on it, providing that at the end of 2 years they will have to get off the Federal payroll; they cannot any longer suck the juice from the old Federal mother. They are going to have to be paid by the State and local government or get another job.

It seems to me this is a very fundamental principle we are dealing with in this bill. Unless we recognize that this is a new program and what we are embarking on is subsidizing any employee that any local or State government may want we are not going to get the full import of the amendment.

The important portion of it is that

there is a 2-year limitation and the employee then gets off the Federal payroll. That is not in the bill. Under no circumstance is it in the bill.

What is being proposed in the bill is just another effort to make sure that everybody goes to work, whether for the local, State, or Federal governments, all at the cost of the Federal Government.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. DOLE). Who yields time?

Mr. NELSON. Mr. President, I yield back the remainder of my time.

Mr. DOMINICK. Mr. President, I yield back the remainder of my time

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado. All time on the amendment has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. SPARKMAN (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

On this vote, the Senator from Louisiana (Mr. ELLENDER) is paired with the Senator from South Carolina (Mr. THURMOND). If present and voting, the Senator from Louisiana would vote "nay" and the Senator from South Carolina would vote "yea."

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. GOODELL), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) is absent on official business.

If present and voting, the Senator from South Dakota (Mr. MUNDT), and the Senator from Texas (Mr. TOWER) would each vote "yea."

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Louisiana (Mr. ELLENDER). If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Louisiana would vote "nay."

The result was announced—yeas 29, nays 43, as follows:

[No. 309 Leg.]

YEAS—29

| | | |
|---|---|---|
| Allen | Dominick | Jordan, Idaho |
| Allott | Ervin | Miller |
| Baker | Fannin | Pearson |
| Bennett | Griffin | Russell |
| Boggs | Gurney | Spong |
| Byrd, Va. | Hansen | Stevens |
| Cook | Holland | Talmadge |
| Cooper | Hollings | Williams, Del. |
| Curtis | Hruska | Young, N. Dak. |
| Dole | Jordan, N.C. | |

NAYS—43

| | | |
|---|---|---|
| Aiken | Hartke | Percy |
| Anderson | Hatfield | Prouty |
| Bayh | Hughes | Proxmire |
| Bellmon | Inouye | Randolph |
| Bible | Javits | Ribicoff |
| Brooke | Kennedy | Saxbe |
| Burdick | Mansfield | Schweiker |
| Byrd, W. Va. | Mathias | Scott |
| Case | McGovern | Smith, Maine |
| Church | McIntyre | Symington |
| Cranston | Mondale | Williams, N.J. |
| Dodd | Nelson | Yarborough |
| Gore | Packwood | Young, Ohio |
| Harris | Pastore | |
| Hart | Pell | |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Sparkman, for.

NOT VOTING—27

| | | |
|---|---|---|
| Cannon | Gravel | Moss |
| Cotton | Jackson | Mundt |
| Eagleton | Long | Murphy |
| Eastland | Magnuson | Muskie |
| Ellender | McCarthy | Smith, Ill. |
| Fong | McClellan | Stennis |
| Fulbright | McGee | Thurmond |
| Goldwater | Metcalf | Tower |
| Goodell | Montoya | Tydings |

So Mr. DOMINICK's amendment was rejected.

Mr. BOGGS. Mr. President, I wish to express my strong support for the section of this legislation dealing with the opportunities industrialization centers.

It seems to me that this is the only section of this legislation which enjoys near-unanimous support in this body.

I wish to make it clear that I realize the need for reform of our job training programs, although I have some reservations about this legislation as reported. There can be no doubt of the need for some changes, since our present manpower efforts have existed for 7 years with little change and little success.

The National Manpower Policy Task Force, earlier this year, took note of the situation and said:

> There is a pressing need to overhaul these categorical and disjointed efforts.

The opportunities industrialization centers had their beginning 7 years ago in Philadelphia under the dynamic leadership of a local minister, the Reverend Dr. Leon H. Sullivan. Since that time, the OIC's have spread and grown to the point where they now are located in about 90 cities across the country.

They are offering to the unemployed and underemployed opportunities to receive counseling, job training, and other necessary tools for entering today's labor marketplace.

I had the honor to introduce legislation more than a year ago to officially recognize the opportunities industrialization centers and offering Federal financial support to the national OIC program. When the Senator from New York (Mr. JAVITS) introduced S. 2838, I introduced an amendment No. 440 to insure Federal support for the OIC concept.

A great number of Senators have joined as cosponsors in this effort and we are indebted to them.

The chairman of the subcommittee, the distinguished Senator from Wisconsin (Mr. NELSON) held a hearing on the OIC; and I believe this hearing was one of the most exciting and stimulating that I have ever attended as a Member of this body.

The support evidenced for the OIC at that time was startling. Many trainees from OIC programs and many OIC leaders from across the Nation came to Washington to demonstrate their full support for this self-help community action program.

This hearing brought forth the information that the OIC's offer not only the best job training program that is available in the inner city, but in many cases the best value for the money. OIC training programs cost approximately $1,000 per trainee, a third of what many Federal programs cost. And job retention averages about 76 percent, much better than comparable programs.

While there has been Federal support for the opportunities industrialization centers on a city-by-city basis, this program can grow to better meet the needs of the Nation with Federal support on a national basis. I, therefore, urge my colleagues to give their strong and essential support to this very important provision in the manpower bill.

Mr. YARBOROUGH. Mr. President, as chairman of the Committee on Labor and Public Welfare, I want to thank the distinguished Senator from Wisconsin (Mr. NELSON) and to commend him highly for his outstanding and dedicated efforts to design the most comprehensive and forward-looking manpower legislation ever introduced on the floor of the Senate.

I also want to thank the ranking minority member of my committee, the distinguished Senator from New York (Mr. JAVITS), for his able leadership and his extremely valuable contributions which are incorporated as essential parts of this legislation.

Mr. President, the members of the Committee on Labor and Public Welfare, particularly those who sit on its Subcommittee on Employment, Manpower, and Poverty, are the Senate experts on the manpower needs of this country.

The subcommittee held 22 days of public hearings and traveled from one end of the country to the other to give those who could not come to Washington an opportunity to present their views. Thus, the subcommittee was able to hear not only from the Secretary of Labor and other high governmental officials, but also from community leaders and persons who run the manpower programs at the local level and from individuals who had

gone through the training programs and experienced its benefits and limitations. These are the most extensive hearings ever held on a manpower bill.

This proposed legislation, which resulted from these hearings and from detailed discussion in subcommittee and committee, represents the combined best judgment of most of the members in the committee of the programs that can provide the strongest remedy to poverty in this country.

It is an accepted fact that the major cause of poverty in the cities of this Nation is unemployment and underemployment. In 1968, about half of the 25.4 million persons in poverty lived in the metropolitan areas. This figure has increased considerably as this recession continues. The unemployment rate, which has been used as an indicator of the incidence of poverty, increased from 3.5 percent in July 1969 to 5 percent in July 1970. This tremendous increase in unemployment has completely wiped out any gains that had been made up to now by all of our programs to decrease poverty.

The problems of the poor can be temporarily relieved by welfare programs. I have consistently supported programs that help provide some of the basic necessities of life for those whose income falls below the poverty line. But we must remember that the only permanent effective way out of the poverty rut is to provide jobs and training. There is nothing we can provide that will contribute more to the dignity and self-esteem of an individual than the opportunity to make his own way in our society.

There is another equally compelling reason for my support of this bill. Unemployment and underemployment, aside from their impact on the individuals involved, are a continuing drag on the national economy. The Committee for Economic Development, in their publication entitled "Training and Jobs for the Urban Poor" points out that if we could increase the average productivity, employment, and wage rates of blacks to a level commensurate with those of whites in 1968, the national income that year would have been increased by $34 billion. And blacks are only a small segment of the poor in this country. There are about four times as many whites among the hard-core unemployed as there are blacks.

A major thrust of this bill is designed to increase the productivity of the national economy by increasing the productivity of the labor force and utilizing it more fully.

I have always been convinced that money spent for education and training of our citizens is the soundest investment we can make. Every dollar our Government invests in education and training programs comes back many times over in the form of taxes on the increased earnings of the people who receive the training. Under the cold war GI bill which I authored and which was passed after 8 years of hard work, the Government realized a return of eight times the money it pays out for veterans' education.

This manpower bill is another investment in the future of this country. It is an investment toward dignity and self-esteem for millions who need a job or need additional training for a better job to provide more for their families. It is an investment toward the permanent reduction of our welfare rolls. It is an investment toward solving the social maladies of poor health, alienation, crime, and civil disorders. It is an investment toward a more productive Nation where the skills of its work force are utilized to its highest potential.

Mr. President, as author of a number of provisions on this bill I want to extend my remarks to cover the specific programs on the bill that I introduced.

Following the passage of the Bilingual Education Act, which I authored, I became increasingly concerned about the job opportunities of the persons who did not have an opportunity to take advantage of bilingual education in the public schools. I found that most of those from my State whose mother tongue was Spanish and who had a limited knowledge of English, were underemployed in jobs that had little opportunity for advancement.

The employment limitations were based on artificial impediments. It all boiled down to the fact that these persons had difficulty with the English language.

The manpower programs that we have passed to alleviate poverty, unemployment, and underemployment simply do not reach the Mexican Americans who need help the most: the unskilled worker with minimal education and limited English.

This section is intended to make available to persons with limited command of the English language special bilingual programs to increase their opportunities for employment and promotion.

I also have an amendment that will authorize the Secretary of Labor to use discretionary and reallocated funds under this bill to assist communities that are victims of a national disaster by providing additional employment to carry out public services needed as a result of the disaster.

My State has suffered from several disasters this year. In Lubbock, where a tornado devastated the entire Mexican-American barrio and a large part of the business section, a number of enrollees in the various manpower programs were used to assist the authorities to recover from the immediate emergency situations caused by the tornado. We could have used this type of assistance in Corpus Christi and all the other areas in my State that were also damaged by natural disasters.

Mr. President, as the Nation's economy becomes more complex, and as changes in technology become more rapid and far-reaching, the need for national programs to cope with manpower needs and problems becomes quite obvious.

This historic legislation will begin a new era in the Nation's effort to combat unemployment and poverty. It provides sweeping reforms in which mayors and Governors will assume major responsibility for planning and operating new comprehensive manpower programs which will meet the real needs of citizens. It also provides for programs by State and local governmental authorities to provide public service employment. Third, it provides for special programs operated by the Secretary to meet the needs of those that might not otherwise be served.

Federal expenditures for manpower development and training increased from less than $60 million in 1962 to $1.6 billion for 1968, and have remained at that level since then.

The bill provides a basic authorization of $2 billion for fiscal year 1972. It would take effect July 1, 1971.

This is the amount which the administration requested.

The bill provides that that authorization shall be divided equally among the three basic parts of the bill: One-third for the State and local manpower training programs; one-third for public service employment; and one-third for the special programs.

For fiscal 1973 the basic authorization is $2.5 billion and for fiscal 1974 the basic authorization is $3 billion.

In addition, the bill contains a specific authorization for public service employment, over and above the basic authorization. This additional authorization is $750 million for fiscal 1971; $1 billion for fiscal 1972; $1.25 billion for fiscal 1973; and $1.5 billion for fiscal 1974.

Present programs have not solved the urgent problem of joblessness in our society. In fact, the problem becomes increasingly worse each month. This bill addresses itself to the unmet needs of unemployment and underemployment as well as the problem of seriously inadequate public services in our cities and towns.

I am proud to be a consponsor of the bill, and I urge Senators to support the committee's recommendation on these important programs.

Mr. RUSSELL. Mr. President, may we have order?

Mr. MILLER. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The Senate will suspend until the Senate is in order.

The amendment will be stated.

The amendment was read, as follows:

Strike "not be lower" from line 25 on page 132 and "then whichever is" from line 1 on page 133, and insert in lieu thereof the following: "be substantially equal to."

Mr. MILLER. I yield myself 2 minutes.

Mr. President, referring to our earlier colloquy with the Senator from Wisconsin, I pointed out that the way the bill now reads would permit the director of the program to set wages higher, if he wished, than the highest of the three categories set forth on page 133. The Senator from Wisconsin indicated that this was not the intention and that the intention was that the wages to be paid to a participant be substantially equal to the highest of the three categories.

My amendment is merely designed to record the intent of the manager of the bill and, indeed, the Senator from

Iowa, and, I trust, the intent of all Members of the Senate. I trust that the Senator from Wisconsin will accept the amendment.

Mr. NELSON. Yes; I think the Senator has offered a corrective amendment that needs to be in the bill. It is perfectly acceptable to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

AMENDMENT NO. 910

Mr. DOMINICK. Mr. President, I call up my amendment No. 910.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 186, after line 8, insert the following new section:

"PART D—SECRETARY'S RESPONSIBILITIES

"SEC. 455. In carrying out his responsibilities under this Act, the Secretary is authorized under this title to provide for services and activities authorized under any other part of this Act."

Mr. RUSSELL. Mr. President, will the Senator explain the amendment?

Mr. DOMINICK. Yes. As it is now conceived, the bill, even with the adoption of the amendment of Senator JAVITS, has certain restrictions on services for which the Secretary can use funds retained by him. This amendment would broaden that and permit him to use these funds in any program under any of the titles as a supplement to titles I and II or as the prime support of the national functions in titles IV and V.

It is my understanding that the manager of the bill is willing to accept this amendment, and I hope he will.

Mr. NELSON. Yes; I think the amendment is necessary. I had thought all along that that is what the bill provided, but apparently this clarifying language is necessary.

I agree with the Senator that funds reserved for the Secretary's discretion ought to be available for other titles of the bill as well as for national programs.

I am perfectly willing to accept the amendment.

Mr. DOMINICK. Mr. President, I yield myself 1 minute. I might say that I do not intend to call up my other two amendments, and I will have no further rollcalls after this.

I thank the Senator from Wisconsin. I am through for the day.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

AMENDMENT NO. 919

Mr. JAVITS. Mr. President, I call up my amendment No. 919 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 122, strike out lines 6 through 15 and insert in lieu thereof the following:

"SEC. 201. The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available to public and private nonprofit agencies and institutions for the purpose of providing employment opportunities to unemployed and underemployed persons in jobs providing needed public services where such opportunities will be accompanied by such on-the-job or related training, educational, and other supportive services as may be necessary to promote the skill and occupational development and mobility of such persons and to enable them to obtain other employment. Special consideration shall be given to the provision of employment opportunities for unemployed and underemployed persons who have participated in manpower training or employment programs under this Act for whom employment would not be otherwise immediately available."

On page 123, line 18, strike out beginning with the word "employment" through the word "available" on line 22 and insert in lieu thereof the following: "employment opportunities, on-the-job or related training, educational, and other supportive services as set forth in section 201".

Mr. JAVITS. Mr. President, I have not agreed to a limitation of time as yet on this amendment, but I promise the Senate that it will not take me more than 15 minutes, if that, and also that I shall make every effort to arrive at some accommodation with Senator NELSON, to see if we can work out the problems.

I should like to read my amendment to the Senate and to explain why I have offered it; and if other Senators feel moved to comment, I will be very grateful, because this is a subject which troubles me very deeply.

The question of public service employment, if one reads the bill literally, would make one feel that we are really writing an employment program which many have described as of last resort or in lieu of revenue sharing or some other concept of public service employment which is not necessarily directly related to manpower training.

This has worried me throughout, and we have fought it uphill and downhill in the committee. This is one question which we really did not resolve, and we came out with a provision which has the capability for providing many such jobs at approximately $5,000 a job, with one-third of the aggregate amount appropriated for this bill allocated for public service employment—plus whatever may be appropriated under the authorization contained in the bill, which is in addition to the allocation.

My amendment, which I will read, in its present form, is an effort to tie directly the public service employment section of this bill to manpower training and the concept of a transition—that is, to take the individual who has been trained or is being trained, give him a Government job, because there is nothing else to offer him at a given moment, but always with an eye single to the fact that he will get out of that and into some other kind of regular employment. Now regular employment could be both public and private. It does not necessarily have to be only private. So, that is the key question involved here.

The need for public service employment is undeniable. We have to tie some public service employment into this measure because otherwise we have no capstone to the arch of training. As is so often the case, there is no job available at the end of the road.

We are dealing with people with whom we should make some try to train. More and more, a good deal of trainees will go into jobs which are essentially public service jobs.

There is an enormous deficiency—as the Senator from Wisconsin has argued—in public service employment around the country, making this a suitable field so far as the partial objective of a manpower training program is concerned.

It will be noted that I voted against the last amendment. I do not believe in putting a tight ceiling on jobs, as to compensation, making them second-class citizens with only 80 percent of normal compensation; nor did I wish to impose a time limit and make it 2 years, 6 months, or something else.

There are provisions in the bill which move toward what I have in mind. I would not wish to deny that. The Senator from Wisconsin yielded that much in committee. It was kind of him to do so. I will refer to that as we go along. But let me now, within that framework, read my amendment so that the Senate may understand why I have offered it and what the concern is that exists in my mind, and how the amendment tries to answer it.

It reads in part:

The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available to public and private nonprofit agencies and institutions for the purpose of providing employment opportunities to unemployed and underemployed persons in jobs providing needed public services where such opportunities will be accompanied by such on-the-job related training, educational, and other supportive services as may be necessary to promote the skill and occupational development and mobility of such persons—

And here is the significance of this—

and to enable them to obtain other employment.

I repeat:

To enable them to obtain other employment.

Mr. President, now the rest of the amendment is not material to the main point, which is this: Shall we write into the criteria for public service employment a provision which enables the Secretary to make it transitional—leading to something—rather than necessarily the same job for an indeterminate period of time. Or, shall we leave it as it is now in the bill, which would enable the Secre-

tary to carry on a public service employment program for persons for an indeterminate period of time, on a theory, similar to revenue sharing. There is a need. Indeed, I am a stanch advocate of revenue sharing. There is need in the cities and in one way or the other, the Federal Government will have to do something about it.

I have been deeply troubled that this bill, which is essentially a manpower training bill, may, by a sense of indirection—and the Senator from Wisconsin is not trying to mislead anyone—get itself into the revenue sharing. That is the reason I offer this amendment.

The bill does a number of things which move toward the concept which I have. The bill provides on page 122, lines 9 to 12:

For the purpose of providing employment and related training and manpower services for unemployed and underemployed persons, . . .

Accordingly, in its fundamental purpose, the bill does pay some respect to the fact that a job shall include related training and manpower services.

The second thing that the bill does is to require as one of its conditions—and this was inserted, incidentally, by the Senator from Vermont (Mr. PROUTY) and myself—beginning on page 124, line 21,

Assurances that special consideration will be given to the filling of jobs which provide sufficient prospects for advancement or suitable continued employment by providing complementary training and manpower services designed to (A) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (B) provide participants with skills for which there is an anticipated high demand, or (C) provide participants with self-development skills, . . .

Finally, on page 126, line 22, the bill requires:

Procedures pursuant to which participants, after one year and prior to the end of two years of employment in jobs providing public services under this title, will be interviewed and their employment and advancement prospects reviewed by an appropriate agency,

And in the event that any such participant and the reviewing agency find that the participant's current employment situation will not provide sufficient prospects for advancement or suitable continued employment, maximum efforts shall be made to locate employment or training opportunities providing such prospects, and the participant shall be offered appropriate assistance in securing placement in the opportunity which he chooses after appropriate counseling;

In short, we have, as it were, tipped our hat to these concepts. However, fundamentally unless we provide that the concept of public service employment shall be essentially transitional, we really are not accomplishing anything too material.

The fact remains that this bill could create a permanent 250,000 job program in public service employment, not necessarily related to training. I use those words "not necessarily" advisedly. The Secretary could hitch it to training in whatever contracts he made. He could make them transitional. However, he does not have to. He could easily make it the 250,000-job public service employment provision. That has worried me and that is why I propose the amendment I have.

I shall be greatly interested in any reactions Senators may have to my amendment.

Mr. CASE. Mr. President, I think the Senator from New York is following his habitual practice, to make us understand better the problem which is, for many of us, a little bit in the esoteric area. The Senator from New York has the kind of conscience which requires him to keep our noses, as well as his, to the grindstone on matters of this kind.

I agree with his purpose, with this exception—perhaps I am not sure I disagree even on that point—it may be that I do not understand his thinking completely—but in the Prouty amendment there is a provision on page 125, lines 6, 7, and 8 that—

Nothing in this paragraph—

And that paragraph—

shall be construed to preclude persons for whom the foregoing programs are not feasible or appropriate.

I wonder if there would be some way of making the same kind of exception without destroying substantially the Senator's objective by writing some language similar to that or for the same purpose applicable in his amendment.

I am thinking about older people for whom a great number of public service jobs would be available in the area of very simple tasks, but important tasks, such as raking leaves and things that people sometimes make fun of but ought not to because we all do it ourselves at our own places. There is nothing wrong with raking leaves or cutting grass or doing the other kind of things which need to be done and which would greatly improve our environment.

Would there be some way of providing that work so that the older people would be happier and more content in doing such work, although it did not lead to a job running a computer—and I am just saying that in an exaggerated fashion. But the older people would not be precluded.

Mr. JAVITS. Certainly the older people would not be precluded.

Mr. CASE. Why would they not be included in such things as the green thumb idea? I would be very happy if the Senator brought that out.

Mr. JAVITS. They would not be precluded because they shall be given training, educational, and other supportive services as may be necessary to promote their skill and occupational development and mobility and to enable them to obtain other employment. That does not mean that if they cannot obtain other employment, they are necessarily cut out of the program.

We will give them the kind of training in connection with public service jobs which would enable them to get other employment. That does not mean that they would be barred from the employment offered under title II.

As I pointed out when I first discussed the matter, I am not aborting the period during which they can be employed on the job. The Senator from Colorado might have been willing to limit it to 2 years. I was not willing to go along with that.

I say to the Senator that obviously if we struck out that clause, we would be saying that there would be public service jobs accompanied by training, and so forth, but we would not necessarily point that training toward the capacity to get other jobs.

To that extent, it would reduce its impact. But when we reduce its impact, we reduce the impact substantially. It does open the door to the public service employment program without real regard to whether anything follows after or not. That is substantially what is being done in the bill.

It is the one point with respect to which the Senator from Wisconsin and I had our deep differences. I am still not satisfied to let it go at that without some feeling regarding the view of the Senate. And that is the purpose of the debate.

Mr. CASE. Mr. President, the Senator would be very helpful to me, and I think to many of us, if he could indicate what other kinds of programs are available for the older people who do not really need to be trained in order to rake leaves, cut grass, or do a lot of useful things around parks and playgrounds, such as supervisory work, care of younger people, and that sort of thing.

Certainly, I know, because I know the Senator from New York so well, that he is for that kind of program, but he does not want it here. Is that correct?

Mr. JAVITS. No, it is not. I am for that kind of program. I would define it as the degree of upgrading which would be required for that purpose—taking the green thumb concept, of older persons—in order to learn about flowers, shrubs, time for planting, and so forth and be much more skilled in terms of gardening than if they are older persons whom we give employment to rake leaves, and so forth.

The Senator mentions the care of younger people. That is a technique. They have to know something about it. They have to have some training, some acquaintance with the principles involved and some actual experience in doing it.

I think the examples given by the Senator would include related training. The committee bill calls for related training. That is why I point out that we cannot fudge away this difference between us on these grounds. There is a fundamental question involved with the Senate. Does the Senator want to authorize essentially—and I use the word authorize in its strict legal sense—250,000 public service jobs. Then, a good Secretary, as contrasted with a poor Secretary, could do all of the things possible within administrative discretion, availability of appropriations, the contracts he makes, and so forth. However, he does not have to do that. He can treat it as a straight job program for 250,000 jobs. The way we have written it in the bill permits him to do it.

Mr. CASE. Mr. President, let me go a little further, because this is a matter that has concerned many of us. Would

the Senator consider the possibility of putting in some kind of language which would make the requirement for training dependent upon the ability of the person employed to absorb it?

This is a kind of backward way of saying it, but I refer to something of that sort, that we would not turn anybody down who could do the job.

Perhaps legislative history on that point—if the Senator will not keep on insisting that he has to sharply differentiate between this and that—might help.

Surely, everyone can improve somewhat, even if it is only by way of time studies which would enable him to wash dishes more efficiently because of fewer movements.

If the Senator is going to be flexible enough to permit that kind of training and to qualify them, many of us, I think, would be much relieved.

Mr. JAVITS. Mr. President, I think I might just say to the Senator that I really came here today to present this to the Senate and determine its disposition.

The Senator from Wisconsin and I cannot agree because we actually had the language on an amendment which would do what the Senator from New Jersey says. However, I felt it my duty to the Senate to put the issue before the Senate. If it is generally felt here that there is no visceral feeling about the way in which this is set up, we can certainly tighten up the language and agree on that. However, the principle of the bill would remain essentially as it is.

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

Mr. JAVITS. I yield.

Mr. PERCY. Mr. President, I appreciate the Senator's yielding. Philosophically and ideologically, if I can simplify it——

Mr. NELSON. Mr. President, will the Senator from Illinois speak so that I can hear him?

Mr. PERCY. Mr. President, I would not want this matter to be a secret between the two of us. I have tried to simplify the ideological and philosophical position taken by my distinguished friend, the Senator from New York—who is known as a liberal—but now is trying to take a little more conservative approach. He finds himself somewhat between the position of the majority of the committee and our distinguished friend, the Senator from Colorado, who has made a very worthwhile point.

It seems to be the feeling of the Senate that the feeling was carried a little too far, and the Senator from New York is trying to bring back into this program something other than the 250,000 permanent jobs, with the Federal Government as the employer of last resort.

Mr. JAVITS. The Senator from Illinois defines my position precisely.

Mr. PERCY. Mr. President, in other words, some form of public service employment program appears necessary and desirable. It is my feeling that such programs have been recommended by the Kerner Commission, the National League of Citizens, the AFL–CIO, and other highly respected and fine organizations.

However, it is necessary to guarantee that such a program will be of benefit to those employed and not simply a means of providing the public with what may be termed cheap labor. For that reason I feel the amendment should be supported. I hope we will be joined by the Senator's distinguished colleague on the committee, for whom we have such a high regard but who, in trying to accomplish the same purpose, carried it a step further than the Senate was willing to go. But this is a good middle course, and I support it.

Mr. JAVITS. I thank the Senator.

Mr. NELSON. Mr. President, I have been thinking as hard as I can about this amendment. I cannot puzzle out what it would do. Either the Senator from New York has a wit that is more acutely honed than mine, or he is proposing an amendment that makes a distinction without a difference.

The bill carefully provides for appropriate training, educational programs, supporting services, and assurance that special consideration will be given to filling jobs that provide prospects for advancement. However, to take care of the question of the Senator from New Jersey (Mr. CASE) about the person who takes a perfectly valuable, useful, necessary job which matches his competence but which may not provide a future for him, we specifically authorize such jobs as well.

I do not know what the Senator's amendment does unless by its wording it forces a person out of public service employment at some stage, even though he is performing a valuable job, by the language which says on page 2, "and to enable them to obtain other employment." I know that language can be interpreted depending on who is the lawyer and who is the judge; but, if the Secretary is against public service employment—as the current Secretary is, which is his right—it would, under the amendment, proposed by the Senator from New York, be perfectly simple and valid for him to require that every public service job must enable a man to obtain other employment and, therefore, at some stage require him to move out. That is a valid position to take. I do not agree with it. If that is what it means, I am opposed to the amendment.

If that is not what it means, I do not see that the amendment is any different from the carefully devised provisions in the bill, provisions which the Senator himself contributed to greatly in the committee drafting.

I have just received telegrams from the mayors of Atlanta, Ga.; Seattle, Wash.; and Mayor Daley of Chicago, opposing the amendment before us.

On the question of training people for a job, I would like to point out, and I wish to put in the record that in the Green Thumb mainstream program, a program in which people are not trained for any specific job and are mostly the elderly, with some as young as 52, 53, 54, 55, and others as high as 83 years of age, doing constructive and useful work, receiving wide acclaim support, and approval across the country, from this work experience there have been 565 job placements. That is really a conservation and park improvement, beautification program in which special skills were not required.

I have a list of these 565 jobs which people went to from the Green Thumb program. They had no training program at all except the experience of a steady job; but they left those programs and went on to become: printer, mobile home installer, floral worker, boatbuilder, landscaper, fancy shoe stitcher, diecutter, air-conditioning mechanic, produce clerk, service station assistant manager, building maintenance, truckdriver, bridgebuilder, highway maintenance, tree care specialist, estate caretaker, social worker, painter, truck helper, waste paper baler, machine operator, sawmill worker, meatcutter, lumber grader, drill press operator, cabinetmaker, shoe inker, boat laminator, general laborer, grocery cashier checker, sheetmetal worker, and so forth.

There were 565 jobs of this kind gotten by people who worked in the Mainstream program and did not have any training program at all.

So, unless it is the intent of the amendment to cut off people who cannot go from that job into private employment, I do not see what the amendment does that is different from the bill.

Mr. JAVITS. Mr. President, the Senator from Wisconsin has analyzed the situation very accurately. If the words, "and to enable them to obtain other employment" do not mean the Secretary shall administer this program as essentially a transitional concept—give or take the usual 10 percent for older people and those similarly situated—then the amendment means nothing because the other things are already provided for to some extent. That is why I was anxious to get the point of view of my colleagues before pressing this matter or coming to some accommodation about it with the Senator from Wisconsin.

I think I sense the feeling of the Senate and I would like to come to some accommodation with my colleague. I think we can accomplish what I have in mind.

First, I would appreciate it if the Senator would answer a few questions because I think the legislative history will be important.

I gather my colleague would not wish to argue that this is a program for make-work proposals—that we have to find work for people and make work for them.

Mr. NELSON. Mr. President, as the Senator knows, perhaps better than anyone else in the room, we were very careful to provide that the prime sponsor in seeking public service jobs had to demonstrate to the Secretary of Labor that there were necessary important functions to be performed in that community for the benefit of the people, that are not now being performed. That is the reason, as the Senator knows, contrary to the wishes of the Conference of Mayors, we are making the State and local governments pay 20 percent rather than 10 percent of the cost.

As the Senator pointed out, after a year each man's job has to be evaluated by the manpower council to see what he is doing and to see if opportunities for jobs are being afforded. The Secretary,

under the law, would not approve a public service employment program until it had been determined that the work is needed, and the local government agrees to put up 20 percent of the cost.

Mr. JAVITS. Good. I think that is an important point. The Senator also contemplates a sense of selectivity. It may be that older people who receive certain training, even if you train them, could not do anything except public service jobs and, therefore, it is an idle gesture to have them find employment when there is none. But many of them will be employed who are not older people. The program will cover young people or middle-aged people who could make another career and the thrust and purpose here is that the Secretary will be selective.

It is not just a block of jobs he hands out, but he must be selective in pursuing the policy within the objective of getting people into jobs.

Mr. NELSON. The Senator is correct. That is the way it should be. The Senator knows very well the Secretary has considerable power in this respect because when the application is made he has to make a judgment if this is a sound and effective program. If he wants to insist he could say, "I will not approve; I think that is a sloppy application. I will not approve."

Let us take an obvious and simple case.

Suppose there is a handicapped person whose handicap would permit him to operate, say, an elevator, but no more difficult job than that. It is not anticipated—I am sure the Senator does not anticipate—that the intent is to require that he be trained for some other job than that one, since that is the best job he can handle with his physical handicap—unless there were a job involving the use of his intellect to which he could advance.

Mr. JAVITS. Of course not. The third point on which I would like to ask the Senator a question in respect to this matter is as follows: The Secretary will have enormous discretion because we anticipate 4 million public service jobs that can be filled with a necessary kind of employee, and we are providing 250,000. Would the Senator feel that in the administration of the law we would expect a Secretary to seek the maximum number of opportunities which would be of a productive character so a person could go through it so as to ultimately get in a position where he is on his own, whether public or private?

In other words, should not the policy of the law be to use this title as much for that purpose as possible? He could not do it universally, but with such a wide choice of 250,000 jobs and a 4 million market, he would prefer one over the other.

Mr. NELSON. I would assume it would be to give this person the fullest possible opportunity to utilize his abilities and to go as far as he could in public service, and use the training he gets to make it possible for him to accept employment, if it is available, in a better position, whether in public or in private employment.

Mr. JAVITS. If we agree on those matters, then the very brief addition of one phrase would do that, if the Senator will bear with me, and that is essentially to leave the bill as it is but to insert on page 122, line 12, after the word "persons"——

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays on the final passage of the bill.

The yeas and nays were ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I think we have made a good record. I think the issue is a clear one. I think we have stated the issue to the Senate. I think the best way to settle it quickly—and Senators want it settled—is to have a rollcall on the amendment. So, with the consent of the Senator from West Virginia (Mr. BYRD) and the Senator from Wisconsin (Mr. NELSON), I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. JAVITS. I promise to take 2 minutes myself, and ask the Senator from Wisconsin if he would be satisfied with 2 minutes to conclude the debate, and then vote.

Mr. NELSON. I have finished.

Mr. JAVITS. Mr. President, I shall take 2 minutes to sum up the case.

I think we are at a fundamental impasse on this question of public service employment. Do we want an open ended public service employment of 250,000 persons or to have it within the discretion of the Secretary, to make it open ended or put a lot of restrictions on it and make it what I think it ought to be. Do we want it mandated under an authority under which the Secretary will administer it as ancillary to manpower training? That is the question. If they feel that it should be ancillary to manpower training, with no time limitation, Senators will vote "yea" on my amendment. If, on the other hand, Senators want to leave it so that it could be a proposition which merely could employ 250,000 people in public service jobs with the United States paying 80 percent of the cost, then vote "nay" on my amendment.

Mr. President, I am ready to vote.

The PRESIDING OFFICER (Mr. HUGHES). The question is on agreeing to the amendment of the Senator from New York (Mr. JAVITS). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. COOPER (after having voted in the affirmative). On this vote, I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS), are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senators from Arizona (Mr. GOLDWATER and Mr. FANNIN), the Senator from New York (Mr. GOODELL), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) is absent on official business.

If present and voting, the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), the Senator from New York (Mr. GOODELL), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 27, nays 46, as follows:

[No. 310 Leg.]

YEAS—27

| | | |
|---|---|---|
| Aiken | Dole | Miller |
| Allen | Dominick | Packwood |
| Allott | Griffin | Pearson |
| Baker | Gurney | Percy |
| Bennett | Hansen | Prouty |
| Boggs | Hruska | Saxbe |
| Brooke | Javits | Schweiker |
| Cook | Jordan, Idaho | Williams, Del. |
| Curtis | Mathias | Young, N. Dak. |

NAYS—46

| | | |
|---|---|---|
| Anderson | Hartke | Pell |
| Bayh | Hatfield | Proxmire |
| Bellmon | Holland | Randolph |
| Bible | Hollings | Ribicoff |
| Burdick | Hughes | Scott |
| Byrd, Va. | Inouye | Smith, Maine |
| Byrd, W. Va. | Jordan, N.C. | Sparkman |
| Case | Kennedy | Spong |
| Church | Long | Stevens |
| Cranston | Mansfield | Symington |
| Dodd | McGovern | Talmadge |
| Ellender | McIntyre | Williams, N.J. |
| Ervin | Metcalf | Yarborough |
| Gore | Mondale | Young, Ohio |
| Harris | Nelson | |
| Hart | Pastore | |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Cooper, for.

NOT VOTING—26

| | | |
|---|---|---|
| Cannon | Gravel | Murphy |
| Cotton | Jackson | Muskie |
| Eagleton | Magnuson | Russell |
| Eastland | McCarthy | Smith, Ill. |
| Fannin | McClellan | Stennis |
| Fong | McGee | Thurmond |
| Fulbright | Montoya | Tower |
| Goldwater | Moss | Tydings |
| Goodell | Mundt | |

So Mr. JAVITS' amendment was rejected.

Mr. MONDALE. Mr. President, S. 3867, the Employment and Training Opportunities Act of 1970 is one of the most significant pieces of legislation to be considered by the 91st Congress.

For the first time its passage will prove this Nation's dream of providing not just training, but jobs. We have learned very painfully the lessons of operating extensive training programs without guaranteeing jobs for trainees. Now, the Senate has an opportunity to act on a solution. Hopefully, we have a piece of legislation that will in fact effectively provide jobs.

Of equal importance is that the legislation we are now considering will for the first time guarantee that migrant and seasonal farmworkers shall participate in the development and implementation of manpower programs that heretofore have not reached them at all. Also, the bill assures a focus for a comprehensive analysis of migrant and seasonal farmworker problems and needs. These constitute vitally important steps in the right direction of including farmworkers in the mainstream of our economic system.

PUBLIC SERVICE EMPLOYMENT

This bill contains an important and long-overdue program of public service employment. Close to 5 million Americans, including 88,700 Minnesotans, were unable to find work at the beginning of this summer. We must act now to provide jobs for those who are willing and able to work but who are now paying the cost of our "through-the-wringer" economic policies.

Unemployment in Minnesota has increased by more than 31,000 since the beginning of last summer, a shocking rise of 70 percent. Meantime, the number of jobless nationally has increased by some 1,700,000. This is not only an incalculable human cost, but an economic one as well, with our economy now losing more than $40 billion a year of potential production.

The public service employment provisions of the bill build upon the highly successful, but shamefully limited programs such as Operation Mainstream, which have meant so much to rural America and to our older citizens.

Too often, we tend to think of unemployment as a problem of only the young, the unskilled, and the urban worker. In fact, it pervades all regions and all ages, and may often be cruelest to the older worker in the small towns and rural areas.

There are large areas in my State where persons have been unemployed for long periods of time and have no prospects for employment even if there is a substantial improvement in the economy. It is not a question of relocating these people. There is work to be done in public service right where they are. But the State, the counties, and the municipalities, do not have the funds to put these people to work in the useful endeavors which are crying out to be undertaken.

The public service employment jobs which would be authorized by this legislation would fill pressing needs in the fields of health, public safety, education, transportation, recreation, waste removal, pollution control, housing, neighborhood improvement, and others. The Federal Government would pay up to 80 percent of the cost of carrying out such public service employment programs which would be developed and administered by State and local officials.

Unemployment is one of the greatest tragedies to befall the worker and one of the greatest wastes that can injure a nation. Over 20 years ago, we recognized the responsibility of the Federal Government to maintain the maximum possible employment. Today, we are falling tragically short of that goal. The public service employment provisions of this bill will help get us back on the track of a prosperous and growing economy with jobs for all who will seek them.

MIGRANT AND SEASONAL FARMWORKER PROVISIONS

It is particularly significant that the committee bill incorporates amendments I proposed last spring that will assure that farmworkers could benefit, for the first time, from our Nation's manpower program.

The Migratory Labor Subcommittee, of which I am chairman, has been engaged in an extensive series of investigations and hearings on migrant and seasonal farmworker powerlessness. In addition to substantial record testimony documenting the farmworkers' plight, we devoted 2 days of hearings to a study of farmworker economic and manpower problems. In addition to a detailed series of comprehensive interrogatories requesting basic information about the problem that we submitted to the Departments of Agriculture and Labor, we asked for responses to very important questions concerning this Nation's overall policy and program commitment to farmworkers.

Mr. President, I ask unanimous consent that a position paper explaining the extent of our investigation into these economic and manpower problems be printed at this point in the RECORD.

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

MIGRANT MANPOWER—A STUDY IN ECONOMIC POWERLESSNESS

(NOTE: The Senate Subcommittee on Migratory Labor, chaired by Senator Walter F. Mondale, will soon be continuing its hearings on Migrant and Seasonal Farmworker Powerlessness. To date, the Subcommittee has endeavored to obtain a broad introduction to various problem areas by hearing farmworkers themselves tell of their own lives, their own problems. We have heard testimony from both community and union organizers on the obstacles to their self-help efforts to improve their own situation. We have explored what really happens to the men, women and children that are confronted with the severe economic and social stress of migratory farmwork related to us in our earlier hearings. We have also heard testimony on the border commuter labor problem and the severe economic depression created by the surplus of desperately poor people forced to accept substandard living and working conditions along our borders with Mexico. The Subcommittee has also studied the effects of pesticides on farmworkers, and examined the legal problems and barriers faced by migrant and seasonal farmworkers.)

This staff paper is to serve as a basic document outlining the purposes, scope and intensions of our next hearings entitled "Migrant Manpower—a Study in Econmic Powerlessness".

I. INTRODUCTION

The American economic system is historically based on consumer sovereignty—we recognize the right of each individual to spend money and make purchases which best satisfy personal preferences. Americans generally have a voice in the determination of what is produced to the extent that they are willing to spend their income. This system works reasonably well for everyone except the poor. It has failed the migrant farmworker; in fact, the migrant is excluded from the mainstream of our economic system. Because their income is low, they have only limited participation. Their power to affect the system is severely restricted.

Migrants have little or no income; their ability to earn is impaired; and their stream of earnings is sporatic and uncertain. More important, however, they lack or are denied the ability to control their income. Unemployment and underemployment is high. Their ability to increase their economic power is restricted. Information about jobs is limited and faulty. Skill and ability, educational and motivational levels are low. The demand for their services in agriculture is diminishing. Benefits of government programs designed to raise income and make it more certain now and in the future are limited or denied. Instead of controlling the economic system, the system controls them.

The Subcommittee will probe the causes of this tenuous economic position of migratory farmworkers. We hope to carefully assess in detail the extent and nature of their economic powerlessness. Only when we know the specific causes and the scope of the economic powerlessness of migratory farmworkers can we seriously attempt to suggest remedies for the situation. Only with more complete knowledge and understanding can we hope to guarantee to migratory farmworkers the indivdual sovereignty in our economy to which they are entitled.

II. WHO ARE THE ECONOMICALLY POWERLESS AND WHO MIGHT BE IN THE FUTURE?

For years, interest has been centered on the labor market problems of migratory workers with only peripheral attention paid to a comprehensive analysis of who are migrant workers, and what constitutes migrancy. The Subcommittee will investigate various definitions, rationale, and ramifications of migrant work, in preparation for an exhaustive analysis of migrant manpower.

Under various definitions, the Subcommittee is interested in the number of migrant workers, and information with which to accurately describe this class of worker. We are interested in demographic data such as age, sex, marital status, educational level, skill, and ability levels. Data on family size, children's school status, other household workers (and their demographic characteristics), parents' occupation, and place of residence are

also important. We realize some of these data are already available but in various forms and various places.

The Subcommittee seeks to compile a working report for itself and others dealing with migratory labor, including data not only representative of the present migratory working force, but also indicative of past and possible future trends in the size and demographic composition of this group. At the same time we will investigate the accuracy of this data, the methods of collection and compilation. We will also isolate those areas where no data exists, and question this dearth of information.

III. ECONOMIC POWERLESSNESS SPECIFICALLY DEFINED

Low earnings with sporatic and meager employment experience document the economic powerlessness of migratory farmworkers. But how low are the earnings, how sporadic and meager is the employment experience? Again, some data are available, but where are they, how accurate are they, and why haven't more data been collected?

The Subcommittee will collect and appraise specific information on the economic powerlessness of migratory farm labor, and identify data necessary but not available to effectively analyze the migratory farm labor market. We seek to identify the level and variability of earnings for heads of migrant families and other household workers as related to such variables as nature and location of agricultural and nonagricultural jobs, value of perquisites, other sources of income, type and amount of withholding, and type of payment (hourly, piecerate, or salary).

The Subcommittee also seeks to identify the employment and unemployment patterns of migratory farmworkers. Data on the number, type, duration, location, and chronology of farm and nonfarm jobs, and the hours of work, variability of hours, and availability of employment for other household members for each such job are necessary. Specific unemployment, underemployment and subemployment data are also in order for a labor market analysis: the frequency, duration, locations as well as the degree of part-time work available and sources of additional income for these periods of joblessness.

Comparative data on characteristics of employed and unemployed workers would contribute to the analysis as would comparative earnings and employment data for migratory and nonmigratory workers in agriculture. Of course, a comprehensive picture of past, and projected future employment and earnings of migratory farmworkers must also be constructed.

IV. THE CAUSES OF ECONOMIC POWERLESSNESS

An analysis of migrant economic powerlessness that consists only of a theoretical overview of the migrant's plight in relation to our economy generally (I above), a collection of relevant demographic data and specification of areas where data is sorely needed (II above), and a definition of the so readily apparent manifestations of economic powerlessness (III above) is necessarily incomplete without an effort to define what the *causes* of the economic powerlessness might be.

If anything is indicative of migrant economic powerlessness, it is that no serious consideration has been given to a sophisticated analysis of the causes of continued powerlessness. This explains, at least in part, why this Nation appears to have no overall economic or manpower policy to affect change in the economic condition of migrants.

Only by attempting to pinpoint and define the causes can we work toward solution of the problem. Perhaps one benefit of our effort will be to stimulate public and private resources to assign priorities to one or more causes, in order that this Nation can proclaim and implement a commitment to incorporating migrants into the mainstream of the American economic life.

While any efforts to assign one or more reasons for powerlessness may be speculative, particularly in view of the shortcomings of available demographic earnings, and employment data, several explanations have been offered and are worthy of further investigation:

1. What is the effect of the *open border policy* between Mexico and the United States, (its dimensions already set forth in the Subcommittee's hearings of May 21 and 22, 1969), upon such problems as: a) the redundancy of the labor supply; b) the depressed living and working conditions in border areas; c) the need for American residents along the border to migrate north in search of better paying jobs; and d) the entire National farm labor and rural economy?

2. To what extent, if any, does a *lack of adequate labor market information* limit farmworkers' opportunities to find jobs and to increase earnings? Are Federal and state governments properly administering present programs, and assuming future responsibilities for improving dissemination of information? To what extent, if any, do Federal and state government programs encourage an oversupply of labor which creates low earnings and unemployment—economic powerlessness?

3. How does the *lack of better job opportunities* both within and without the agriculture industry, relate to the ability or inability of farmworkers to get more secure and more higher paying jobs? What has been done, and what is proposed by both the public and private sector to improve job opportunities?

4. Are *worker attitudes* a factor that perpetuates powerlessness?

5. What will be the *future demand for farmwork?* Until we can more accurately determine the changing levels of demands and requirements for employees, particularly in the face of increasing *mechanization*, will the migrants continue to be faced with unexpected and unannounced unemployment? In view of the substantial government resources that are devoted to feasibility studies of mechanization, is the government adequately funding studies of the impact of mechanization on the economic well-being of the farmworker?

6. To what extent do *employer attitudes* contribute to continued powerlessness? What methods have been developed to more directly define and change negative attitudes and perceptions about migratory labor? Why do most farmers and growers continue to oppose extension of basic social and worker benefit legislation to farmworkers? Why are practices of discrimination based on age, sex, race, and migrancy still evident in employment policies?

7. To what extent is economic powerlessness a factor of *poor worker ability*, or low skill levels, and inadequate *educational levels?*

8. Farmworkers have traditionally been either excluded, or at best only minimally included, within every major social and worker benefit program enacted into law. Additionally, farmworkers are often unfamiliar with program benefits, or basic civil rights, such as voting, that might be available. To what extent is this exclusion from the American mainstream a cause or a result of continued economic powerlessness?

9. The government projects a steadily diminishing yearly need for migrant farmworkers. What policies have been developed, and what efforts to implement those policies has the government made in the area of rural to urban migration, and *relocation* and *resettlement* programs? Are additional efforts necessary?

10. To what extent is the exclusion from legislation protecting the right to organize and encouraging collective bargaining a cause of continued economic powerlessness?

11. What is the relationship to the institution of migrancy, and those factors which cause it, to overall poverty in this country?

Mr. MONDALE. Mr. President, two significant conclusions can be drawn from our hearings. First, not only do farmworkers not count, but they are not even counted. That migrants do not count is indicated by their position on the bottom rung of the economic ladder and their almost total exclusion from legislative and administrative programs at the Federal, State, and local level. They have practically no way of moving into the economic mainstream of the Nation, and with few exceptions, they have neither the political or economic power to improve their status. Worse yet, and in view of the tragic consequences of this exclusion from social and worker benefit programs, migrants are not counted. There is a dearth of demographic and other statistics that are routinely collected on all other segments of the population. Such data is practically nonexistent for the population group, and seriously hampers development of quality programs relevant to farmworker needs.

Second, it was, for all practical purposes, admitted by the Departments of Labor and Agriculture that there are no effective manpower programs to meet the needs of migrant and seasonal farmworkers and their families.

The bill presently under consideration constitutes an important first step in assuring that farmworkers will finally be able to participate in these important manpower programs.

Thus, for the first time, over 1,000,000 migrant farmworkers and their families will have an oportunity to benefit from Federal manpower legislation, for their special needs are specifically recognized under the provisions of title V–C of S. 3867. The U.S. Public Health Service has estimated that well over 1,000,000 farmworkers and family members are potential beneficiaries of the Migrant Health Program in 1967–1968. Mr. President, I ask unanimous consent that statistics indicating the location by States of these migrant families be printed in the RECORD at this point.

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

AGRICULTURAL MIGRANTS IN THE UNITED STATES—COMPILATION, BY STATES, OF COUNTIES HAVING APPROXIMATELY 100 OR MORE SEASONAL AGRICULTURAL WORKERS AND NONWORKING FAMILY DEPENDENTS THAT EITHER MIGRATED INTO, OR RESIDED IN, THE AREA AT SOME POINT DURING 1967–68

| State | Total | Number home based in county | Number migrating into county |
|---|---|---|---|
| Alabama | 5,381 | 3,050 | 2,331 |
| Arizona | 61,274 | 41,982 | 19,292 |
| Arkansas | 8,331 | 617 | 7,714 |
| California | 177,072 | 43,686 | 133,386 |
| Colorado | 19,370 | 3,838 | 15,532 |
| Connecticut | 11,672 | ---------- | 11,672 |
| Delaware | 3,500 | ---------- | 3,500 |
| Florida | 169,173 | 92,014 | 77,159 |
| Georgia | 1,323 | 1,213 | 110 |
| Hawaii | 475 | ---------- | 475 |

AGRICULTURAL MIGRANTS IN THE UNITED STATES—COMPILATION, BY STATES, OF COUNTIES HAVING APPROXIMATELY 100 OR MORE SEASONAL AGRICULTURAL WORKERS AND NONWORKING FAMILY DEPENDENTS THAT EITHER MIGRATED INTO, OR RESIDED IN, THE AREA AT SOME POINT DURING 1967–68—Continued

| State | Total | Number home based in county | Number migrating into county |
|---|---|---|---|
| Idaho | 20,004 | 1,136 | 18,868 |
| Illinois | 19,518 | | 19,518 |
| Indiana | 14,375 | | 14,375 |
| Iowa | 1,903 | | 1,903 |
| Kansas | 4,937 | 576 | 4,361 |
| Kentucky | 926 | | 926 |
| Louisiana | 6,473 | 1,605 | 4,868 |
| Maine | 2,050 | 400 | 1,650 |
| Maryland | 4,657 | 300 | 4,357 |
| Massachusetts | 5,000 | | 5,000 |
| Michigan | 98,213 | 14,517 | 83,696 |
| Minnesota | 8,250 | | 8,250 |
| Mississippi | 6,208 | 6,208 | |
| Missouri | 9,227 | 7,175 | 2,052 |
| Montana | 12,222 | 3,554 | 8,668 |
| Nebraska | 5,688 | 843 | 4,845 |
| Nevada | 1,186 | | 1,186 |
| New Hampshire | 109 | | 109 |
| New Jersey | 15,194 | | 15,194 |
| New Mexico | 30,753 | 24,140 | 6,613 |
| New York | 29,280 | | 29,280 |
| North Carolina | 26,360 | 9,053 | 17,307 |
| North Dakota | 6,137 | 902 | 5,235 |
| Ohio | 32,583 | | 32,583 |
| Oklahoma | 16,854 | 6,959 | 9,895 |
| Oregon | 44,073 | 840 | 43,233 |
| Pennsylvania | 8,026 | | 8,026 |
| Puerto Rico | 23,334 | 23,334 | |
| Rhode Island | 465 | | 465 |
| South Carolina | 11,048 | 2,350 | 8,698 |
| South Dakota | 1,966 | 1,966 | |
| Tennessee | 2,680 | 1,709 | 971 |
| Texas | 239,796 | 143,492 | 96,304 |
| Utah | 8,285 | 2,275 | 6,010 |
| Virginia | 10,171 | | 10,171 |
| Washington | 32,093 | 836 | 31,257 |
| West Virginia | 1,397 | | 1,397 |
| Wisconsin | 19,687 | | 19,687 |
| Wyoming | 5,999 | 545 | 5,454 |

Source: 1969 report of the Subcommittee on Migratory Labor: "The Migratory Farm Labor Problem in the United States," pp. 115–129, U.S. Senate Report No. 91–83.

Mr. MONDALE. The Department of Agriculture, in addition to its estimates that over 2½ million persons performed farmwork last year for wages, reports that its estimates of over 250,000 migrant farmworkers does not include a count of all family members, totaling over 1 million, that would stand directly to gain by the provisions of this bill.

Additionally, the Department of Agriculture reports that in 1969 there were about 1 million seasonal farmworkers—defined as those working at least 25 days but less than 149 days—who averaged only about 59 days of farmwork a year, and about 80 days of nonfarmwork.

Among these seasonal workers are over 250,000 migrant workers—not counting over 1 million family members and dependents—who worked 129 days, 78 at farmwork at which they earned $891 a year, and 50 days at nonfarmwork. The tragedy of these figures is not only the low wages earned for actual work performed, but that at best these workers were unemployed for about 50 percent of the time, and many suffered even higher unemployment.

Congressional hearings, especially by the Migratory Labor Subcommittee, have shown that, while the American economic system has worked reasonably well for everyone except the poor, it has abysmally failed the migrant farmworker. In fact, the migrant is practically excluded from the mainstream of our economic system. He is only a limited participant in manpower programs today, and his power to participate in, affect, or improve present manpower development and training programs is severely restricted.

Migrants have little or no income; their ability to earn is impaired; and their stream of earnings is sporadic and uncertain. More important, however, they lack or are denied the ability to control their income. Unemployment is high, and subemployment and underemployment are pervasive. Their ability to increase their economic power is restricted. Information about jobs is limited and faulty; skill, ability, educational and motivational levels are low. The demand for their services in agriculture is diminishing due to developing technology and mechanization. Benefits of Government programs designed to raise income and make it more certain now, and in the future, are limited or denied. Instead of controlling the economic system, the system controls them.

It is therefore, not surprising that residents of rural areas lag far behind those in cities in employment, income, schooling, housing, and health care. The unemployment rate of agricultural workers in view of the very nature and seasonality of the work is very high for workers in other industries. Farmworkers had a median yearly income of less than $1,000 in 1968, compared with city income of close to $7,000. Farmworkers had an average of 6.9 years of schooling in 1968, compared with 12.2 years for all men workers. The data on rural health is in like vein.

The need for the farmworker provisions of the bill are thus well documented. The bill, beginning at section 521, states the congressional findings and declaration of policy in establishing this title, and section 522 establishes in the Department of Labor an Office of Migrant and Seasonal Farmworker Manpower Programs.

Section 523 provides that funds available for this part shall be expended for programs and activities consistent with the purpose of this part, including but not limited to such programs and activities carried out by eligible applicants under other provisions of this act. The Secretary shall reserve funds for this part on the basis of the proportion of members of migrant and seasonal farmworker families—over 1 million—to total low-income population. Before approving financial assistance under this part, the Secretary must determine, on the basis of evaluation by the Migrant and Seasonal Farmworker Manpower National Advisory Council, that persons broadly representative of the population to be served are given the opportunity to participate in the development and implementation of programs under this part.

The bill will assure an opportunity for migrant and seasonal farmworkers to obtain their fair share of our Nation's efforts to permit and encourage the maximum development of our human resources. It will guarantee an equitable allocation of funds for migrant manpower programs under all of the bill's provisions. Thus, migrants will benefit both from the manpower services and public service employment programs. An Office of Migrant and Seasonal Farmworker Manpower Programs will be established in the Labor Department to administer these programs and to provide a focal point for problems of migrancy. Because of the interstate character of this problem, it is especially important to have a single office at Federal level with which public and private groups throughout the Nation can work.

For a variety of reasons, including their economic and political powerlessness, farmworkers have been excluded, explicitly or implicitly, from major social and worker benefit programs. The bill should also lead the way toward correcting this injustice. It provides—section 524—for a National Advisory Council on Migrant and Seasonal Farmworker Manpower to focus manpower programs on farmworkers, as well as to prepare a yearly comprehensive evaluation of the causes and possible remedies of the economic and manpower problems of farmworkers. Section 526 sets forth the duties of the council to advise the President, the Secretary of Labor, and the Congress with respect to the problems of migratory agriculture labor, and the Council will be composed of representatives from the agricultural industry, farmworkers, experts in the fields of rural health, education, and housing and State and Federal officials—section 524.

The Council is directed—section 526—to investigate various aspects of migrant work and develop demographic information with which to accurately describe this class of worker, including an analysis of who are migrant workers, and what constitutes migrancy. Data indicative of past and projected trends in the size and demographic composition and comparative employment and earnings records of this group will be sought. The effect of the open border policy between Mexico and the United States on farmworker economic and manpower problems will be studied.

The Council will also identify, collect, and appraise specific information, unfortunately not yet available, necessary to effectively and comprehensively analyze the migratory farm labor market. Level and variability of earnings and hours of work, nature and location of agricultural and nonagricultural jobs, other sources of income, as well as specific unemployment, underemployment, and subemployment data, and employment patterns of migratory farmworkers are included within the scope of the Council's responsibilities—section 526.

But much more is needed than mere analysis of farmworker economic and manpower problems. A theoretical overview of the migrant's plight in relation to our economy generally, and the collection of sorely needed demographic data, are not enough. Neither is a description of the so readily apparent manifestations of existent economic and manpower problems sufficient. All of this will be incomplete without an effort to define what are the causes of farmworker economic conditions. This bill should set in motion the processes which might once and for all identify what is required to bring migrancy to an end.

The need for directing the kind of study which the Council will make is clear. It was conclusively shown at the Migratory Labor Subcommittee hearings in April 1970 that no such effort is yet being made by any governmental or private unit. An annual study authorized by the Council will no doubt be valuable for the work of the Congress and the executive branch, as well as the private sector, in finding answers to the problems of seasonal unemployment in farmwork.

If anything is indicative of manpower and economic problems of farmworkers, it is that no serious consideration has been given to a sophisticated analysis of the causes of their continued powerlessness. This explains, at least in part, why this Nation appears to have no overall economic or manpower policy to effect change in the economic conditions of migrants.

Only by attempting to pinpoint and define the causes can we work toward solution of the problem. I am concerned, of course, that the funds available for this bill's emphasis on farmworker manpower problems are most inadequate in view of the broad scope of the problem and the larger outlays necessary, at least initially, to remedy these problems. I am confident, however, that in the near future we might be so enlightened by the progress under the provisions of this bill that we will be able to provide funds at the necessary and appropriate levels.

Hopefully, the bill will lead the way for the Nation to proclaim and implement a commitment to incorporating migrants into the mainstream of the American economic life. It is imperative that farmworkers, who have so long been excluded from this Nation's social and worker benefit programs, be guaranteed the employment and training opportunities provided by this important measure.

Mr. KENNEDY. Mr. President, the Employment and Training Opportunities Act of 1970, which I sponsored and helped write, is must legislation. Today our economy is stagnating. The national unemployment rate is over 5 percent. In my own State of Massachusetts four cities have unemployment rates of over 7 percent. In particular neighborhoods in Massachusetts and elsewhere, unemployment and underemployment are as high as 40 percent.

It is one of the great tragedies of life when a healthy person who wants to work cannot find a job, and cannot support himself or his family. Unemployment can strip a man of dignity, self-respect, and hope. It can make him begin to lose faith in the country he loves.

We must attack unemployment on all fronts. Last month I introduced the Conversion Research and Education Act to help prevent joblessness among the scientists, technicians, and managers affected by reductions in the defense and space expenditures. But the problems facing these highly trained personnel, great as they are, are small compared to those facing the millions of Americans who are unskilled or semiskilled. These Americans desperately need the assistance which the Employment and Training Opportunities Act holds out for them.

This bill accomplishes three important tasks. It provides a more effective delivery system for manpower training programs. It establishes a sorely needed public service employment program. And it affords special assistance to Indians, migrants, and the elderly and other particularly deprived citizens.

In the past, the delivery of manpower training has been complicated by the vast number of program sponsors. This legislation reduces the number of program sponsors from more than 10,000 to about 300. It places the administration of training programs in the hands of the 50 State Governors and the mayors of cities with a population of 75,000 or more. This should lead to a more orderly delivery system, but one which is still responsive to local conditions and local needs.

Manpower training by itself is not sufficient. We must also create new jobs. New jobs in the public sector are particularly crucial. All of us know the areas where more help is needed—hospitals, nursing homes, schools, and parks. The National Commission on Technology, Automation, and Economic Progress estimated that there are 5.3 million potential jobs in the public sector. The Kerner Commission called for the creation of 1 million such jobs over a 3-year period. There are jobs which have to be done if our Nation is ever going to meet its health, environmental, and educational problems. We are talking about "must work," not "made work."

It makes no sense to leave so much public work undone when so many people are looking for jobs. Public service employment is clearly an idea whose time has come.

Another essential feature of this bill is its recognition that certain groups in our society—Indians, migrants, the elderly—require special attention to their employment problems. I introduced the section of the bill which dealt with American Indians and Alaska Natives. I sought to assure that their staggering employment problems would be met at the national level and no longer swept under a bureaucratic rug. The legislation acknowledges the need for Indian determination and direction of the programs which affect their lives. It calls for the creation of an Office of Indian Manpower in the Department of Labor, directed by a person of native American descent and for a National Indian Manpower Advisory Committee. Most important of all, the bill provides that Indian programs receive a definite percentage of total manpower funds determined by the proportion of the total number of Indians and Alaska Natives to the total number of low-income persons in this country. Indians and Alaska Natives will thus be guaranteed that some 4 percent of the total manpower expenditures will be spent on them in the coming fiscal years.

Mr. President, few pieces of legislation now before the Congress are as important as the Employment and Training Opportunities Act. The number of unemployed is growing constantly. Relief rolls are expanding, the crime rate is increasing and public needs are being left unment. The passage of this bill will bring hope to the millions of Americans who are without jobs and to the even larger number of Americans who are demanding that every level of government do more to assure their health, welfare, and safety. I commend Senator NELSON for his dedicated and excellent work, and urge my colleagues to support the bill.

Mr. HARRIS. Mr. President, S. 3867, the Employment and Training Opportunities Act of 1970 is, perhaps, the single most important piece of manpower legislation to come before this body in recent times. At a time when unemployment has been made to rise above acceptable levels to help fight inflation, this bill offers some help. The seasonally adjusted unemployment rate for the month of August was 5.1 percent. Unemployment for blacks and teenagers was at the levels of 8.4 and 15.9 percent respectively. The rate of unemployment for nonwhite teenagers was double the national level.

There are several key provisions included in this bill. First and foremost is the provision which establishes a new system of public service employment with Governors, mayors, and other local agencies and organizations serving as prime sponsors. Assessments would be made of public service job needs, as well as unemployment and poverty. Programs would then be designed to improve the standards of public services and to attack poverty and unemployment at the same time.

A study undertaken by Harold Sheppard for the Urban Institute in 1968 showed that at least 140,000 job opportunities for nonprofessionals already exist in the Nation's 130 largest cities. These are jobs which are existing and available now. The fact that they do exist clearly dismisses the proposition advanced by opponents of public service employment that the jobs will represent "make-work" employment. The National Commission on Technology, Automation, and Economic Progress estimates that there are more than 5 million additional jobs which could be filled in the public sector. If S. 3867 is enacted approximately 300,000 to 400,000 public service jobs will be generated over the 3 years.

On August 20, the distinguished Senator from Connecticut (Mr. RIBICOFF) and I introduced an amendment to establish as a part of the family assistance plan a program of public service employment. The amendment would provide public service employment for at least 30,000 persons on public welfare. We believe that the addition of these new jobs to the family assistance plan would be a significant improvement in the program, if the legislation is to be passed.

In the President's family assistance plan, responsibility for employment lies with the private sector alone. Certain employment services are provided by the Government: job counseling, testing, job training, job development, and funds for relocation. But the actual jobs are to come from private industry. The single exception to this philosophy is the provision for special work projects defined in section 431(d).

If we are actually concerned about getting people employed, we must rec-

ognize that this approach has serious weaknesses.

It is unrealistic to expect private industry to increase employment when the economy is slack. Unemployment is currently at 5.1 percent. It is expected to be at least that high for the next several months. Many of those now unemployed were working 2 years ago. They are unemployed primarily because of a lack of jobs in the economy. Programs which retrain people for jobs that do not exist can only add to their frustration. If we really want to put people to work, we will not provide them training alone. There must be jobs.

The jobs we provide should be good jobs. They should offer stable employment and a chance for advancement. The Family Assistance Plan provides for some Government employment through special work projects. But at best, these special projects are short-term affairs. Under these projects, a man may become employed, but 6 months later the project may expire and, through no fault of his own, the person may be unemployed again. Clearly, this is no way to stabilize a family's economic situation.

Therefore, Mr. President, it is imperative that this Congress recognize the seriousness of unemployment in this country and enact legislation which will help remedy this immense problem. A federally supported public service employment program, as proposed in the pending legislation, offers a realistic, practical and useful alternative to the problems of unemployment and poverty, and would produce improved public services in communities throughout the Nation.

The second major feature of S. 3867 is that it provides for much needed reorganization of Federal manpower programs. Under the bill, for the first time, mayors and Governors will be given authority to plan and implement manpower programs. Considering the severe criticism and obvious failures in the existing organizational structure, this represents a major step forward. Mayors and other local officials of communities of 75,000 or more population, who are closest to the problems and know them best, will be able to share in the responsibilities for planning, developing, and operating manpower programs tailored to their respective communities by receiving funds directly from the Federal Government. The U.S. Conference of Mayors has enthusiastically responded to this opportunity, and they support the bill wholeheartedly. They feel that this will give them the flexibility needed at the local level to "insure coordination and avoid duplication and overlay."

Third, the bill retains some of the best existing manpower programs such as OIC, Neighborhood Youth Corps, mainstream, new careers, and others and establishes them as national programs under the Secretary of Labor. Additional programs designed specifically for Indians, Spanish-speaking migrants, and elderly workers are also provided and will do much to improve employment and training opportunities for workers in these categories. As Senators know, there are many Indian citizens in my State. I have long advocated programs to improve living and working conditions for American Indians and other minority groups.

Finally, Mr. President, let me say that on numerous occasions a great many of the members of this body have addressed themselves to the need for reorienting our priorities in order to improve the quality of life for all Americans. There is no way that we can more significantly improve the lives of the people of this country than through the process of providing them additional opportunity for good, decent jobs. Therefore, I hope that the Senate will approve this bill. I commend the distinguished Senator from Wisconsin (Mr. NELSON) for his hard work in developing such a meaningful and comprehensive piece of manpower legislation.

Mr. BYRD of West Virginia. Mr. President, the Employment and Training Opportunities Act of 1970 (S. 3867) could prove to be a valuable tool in America's struggle to combat rising unemployment and to provide its citizens with the expanded public services needed in a changing society.

In July of 1969, unemployment in the United States stood at 3.5 percent. One year later, the unemployment rate had risen to 5 percent—the highest unemployment level in 7 years.

Under provisions of the bill, $7.5 billion would be authorized over a 3-year period beginning in fiscal year 1972. One-third of that total would be reserved for new, innovative, and comprehensive manpower programs, which would be run by a prime sponsor network of Governors and mayors. Another third of the funds would be used by the bill's public service employment program, and would hopefully accomplish the twin goals of decreasing unemployment and increasing services to the public. The final third of the funds, Mr. President, would be allocated for categorical programs.

In addition, the public service employment programs would be given a further appropriation of $2.5 billion over a 4-year period, beginning in fiscal year 1971. These programs would be developed by State and local prime sponsors and would be aimed at meeting the needs of the local communities, and affording job opportunities to the unemployed and underemployed.

Mr. President, one of the most attractive features of S. 3867 is that, although the Secretary of Labor would remain the consolidating force behind the programs, the Governors and mayors would serve to decentralize a program that has too often in the past been operated with little knowledge of or feeling for the communities involved.

I support S. 3867, Mr. President, and strongly hope that its enactment will help turn the tide of unemployment in the United States, while at the same time increase and improve the public services available to all citizens.

Mr. CRANSTON. Mr. President, it has been a great privilege to serve on the Subcommittee on Employment, Manpower, and Poverty over the last year and one-half under the leadership of the distinguished Senator from Wisconsin (Mr. NELSON). Most particularly, I have found extremely challenging and significant the development and consideration in committee of S. 3867—the comprehensive manpower employment and training legislation now before the Senate. I have become more involved in this particular piece of legislation than with any other reported by the Labor and Public Welfare Committee with the exception of veterans' bills, because I feel that finding a sensible and effective solution to the unemployment, underemployment, and manpower training problems facing our Nation today is probably the most effective way to demonstrate to those on the outside that the system really can work to improve their lot.

Before beginning my statement, I want to express my great admiration for the enormous amount of time and energy and effective work which Senator NELSON has contributed to the development of S. 3867. His dedication, tenacity, and thoroughness are reflected in the four volumes of hearings, covering 3,115 pages of testimony regarding manpower and training legislation. I have very much enjoyed working with him throughout the hearings and during subcommittee and full committee consideration of the measure. I thank him for his many courtesies to me and consideration of the amendments which I offered, which I shall describe in detail later.

I also wish to commend for their commitment and especially effective staff work Bill Bechtel, Dick Johnson, and Bill Spring, the professional staff members for the majority on the Employment, Manpower, and Poverty Subcommittee. Their cooperation and counsel was crucial to working out the amendments I offered, and I am extremely grateful for all of their help with those amendments as well as at the field hearings in Los Angeles, San Francisco, and Oakland. which it was my privilege to chair on behalf of Senator NELSON this past January and April.

Mr. President, this regislation reaches the Senate at a particularly appropriate time, as our economy tries to shift from its great emphasis upon the production of war machinery and war implements to coping with domestic, but sometimes no more peaceful, problems. It comes at a time when millions of young men will be separating from the service in the next several years and at a time when there are perhaps half a million recently returned veterans already on the unemployment rolls. It comes at a time when our cities are finding it increasingly difficult to provide the services which are so desperately needed by urban residents, who every day are more and more crowded together and who are more and more beset by converging forms of pollution, by inflation, by unemployment, mechanization, and by violence, and so generally frustrated by all of these factors. It comes at a time when our Nation's blacks and browns, our Indian citizens and those of oriental descent are justifiably fed up with manpower and training programs which has so often failed to meet their pressing needs and particular problems.

It comes at a time when in my home State, with 15 percent of its industries in defense and aerospace, cuts in defense and aerospace contracts will eliminate 160,000 jobs over the next 18 months.

It is the hope of our committee in reporting this landmark legislation that it will provide a beginning which will help us find our way out of the maze of governmental manpower programs, achieve a fair and equitable transition from a wartime to a peacetime economy, and provide jobs in which many hundreds of thousands of Americans can provide vital public services to many millions of their fellow citizens.

Mr. President, there are three major elements of the Employment and Training Opportunities Act of 1970, as reported by the Committee on Employment, Manpower, and Poverty and now before the Senate for consideration.

They are public service employment, manpower reform and decentralization, and special programs for neglected groups in the population.

The bill is based on testimony taken in 22 days of field hearings—4 of them in California—and 2 months of hard bargaining in executive committee session.

I believe it represents a very important new beginning in the fight against poverty, and a solid, realistic compromise on manpower reorganization.

Testimony at our field hearings showed that a job creation component is absolutely essential if our manpower programs are to be of significant value.

Listen to the words of a young black man who appeared before the subcommittee in Los Angeles. His name is Sedgie Collins, and he comes from the district known as Watts:

> I have been in just about every program that has been there in the community from Neighborhood Youth Corps to the Concentrated Employment Program to just about all the programs. This is not really helping me because I am 21 years old and I was 18 when I started [and] it hasn't helped me get a job in all this time.

And Gordon Nesvig, director of personnel for Los Angeles County:

> That's been our experience here in Los Angeles over the last 4 or 5 years. Lots of training opportunities but no jobs. We'd like to see you put together a bill that would allow for job development and improved governmental services at the local level.

Sedgie Collins, the young black man who has yet to find a decent job despite three or four different federally funded training programs, and Gordon Nesvig, the professional county administrator with crushing, unmet public service needs, are typical of dozens of witnesses we heard in Los Angeles, San Francisco, and Oakland; in Corpus Christi and Cleveland. In each city the story was the same. Training without jobs is a farce. And for many of those in the poverty community the jobs are just not there.

The unmet public needs—for health, probation and welfare workers, for police and fire community workers, for more teacher aides who can bridge the gap between children from poverty communities and middle-class teachers, for recreation workers and for the building of recreation areas, for sanitation and beautification projects—these unmet needs are all most obvious in the poverty communities.

The poverty communities and the local public officials do not need the prestigious Greenleigh Associates report to tell them there are at least 4.3 million real jobs in public service to be carried out. Gordon Nesvig documented 2,200 immediately available in county employment in Los Angeles County alone.

What they need, and asked for over and over again, is a manpower program that includes funds for good, permanent public service jobs supported with Federal dollars.

Listen to the mayor of San Francisco, Joseph Alioto:

> San Francisco, along with other urban centers faces a dual problem—(1) There are large numbers, growing larger, of unemployed and underemployed persons. The nature of our economy has shifted so as to eliminate many of the unskilled jobs that were once available. (2) The administrative machinery cannot meet the expanding service demands placed upon it. At the same time, the cities do not have the financial base to expand and restructure its work force to meet the demands.
>
> The cities need direct funding for the creation of entry level positions and for upgrading existing positions. . . . This is not a call for WPA, not any type of "make work" program, but a systematic attempt to deal with some administrative, economic and social facts of life. . . . This is not the employer of last resort, but rather a sensible response to clear needs.

The committee's public service employment proposal provides such a sensible response to a clear need.

PUBLIC SERVICE EMPLOYMENT

The lack of jobs in our economy, jobs that pay a living wage, jobs near where people live, jobs that require skill that people have or can be taught, is at the heart of the poverty problem in the Nation.

It is obvious now—with over 4 million unemployed and the unemployment rate standing at 5.1 percent—that there simply are not enough jobs.

But even during the late 1960's with national rates of unemployment unusually low, the underemployment rate in our cities' poverty neighborhoods averaged about 30 percent.

In San Francisco, for instance, in 1966 unemployment for the metropolitan area stood at 5.4 percent, high enough, but underemployment in the Mission-Fillmore District in San Francisco stood at 24.6 percent. Fully a quarter of the working-age people there could not find a decent living in the regular economy.

For public service employment the bill would require allocation of a third of the money authorized for ongoing manpower programs. In addition, it would authorize special appropriations for public service employment of $750 million this fiscal year, $1 billion for fiscal year 1972, $1.25 billion for fiscal year 1973, and $1.5 billion for fiscal year 1974.

At an average cost of $5,000 per job, and with the Federal Government paying 80 percent of that cost, about 250,000 jobs could be created for each $1 billion in Federal outlay.

The fact that the Federal Government would supply only 80 percent of the funds is an important assurance that only truly needed jobs would be carried out. Local and State governments would be required to appropriate one of every $5 spent.

Under the bill local officials working together with broadly representative manpower services councils would develop the public service employment proposals assuring local determination and local control of the program.

It is not possible to have a just, secure, and stable society unless you provide job opportunities for those who need work. At present this Nation fails to meet that clear requirement. In 1946, in the Employment Act, Congress set the goal of maximum employment, but it has never acted to implement that concept. This legislation gives us an opportunity to begin to meet our obligations both to individuals who need work and to our common life, to provide those people-to-people services that alone can make an industrial society a livable habitat for man.

REFORM

Local witnesses were equally strong in urging that mayors and local communities be free to design and operate their own manpower programs within a decentralized manpower system, and not be made subordinate to the Governor—under his control as part of his State plan.

Witnesses agreed that reform is necessary. As manpower programs have expanded rapidly since the passage of the Manpower Development and Training Act of 1962 and the Economic Opportunity Act of 1964, the Labor Department's direct administrative responsibilities have grown to the point where it now administers directly some 10,000 separate contracts.

The administration proposed moving to a State plan system operated, basically, by the 50 Governors, with mayors operating as local prime sponsors within a State-run system.

Mayors and especially poverty groups representatives were adamant against a system that would subject local programs to direct State review and approval, and would set up controversies between Governors and big city mayors who all too often already find themselves in political conflict.

The compromise worked out by the committee during long weeks of executive sessions would set up a decentralized system of prime sponsors—50 Governors and about 235 mayors—those whose cities have 75,000 in population or more—and some counties, perhaps 50 or so, that exercise the responsibilities of municipal government.

Under the committee's bill, the rights of community action agencies are also protected. And I will outline the provisions designed to do this later.

SPECIAL PROGRAMS

The committee also wrote language into the bill to assure that special program that have proven successful would continue to receive support either directly from the Labor Department, or through support from local prime sponsors.

Included were programs like the OIC, the Opportunities Industrialization Cen-

ters, originated by the Reverend Leon Sullivan of Philadelphia and now in operation in many cities, training and preparing black people for employment in programs designed and operated by local black community-based organizations.

A similar Mexican-American program, Operation SER, operating in the Southwest, as a result of an amendment I offered, is also named in the legislation and assured support. I will speak about this program in more detail later on.

In addition, title V identifies several groups of Americans—migrants, Indians, those needing bilingual manpower programs, and older workers—as groups that have not received a fair share of manpower programs in the past. The title requires that they receive a portion of appropriated funds based on population ratios, and that programs be established that are specifically designed to serve them.

Mr. President, as I indicated at the outset of my remarks, I offered quite a number of amendments to S. 3687 when it was considered in subcommittee and full committee and was fortunate to secure acceptance of these amendments in the bill now before the Senate. I would like, now, to make clear for the record my purposes in offering each of these amendments and what I hope to achieve by them.

FAMILY PLANNING

My amendment regarding family planning adds throughout the bill family planning services jobs as among those suitable for public service employment and general manpower programs and provides throughout that in programs where supportive services are offered to participants family planning services would be one of such services.

The first purpose of my amendment is to provide for training of paraprofessional manpower in order to enable family planning programs to serve more than are presently served of the nearly 5 million medically indigent women who need family planning services. Only 16 percent of that need is presently being met by the combined efforts of private organizations and public programs supported by OEO and the Department of Health, Education, and Welfare. Numerous studies of the manpower needs of domestic family planning programs have concluded that approximately 13,000 clinic and community workers would be required to serve persons in need of family planning services. I believe these statistics demonstrate the great extent of the unmet demand for paraprofessional manpower to perform outreach functions and work in clinics in family planning programs.

The second purpose of the amendment, regarding supportive services, is vital because unplanned pregnancy ranks high as one of the major causes for preventing manpower program participants from completing training programs or attaining jobs. For example, a recent survey of the Long Beach neighborhood Youth Corps program revealed that more than 20 percent of the women enrolled in that program dropped out because of unplanned pregnancy.

This amendment would also add a new subsection (c) to section 8 to insure that no manpower program participant would be in any way required to accept family planning services as prerequisite to eligibility for or receipt of any benefit under that program. Thus, recourse to such services would be entirely voluntary on the participant's part.

These family planning amendments are found in the following sections: Section 2(4), section 8(c), section 102(5), section 102(6), section 104(b)(2), section 107(a), section 204(a), section 204(b)(9), section 311, section 312, section 313, section 314, and section 336.

COLLECTION OF COMPARABLE DATA ON PROGRAM EFFECTIVENESS

Subsection (d) in section 8 of the bill is an amendment which I offered to enable the Congress, as well as the Secretary of Labor, to measure the relative and, where programs can be compared appropriately, the comparative effectiveness of programs which would be authorized under the act. The provision specifies the particular types of data which should be compiled in order to make such measurements. I offered this amendment after having participated in hearings in Washington and California regarding the JOBS program and finding that adequate data measuring program effectiveness—whether or not comparable to data regarding other programs—was just not available. I also felt that the program effectiveness data available at the time of our subcommittee hearings regarding the closing of Job Corps centers in the spring of 1969 left a great deal to be desired. I hope that this provision will help remedy such deficiencies of program measurement information.

LIMITATION ON INCENTIVE PAYMENTS TO EMPLOYERS

The amendment I offered to clause (11) of section 102, relating to services for which funds may be expended under the act, was intended to make clear that incentive payments to employers for a limited period were limited to those amounts of wages paid to an employee hired or being upgraded, which he was not earning by his labor because of a failure to achieve full productivity during a training period. The administration language on which this provision was modeled—in section 101(10) of S. 2838—was not entirely clear on whether reimbursements to an employer were so limited during such a period of less than full productivity.

LIMITATION ON OTHER NECESSARY SERVICES

This amendment is intended to make clear that the catchall clause (15) in section 102 giving the Secretary authority to expend funds for such services as he deems necessary in carrying out programs under the act are limited to those services which are otherwise consistent with the provisions of the act. Thus, for example, services which conflicted with limitations or prohibitions in the act could not be provided by the Secretary, and such services as he provided would have to find some basis in positive authorities elsewhere in the act. The administration language on which this provision was modeled—in section 101(12) of S. 2838—did not include this "consistency" restriction. A similar phrase was also added to section 204(b)(17), regarding conditions which the Secretary determines necessary for applications for financial assistance to conduct public service employment programs.

URBAN AREA PRIME SPONSORS

Generally, the language in subsections (a), (c), and (f) of section 104, regarding prime sponsors, is based on an amendment which I offered along with Senators KENNEDY and HUGHES to insure that a city or other general local governmental unit with a population of 75,000 or more would be approved as a prime sponsor for delivering manpower services in the area under its jurisdiction if it submitted a plan meeting the requirements of subsection (b), regarding submission of a comprehensive manpower services plan, and provision for the establishment of the Manpower Services Council. This amendment also included within this preference a combination of local governmental units covering a population of 75,000 or more as long as the area covered served a substantial part of a functioning labor market area.

It was the purpose of our amendment to provide that geographical areas, particularly cities with substantial populations, would become prime sponsors dealing directly with the Secretary, rather than having to submit plans and applications through the Governors in their respective States. In our view, the mayor is more politically accountable than a Governor, in his statehouse, would be and generally more knowledgeable about and sensitive to the needs and aspirations of citizens in local communities and the way best to meet these needs and aspirations. Although we recognize that there could be, and were, exceptions to this general hypothesis, we felt strongly that a preference for the Governor ran counter to the general rule and therefore proposed this amendment to embody that rule.

Our amendment to subsection (f) was designed to protect the interests of prime sponsor eligible applicants—including Governors and community action agencies under subsection (e)—by insuring that their applications for prime sponsorship could not be disapproved by the Secretary for technical reasons or without prior submission of a written notice of intention to disapprove, including a full statement of reasons, and an opportunity for a public hearing upon which such eligible prime sponsor could base an appeal to the Secretary of Labor as a matter of right.

It was not our intention that the public hearing requirement proliferate public hearings but rather that the possibility of a public hearing would serve the beneficial purpose of insuring the fullest and fairest consideration of prime sponsor applications submitted by those eligible for prime sponsorship designation. This provision is a companion to that contained in subsection (b) of section 106, which I will discuss next.

ACCOUNTABILITY OF PRIME SPONSORS IN DISPENSING FUNDS

Subsection (b) of section 106 provides an opportunity for local general governmental units or community action agen-

cies not themselves designated as prime sponsors to submit to the Secretary written challenges to the way a particular prime sponsor proposes to carry out, or is already carrying out, its responsibilities under its comprehensive manpower services plan. Under this provision, the Secretary would be required to issue regulations establishing a procedure for issuing a written decision on the allegations, after providing the prime sponsor with notice and an opportunity to present a written response and holding appropriate conferences and hearings to try to resolve the matter in dispute by consensus. The subsection further provides that once such a challenge has been made any pending prime sponsorship application to the extent to which it relates to the matter under contention shall be held in abeyance.

This provision is designed to deal with two somewhat different situations. The first would be when a community action agency did not believe that a prime sponsorship plan being submitted, or the activities of a prime sponsor under an approved plan, adequately take into account the interests and appropriate role of the CAA as required in the statute or the plan itself. I will discuss shortly the way in which the bill attempts to provide a meaningful role for CAA's in the conduct of manpower and training programs. Second is the situation which would be presented if a governmental unit, such as a town or city of less than 75,000 persons, believes that the State plan, or the way in which it is being administered by the State, does not adequately provide services in the area under that town's or city's jurisdiction.

Again, as I pointed out with respect to the hearing procedure under section 104(f) regarding prime sponsorship designations, the procedure required in this provision is not intended to lead to a proliferation of challenges to prime sponsors but rather, by providing a guaranteed channel to fair and effective resolution of any such challenge, to provide the maximum incentive for prime sponsors to consider fully and provide for the interests of CAA's or local governmental units under the circumstances which I have just discussed.

NONDELEGABILITY OF CERTAIN DECISIONS BY THE SECRETARY

Subsection (b) was added to section 7 in order to provide that the authority of the Secretary, relating to disapproval of prime sponsorship plans under section 104(f) or to challenges to prime sponsor applications under section 106(b), may not be delegated outside the Office of the Secretary. In effect, this prohibits delegation to Regional Manpower Administrators in the field. I offered this amendment because I felt that a meaningful decision in such instances could be made only at the national level since it would be quite likely that the regional office would already have been involved in the matter under dispute.

ROLE OF COMMUNITY ACTION AGENCIES

The role of community action agencies is generally discussed on pages 18 and 19 in the committee report (No. 91–1136). I fully agree with the statement there:

> In areas where CAA's have developed capable managerial capacity, it would seem highly desirable that they have direct operating responsibility.

However, the balance struck by the bill is not to guarantee CAA's such a role unequivocally. Rather, the view of the committee was that the elected local officials should generally serve as prime sponsors and be held politically accountable for the way in which they carry out those responsibilities.

Generally, I think that the balance we struck in this regard is probably about as fair and effective as could be written with the generality of application required in legislation. However, I recognize that there are a number of instances in which the provisions of the bill might result in a CAA which is presently a prime sponsor for manpower programs losing the prime sponsorship role. I think that would be very regrettable, and I strongly hope that the Secretary of Labor would attempt to guarantee the greatest possible role in the conduct of manpower programs to those CAA's who have already demonstrated their capability in this regard. I note in this respect that the separate views of Senators JAVITS, PROUTY, and SCHWEICKER, on page 128 of the committee report, state:

> We consider inclusion of this provision [section 105(b)(5)] necessary to indicate to State and local prime sponsors that such organizations should be involved whenever they demonstrate a capacity to render effective services.

A number of the amendments which I offered were intended to provide a CAA—and other representatives of the poverty community—the opportunity to develop such a role for itself with a prime sponsor—assuming that the CAA was not itself a prime sponsor under section 104(e). The major provisions which I offered in this regard are in section 105(b)(5) for comprehensive manpower services programs and section 204(b)(13) for public service employment programs. These provisions require that in plans for such programs submitted to the Secretary there be provisions for appropriate arrangements with CAA's for their participation in the conduct of programs for which financial assistance is being sought. Although this language does not guarantee that a CAA will participate in the conduct of programs, it gives a clear mandate to the Secretary to determine whether those arrangements in the plan for CAA participation are appropriate, based on a number of factors including the CAA's past record in carrying out manpower programs.

In that regard, I wish to take issue with a statement in the supplemental views of Senators JAVITS, PROUTY, and SCHWEIKER on page 128 of the committee report in which they state that this section was not intended to grant preference to CAA's. It was my intention in offering this language that CAA's would participate under the circumstances I have just discussed, and I accepted the language "and to the extent appropriate, with other community-based organizations serving the poverty community" offered by Senator JAVITS with the clear understanding on my part that arrangements with such other community-based organizations were, as a result of the language "to the extent appropriate" not necessarily a requirement. By contrast, some sorts of arrangements—the appropriateness to be determined by the Secretary—were required with respect to the participation of CAA's.

The other major provision to produce a meaningful role for CAA's was the procedure for challenging prime sponsorship plans or activities in section 106(b), which I discussed earlier. It was our intention that the extent to which arrangements with CAA's were provided for or were being carried out would be a very basic ground for challenge under the procedure in section 106(b).

Other provisions providing a role for CAA's are: First, the opportunity—in section 104(e)—for a CAA itself to submit an application to become a prime sponsor if the governmental unit or combination of units for the area in question does not submit a comprehensive manpower services plan meeting the requirements of subsection (b) of section 104; second, the requirement—in section 104(b)(2)—that CAA's be represented on Manpower Services Councils; third, the requirement—in section 104(b)(6)—that comprehensive manpower services plans submitted by prime sponsors must include arrangements to assure that CAA's will be involved in development of applications for financial assistance and in the implementation of programs granting such assistance; fourth, the requirement—in section 106(a)(3)—that prior to approval of an application for financial assistance the Secretary must determine that the appropriate CAA has had an opportunity to submit comments to the Secretary and the applicant; fifth, the identical requirement—in section 204(4)—with respect to the Secretary's approval of applications for financial assistance to carry out public service employment programs under title II; and, sixth, the requirement—in section 107(b)—that the Director of the Office of Economic Opportunity must concur in any guidelines relating to the participation of CAA's—and other community-based organizations—before they are issued by the Secretary of Labor.

POVERTY COMMUNITY PARTICIPATION

In addition to the provisions regarding the role of the community action agencies, which I have just discussed, I offered two amendments regarding services to the poverty community in general. First, in section 104(b)(2), not only a representative of the CAA but also a representative of other significant segments of the poverty community, are to be included on the Manpower Services Council. This is designed to insure, since only one representative of the community action agency is required on those councils, that the poverty community itself will be directly represented on these councils. This is especially important in those areas where control of the CAA has been assumed by the local governmental unit under the Green amendment. But in any event, under section 211(b) of the Economic Opportunity Act, poverty representatives need comprise only one-third of community

action agency boards, and thus the representative of a CAA might well not be a representative of those to be served by the plan.

Second, with respect to applications for financial assistance under both titles I and II, an amendment I offered requires—in sections 105(b)(1) and 204(b)(3)—that the plan include provision for effectively serving on an equitable basis the significant segments in the population to be served. This is designed to provide for fair distribution of manpower services and benefits among variout significant segments of the poverty community in a particular geographical area where otherwise the elements controlling the bulk of the poverty community might tend to overlook the needs of smaller segments of that community. At our hearings in Los Angeles and northern California there were repeated statements that this sort of exclusion from fair participation is a real problem.

PUBLIC SERVICE EMPLOYMENT JOB REVIEW

In clause (15) in subsection (b) of section 204 is a provision which is a substitute amendment for an amendment offered by Senator JAVITS in the full committee. My substitute amendment was intended to make perfectly clear that the interview with the public service employment program participant during the second year of his employment in that program was to be carried out in a way which would be most protective of and sensitive to the interests of the participant. It provides that placement assistance will be provided only if the participant's current employment situation does not provide sufficient prospects for advancement or for suitable continued employment and requires that maximum efforts be made in such a situation to locate employment or training opportunities providing such prospects. And it specifies that the participant would be offered the assistance in securing placement in another opportunity—that is, he would not be required to accept such assistance—and that the opportunity would be one which he himself chose after appropriate counseling once it had been determined that his current situation did not provide such prospects.

NEIGHBORHOOD YOUTH CORPS STIPEND

In subsection (e) of section 352, the second part of the second sentence was added by an amendment I offered in subcommittee—also sponsored by Senators TYDINGS and GOODELL. The provision in question has the effect of requiring that NYC trainees must receive a stipend of at least 80 percent of the minimum wage for their total weekly hours in the program, and that the total number of such hours spent in work and OJT may not be less than 80 percent of the total number of hours. This amendment was offered in response to actions by the Labor Department to reduce significantly the stipend paid NYC trainees and to place what was felt to be undue stress on classroom education in this program for those who have already dropped out of the educational system.

AUTOMATIC ELIGIBILITY FOR PARTICIPATION

The language after the semicolon in section 10 was added in order to provide that persons who headed families receiving welfare assistance, food stamps, or surplus commodities would automatically become eligible for participation in any program conducted under the act. This is intended to eliminate the often demeaning inquiry into financial and personal situations from being required a second time. The amendment also has the effect of requiring that such individuals shall be counted as persons heading low-income families and unrelated low-income persons for purposes of computing allocation of funds—under title I for comprehensive manpower services programs—to each State. Certainly, those individuals already in receipt of benefits under these other programs are prime prospects for participation in manpower and training programs, as well as public service employment programs. Their inclusion in the allocation formula should be of particular assistance to States which have provided the maximum possible assistance under these other programs.

OPERATION SER

The special recognition of "Jobs for Progress—Operation SER Programs"—in section 316—was added to accord those highly successful programs the same status as were given Opportunities Industrialization Centers under section 314. Whereas the OIC program is a community-based and operated program serving largely a black population, the SER program is a community-based and operated program serving largely a chicano population. This amendment was cosponsored by Senator DOMINICK.

Jobs for Progress-Operation SER is one of the most significant efforts at comprehensive job training and placement that has emerged under the Manpower Development and Training Act. Based in five Southwestern States—California, Arizona, New Mexico, Texas, and Colorado—the program has successfully found jobs for almost 10,000 Mexican-Americans in its 4 years of existence. It estimates it serves about 50,000 clients annually. As of January this year, SER administered 23 centers covering the area from Houston to San Diego to Denver. It is planning expansion into Washington State, Minnesota, and Wisconsin.

SER is the only substantial manpower program aimed specifically at the enormous Mexican-American population in our five Southwestern States. SER, like OIC, has been funded in the past under the terms of the MDTA and is receiving $5 million of MDTA funds now.

Since section 314 of the bill gives categorical recognition to the OIC program, logically, the same recognition should be extended to a similar program with a distinct and different constituency. Otherwise, the Jobs for Progress-Operation SER program would have been unfairly prejudiced in its competition for funds.

NONDISCRIMINATION PROVISION

Subsection (e) was added to section 8 of the bill to require that financial assistance should not be provided under the act unless the particular grant specifically prohibits discrimination against any program participant or applicant for program participation because of race, creed, color, national origin, sex, political affiliation, or beliefs. A substantially similar provision had been contained in the bill with respect to programs under title I, and I offered this amendment to make clear that this prohibition would apply to all programs under the act. This provision, when coupled with the provision—in section 14—for withholding funds when grant conditions are violated, provides an effective nondiscrimination procedure under the act, without regard to the provisions of the Civil Rights Act of 1964, as amended.

COVERAGE OF PUERTO RICO IN BILINGUAL SERVICES PROGRAM

This program in part B of title V is one I cosponsored with Senator YARBOROUGH, the chairman of the Labor and Public Welfare Committee. At our field hearings in northern and southern California, it became abundantly clear that a special emphasis program was needed to channel funds to the provision of special bilingual services for Spanish-speaking Americans. Clearly, one of the greatest impediments to a large number of chicanos gaining a decent job is their lack of facility in written and spoken English or their lack of training in jobs that do not require that facility. The same is true of a substantial proportion of Chinese Americans, especially older workers.

Census figures show there are between 7 and 10 million Americans for whom Spanish is the primary language. There are 1 million in Los Angeles, and they make up 10 percent of the population of New York City. They include Mexican Americans, Puerto Ricans, and Cuban exiles.

According to data compiled by the Equal Employment Opportunity Commission, 70 percent of all Spanish-surnamed men work in the lowest occupational categories, as operatives, laborers, or service workers. On a national basis, more than half of Mexican-American families have incomes of less than $3,000 per year.

The Chinese-speaking population of San Francisco has increased from 37,900 to 62,000 from 1961 to 1968, primarily as a result of an easing of immigration quotas.

During the field hearings, L. Ling-Dhi Wang, vice president of the Chinese-American Democratic Club of San Francisco, told the committee:

> The language barrier and discrimination have deprived many of our people of the right to basic education, limited our employability outside Chinatown and caused high rates of unemployment and underemployment in what has become the most popular ghetto in the world and mecca of tourism—Chinatown.

The 1968 figures for immigrants' intended place of settlement show that California's need for bilingual manpower services is especially acute. Of those born in China, Mexico, and Cuba, almost 10,000 designated California cities as the place they expected to settle. And the best available figures show that about 60 to 70 percent of all those from South and Central America who register as permanent residents reside in California or New York.

I made a minor amendment to this

provision in committee to strike the separate definition of "State" so that Puerto Rico and the other U.S. territories and possessions would not be excluded from participation in this program if they needed these types of services. This leaves the bill's basic definition of "State"—in section 6(2)—as applicable to this part. I wish to make clear, however, that the operative allocation language in the provision is in section 512(b): Giving "the highest priority to States and areas within States having the greatest need for programs authorized by this part." This same language has been interpreted in the bilingual education program in title VII of the Elementary and Secondary Education Act so as not to give Puerto Rico a disproportionate share of the funds. It was our intention that the language be interpreted in the same way for this bilingual manpower services program.

VETERANS' EMPLOYMENT

As chairman of the Subcommittee on Veterans' Affairs of the Labor and Public Welfare Committee, I have felt a particular obligation to insure that S. 3867 adequately provided manpower training and employment opportunities for veterans, especially those recently returned from Vietnam. I thus offered a series of amendments to achieve this purpose.

Subsection (b) was added in section 8 to require that amounts received by veterans and their dependents from the Veterans' Administration for disability and death compensation and GI bill education cannot be counted for purposes of determining eligibility for participation in manpower programs based on income requirements. I believe that those VA payments to veterans and dependents to which they are legally entitled to compensate them for the Government's responsibility for service-connected disabilities—including educational payments to dependents under chapter 35 of title 38, United States Code—should not serve to disqualify anyone from participation in a manpower program. Likewise, I believe that payments to veterans for GI bill education to enable them to pursue education and training should not count. This philosophy is consistent with the repeal in section 213 of Public Law 91-219 of the prohibition of receipt of GI bill benefits at the same time as other Federal education and training program benefits. A similar provision is contained in section 443(b)(2) and (7) of the House-passed Family Assistance Act of 1970 (H.R. 16311), which excludes for purposes of determining family income any portion of a scholarship received by a full-time student to pay fees and tuition as well as any money earned by such a student or trainee.

In section 104(b)(2), I offered an amendment to include representatives of veterans' organizations on manpower services councils. I feel that this participation by veterans' leaders is important to insure that the particular needs of returning veterans and all other veterans are fully considered in designing manpower services programs as well as public service employment programs.

In section 101, I offered an amendment to clause (4) to make the wording of that special provision for veterans consistent with the language in chapter 41 of title 38, United States Code, as that chapter is fully revised by section 702 of the bill, which I will now describe. The next amendment was strongly supported by the American Legion and the Veterans of Foreign Wars.

Section 702 of S. 3867 adds a fully rewritten chapter 41—retitled "Job Counseling, Training and Placement Service for Veterans"—which contains the basic veterans' employment and manpower responsibilities of the Department of Labor. The original provision was adopted when the Wagner-Peyser Act was enacted in 1933. The purpose of the revision is to rewrite and update these provisions which establish a Veterans' Employment Service in the Department of Labor.

The new provision attempts to strengthen the Veterans' Employment Service, enlarge its staff and protect its appropriation from diversion to other Labor Department purposes. It also includes as a positive responsibility of the Labor Department job development activities for veterans and the provision of counseling for and referrals to appropriate training and manpower programs, as well as directly to job openings.

The amended provision establishes new administrative controls and data gathering and reporting requirements to attempt to insure that all veterans seeking employment or training assistance will receive it promptly and adequately. And it calls for close coordination and cooperation with the Veterans' Administration, especially in assisting the VA in its promising new job fair program and in its outreach services program, authorized in the new public law enacted last March. Hopefully, this will lead to the assignment of more State public employment counselors to work at veterans' assistance centers and to more such counselors devoting their full time to meeting the needs of a growing veteran population generally.

I believe this new veterans' employment provision offers very tangible progress toward providing veterans with prompt, effective job and job training placement and assistance. One of the more significant phenomena of the Vietnam era is what the American Legion has called "The undereducated veteran"—not necessarily disadvantaged in an ethnic or economic sense, yet unable to find employment upon his return to the civilian labor force. The number of men in this category has increased tremendously over the past decade, reaching the point today where close to half a million young veterans are looking for work.

Ordinarily, Federal manpower programs would be a logical first step to provide training and, ultimately, employment. In the past, manpower programs have done an adequate job of placing veterans. But in the past few years the number of training slots open to them has been decreasing rapidly. In March 1969, 139,500 veterans applied to manpower programs, and 88,700, or 64 percent of them, actually began job training. One year later, in March 1970, the number of applicants had risen to 181,100, and the number of those accepted had dropped sharply to 74,700, only 41 percent of the total.

For veterans, perhaps more than most other segments of the labor force, the problem of finding a job is particularly acute, for several reasons. First, veterans of the Vietnam era tend to be young, just beginning a family and a career, at precisely the point in life when a job means so much in terms of stability, security, and the future. Second, veterans who have served overseas return to this country with very little idea of what awaits them. Serving overseas means almost complete economic isolation, and a sudden return to the civilian labor force can be abrupt and disorienting, especially for the combat veteran. Third and most important, a veteran may return to civilian life with an understandable feeling that his country owes him help in trying to find a suitable job. He has been asked to make an extraordinary sacrifice for his country, to spend two or more of his most productive years in the Armed Forces, to separate himself from his loved ones, and to put his health and frequently his life on the line.

Perhaps the most meaningful repayment of that debt would be to help him find employment. This, unfortunately, is only infrequently what he gets. The veteran returns to find the job market impossibly tight and manpower and training program slots often reserved only for the disadvantaged. The situation is even worse for the "undereducated" veteran, whose unemployment rate is, in the words of the President's Committee on the Vietnam Veteran, "significantly higher than that of his fellow veteran." In my view, many, many veterans just by virtue of being recently discharged, are disadvantaged in their ability to compete effectively in the labor market.

A recent article in the American Legion magazine suggests:

> Looking at the Viet vet unemployment problem is like viewing an iceberg. You see only the tip.

With troops continuing to come home from Indochina, with an administration which has promised to reduce the overall size of the Armed Forces by close to a million men in the next decade, and with the uncertain state of our national economy, our young veterans are bound to find the job market a great deal tighter before it gets any looser.

There is no reason for excluding veterans in need of training from the benefits of existing manpower programs when many veterans desperately require the benefit of manpower services. My amendments recognize the particular problems that returning veterans face and provides for their inclusion in manpower and training programs. It also attempts to insure that they will benefit from that inclusion. The amendments in no way weaken or dull existing manpower commitments; rather, they extend the scope of manpower programs to include a group which is not profiting

nearly enough from the programs that already exist.

I have gone into such great detail in describing my amendments to S. 3867 in order to provide a full legislative history on my intent and purpose in offering them.

Mr. President, because this legislation represents the beginning of a meaningful Federal commitment to an ongoing public service employment programs, it could well be the most important piece of social legislation to pass this session of Congress. Jobs are essential to a serious fight against poverty. I am fully convinced that publicly supported jobs are the only way to provide sufficient numbers of decent jobs in poverty neighborhoods. Today, the Senate has a great opportunity to serve the Nation. I urge all of my colleagues to support this very important and comprehensive bill to provide manpower training and employment opportunity during the 1970's.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

Mr. JAVITS. Mr. President, I wish to say that, notwithstanding our differences on the question we have just voted on—and the Senate has expressed its will on it—this is a monumental measure in the manpower training field, with a sophistication and an expertise which I have rarely seen in a bill turned out of our committee, which has had many complicated bills. I think it will advance the effort to upgrade the skills of Americans and will help many Americans who are unemployed and underemployed, and I hope very much that the Senate will support it.

Mr. DOMINICK. Mr. President, I am not going to take more than 2 minutes, but I think Senators should recognize some of the substance of the bill on which they are about to vote.

First, there is a $2 billion basic authorization here. There is an entirely new concept of the Federal Government supporting State and local employees all over the country, and obviously every mayor is going to like this. They get people to do the work, paid for by the Federal Government.

Second, in that public service, in addition to the $2 billion, there is $750 million, going up to $1.5 billion by 1974 as an additional appropriation. In addition, there is an authorization under title VI which has an extra $200 million if there is 4.5 percent unemployment, which we do have, and an automatic increase, if that goes to 5 percent for 3 consecutive months, of another $200 million poured into this.

So what we have, in effect, is a bill which is almost a $4 billion bill, in which we inject the Federal Government into every city and county and State in the country. I think we ought to think about it. I have tried to get this changed on the floor. The Senate did not see fit to do so, so I wanted to tell Senators why I am going to vote "nay" on the bill.

The PRESIDING OFFICER. Do Senators yield back the remainder of their time?

Mr. JAVITS. I yield back the remainder of my time.

Mr. NELSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that, if present and voting, the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from New Mexico (Mr. MONTOYA), the Senator from Georgia (Mr. RUSSELL), and the Senator from Maine (Mr. MUSKIE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senator from Hawaii (Mr. FONG), the Senators from Arizona (Mr. GOLDWATER and Mr. FANNIN), the Senator from New York (Mr. GOODELL), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) is absent on official business.

If present and voting, the Senator from Arizona (Mr. FANNIN), the Senator from Hawaii (Mr. FONG), the Senator from New York (Mr. GOODELL), the Senator from South Dakota (Mr. MUNDT), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER) would each vote "yea."

On this vote, the Senator from California (Mr. MURPHY) is paired with the Senator from South Carolina (Mr. THURMOND). If present and voting, the Senator from California would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 68, nays 6, as follows:

[No. 311 Leg.]

YEAS—68

| | | |
|---|---|---|
| Aiken | Gurney | Packwood |
| Allen | Harris | Pastore |
| Anderson | Hart | Pearson |
| Baker | Hartke | Pell |
| Bayh | Hatfield | Percy |
| Bellmon | Holland | Prouty |
| Bible | Hollings | Proxmire |
| Boggs | Hruska | Randolph |
| Brooke | Hughes | Ribicoff |
| Burdick | Inouye | Saxbe |
| Byrd, Va. | Javits | Schweiker |
| Byrd, W. Va. | Jordan, N.C. | Scott |
| Case | Jordan, Idaho | Smith, Maine |
| Church | Kennedy | Sparkman |
| Cook | Long | Spong |
| Cooper | Mansfield | Stevens |
| Cranston | Mathias | Symington |
| Dodd | McGovern | Talmadge |
| Dole | McIntyre | Williams, N.J. |
| Ellender | Metcalf | Yarborough |
| Ervin | Miller | Young, N. Dak. |
| Gore | Mondale | Young, Ohio |
| Griffin | Nelson | |

NAYS—6

| | | |
|---|---|---|
| Allott | Curtis | Hansen |
| Bennett | Dominick | Williams, Del. |

NOT VOTING—26

| | | |
|---|---|---|
| Cannon | Gravel | Murphy |
| Cotton | Jackson | Muskie |
| Eagleton | Magnuson | Russell |
| Eastland | McCarthy | Smith, Ill. |
| Fannin | McClellan | Stennis |
| Fong | McGee | Thurmond |
| Fulbright | Montoya | Tower |
| Goldwater | Moss | Tydings |
| Goodell | Mundt | |

So the bill, S. 3867, was passed, as follows:

S. 3867

An act to assure opportunities for employment and training to unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act, with the following table of contents, may be cited as the "Employment and Training Opportunities Act of 1970".

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STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. The Congress finds and declares that—

(1) The Nation's prosperity, economic stability, and productive capacity are limited by a lack of workers with sufficient skills to perform the demanding production, service, and supervisory tasks necessary in an increasingly technological society. At the same time, there are many workers who are unemployed or are employed below their capacity, who, with additional education and training, could make a greater contribution to the national economy and share more fully in its benefits.

(2) The problem of assuring meaningful employment opportunities will be compounded by the continued rapid growth of the labor force. It is imperative that these new workers, including the many young people who will enter the labor force, persons who have recently been separated from military service, and older persons who desire to enter or reenter the labor force, be provided with adequate academic and vocational skills which will allow them to work at the level of their full potential.

(3) The placement in private employment of unemployed, underemployed, and low-income workers is hampered by the absence of entry level opportunities. These opportunities can be augmented by assisting workers now in entry level jobs to improve their skills and advance to more demanding employment.

(4) Expansion of public service employment opportunities which will both provide meaningful jobs for unemployed, underemployed, and low-income persons and allow the Nation to meet more adequately the unfilled public needs in such fields as health, family planning, public safety, education, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, and other fields of human betterment and community improvement.

(5) The public and private educational system has the major responsibility to provide the academic, technical, and vocational training opportunities necessary to prepare attending students for the world of work. This system must be strengthened to achieve its goals, and its success is critical to lessening the need for remedial manpower programs. But, where effective opportunities have not been provided to individuals or their access to them continues to be restricted, remedial services should be provided as a part of our Nation's manpower programs.

(6) Improved training and employment opportunities are vital to developing capacity for self-support by public assistance recipients, and the manpower system must assume special responsibility and accountability for training, placing, and upgrading these persons.

(7) Experience has shown that the administration and delivery of effective manpower programs are extremely complex matters, requiring a more comprehensive, unified, and flexible approach, and the active cooperation of employers, employees, and other public and private agencies, individuals, and organizations.

(8) Centers established and operated by low-income persons or their representatives have demonstrated a capacity to provide comprehensive employment and related services to unemployed and underemployed persons.

(9) The effectiveness of manpower programs would be improved by a more coordinated approach in evaluating the needs of individual participants and mobilizing available resources to meet these needs. It is, therefore, the purpose of this Act to establish a comprehensive and coordinated national manpower program, involving the efforts of all sectors of the economy and all levels of government. The program should be designed to provide greater opportunities for employment and training and related

services necessary to assist individuals in developing their full economic and occupational potential.

AUTHORIZED APPROPRIATIONS

SEC. 3. (a) For the purposes of carrying out this Act, there are authorized to be appropriated $2,000,000,000 for the fiscal year ending June 30, 1972, $2,500,000,000 for the fiscal year ending June 30, 1973, and $3,000,000,000 for the fiscal year ending June 30, 1974.

(b) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds appropriated to carry out this Act which are not obligated prior to the end of the fiscal year for which such funds were appropriated shall remain available for obligation during the succeeding fiscal year, and any funds obligated in any fiscal year may be expended during a period of two years from the date of obligation.

FUNDS AVAILABLE FOR SPECIFIC PROGRAMS

SEC. 4. (a) The amounts appropriated to carry out this Act for any fiscal year (except for amounts otherwise reserved in accordance with this Act or expressly limited in an appropriation Act to a specific purpose under this Act) shall be allocated among the titles of this Act in such a manner, subject to subsections (b) and (c) of this section, that of the amounts so appropriated—

(1) one-third shall be for comprehensive manpower services under title I of this Act;

(2) one-third shall be for public service employment program under title II of this Act; and

(3) one-third shall be for special work and training program under title III and special Federal responsibilities under title IV of this Act.

(b) Notwithstanding any limitation on appropriations for any program or activity under this Act or any Act authorizing or appropriating funds for any such program or activity, not to exceed 25 per centum of the amount appropriated or allocated from any appropriation for any fiscal year for carrying out any such program or activity under this Act may be transferred and used by the Secretary for carrying out any other such program or activity under this Act.

(c) To the extent necessary to enable the Secretary to make funds available to carry out any grant or contract entered into prior to the effective date of this Act under the Manpower Development and Training Act of 1962, as amended, or title I of the Economic Opportunity Act of 1964, as amended, the Secretary may transfer funds from amounts allocated for newly authorized programs under this Act.

ADVANCE FUNDING

SEC. 5. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the amendment made by subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

DEFINITIONS

SEC. 6. For the purposes of this Act, except as otherwise specified, the term—

(1) "Secretary" means the Secretary of Labor.

(2) "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(3) "Local service company" means a community development corporation or other corporation, partnership, or other business entity organized to operate a community service manpower program or component thereof and owned or operated in substantial part by unemployed or low-income residents of the area to be served.

LEGAL AUTHORITY

SEC. 7. (a) The Secretary may prescribe such rules, regulations, guidelines and other published interpretations or orders under this Act as he deems necessary. Rules, regulations, guidelines, and other published interpretations or orders issued by the Department of Labor, or any official thereof, for the purpose of carrying out this Act shall contain, with respect to each material provision of such rules, regulations, guidelines, interpretations, or orders, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based. Such rules, regulations, guidelines and other published interpretations or orders may include adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968.

(b) The authority of the Secretary relating to disapproval of prime sponsorship plans under section 104(f) or relating to the challenge of an application of a prime sponsor by a community action agency or a unit of general local government under section 106 (b) shall not be delegated outside the Office of the Secretary.

SPECIAL LIMITATIONS AND CONDITIONS

SEC. 8. (a) No authority conferred by this Act shall be used to enter into arrangements for, or otherwise establish, any training programs in the lower wage industries in jobs where prior skill or training is typically not a prerequisite to hiring and where labor turnover is high, or to assist in relocating establishments from one area to another. Such limitation on relocation shall not prohibit assistance to a business entity in the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Labor finds that assistance will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless he has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

(b) Any amounts received under chapters 11, 13, 31, 34, and 35 of title 38, United States Code, by any veteran of any war, as defined by section 101 of title 38, United States Code, who served on active duty for a period of more than one hundred and eighty days or was discharged or released from active duty for a service-connected disability or any eligible person as defined in section 1701 of such title, if otherwise eligible to participate in programs under this Act, shall not be considered for purposes of determining the needs or qualifications of participants in programs under this Act.

(c) Acceptance of family planning services provided to trainees shall be voluntary on the part of the individual to whom such services are offered and shall not be prerequisite to eligibility for or receipt of any benefit under the program.

(d) The Secretary shall not provide financial assistance for any program under this Act unless he determines, in accordance with regulations which he shall prescribe, that periodic reports will be submitted to him containing data designed to enable the Secretary and the Congress to measure the relative and, where programs can be compared appropriately, comparative effectiveness of the programs authorized under this Act. Such data shall include information on—

(1) enrollee characteristics, including age, sex, race, health, education level, and previous wage and employment experience;

(2) duration in training and employment situations, including information on the duration of employment of program participants for at least a year following the termination of participation in federally assisted programs and comparable information on other employees or trainees of participating employers;

(3) total dollar cost per trainee, including breakdown between salary or stipend, training and supportive services and administrative costs.

The Secretary shall compile such information on a State, regional, and national basis.

(e) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

LABOR STANDARDS

SEC. 9. All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

ELIGIBLE PARTICIPANTS

SEC. 10. Eligibility for participation in any program under this Act shall be determined in accordance with the provisions of this Act authorizing such program; and persons who or persons heading families who receive benefits under title IV of the Social Security Act, or food stamps or surplus commodities under the Agricultural Act of 1949 and the Food Stamp Act of 1964, shall be included among individuals eligible to participate in programs conducted under the provisions of this Act, and such persons shall be included among individuals considered low-income persons or persons heading low-income families, as appropriate, for the purposes of this Act.

NATIONAL MANPOWER ADVISORY COMMITTEE

SEC. 11. (a) The President, in consultation with the Secretary of Labor, the Secretary of Health, Education, and Welfare, and the Director of the Office of Economic Opportunity, shall appoint a National Manpower Advisory Committee which shall consist of at least thirteen but not more than seventeen members and shall be composed of persons representative of labor, management, agriculture, public and private education, vocational education, vocational rehabilitation, manpower programs, and economic opportunity programs. From the members appointed to such Committee, the President shall designate a Chairman. Members shall be appointed for terms of three years except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one year each and one-third of the members shall be appointed for terms of two years each, and (2) appointments to fill the unexpired portion of any term shall be for such portion only. Such Committee shall hold not less than two meetings during each calendar year.

(b) The National Manpower Advisory Committee shall—

(1) identify the manpower goals and needs of the Nation and assess the extent to which educational vocational education, institutional training, vocational rehabilitation, manpower, economic opportunity, and other programs under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals;

(2) review the administration and operation of the programs referred to in clause (1) and advise the Secretary of Labor, the Secretary of Health, Education, and Welfare, and the Director of the Office of Economic Opportunity and other appropriate officials as to the carrying out of their duties under this Act and related Acts;

(3) conduct independent evaluations of programs carried out under this and related Acts and publish and distribute the results thereof; and

(4) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of such programs including the programs authorized under this and related Acts.

(c) The National Manpower Advisory Committee shall make an annual report, and such other reports as it deems appropriate on its findings, recommendations, and activities to the Congress and to the President. The President is requested to transmit to the Congress as a part of his report under section 13 of this Act such comments and recommendations as he may have with respect to such reports and activities of the National Manpower Advisory Committee.

(d) The National Manpower Advisory Committee may accept and employ or dispose of gifts or bequests, either for carrying out specific programs or for its general activities or for such responsibilities as it may be assigned in furtherance of subsection (b) of this section.

(e) Appointed members of the National Manpower Advisory Committee shall be paid compensation at a rate of up to the per diem equivalent of the rate for GS–18 when engaged in the work of the National Manpower Advisory Committee, including traveltime, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

(f) The National Manpower Advisory Committee is authorized, without regard to the civil service laws, to engage such technical assistance as may be required to carry out its functions; to obtain the services of such full-time professional, technical, and clerical personnel as may be required in the performance of its duties, and to contract for such assistance as may be necessary.

(g) For the purposes of this section, funds may be reserved from the sums appropriated to carry out this Act, as directed by the Director of the Office of Management and Budget.

INTERGOVERNMENTAL ADVISORY COUNCIL ON MANPOWER

SEC. 12. (a) There is hereby established an Intergovernmental Advisory Council on Manpower to advise the Secretary of Labor, the Secretary of Health, Education, and Welfare, and the Director of the Office of Economic Opportunity with regard to matters involving intergovernmental relationships in the development and conduct of programs under this and related Acts, including but not limited to the assignment of manpower responsibilities among Federal, State, and local governmental agencies, allocation of funds, designation of prime sponsors, State and local compliance with the various provisions of this Act and the extent to which educational, institutional training, vocational education, vocational rehabilitation, manpower, economic opportunity, and other programs under this and related Acts represent a consistent, integrated and coordinated approach to meeting manpower needs and achieving national manpower goals.

(b) The Council shall consist of at least five but not more than nine members who shall be appointed by the President. Members shall be selected from among Governors, mayors, and other elected State or local public officials. In selecting members of the Council the President shall assure an equitable balance in the political affiliation of its members. The members of the Council shall elect a Chairman from among themselves. The members of the Council shall receive no compensation and shall not be Federal employees for any purpose. They shall be allowed travel expenses and per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in the governmental service employed intermittently and receiving compensation on a per diem when actually employed basis.

(c) For the purposes of this section, funds may be reserved from the sums appropriated to carry out this Act, as directed by the Director of the Office of Management and Budget.

REPORTS

SEC. 13. The Secretary of Labor shall make such reports and recommendations to the President as he deems appropriate pertaining to manpower requirements, resources, use, and training, and his recommendations for the forthcoming fiscal year, and the President shall transmit to the Congress within sixty days after the beginning of each regular session a report pertaining to manpower requirements, resources, utilization, and training.

AUTHORITY TO CONTRACT AND EXPEND FUNDS

SEC. 14. The Secretary may make such grants, contracts, or agreements, establish such procedures (subject to such policies, rules, and regulations as he may prescribe), and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments. The Secretary may also withhold funds otherwise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

ACCEPTANCE OF GIFTS

SEC. 15. The Secretary is authorized, in carrying out his functions and responsibilities under this Act, to accept in the name of the Department, and employ or dispose of in furtherance of the purposes of this Act, or any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise.

ACCEPTANCE OF VOLUNTARY SERVICES

SEC. 16. The Secretary is authorized, in carrying out his functions and responsibilities under this Act to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)).

ACCEPTANCE OF FUNDS

SEC. 17. The Secretary is authorized to accept and utilize in carrying out the provisions of this Act funds appropriated to carry out other Federal statutes if such funds are utilized for the purposes for which they are specifically authorized and appropriated.

TRANSFER OF FUNDS

SEC. 18. Funds appropriated under the authority of this Act may be transferred, with the approval of the Director of the Office of Management and Budget, between departments and agencies of the Federal Government, if such funds are used for the purposes for which they are specifically authorized and appropriated.

UTILIZATION OF SERVICES AND FACILITIES

SEC. 19. In addition to such other authority as he may have, the Secretary is authorized, in carrying out his functions under this Act, to utilize, with their assent, the services and facilities of Federal agencies without reimbursement, and with the consent of any State or political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement.

RENTAL, ALTERATION, AND IMPROVEMENT OF BUILDINGS

SEC. 20. The Secretary is authorized, in carrying out his functions under this Act, to expend funds without regard to any other law or regulations for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Secretary shall not utilize the authority contained in this section—

(1) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which it is needed, and

(2) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

EXPENDITURES FOR PRINTING AND BINDING

SEC. 21. In addition to such other authority as he may have, the Secretary is authorized, in carrying out his functions under this Act, to expend funds made available for the purposes of this Act for such printing and binding as he determines necessary, without regard to any other law or regulation.

CRIMINAL PROVISIONS

SEC. 22. Title 18 of the United States Code is amended by adding a new section 665 to read as follows:

"THEFT OR EMBEZZLEMENT FROM MANPOWER FUNDS; IMPROPER INDUCEMENT

"SEC. 665. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under the Employment and Training Opportunities Act of 1970 embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to this Act shall be fined not more than $10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Employment and Training Opportunities Act of 1970 induces any person to give up any money or thing of any value to any person (including such grantee agency) shall be fined not more than $1,000, or imprisoned not more than one year, or both."

INTERSTATE AGREEMENTS

SEC. 23. In the event that compliance with provisions of this Act requires cooperation or agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

EFFECTIVE DATE

SEC. 24. The effective date of this Act, except as otherwise provided, shall be July 1, 1971. Rules, regulations, guidelines and other published interpretations or orders may be issued by the Secretary at any time after the date of enactment.

## TITLE I—COMPREHENSIVE MANPOWER SERVICES

PROGRAM AUTHORIZED

SEC. 101. The Secretary of Labor shall develop and carry out a program of comprehensive manpower services under this title that will—

(1) provide for the prompt referral to suitable employment opportunities of persons who are seeking work, with special consideration for the placement of qualified individuals who are unemployed, unskilled, or underemployed;

(2) provide training and related manpower services to persons who are unemployed, in danger of becoming unemployed, employed in public service jobs, eligible to receive benefits under title IV of the Social Security Act, or employed in low-paying jobs who could through further training qualify for job opportunities that would provide an adequate standard of living for themselves and their families;

(3) provide appropriate training and related manpower services for persons in correctional institutions to assist them in obtaining suitable employment upon release;

(4) provide the maximum of employment counseling, placement and related services, and training and related manpower services for persons who have recently been or will shortly be separated from military service;

(5) develop an early warning system and standby capability that will assure a timely and adequate response to major economic dislocations arising from changing markets, rapid technological change, plant shutdowns, or business failure;

(6) promote and encourage the adoption of employment practices by public agencies, private agencies, labor organizations, and private firms that will remove unreasonable barriers to employment, without reducing productivity, and expand opportunities for upward mobility;

(7) reduce the level of youth unemployment by improving the linkages between educational institutions and job markets;

(8) support and encourage the development of broad and diversified training programs by public, non-profit, and private employers designed to improve the skills and thereby the promotion and employment opportunities of employed workers.

USES OF FUNDS

SEC. 102. The services for which funds under this title may be expended shall include but not be limited to the following:

(1) basic education, including literacy and communications skills, instruction courses in English language skills and, where appropriate, training programs conducted in languages other than English, which will assist individuals to become more employable or more suitable for participation in occupational training;

(2) outreach, counseling, testing, work evaluation and adjustment, work sampling, recruitment, placement, and followup services;

(3) orientation to work discipline and acclimation to the work situation;

(4) institutional and on-the-job occupational training, including training of employed workers for the purpose of upgrading their skills and improving the utilization of available manpower;

(5) supportive services, including health services, family planning, physical examinations, the furnishing of prosthetic devices, child care, bonding, and other special services, including residential support, deemed necessary for enhancing the employability of participants in programs assisted under this title;

(6) work experience for unemployed and disadvantaged individuals, including the performance of socially useful work in public and private agencies or organizations in the fields of health, family planning, public safety, education, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, and other fields of human betterment and community improvement, including the establishment, operation, or strengthening of any such program;

(7) part-time work for students in ninth through twelfth grades (and youths of equivalent ages) to assist them in remaining in or returning to school; and with such employment opportunities developed in consultation with educational agencies and institutions to enhance, to the extent feasible, the educational growth of such students;

(8) part-time and full-time work and manpower services for older persons who desire to enter or reenter the labor force;

(9) relocation assistance, including grants, loans, and the furnishing of such services as will aid an involuntarily unemployed individual to relocate in an area where he may obtain suitable employment;

(10) the development of job opportunities including activities designed to promote job restructuring and redesign for the purpose of providing more effective utilization of manpower;

(11) incentives to public or private employers including reimbursements for a limited period to the extent that an employee newly hired or being upgraded might not be fully productive;

(12) training for specialized or other personnel and technical assistance which is needed in connection with the programs established under this title or which otherwise pertain to the purposes of this title;

(13) the development of job opportunities through the establishment and operation of centers for low-income persons who are unemployed or underemployed, providing recruitment, counseling, remediation, vocational training, job development, job placement, and other appropriate services;

(14) training and experience in business management to enable individuals to secure and retain management opportunities or to establish their own business concerns; and

(15) such other services, consistent with the provisions of this Act, as the Secretary deems necessary.

ELIGIBLE APPLICANTS

SEC. 103. (a) To the extent consistent with the purposes of this title, the Secretary is authorized to enter into arrangements with any eligible applicant in accordance with the provisions of this title in order to make financial assistance available for the purpose of carrying out manpower services when the Secretary determines that such services can be most effectively implemented by such applicant.

(b) For the purpose of entering into arrangements with the Secretary under this title, eligible applicants shall be—

(1) prime sponsors designated pursuant to plans approved by the Secretary under section 104; and

(2) other public and private agencies, institutions, and organizations, including community action agencies.

PRIME SPONSORS

SEC. 104. (a) For the purposes of this title—

(1) any State; and

(2) any unit of general local government—

(A) which has a population of 75,000 or more persons on the basis of the most satisfactory current data available to the Secretary and (i) which is a city or (ii) which is a county or other unit of general local government which is determined by the Secretary, in accordance with such regulations as he shall prescribe, to have general governmental powers substantially similar to those of a city and to serve a substantial part of a functioning labor market area; or

(B) which has a population of less than 75,000 persons on the basis of the most satisfactory current data available to the Secretary and which has the largest population of any unit of general local government meeting the requirements of clause (i) or (ii) of subparagraph (2)(A) in a State; and

(3) any combination of units of general local government which covers a geographical area which has a population of 75,000 or more persons on the basis of the most satisfactory current data available to the Secretary and which is determined by the Secretary, in accordance with such regulations as he shall prescribe, to serve a substantial part of a functioning labor market area;

shall be eligible to be a prime sponsor of a comprehensive manpower services program in accordance with the provisions of this section.

(b) Any State or unit (or combination of units) of general local government which is eligible to be a prime sponsor under subsection (a) and which desires to be so designated in order to enter into arrangements with the Secretary under this title shall submit to the Secretary a prime sponsorship plan including provisions which evidence capability for carrying out a comprehensive manpower services plan in accordance with section 105(b) of this title and provisions for the establishment of a manpower services council which—

(1) provide that the chief executive officer or officers of the unit or units of government establishing such council shall appoint the members of the council and shall designate one member to be chairman;

(2) provide that the council shall include members who are representative of community action programs; other significant segments of the poverty community; the public employment service; education and training agencies and institutions, including vocational educational agencies and community postsecondary educational and training institutions; social service programs, including child care, environmental quality, health, family planning, recreation, vocational rehabilitation, and welfare agencies; industrial development organizations; apprenticeship programs; business; labor; and veterans organizations;

(3) provide that the chairman of the council shall, with the approval of the council, appoint a staff director who shall supervise professional, technical, and clerical staff serving the council;

(4) set forth procedures under which applications for financial assistance for any fiscal year will be submitted by the prime sponsor which shall be responsible for planning for and carrying out services for which financial assistance is provided under this title and under which appropriate arrangements may be made for the council's participation in planning and development, including initial preparation of such applications;

(5) set forth the council's plans for conducting on a continuing basis surveys and analyses of needs for manpower services in the area served by the council to be used in the development of applications for assistance under this title;

(6) set forth arrangements assuring that

community action agencies will be involved in the development of applications for financial assistance and in the implementation of programs assisted under this title;

(7) set forth the council's plans for evaluating the effectiveness of programs for which financial assistance is provided under this title; and

(8) describe the area to be served by the council.

(c) In any case in which a State has submitted a plan under this section to serve a geographical area under the jurisdiction of a unit (or combination of units) of general local government which is eligible under clause (2)(A) or (3) of subsection (a) and which has submitted a plan under this section meeting the requirements set forth in subsection (b), the Secretary shall approve the latter plan after carrying out the procedures set forth in subsection (d). When two or more units (or combination of units) of general local government each submit plans which include a common geographical area under their respective jurisdictions and which are consistent with the purposes of this title and meet the requirements set forth in subsection (b), the Secretary, in accordance with such regulations as he shall prescribe, shall approve for that geographical area the unit of general local government plan which he determines will most effectively carry out the purposes of this title.

(d) The Secretary shall not approve a prime sponsorship plan submitted under this section unless—

(1) the plan was submitted to the Secretary by such date as the Secretary shall prescribe by regulation, prior to the beginning of the fiscal year when such plan is to take effect, in order to provide a reasonable period of time for review in accordance with the provisions of this section;

(2) a copy of such plan has been submitted for comment thereon to the Governor of the appropriate State; the Governor has been provided such period of time, as the Secretary shall prescribe by regulation, after the copy of such plan was sent to him, during which time he may submit comments on such plan to the Secretary, a copy of which comments shall be sent to the plan applicant; and, if comments have been submitted by the Governor, such additional period of time, as the Secretary shall prescribe by regulation, has passed, during which time the Secretary shall, to the extent practicable, confer with and encourage the plan applicant to resolve any differences arising from such comments;

(3) in the case of a plan submitted by a State, satisfactory arrangements are set forth for serving all geographical areas under its jurisdiction except for areas for which a local prime sponsorship plan is approved under this section.

(e) In the event that a unit (or combination of units) of general local government eligible to be a prime sponsor under subsection (a) does not submit a plan meeting the requirements set forth in this section, a community action agency serving a geographical area under the jurisdiction of such unit may submit a prime sponsorship plan for that area.

(f) Except as provided in subsections (c) and (d), the Secretary may approve any prime sponsorship plan submitted under this section if it is consistent with the provisions of this title. A plan submitted under this section may be disapproved or a prior designation of a prime sponsor may be withdrawn only if the Secretary, in accordance with regulations which he shall prescribe, has provided—

(1) written notice of intention to disapprove such plan, including a statement of the reasons therefor;

(2) for a reasonable time to submit corrective amendments to such plan; and

(3) an opportunity for a public hearing upon which basis an appeal to the Secretary may be taken as a right.

(g) For the purpose of making such payments as may be reasonably necessary to cover the staff and other administrative expenses of the councils established pursuant to subsection (b) and to support other planning and evaluation activities of prime sponsors, the Secretary shall reserve not less than 1 per centum of the amounts available for title I to be allocated in the same manner as set forth in section 108 and 1 per centum of the amounts available for title II to be allocated in the same manner as set forth in section 206.

APPLICATIONS

SEC. 105. (a) Financial assistance under this title may be provided by the Secretary for any fiscal year only pursuant to an application which is submitted by an eligible applicant and which is approved by the Secretary in accordance with the provisions of this title. Any such application shall set forth—

(1) a description of the services for which such financial assistance will be used;

(2) assurances that the services for which assistance is sought under this title will be administered by or under the supervision of the applicant, identifying any agency or agencies designated to carry out such services under such supervision;

(3) any arrangements made for services to be performed, on a reimbursable basis or otherwise, with the public employment service or any other public or private agency, institution, or organization;

(4) a description of the areas to be assisted by such programs, including data indicating the number of potential eligible participants, and their income and employment status;

(5) assurances, pursuant to regulations which the Secretary shall prescribe, that in providing training and employment opportunities among eligible persons special consideration will be given to individuals who are heads of households; and

(6) such other assurances, arrangements, and conditions, consistent with the provisions of this Act, as the Secretary deems necessary, in accordance with such regulations as he shall prescribe.

(b) An application submitted by a prime sponsor for financial assistance for any fiscal year shall set forth, in addition to the requirements set forth in subsection (a), a comprehensive manpower services plan for that fiscal year which shall include provisions for—

(1) coordinated and comprehensive assistance to those individuals requiring manpower and manpower-related services in order to achieve their full economic and occupational potential, effectively serving on an equitable basis the significant segments in that population;

(2) increased occupational opportunities and work experience for eligible individuals;

(3) intensified efforts to relieve skills shortages;

(4) effective utilization of manpower in our economy;

(5) appropriate arrangements with community action agencies, and, to the extent appropriate, with other community-based organizations serving the poverty community, for their participation in the conduct of programs for which financial assistance is provided under this title;

(6) utilizing, wherever feasible, those services and facilities which are available, with or without reimbursement of the reasonable cost, from Federal, State, and local agencies, including but not limited to the State employment service, State vocational education and vocational rehabilitation agencies, area skills centers, local educational agencies, postsecondary training and education institutions, and community action agencies, but nothing contained herein shall be construed to limit the utilization of services and facilities of private agencies, institutions and organizations (such as private businesses, labor organizations, private employment agencies, and private educational and vocational institutions) which can, at comparable cost, provide substantially equivalent training or services or otherwise aid in reducing more quickly unemployment or current and prospective manpower shortages;

(7) long-term projections of requirements for manpower and manpower-related services, and planning for meeting such requirements, in the area served by the prime sponsor;

(8) evaluating the effectiveness of programs for which financial assistance is provided under this title in achieving the objectives of such programs; and

(9) arrangements in the area served by the prime sponsor for the conduct of services for which financial assistance is provided under programs administered by the Secretary of Labor relating to manpower and manpower-related services.

APPROVAL OF APPLICATIONS

SEC. 106. (a) An application, or modification or amendment thereof, for financial assistance under this title, may be approved only if the Secretary determines that—

(1) the application is consistent with the purposes of this title;

(2) the application meets the requirements set forth in section 105;

(3) an opportunity has been provided to the community action agency in the area to be served to submit comments with respect to the application to the applicant and to the Secretary;

(4) an opportunity has been provided to the Governor of the State to submit comments with respect to the application to the applicant and to the Secretary;

(5) an opportunity has been provided to officials of the appropriate units of general local government to submit comments with respect to the application to the applicant and to the Secretary;

(6) the approvable request for funds does not exceed 90 per centum of the cost of carrying out the program proposed in such application, unless the Secretary determines that special circumstances or other provisions of law warrant the waiver of this requirement.

(b) If any unit of general local government or any community action agency submits to the Secretary a written statement and supporting reasons alleging that, with respect to the area served by such unit or by such community action agency, the prime sponsor is not complying with the requirements for a comprehensive manpower services plan under section 105(b) and giving its reasons for the allegation, the Secretary shall, in accordance with regulations he shall prescribe, promptly make a decision on the allegation, after providing the prime sponsor with a copy of the written statement and with a reasonable opportunity to respond in writing and holding such conferences and hearings as he deems appropriate. The Secretary shall transmit to all interested parties a written statement of his decision, including his findings and supporting reasons. Until he makes such decision, the Secretary shall not approve a prime sponsor's pending application for financial assistance under this Act to the extent that such application relates to the matter under contention. If the Secretary determines that the requirements of section 105(b) will not be complied with, then he shall enter into direct arrangements with the appropriate unit of general local government or the appropriate community action agency or any other public or private agency with respect

to those programs involved, and funds which would otherwise be available to the prime sponsor for such programs shall be made available through such direct arrangements.

CONCURRENCE OF OTHER AGENCIES

SEC. 107. (a) The Secretary of Labor shall not issue rules, regulations, standards of performance, or guidelines with respect to assistance for services of a health, education, or welfare character under this title and he shall not provide financial assistance for services of a health, education, or welfare character under this title unless he shall have first obtained the concurrence of the Secretary of Health, Education, and Welfare. Such services include but are not limited to basic or general education; educational programs conducted in correctional institutions; institutional training; health, family planning, child care, and other supportive services; and new careers and job restructuring in the health, education, and welfare professions.

(b) The Secretary of Labor shall not issue rules, regulations, standards of performance, or guidelines relating to the participation of community action agencies and other community-based organizations serving the poverty community under this Act unless he shall have first obtained the concurrence of the Director of the Office of Economic Opportunity.

ALLOCATIONS

SEC. 108. (a) The amounts available for any fiscal year for this title which are not otherwise reserved in accordance with this Act shall be allocated in such a manner that of such amounts—

(1)(A) not more than 5 per centum shall be available for financial assistance under subsection (c) of this section, and (B) not more than 5 per centum shall be available for financial assistance under subsection (d) of this section;

(2) not less than 75 per centum shall be apportioned among the States in the same proportions as the total number of persons in the labor force, of unemployed persons, and of persons heading low-income families and unrelated low-income persons, in such State bears to such total numbers, respectively, in the United States, but not less than $1,500,000 shall be apportioned to a State, except that not less than $150,000 each shall be apportioned to the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands; and

(3) the remainder shall be made available for such purposes under this title as the Secretary deems appropriate.

(b) The amount apportioned to each State under clause (2) of subsection (a) shall be apportioned among areas within each such State in such a manner that not less than 80 per centum thereof shall be apportioned in the same proportions as the total number of persons in the labor force, of unemployed persons, and of persons heading low-income families and unrelated low-income persons, in each such area bears to such total numbers, respectively, in the State.

(c) The amount available pursuant to clause (1)(A) of subsection (a) shall be available to the Secretary for the purpose of providing additional financial assistance as an incentive for the designation of prime sponsors for appropriate labor market areas or portions thereof. Financial assistance provided to any such prime sponsor may not exceed an amount equal to an additional 10 per centum of the financial assistance otherwise available to the areas so covered under subsection (b) of this section. The Secretary shall confer with units of general local government eligible to be prime sponsors in appropriate labor market areas and encourage such units to cooperate on an areawide basis to the maximum extent practicable.

(d) The amount available pursuant to clause (1)(B) of subsection (a) for the purposes of this subsection shall be available to the Secretary for the purpose of providing additional financial assistance as an incentive for the establishment by the prime sponsor of appropriate procedures for coordination and cooperation with agencies administering vocational education programs in the area to be served by any such sponsor. Financial assistance provided to any such prime sponsor may not exceed an amount equal to an additional 10 per centum of the financial assistance otherwise available to such prime sponsor under subsection (b) of this section. The Secretary, with the concurrence of the Secretary of Health, Education, and Welfare, shall establish criteria for the establishment of such procedures.

(e) The Secretary is authorized to make reallocations for such purposes under this title as he deems appropirate of the unobligated amount of any apportionment under subsections (a)(2) and (b) to the extent that the Secretary determines that it will not be required for the period for which such apportionment is available. No amounts apportioned under subsections (a)(2) and (b) for any fiscal year may be reallocated for any reason before the expiration of the ninth month of the fiscal year for which such funds were appropriated and unless the Secretary has provided fifteen days advance notice to the prime sponsor for such area of the proposed reallocation. Any funds reallocated under this subsection are not required to be apportioned in accordance with subsection (a)(2) or (b), and no revision in the apportionment of the funds not so reallocated shall be made because of such reallocations.

(f) As soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsections (a)(2) and (b) of this section and the labor market areas described in subsection (c) of this section.

SPECIAL CONDITIONS

SEC. 109. The Secretary shall not provide financial assistance for any program under this title unless he determines, in accordance with such regulations as he shall prescribe, that—

(1) conditions of employment or training will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

(2) appropriate standards for the health, safety, and other conditions applicable to the performance of work and training on any project are established and will be maintained;

(3) appropriate workmen's compensation protection will be provided to all participants;

(4) the program does not involve political activities;

(5) participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(6) the program will not result in the displacement of employed workers or impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

(7) persons shall not be referred for training in an occupation which requires less than two weeks of preemployment training unless there are immediate employment opportunities available in that occupation;

(8) funds will be used to supplement, to the extent practicable, the level of funds that would otherwise be made available from non-Federal sources for the purpose of planning and administration of programs within the scope of this title and not to supplant such other funds;

(9) the applicant will make such reports, in such form and containing such information as the Secretary may from time to time require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure that funds are being expended in accordance with the provisions of this title.

ALLOWANCES AND COMPENSATION

SEC. 110. (a) The Secretary shall where appropriate provide for the payment of weekly allowances to individuals receiving services under this title. Such allowances shall be at a rate prescribed by the Secretary which, when added to amounts received by the trainee in the form of public assistance or unemployment compensation payments, shall approximate the minimum wage for a workweek of forty hours under section 6(a)(1) of the Fair Labor Standards Act of 1938 or, if higher, under the applicable State minimum wage law, or, where the trainee is being trained for particular employment, at a rate equal to 80 per centum of the weekly wage for such employment, whichever is greater. In prescribing allowances, the Secretary may allow additional sums for special circumstances such as exceptional expenses incurred by trainees, including but not limited to meal and travel allowances, or he may reduce such allowances by an amount reflecting the fair value of meals, lodging, or other necessaries furnished to the trainee. The Secretary shall take such action as may be necessary to insure that such persons receive no allowances with respect to periods during which they are failing to participate in such programs, training, or instruction as prescribed herein without good cause. Notwithstanding the preceding provisions of this subsection, the Secretary may, in accordance with such regulations as he shall prescribe, make such adjustments as he deems appropriate in allowances which would otherwise be payable under this Act, including but not limited to adjustments which take into account the amount of time per week spent by the individual participating in such programs and adjustments to reflect the special economic circumstances which exist in the area in which the program is to be carried on. Allowances shall not be paid for any course of training having a duration in excess of one hundred and four weeks.

(b) For purposes of subchapter I of chapter 81 of title 5, United States Code, any person receiving services under this title shall, under such circumstances and subject to such conditions and limitations as the Secretary shall by regulation prescribe, be considered an employee of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply, except that in computing compensation benefits for disability or death, the monthly pay of such a person shall be deemed to be his allowance for a month, if he is receiving one. Regulations prescribed by the Secretary under this subsection may include but are not limited to adjustments in the amount of compensation payable under this subsection to take into account entitlements to workmen's compensation under other applicable laws or arrangements.

TITLE II—PUBLIC SERVICE EMPLOYMENT

FINANCIAL ASSISTANCE

SEC. 201. The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available to public and private nonprofit agencies and institutions for the purpose of providing employment and related training and manpower services for unemployed and underemployed persons, with special con-

sideration for persons who have participated in manpower training programs for whom employment opportunities would not be otherwise immediately available, in jobs providing needed public services.

AUTHORIZATION

SEC. 202. In addition to the amounts authorized to be appropriated pursuant to section 3 for carrying out this Act, there are further authorized to be appropriated for the purpose of carrying out this title $750,000,000 for the fiscal year ending June 30, 1971, $1,000,000,000 for the fiscal year ending June 30, 1972, $1,250,000,000 for the fiscal year ending June 30, 1973, and $1,500,000,000 for the fiscal year ending June 30, 1974.

ELIGIBLE APPLICANTS

SEC. 203. For the purpose of entering into arrangements with the Secretary under this title, eligible applicants shall be—

(1) prime sponsors designated pursuant to plans approved by the Secretary under section 104; and

(2) other public and private nonprofit agencies and institutions (including community action agencies, local service companies, and public service agencies and institutions of the Federal Government).

APPLICATIONS

SEC. 204. (a) Financial assistance under this title may be provided by the Secretary for any fiscal year only pursuant to an application which is submitted by an eligible applicant and which is approved by the Secretary in accordance with the provisions of this title. Any such application shall set forth a public service employment program designed to provide employment and related training and manpower services for unemployed and underemployed persons, and persons who have participated in manpower training programs for whom employment opportunities would not be otherwise immediately available, in jobs providing needed public services in such fields as health, family planning, public safety, education, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, and other fields of human betterment and community improvement.

(b) An application for financial assistance for a public service employment program under this title shall include provisions setting forth—

(1) an estimate of the expected productivity of the public service positions to be filled;

(2) assurances that the activities and services for which assistance is sought under this title will be administered by or under the supervision of the applicant, identifying any agency or agencies designated to carry out such activities or services under such supervision;

(3) a description of the area to be served by such programs, and a plan for effectively serving on an equitable basis the significant segments of the population to be served, including data indicating the number of potential eligible participants and their income and employment status;

(4) assurances that special consideration will be given to the filling of jobs which provide sufficient prospects for advancement or suitable continued employment by providing complementary training and manpower services designed to (A) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (B) provide participants with skills for which there is an anticipated high demand, or (C) provide participants with self-development skills, but nothing contained in this paragraph shall be construed to preclude persons for whom the foregoing goals are not feasible or appropriate;

(5) a description of the methods to be used to recruit, select, and orient participants, including specific eligibility criteria, and programs to prepare the participants for their job responsibilities;

(6) a description of unmet public service needs and a statement of priorities among such needs;

(7) description of jobs to be filled, a listing of the major kinds of work to be performed and skills to be acquired, and the approximate duration of which participants would be assigned to such jobs;

(8) the wages or salaries to be paid participants and a comparison with the prevailing wages in the area for similar work;

(9) the education, training, and supportive services (including counseling, medical care, and family planning) which complement the work performed;

(10) appropriate arrangements for the integration of training activities conducted under this title with similar training activities conducted under title I of this Act where programs with the same training objectives are to be conducted under both titles by the same prime sponsor;

(11) the planning for and training of supervisory personnel in working with participants;

(12) a description of career opportunities and job advancement potentialities for participants;

(13) appropriate arrangements with community action agencies, and, to the extent appropriate, with other community-based organizations serving the poverty community, for their participation in the conduct of programs for which financial assistance is provided under this title;

(14) an indication of the full participation and maximum cooperation among local public officials, area residents, and representatives of private organizations in the development of the program and a description of their respective roles in the conduct and administration of the program;

(15) procedures pursuant to which participants, after one year and prior to the end of two years of employment in jobs providing public services under this title, will be interviewed and their employment and advancement prospects reviewed by an appropriate agency, as determined by the eligible applicant and the appropriate manpower services council; and in the event that any such participant and the reviewing agency find that the participant's current employment situation will not provide sufficient prospects for advancement or suitable continued employment, maximum efforts shall be made to locate employment or training opportunities providing such prospects, and the participant shall be offered appropriate assistance in securing placement in the opportunity which he chooses after appropriate counseling;

(16) assurance that public and private nonprofit agencies and institutions to whom financial assistance will be made available under this title will undertake analysis of job descriptions and a reevaluation of skill requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations promulgated by the Secretary; and

(17) such other assurances, arrangements, and conditions, consistent with the provisions of this Act, as the Secretary deems necessary, in accordance with such regulations as he shall prescribe.

APPROVAL OF APPLICATIONS

SEC. 205. An application, or modification or amendment thereof, for financial assistance under this title may be approved only if the Secretary determines that—

(1) the application is consistent with the purposes of this title;

(2) the application meets the requirements set forth in section 204;

(3) the public service positions to be financed will increase the productive capacity of the public services activities in which those positions are located;

(4) an opportunity has been provided to the community action agency in the area to be served to submit comments with respect to the application to the applicant and to the Secretary;

(5) an opportunity has been provided to the Governor of the State to submit comments with respect to the application to the applicant and to the Secretary;

(6) an opportunity has been provided to officials of the appropriate units of general local government to submit comments with respect to the application to the applicant and to the Secretary;

(7) the application has been reviewed by a panel of experts to which the application is referred in accordance with procedures established by regulation and is accompanied by the recommendation of the panel on the amount of funds requested in the application for which it finds adequate justification;

(8) the approvable request for funds does not exceed 80 per centum of the cost of carrying out the program proposed in such application, unless the Secretary determines that special circumstances or other provisions of law warrant the waiver of this requirement.

ALLOCATIONS

SEC. 206. (a) The amounts available for any fiscal year for this title which are not otherwise reserved in accordance with this Act shall be allocated in such a manner that of such amounts—

(1) not more than 5 per centum shall be available for financial assistance under subsection (c) of this section;

(2) not less than 80 per centum shall be apportioned among the States in the same proportions as the total number of unemployed persons, and of persons heading low-income families and unrelated low-income persons, in such State bears to such total numbers, respectively, but not less than $1,500,000 shall be apportioned to a State, except that not less than $150,000 each shall be apportioned to the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands; and

(3) the remainder shall be made available for such purposes under this title as the Secretary deems appropriate.

(b) The amount apportioned to each State under clause (2) of subsection (a) shall be apportioned among areas within each such State in such a manner that not less than 80 per centum thereof shall be apportioned in the same proportions as the local number of unemployed persons, and of persons heading low-income families and unrelated low-income persons, in each such area bears to such total numbers, respectively, in the State.

(c) The amount available pursuant to clause (1) of subsection (a) shall be available to the Secretary for the purpose of providing additional financial assistance as an incentive for the designation of prime sponsors for appropriate labor market areas or portions thereof. Financial assistance provided to any such prime sponsor may not exceed an amount equal to an additional 10 per centum of the financial assistance otherwise available to the area so covered under subsection (b) of this section. The Secretary shall confer with units of general local government eligible to be prime sponsors in appropriate labor market areas and encourage such units to cooperate on an areawide basis to the maximum extent practicable.

(d) The Secretary is authorized to make reallocations for such purposes under this

title as he deems appropriate of the unobligated amount of any apportionment under subsections (a)(2) and (b) to the extent that the Secretary determines that it will not be required for the period for which such apportionment is available. No amounts apportioned under subsections (a)(2) and (b) for any fiscal year may be reallocated for any reason before the expiration of the ninth month of the fiscal year for which such funds were appropriated and unless the Secretary has provided fifteen days advance notice to the prime sponsor for such area of the proposed reallocation. Any funds reallocated under this subsection are not required to be apportioned in accordance with subsection (a)(2) or (b), and no revision in the apportionments of the funds not so reallocated shall be made because of such reallocations.

(e) As soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Secretary shall publish in the Federal Register the apportionments required by subsections (a)(2) and (b) of this section and the labor market areas described in subsection (c) of this section.

DISASTER RELIEF

SEC. 207. With respect to any area designated by the President as a major disaster area, the Secretary is authorized to utilize such funds as may be necessary, which are available to him under section 206(a)(3) and (d), to make financial assistance available to eligible applicants to provide additional employment in carrying out public services needed in such area as a result of the disaster.

SPECIAL CONDITIONS

SEC. 208. (a) The Secretary shall not provide financial assistance for any program under this title unless he determines, in accordance with such regulations as he shall prescribe, that—

(1) no participant will be employed on projects involving political activities;

(2) participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(3) the program will result in an increase in employment opportunities over those which would otherwise be available and will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits), and will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

(4) wages paid to a participant shall be substantially equal to the highest of (A) the minimum wage which would be applicable to the employment under the Fair Labor Standards Act of 1938 if section 6(a)(1) of such Act applied to the participant and he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rate of wages in the area for similar work;

(5) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(6) all participants will be assured of adequate workmen's compensation, retirement, health insurance, unemployment insurance, and other employee benefits;

(7) the place of work provides employees with safe and healthful working conditions;

(8) every participant shall be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

(b) Programs approved under this title shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement, including civil service requirements which restrict employment opportunities for the disadvantaged.

(c) For programs which provide work and training related to physical improvements, special consideration shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

(d) Where a labor organization represents employees who are engaged in similar work in the same labor market area to that proposed to be performed under any program for which an application is submitted under this title, such organization shall be notified by the Secretary prior to the approval of such application.

(e) The Secretary shall prescribe regulations to assure that programs under this title have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

SPECIAL REPORT

SEC. 209. The Secretary shall transmit at least annually, as a part of the report required under section 12 of this Act, a detailed report setting forth the activities conducted under this title, including information on the extent to which participants in such activities subsequently secure and retain public or private employment or participate in training or employability development programs.

## TITLE III—SPECIAL WORK AND TRAINING PROGRAMS

### PART A—GENERAL PROVISIONS

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 301. The Secretary shall establish criteria designed to achieve an equitable distribution of assistance among the States under this title. In developing such criteria as are appropriate for each part, he shall consider, among other relevant factors, the ratios of population, unemployment, and income levels. Of the sums available for any fiscal year for programs authorized under each such part, not more than 15 per centum shall be used within any one State.

LIMITATIONS ON FEDERAL ASSISTANCE

SEC. 302. Federal financial assistance to any program or activity carried out pursuant to this title shall not exceed 90 per centum of the cost of such program or activity, including costs of administration. The Secretary may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that is necessary in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

ADMINISTRATIVE REGULATIONS

SEC. 303. The Secretary shall prescribe regulations to assure that programs assisted under this title have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, availability of inservice training and technical assistance programs, and other policies as may be necessary to promote the effective use of funds.

### PART B—SPECIAL WORK, TRAINING, AND CAREER DEVELOPMENT PROGRAMS

NEW CAREERS

SEC. 311. The Secretary shall carry out a special program to be known as "New Careers" which will provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields of public service, including but not limited to health family planning, education, welfare, recreation, day care, neighborhood redevelopment and public safety, which provide maximum prospects for on-the-job training, promotion and advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing career ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement. In carrying out this section, the Secretary is authorized to (1) provide financial assistance to public or private nonprofit agencies to stimulate and support efforts to provide the unemployed with jobs and the low-income worker with greater career opportunity; and (2) provide financial and other assistance to insure the provision of supportive and followup services to supplement programs under this section including health services, family planning services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in these programs and in employment.

MAINSTEAM

SEC. 312. The Secretary shall carry out a special program to be known as "Mainstream" by providing financial assistance to public or private nonprofit agencies for the support of projects which involve work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable (because of age, physical condition, obsolete or inadequate skills, declining economic conditions, other causes of a lack of employment opportunity, or otherwise) to secure appropriate employment or training assistance under other programs. Such projects, in addition to other services provided, shall enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including but not limited to activities which will contribute to the management, conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands; the rehabilitation of housing; the improvement of public facilities; and the improvement and expansion of health, family planning, education, day care, and recreation services.

COMMUNITY ENVIRONMENT SERVICE

SEC. 313. The Secretary shall carry out a special program to be known as the "Community Environment Service" by providing financial assistance to public or private nonprofit agencies, especially programs sponsored by State, county, and city governments. Such programs may provide employment on a full-time or part-time basis for persons to help restore a livable environment in urban and rural areas, including restoration of housing and neighborhoods; the planning, development, and maintenance of parks and recreation areas and facilities in inner cities as well as roadside recreation projects; and sanitation and cleanup projects, including solid waste removal. Support may also be provided for the employment of environmental health aides in community health facilities, family planning clinics, and water and air pollution control programs. Community environment service programs shall be encouraged to involve volunteers from the community in environmental planning and action campaigns.

OPPORTUNITIES INDUSTRALIZATION CENTERS

SEC. 314. The Secretary shall make financial assistance available under this section for the establishment and operation of "Opportunities Industrialization Centers"

designed to provide comprehensive employment services and job opportunities for low-income persons who are unemployed or underemployed. Such services shall include recruitment, counseling, remediation, vocational training, job development, job placement, family planning, and other appropriate services. No funds shall be made available for any program under this section unless the Secretary determines that adequate provisions are made to assure that (1) the residents of the area to be served by such program are involved in the planning and operation of such center, and (2) the business community in the area to be served by such program is consulted in its development and operation. The Secretary shall give priority to any program authorized under this section serving residents of an inner-city area with substantial unemployment or underemployment.

UPGRADING PROGRAMS

SEC. 315. The Secretary shall enter into arrangements with public or private employers under the terms of which the employer undertakes to provide the necessary education and skill training to prepare employees for positions of greater skill, responsibility, and remuneration in the employ of such employer. Financial assistance under this section may be provided by the Secretary only pursuant to an application setting forth arrangements satisfactory to the Secretary, including assurances that—

(1) the position for which employees will be trained are positions that cannot with reasonable effort be filled by the employer with unemployed or underemployed workers already possessing such skills and willing to accept such employment;

(2) the selection of trainees shall be based upon merit, ability, and length of service, and that no person shall be selected as a trainee until such person has been in the employ of the employer for a period of not less than six months;

(3) the training content of the program is adequate, involves reasonable progression, and will result in the qualification of trainees for suitable employment in a recognized skill or occupation in the service of that employer and of other employers in the same industry;

(4) the training period is reasonable and consistent with periods customarily required for comparable training;

(5) adequate and safe facilities, and adequate personnel and records of attendance and progress are provided;

(6) successful completion of the employee's training program can reasonably be expected to result in an offer of employment in the employer's own enterprise in the occupation for which he will be trained at wage rates not less than those prevailing for the same or similar occupations in that industry;

(7) the training and placement of such employees is part of a program that can reasonably be expected to lead directly to the employment of an equivalent number of new employees in entry level employment; and

(8) the trainees are compensated by the employer at such rates, including periodic increases, as may be deemed reasonable under regulations issued by the Secretary, considering such factors as industry practice and trainee proficiency, and that in no event shall the wages or employment benefits of any trainee be less than those received by him immediately before his starting such training program.

JOBS FOR PROGRESS—OPERATION SER PROGRAMS

SEC. 316. The Secretary shall make financial assistance available under this section for the establishment and operation of "Jobs for Progress—Operation SER Programs" designed to provide comprehensive employment services and job opportunities for low income persons who are unemployed or underemployed. Such services shall include recruitment, counseling, remediation, vocational training, job development, job placement, and other appropriate services. No funds shall be made available for any program under this section unless the Secretary determines that adequate provisions are made to assure that (1) the residents of the area to be served by such program are involved in the planning and operation of such center, and (2) the business community in the area to be served by such program is consulted in its development and operation. The Secretary shall give priority to any program authorized under this section serving residents of an inner-city area with substantial unemployment or underemployment.

MANAGEMENT TRAINING PROGRAMS

SEC. 317. The Secretary, after consultation with the Secretary of Health, Education, and Welfare, the Secretary of Commerce, the Administrator of the Small Business Administration, and the Director of the Office of Economic Opportunity, shall carry out a special program under which education, training, and experience in business management are provided to enable individuals to secure and retain business management opportunities or to establish their own business concerns. In carrying out the provisions of this section, the Secretary is authorized to make grants to public agencies, including educational agencies, and to enter into contracts with private agencies and organizations. The Secretary shall obtain the prior concurrence of the Secretary of Health, Education, and Welfare with respect to any educational component of any program assisted under this section.

MANPOWER PROGRAMS IN CORRECTIONAL INSTITUTIONS

SEC. 318. (a) The Secretary of Labor is authorized to make grants to public agencies, including educational agencies, and to enter into contracts with private organizations for the establishment, conduct, and evaluation of projects and programs, including demonstration projects and programs, under which inmates of correctional institutions are provided with educational, vocational, rehabilitative, work experience (including offsite training), placement assistance, and other related counseling and supportive services sufficient to enable them to acquire relevant skills and to secure and retain meaningful employment after their confinement. The education and training components of such project and programs shall be agreed to by the Secretary of Health, Education, and Welfare. In the case of projects and programs to be conducted in Federal correctional institutions, prior concurrence shall be obtained from the Attorney General of the United States. The Secretary of Labor shall consult with State and local correctional and educational officials where appropriate.

(b) Special consideration shall be given to applications under this section for programs and projects which—

(1) provide for participation of representatives of industry and labor and other qualified persons from the private sector of the economy in the development of curriculum, and as instructors,

(2) provide for the use of modern equipment in any such program, and

(3) make provisions for the employment of persons confined in such institutions after their release.

(c) Programs and projects assisted under this section may include activities designed to test the effectiveness of pretrial or presentencing arrangements under which offenders awaiting trial or further hearings may receive manpower training in lieu of parole or confinement.

(d) Except as precluded by Federal, State, or local law, projects or programs assisted under this section may provide for the selection of persons confined in the correctional institutions as teacher aides in accordance with criteria prescribed by the Secretary.

(e) (1) The Secretary of Labor shall, with the concurrence of the Secretary of Health, Education, and Welfare, promulgate regulations and establish standards, including but not limited to standards or regulations designed to ensure that programs and projects assisted under this section will contain provisions for (A) the development of skills for which there is a demand on a local, regional, or other appropriate basis, and (B) adequate internal administrative controls, accounting requirements, personnel standards, and evaluation procedures.

(2) No Federal, State, or local correctional institution shall reduce the amount of funds previously available for education, training, work experience, and placement assistance by reason of assistance granted to inmates of such institutions by reason of this section.

(f) The Secretary of Labor is authorized to make arrangements for training, medical, and transportation allowances and bonding assistance as surety for financial loss where necessary to carry out the purposes of this section.

PART C—JOB CORPS

STATEMENT OF PURPOSES

SEC. 331. This part establishes a Job Corps for low-income, disadvantaged young men and women, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling, and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. Its purpose is to assist young persons who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens, and to do so in a way that contributes, where feasible, to the development of national, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

SEC. 332. To become an enrollee in the Job Corps, a young man or woman must be a person who has attained age fourteen but not attained age twenty-two at the time of enrollment and who—

(1) is a permanent resident of the United States or a native and citizen of Cuba who arrived in the United States from Cuba as a nonimmigrant or as a parolee subsequent to January 1, 1959, under the provisions of section 214(a) or 212(d)(5), respectively, or any person admitted as a conditional entrant under section 203(a)(7), of the Immigration and Nationality Act;

(2) is a low-income individual or member of a low-income family who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successful in regular schoolwork, qualify for other training programs suitable to his needs, or satisfy Armed Forces requirements;

(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair his prospects for successful participation in any other program providing needed training, education, or assistance;

(4) is determined, after careful screening as provided for in sections 332, and 333, to have the present capabilities and aspirations needed to complete and secure the full benefit of the program authorized in this part, and to be free of medical and behavioral problems so serious that he could not or would not be able to adjust to the standards of conduct and discipline or pattern of work and training which that program involves and

(5) meets such other standards for enrollment as the Secretary may prescribe (including special standards for the enrollment on a residential basis of fourteen- and fifteen-year olds) and agrees to comply with all applicable Job Corps rules and regulations.

SCREENING AND SELECTION OF APPLICANTS

SEC. 333. (a) The Secretary shall prescribe necessary rules for the screening and selection of applicants for enrollment in the Job Corps. To the extent practicable, these rules shall be implemented through arrangements which make use of agencies and organizations such as community action agencies, public employment offices, professional groups, and labor organizations. The rules shall establish specific standards and procedures for conducting, screening and selection activities; shall encourage recruitment through agencies and individuals having contact with youths over substantial periods of time and able, accordingly, to offer reliable information as to their needs and problems; and shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. They shall also provide for—

(1) the interviewing of each applicant for the purpose of—

(A) determining whether his educational and vocational needs can best be met through the Job Corps or any alternative program in his home community;

(B) obtaining from the applicant pertinent data relating to his background, needs, and interests for evaluation in determining his eligibility and potential assignment; and

(C) giving the applicant a full understanding of the Job Corps program and making clear what will be expected of him as an enrollee in the event of his acceptance.

(2) the conduct of a careful and systematic inquiry concerning the applicant's background for the effective development and, as appropriate, clarification of information concerning his age, citizenship, school, and draft status, health, employability, past behavior, family income, environment, and other matters related to a determination of his eligibility.

(b) The Secretary shall make no payments to any individual or organization solely as compensation for the service of referring the names of candidates for enrollment in the Job Corps.

(c) The Secretary shall take all necessary steps to assure that the enrollment of the Job Corps includes an appropriate number of candidates selected from rural areas, taking into account the proportion of eligible youth who reside in rural areas and the need to provide residential facilities for such youth in order to meet problems of wide geographic dispersion.

SPECIAL LIMITATIONS

SEC. 334. (a) No individual shall be selected as an enrollee unless it is determined that there is reasonable expectation that he can participate successfully in group situations and activities with other enrollees, that he is not likely to engage in actions or behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between any center to which he might be assigned and surrounding communities, and that he manifests a basic understanding of both the rules to which he will be subject and of the consequences of failure to observe those rules. Before selecting an individual who has a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other major behavioral aberrations, the Secretary shall obtain a finding from a professionally qualified person who knows such potential enrollee's individual situation that there is reasonable expectation that his conduct will not be inimical to the goals and success of the Job Corps and that the opportunity provided by the Job Corps will help him to overcome his problem.

(b) An individual who otherwise qualifies for enrollment may be selected even though he is on probation or parole, but only if his release from the immediate supervision of the cognizant probation or parole officials is mutually satisfactory to those officials and the Secretary and does not violate applicable laws or regulations, and if the Secretary has arranged to provide all supervision of the individual and all reports to State or other authorities that may be necessary to comply with applicable probation or parole requirements.

ENROLLMENT AND ASSIGNMENT

SEC. 335. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Secretary may authorize in special cases.

(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Selective Service Act of 1967 (50 U.S.C. App. 451 et seq.).

(c) Each enrollee (other than a native and citizen of Cuba who arrived in the United States from Cuba as a nonimmigrant or as a parolee subsequent to January 1, 1959, under the provisions of section 214(a) or 212(d) (5), respectively, or any person admitted as a conditional entrant under section 203(a)(7), of the Immigration and Nationality Act, or a permanent resident of the Trust Territory of the Pacific Islands) must take and subscribe to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic." The provisions of section 1001 of title 18, United States Code, shall be applicable to this oath or affirmation.

(d) After the Secretary has determined whether an enrollee is to be assigned to a men's training center, a conservation center, or a women's training center, the center to which he shall be assigned shall be that center of the appropriate type in which a vacancy exists which is closest to the enrollee's home, except that the Secretary, on an individual basis, may waive this requirement when overriding considerations justify such action. Assignments to centers in areas more remote from the enrollee's home shall be carefully limited to situations in which such action is necessary in order to insure an equitable opportunity for disadvantaged youth from various sections of the country to participate in the program, to prevent undue delays in the assignment of individual enrollees, to provide an assignment which adequately meets the educational or other needs of the enrollee or is necessary for efficiency and economy in the operation of the program.

(e) Assignments of male enrollees shall be made so that, at any one time, at least 40 per centum of those enrollees are assigned to conservation centers as described in section 336, or to other centers or projects where their work activity is primarily directed to the conservation, development, or management of public natural resources or recreational areas.

JOB CORPS CENTER

SEC. 336. (a) The Secretary may make agreements with Federal, State, or local agencies, or private organizations for the establishment and operation of Job Corps centers. These centers may be residential or nonresidential in character and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services (including family planning services) appropriate to their needs. The centers shall include conservation centers, to be known as Civilian Conservation Centers, to be located primarily in rural areas and to provide, in addition to other training and assistance, programs of work experience focused upon activities to conserve, develop, or manage public natural resources or public recreational areas or to assist in developing community projects in the public interest. They shall also include men's and women's training centers to be located in either urban or rural areas and to provide activities which shall include training and other service appropriate for enrollees who can be expected to participate successfully in training for specific types of skilled or semiskilled employment.

(b) To the extent feasible, men's and women's training centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in programs under other provisions of this Act. Such opportunities may be offered on a reimbursable basis or through such other arrangeemnts as the Secretary may specify.

PROGRAM ACTIVITIES

SEC. 337. (a) Each Job Corps center shall be operated so as to provide enrollees with an intensive, well-organized, and fully supervised program of education, vocational training, work experience, planned avocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program for each enrollee shall include activities designed to assist him in choosing realistic career goals, coping with problems he may encounter in his home community or in adjusting to a new community, and planning and managing his daily affairs in a manner that will best contribute to long-term upward mobility. Center programs shall include required participation in center maintenance support and related work activity as appropriate to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

(b) To the extent practicable, the Secretary may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes where these institutions or institutes can provide training comparable in cost and substantially equivalent in quality to that which he could provide through other means.

(c) Arrangements for education shall, to the extent feasible, provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from secondary school; and the Secretary of Labor, with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to enrollees who have satisfactorily completed their services in the Job Corps and which will reflect the enrollee's level of educational attainment.

(d) The Secretary shall prescribe regulations to assure that Job Corps work-experience programs or activities do not displace presently employed workers or impair existing contracts for service and will be coordinated with other work-experience programs in the community.

ALLOWANCES AND SUPPORT

SEC. 338. (a) The Secretary may provide enrollees with such personal, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. Personal allowances shall be established at a rate not to exceed $50 per month during the first six months of an enrollee's participation in the program and not to exceed $75 per month thereafter, except that allowances in excess of $50 per month, but not exceeding $75 per month, may be provided from the beginning of an enrollee's participation if it is expected to be of less than six months' duration and the Secretary is authorized to pay personal allowances in excess of the rates specified herein in unusual circumstances as determined by him. Such allowances shall be graduated up to the maximum so as to encourage continued participation in the program, achievement and the best use by the enrollee of the funds so provided and shall be subject to reduction in appropriate cases as a disciplinary measure. Enrollees shall be required to a reasonable degree to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

(b) The Secretary shall prescribe specific rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months' service in the Job Corps.

(c) The Secretary may provide each former enrollee, upon termination, a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance, however, unless he has remained in the program at least ninety days, except in unusual circumstances as determined by the Secretary. The Secretary may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowance as the Secretary deems necessary to meet extraordinary financial obligations incurred by that enrollee; and he may also, pursuant to rules or regulations, reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

(d) Under such circumstances as the Secretary may determine, a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a spouse or child of an enrollee or to any other relative who draws substantial support from the enrollee, and any sum so paid shall be supplemented by the payment of an equal amount by the Secretary.

STANDARDS OF CONDUCT

SEC. 339. (a) Within Job Corps centers, standards of conduct and deportment shall be provided and stringently enforced. In the case of violations committed by enrollees, dismissals from the Corps or transfers to other locations shall be made in every instance where it is determined that retention in the Corps, or in the particular Job Corps center, will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other enrollees.

(b) In order to promote the proper moral and disciplinary conditions in the Job Corps, the individual directors of Job Corps centers shall be given full authority to take appropriate disciplinary measures against enrollees including, but not limited to, dismissal from the Job Corps, subject to expeditious appeal procedures to higher authority, as provided under regulations set by the Secretary.

COMMUNITY PARTICIPATION

SEC. 340. The Secretary shall encourage and shall cooperate in activities designed to establish a mutually beneficial relationship between Job Corps centers and surrounding or nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Whenever possible, such advisory councils shall be formed by and coordinated under the local community action agency. Youth participation in advisory council affairs shall be encouraged and where feasible separate youth councils may be established, to be composed of representative enrollees and representative young people from the communities. The Secretary shall establish necessary rules and take necessary action to assure that each center is operated in a manner consistent with this section with a view to achieving, so far as possible, objectives which shall include: (1) giving community officials appropriate advance notice of change in center rules, procedures, or activities that may affect or be of interest to the community; (2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees; (3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community; (4) encouraging the fullest practicable participation of enrollees in programs or projects for community improvement or betterment, with adequate advance consultation with business, labor, professional, and other interested community groups and organizations; (5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together; (6) providing community residents with opportunities to work with enrollees directly, as part-time instructors, tutors, or advisers, either in the center or in the community; (7) developing, where feasible, job or career opportunities for enrollees in the community; and (8) promoting interchanges of information and techniques among, and cooperative projects involving the center and community schools, educational institutions, and agencies serving young people.

COUNSELING AND JOB PLACEMENT

SEC. 341. (a) The Secretary shall provide for the counseling and testing of each enrollee at regular intervals to follow his progress in educational and vocational programs.

(b) The Secretary shall counsel and test each enrollee prior to his scheduled termination to determine his capabilities and shall seek to place him in a job in the vocation for which he is trained and in which he is likely to succeed, or shall assist him in attaining further training or education. In placing enrollees in jobs, the Secretary shall utilize the United States Employment Service to the fullest extent possible.

(c) The Secretary shall make arrangements to determine the status and progress of former enrollees and to assure that their needs for further education, training, and counseling may be met.

(d) Upon termination of an enrollee's training, a copy of his pertinent records, including data derived from his counseling and testing, other than confidential information, shall be made available immediately to the Department of Labor.

(e) The Secretary shall, to the extent feasible, arrange for the readjustment allowance, provided for in section 338(c) of this Act, less any sums already paid pursuant to 338(d), to be paid to former enrollees (who have not already found employment) at the public employment service office nearest the home of any such former enrollee, if he is returning to his home, or at the nearest such office to the community in which the former enrollee has indicated an intent to reside. The Secretary of Labor shall make arrangements by which public employment service officers will maintain records regarding former enrollees who are thus paid at such offices including information as to—

(1) the number of former enrollees who have declined the office's help in finding a job;

(2) the number who were successfully placed in jobs without further education or training;

(3) the number who were found to require further training before being placed in jobs and the types of training programs in which they participated; and

(4) the number who were found to require further remedial or basic education in order to qualify for training programs, together with information as to the types of programs for which such former enrollees were found unqualified for enrollment.

If the Secretary deems it advisable to utilize the services of any other public or private organization or agency in lieu of the public employment office, he shall arrange for that organization or agency to make the payment of the readjustment allowance and maintain the same types of records regarding former enrollees as are herein specified for maintenance by public employment service offices, and shall furnish copies of such records to the Secretary. In the case of enrollees who are placed in jobs by the Secretary prior to the termination of their participation in the Job Corps, the Secretary shall maintain records providing pertinent placement and follow-up information.

EVALUATION: EXPERIMENTAL AND DEVELOPMENTAL PROJECTS

SEC. 342. (a) The Secretary shall provide for the careful and systematic evaluation of the Job Corps program, directly or by contracting for independent evaluations, with a view to measuring specific benefits, so far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation. In particular, this evaluation shall seek to determine the costs and benefits resulting from the use of residential as opposed to nonresidential facilities, from the use of facilities combining residential and nonresidential components from the use of centers with large as opposed to small enrollments, and from the use of different types of program sponsors, including public agencies, institutions of higher education, boards of education, and private corporations. The evaluation shall also include comparisons with proper control groups composed of persons who have not participated in the program. In carrying out such evaluations, the Secretary shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the program and shall consult with other agencies and officials in order to compare the relative effectiveness of Job Corps techniques with those used in other programs, and shall endeavor to secure, through employers, schools, or other Government and private agencies specific information concerning the residence of former enrollees, their employment status, compensation, and success in adjusting to community life. He shall also secure, to the extent feasible, similar information directly from enrollees at appropriate intervals following their completion of the Job Corps program.

(b) The Secretary may undertake or make grants or contracts for experimental, research, or demonstration projects designed to develop and test ways of securing the better use of facilities, of encouraging a more

rapid adjustment of enrollees to community life that will permit a reduction in the period of their enrollment, of reducing transportation and support costs, or of otherwise promoting greater efficiency and effectiveness in the program authorized under this part. These projects shall include one or more projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis. The Secretary may, if he deems it advisable, undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations. Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the prime sponsors, as described in title I of this Act, in the communities where the projects will be carried out. They may be undertaken jointly with agencies conducting other Federal or federally assisted programs, and funds otherwise available for activities under such programs shall, with the consent of the head of any agency concerned, be available for projects under this section to the extent they include the same or substantially similar activities. The Secretary may waive any provision of this title which he finds would prevent the carrying out of elements or projects under this subsection essential to a determination of their feasibility and usefulness. He shall report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

ADVISORY COMMITTEES AND BOARDS

SEC. 343. The Secretary shall make use of advisory committees or boards in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever he determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationship between the Job Corps and agencies, institutions, or groups engaged in related activities.

PARTICIPATION OF THE STATES

SEC. 344. (a) The Secretary shall take necessary action to facilitate the effective participation of States in the Job Corps program, including, but not limited to, consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, the development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

(b) The Secretary may enter into agreements with State or local prime sponsors with prime sponsorship plans approved under title I of this Act to assist in the operation or administration of programs which carry out the purpose of this part. The Secretary may, pursuant to regulations, pay part or all of the operative or administrative costs of such programs.

(c) No Job Corps center or other similar facility designed to carry out the purpose of this part shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor, and such plan has not been disapproved by him within thirty days of such submission.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 345. (a) Except as otherwise specifically provided in the following paragraphs of this subsection, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5 of the United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except as follows:

(A) The term "performance of duty" shall not include any act of an enrollee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Job Corps;

(B) In computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS–2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

(C) Compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

(b) When the Secretary finds a claim for damage to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, he may adjust and settle it in an amount not exceeding $500.

(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Job Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

SPECIAL LIMITATIONS

SEC. 346. (a) The Secretary shall take necessary action to assure that for any fiscal year the direct operating costs of Job Corps centers which have been in operation for more than nine months do not exceed $6,900 per enrollee.

(b) The Secretary shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the operation of any conservation or training center shall become the property of the United States.

POLITICAL DISCRIMINATION AND POLITICAL ACTIVITY

SEC. 347. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Job Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Job Corps, or any applicant for enrollment in the Job Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

(b) No officer, employee, or enrollee of the Job Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee, or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee, or Federal employee who solicits funds for political purposes from members of the Corps shall be in violation of section 602 of title 18, United States Code.

(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Secretary with specific instructions as to discipline or dismissal or other corrective actions.

PART D—NEIGHBORHOOD YOUTH PROGRAMS

PROGRAMS ANTHORIZED

SEC. 351. (a) The Secretary shall provide financial assistance to public and private agencies serving urban and rural areas to carry out—

(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) and who are in need of the earnings to permit them to resume or maintain attendance in school;

(2) programs to provide unemployed, underemployed, or low-income persons (aged sixteen and over) with useful work and training (which must include sufficient basic education and institutional or on-the-job training) designed to assist those persons to develop their maximum occupational potential and to obtain regular competitive employment;

(3) programs to provide job and recreation opportunities for young persons during the summer months.

(b) In addition to the amounts authorized to be appropriated pursuant to section 3 for carrying out this Act, there are further authorized to be appropriated such additional amounts as the Congress may determine to be necessary for carrying out section 351 (a) (3).

SPECIAL CONDITIONS

SEC. 352. (a) The Secretary shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

(1) no participant will be employed on projects involving political activities, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal or other funds in connection with work that would otherwise be performed;

(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant; and

(4) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants.

(b) For programs which provide work and

training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

(c) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement.

(d) Programs under this part shall provide for maximum feasible use of resources under other Federal programs for work and training and the resources of the private sector.

(e) In the case of a program under section 351(a)(1), the Secretary shall not limit the number or percentage of participants in the program who are fourteen or fifteen years of age. In the case of a program under section 351(a)(2), the Secretary shall not limit the number or percentage of participants in any age group under twenty-two years of age, and the Secretary shall not limit the number of hours which participants may spend in work and on-the-job training to less than 80 per centum of the number of hours per week spent in the program, and allowances for such work and on-the-job training shall not be less than the minimum wage specified in section 6(a)(1) of the Fair Labor Standards Act of 1938.

PROGRAM PARTICIPANTS

SEC. 353. Participants in programs under this part must be unemployed or low-income persons. The Secretary, in consultation with the Social Security Administrator, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and other relevant factors.

## TITLE IV—SPECIAL FEDERAL RESPONSIBILITIES

### PART A—MANPOWER RESEARCH AND DEVELOPMENT

RESEARCH AND DEVELOPMENT

SEC. 401. (a) To assist the Nation in expanding work opportunities and assuring access to those opportunities for all who desire it, the Secretary shall establish a comprehensive program of manpower research utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the Nation's manpower problems. This program will include, but not be limited to, studies, the findings of which may contribute to the formulation of manpower policy; development or improvement of manpower programs; increased knowledge about labor market processes; reduction of unemployment and its relationships to price stability; promotion of more effective manpower development, training, and utilization; improved national, regional, and local means of measuring future labor demand and supply; enhancement of job opportunities; upgrading of skills; meeting of manpower shortages; easing of the transition from school to work, from one job to another, and from work to retirement, opportunities and services for older persons who desire to enter or reenter the labor force, and for improvements of opportunities for employment and advancement through the reduction of discrimination and disadvantage arising from poverty, ignorance, or prejudice.

(b) The Secretary shall establish a program of experimental, developmental, demonstration, and pilot projects, through grants to or contracts with public or private nonprofit organizations, or through contracts with other private organizations, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting the manpower, employment, and training problems. In carrying out this subsection with respect to programs designed to provide employment and training opportunities for low-income people, the Secretary shall consult fully with the Director of the Office of Economic Opportunity. In carrying out this subsection the Secretary of Labor shall, where appropriate, also consult with the Secretaries of Health, Education, and Welfare, Commerce, Agriculture, and Housing and Urban Development, the Chairman of the Civil Service Commission, and such other agencies as may be appropriate. Where programs under this paragraph require institutional training, appropriate arrangements for such training shall be agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare.

(c) The Secretary shall conduct such research and investigations as give promise of furthering the objectives of this Act either directly or through grants, contracts, or other arrangements.

LABOR MARKET INFORMATION

SEC. 402. (a) The Secretary of Labor shall develop a comprehensive system of labor market information on a national, State, local, or other appropriate basis, including but not limited to information regarding—

(1) the nature and extent of impediments to the maximum development of individual employment potential including the number and characteristics of all persons requiring manpower services;

(2) job opportunities and skill requirements;

(3) labor supply in various skills;

(4) occupational outlook and employment trends in various occupations; and

(5) in cooperation and after consultation with the Secretary of Commerce, economic and business development and location trends.

(b) Information collected under this section shall be developed and made available in a timely fashion to meet in a comprehensive manner the needs of public and private users, including the need for such information in recruitment, counseling, education, training, placement, job development, and other appropriate activities under this Act and under the Economic Opportunity Act, the Social Security Act, the Public Works and Economic Development Act of 1965, the Wagner-Peyser Act, the Vocational Education Act of 1963, the Vocational Rehabilitation Act, the Demonstration Cities and Metropolitan Development Act of 1966, and other relevant Federal statutes.

MANPOWER UTILIZATION

SEC. 403. The Secretary shall establish a program for the improvement of manpower utilization in sectors of the economy experiencing persistent manpower shortages, or in other situations requiring maximum utilization of existing manpower. The Secretary shall conduct this program either directly or through such other arrangements as he may deem appropriate.

EVALUATION

SEC. 404. (a) The Secretary shall provide for a system of continuing evaluation of all programs and activities conducted pursuant to this Act, including their cost in relation to their effectiveness in achieving stated goals, their impact on communities and participants, their implication for related programs, the extent to which they meet the needs of persons of various ages, and the adequacy of their mechanism for the delivery of services. He shall also arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs.

(b) The Director of the Office of Economic Opportunity is authorized to conduct, either directly or by way of contract, grant, or other arrangement, a thorough evaluation of all programs and activities conducted pursuant to this Act to determine the effectiveness of such programs and activities in meeting the special needs of disadvantaged, chronically unemployed, and low-income persons for meaningful employment opportunities and supportive services to continue or resume their education and employment and to become more responsible and productive citizens. The Director of the Office of Economic Opportunity shall report to the Secretary on the evaluation authorized by this subsection at least once in each calendar year.

REMOVAL OF ARTIFICIAL BARRIERS TO EMPLOYMENT AND ADVANCEMENT

SEC. 405. The Secretary, in consultation with the Director of the Office of Economic Opportunity, shall conduct a continuing study of the extent to which artificial barriers to employment and occupation advancement, including civil service requirements and practices relating thereto, within agencies conducting programs under this Act restrict the opportunities for employment and advancement within such agencies and shall develop and promulgate guidelines, based upon such study, setting forth recommendations for task and skill requirements for specific jobs and recommended job descriptions at all levels of employment, designed to encourage career employment and occupational advancement within such agencies.

TRAINING AND TECHNICAL ASSISTANCE

SEC. 406. In carrying out his responsibilities under this Act, the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, and the Director of the Office of Economic Opportunity, where appropriate, shall provide, directly or through grants, contracts, or other arrangements, preservice and inservice training for specialized, supportive, and supervisory or other personnel and technical assistance which is needed in connection with the programs established under this Act or which otherwise pertains to the purposes of this Act. Upon request, the Secretary of Labor may make special assignments of personnel to public or private agencies, institutions, or employers to carry out the purposes of this section; but no such special assignments shall be for a period of more than two years. In order to encourage the establishment and operation by low-income persons and their representatives of centers on the local level which are designed to provide comprehensive employment and related services for low-income persons who are unemployed or underemployed, the Secretary of Labor shall, in consultation with the Secretary of Health, Education, and Welfare and the Director of the Office of Economic Opportunity, wherever feasible, provide training and technical assistance by grants, contracts, or other arrangements with individuals and organizations who have demonstrated a capacity to establish and operate such programs.

REPORT ON SUMMER YOUTH PROGRAMS

SEC. 407. The Secretary shall transmit to the Congress at the earliest appropriate date, not later than March 1, in each calendar year a report setting forth a description of summer work experience programs to begin in June of each year, including the number of opportunities in public and private agencies or organizations that will be provided to disadvantaged students in ninth through twelfth grades (and to youth of equivalent ages), in each of the several States and local areas within States, and a statement as to the total number of such persons who would be eligible for such programs, together with his recommendations, if any, for supplemental appropriations for such programs.

### PART B—NATIONAL COMPUTERIZED JOB BANK PROGRAM

FINDINGS AND PURPOSE

SEC. 431. The Congress hereby finds that the lack of prompt and adequate information regarding manpower needs and availability contributes to unemployment, underemploy-

ment, and the inefficient utilization of the Nation's manpower resources. The Congress further finds that the development of electronic data processing and telecommunications systems has created new opportunities for dealing with this difficult problem. It is therefore the purpose of this title to enlist the tools of modern technology in a cooperative Federal-State effort to reduce unemployment and underemployment and more adequately meet the Nation's manpower needs.

ESTABLISHMENT OF THE PROGRAM

SEC. 432. The Secretary shall develop and establish a computerized job bank program for the purpose of—

(1) identifying sources of available manpower supply and job vacancies;

(2) providing an expeditious means of matching the qualifications of unemployed, underemployed, and disadvantaged persons with employer requirements and job opportunities on a national, State, local, or other appropriate basis;

(3) referring and placing such persons in jobs; and

(4) distributing and assuring the prompt and ready availability of information concerning manpower needs and resources to employers, employees, public and private job placement agencies, and other interested individuals and agencies.

Maximum effective use shall be made of electronic data processing and telecommunications systems in the development and administration of the program. The program established under this part shall be coordinated with the comprehensive manpower services program established under title I.

CONDUCT OF THE PROGRAM

SEC. 433. For the purpose of carrying out the program established in section 432, the Secretary is authorized to make grants to State or local agencies for the planning and administration of the program, including the purchase or other acquisition of necessary equipment. The Secretary, may conduct the program on a regional or interstate basis either directly or through grants, contracts, or other arrangements with public or private agencies and organizations. He may also conduct the program when he finds that a State or local program will not adequately serve the purposes of this part. The Secretary may require that any information concerning manpower resources or job vacancies utilized in the operation of job-bank programs financed under this part be furnished to him at his request. He may, in addition, require the integration of any information concerning job vacancies or applicants into a job-bank system assisted under this part.

EXPERIMENTS, DEMONSTRATIONS, RESEARCH AND DEVELOPMENT

SEC. 434. The Secretary may conduct directly, or through contracts, grants, or other arrangements with public or private agencies or organizations, such experimental or demonstration projects, research and development as he deems necessary to improve the effectiveness of the program established under this part.

RULES, REGULATIONS, AND STANDARDS

SEC. 435. The Secretary shall prescribe such rules and regulations and standards as may be necessary to carry out the purposes of this part, including standards to assure the compatibility on a nationwide basis of data systems used in carrying out the program established by this part, and including rules and regulations to assure the confidentiality of information submitted in confidence.

PART C—DEVELOPMENT OF EMPLOYMENT OPPORTUNITIES FOR DISADVANTAGED PERSONS IN FEDERALLY ASSISTED PROGRAMS

PURPOSE

SEC. 451. The purpose of this part is to establish a program of research, development, and pilot activities for the purpose of determining the level of employment generated by Federal grant and assistance programs and the degree to which such programs can provide an increased source of opportunities for the employment and advancement of disadvantaged persons.

RESEARCH

SEC. 452. The Secretary is hereby authorized to undertake studies of the contribution of Federal grants-in-aid and other Federal assistance programs to the overall employment level. Such studies may include but are not limited to collection and analysis of information on the number of positions wholly or partially supported by Federal assistance programs, their occupational structure, wage, and salary levels, projections for future growth, requirements and qualifications for entry into such positions, promotional and career development opportunities, the educational, vocational, and other relevant characteristics of those who occupy such positions, and the effects of such employment on employment generally. The heads of all Federal departments and agencies administering grants-in-aid or other Federal assistance programs are hereby directed to cooperate fully with the Secretary in the conduct of such studies. They shall transmit to the Secretary annually estimates of the employment increases or decreases expected to result from the planned expansion or reduction of such programs, and as conditions warrant, on call from the Secretary, contingency plans and estimates relating to the increase in employment which would be created if such programs are expanded under conditions of persistent high unemployment and underemployment.

PILOT PROGRAMS

SEC. 453. (a) The Secretary of Labor is authorized to conduct experimental, developmental, demonstration, and pilot programs to carry out the purposes of this part. In the conduct of these programs, the Secretary is authorized to enter into agreements with the heads of other Federal departments and agencies administering grants-in-aid and other forms of Federal assistance to establish annual and multiyear goals for the employment of disadvantaged persons in employment wholly or partially supported through such Federal assistance. For the purposes of carrying out these agreements, Federal departments and agencies may provide, notwithstanding any other provision of law, that the fulfillment of such goals shall be a condition for receiving such assistance.

(b) Programs under this part shall, to the extent practicable, be designed to eliminate artificial barriers to employment and occupational advancement, including merit system requirements and practices related thereto, which restrict opportunities for the employment and advancement of disadvantaged persons.

(c) Funds made available for the purpose of carrying out this part may be allocated and expended, or transferred to other Federal agencies for expenditure, as the Secretary of Labor deems necessary for carrying out the provisions hereof.

(d) Activities for which funds made available under this part may be expended shall include, but not limited to, the following:

(1) extraordinary costs of training and supportive services necessary to improve the performance of disadvantaged persons who are employed pursuant to agreement under this section;

(2) costs of providing orientation, counseling, testing, followup, and other similar manpower services determined necessary to assist such individuals to achieve success in employment.

REPORTS

SEC. 454. The Secretary shall transmit to the Congress annually a report of his findings and recommendations arising out of the programs and studies under this part.

PART D—SECRETARY'S RESPONSIBILITIES

SEC. 455. In carrying out his responsibilities under this Act, the Secretary is authorized under this title to provide for services and activities authorized under any other part of this Act.

TITLE V—MANPOWER PROGRAMS FOR INDIAN, BILINGUAL, MIGRANT, AND OLDER WORKERS

PART A—INDIAN MANPOWER PROGRAMS

STATEMENT OF FINDINGS AND PURPOSE

SEC. 501. (a) The Congress finds that (1) serious unemployment and economic disadvantage exist among members of Indian and Alaskan native communities; (2) there is a compelling need for the establishment of comprehensive manpower training and employment programs for members of those communities; (3) such programs are essential to the reduction of economic disadvantage among individual members of those communities and to the advancement of economic and social development in those communities consistent with their goals and life styles.

(b) The Congress therefore declares that, because of the special relationship between the Federal Government and most of those to be served by the provisions of this part, (1) such programs can best be administered at the national level; (2) such programs shall be available to federally recognized tribes, bands, and individuals and to other groups and individuals of native American descent such as, but not limited to, the Menominees in Wisconsin, the Klamaths in Oregon, the Oklahoma Indians, the Passamaquoddys and Penobscots in Maine, and Eskimos and Aleuts in Alaska; (3) such programs shall be administered in such a manner as to maximize the Federal commitment to support growth and development as determined by representatives of the communities and groups served by this part.

ESTABLISHMENT OF OFFICE OF INDIAN MANPOWER PROGRAMS

SEC. 502. (a) There is hereby established in the Department of Labor an Office of Indian Manpower Programs which, under the direction of the Secretary of Labor, shall have responsibility for administering the Indian manpower programs authorized by this part.

(b) The Secretary of Labor shall appoint a qualified person of native American ancestry as Director of the Office of Indian Manpower Programs. The appointment of the Director and such staff as may be required shall be without regard to the provisions of title 5, United States Code, relating to the competitive service, but such appointees shall be entitled to the same rights, privileges, and benefits provided employees in such service.

AUTHORIZATION

SEC. 503. (a) Funds available for this part shall be expended for programs and activities consistent with the purposes of this part, including but not limited to such programs and activities carried out by eligible applicants under other provisions of this Act.

(b) For the purpose of carrying out this part, the Secretary shall reserve not less than that proportion of the total amounts available for carrying out this Act as is equivalent to that proportion which the total number of Indians and Alaska natives bears to the total number of low-income persons, as determined for the United States on the basis of the most satisfactory current data and estimates available to the Secretary. The Secretary shall make equitable adjustments in allocations under other provisions of this Act to take into account that persons counted for purposes of making such allocations are being counted for purposes of the reservation of funds provided for in this section.

NATIONAL INDIAN MANPOWER ADVISORY COUNCIL

SEC. 504. The Secretary of Labor shall appoint a National Indian Manpower Advisory Council which shall consist of at least five but not more than ten members, and shall be composed of men and women representing Indian tribes and groups, and other persons interested in the problems of manpower training and employment on Indian reservations and among Indian groups. Indians shall constitute a majority of the Council membership, which shall designate its own chairman. Such Council, or any duly established subcommittee thereof, shall from time to time make recommendations to the Secretary concerning problems and policy relating to employment and manpower and to the carrying out of his duties under this part. Such Council shall not hold less than two meetings during each calendar year. The appointed members of the National Indian Manpower Advisory Council shall be paid compensation at a rate not to exceed the daily equivalent for a GS–18 while engaged in the work of the National Indian Manpower Advisory Council, including traveltime, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently and receiving compensation on a per diem when actually employed basis. The Director and staff of the Office of Indian Manpower Programs shall provide the Council with such services as may be necessary for the Council to carry out its functions.

MANPOWER REPORT

SEC. 505. A special section of the manpower report of the President shall be directed to describing the activities prescribed under the provisions of this part.

TRUST RESPONSIBILITIES

SEC. 506. No provision of this part shall abrogate in any way the trust responsibilities of the Federal Government to Indian bands or tribes.

PART B—BILINGUAL MANPOWER PROGRAMS

DECLARATION OF POLICY

SEC. 511. In recognition of the difficulties and limitations of large numbers of persons of limited English-speaking ability in the United States in finding employment and in learning the technology required for employment today, Congress hereby declares it to be the policy of the United States to provide financial assistance to public and private nonprofit agencies, institutions, and organizations to develop and carry out imaginative programs to increase employment and training opportunities for persons with limited English-speaking ability, especially such persons who are unemployed or underemployed.

AUTHORIZATION AND DISTRIBUTION OF FUNDS

SEC. 512. (a) For the purpose of carrying out this part, the Secretary shall reserve not less than that proportion of the total amounts available for carrying out this Act as is equivalent to that proportion which the total number of persons of limited English-speaking ability bears to the total population, as determined for the United States on the basis of the most satisfactory current data and estimates available to the Secretary. The Secretary shall make equitable adjustments in allocations under provisions of this Act to take into account that persons counted for purposes of making such allocations are being counted for purposes of the reservation of funds provided for in this section.

(b) In determining the distribution of funds under this part, the Secretary shall give the highest priority to States and areas within State having the greatest need for programs authorized by this part. For the purpose of achieving an equitable distribution of assistance under this part within each State, the Secretary shall establish criteria on the basis of a consideration of (1) the geographic distribution of persons of limited English-speaking ability who are unemployed or underemployed, (2) the relative need of such persons in different geographic areas within the State for the kind of programs described in section 513, and (3) the relative ability of particular public and private nonprofit agencies, institutions, and organizations within the State to carry out those programs.

USES OF FUNDS

SEC. 513. Funds available for this part shall be expended for programs and activities consistent with the purposes of this part, including but not limited to such programs and activities carried out by eligible applicants under other provisions of this Act, especially—

(1) planning for and developing programs designed to meet the special manpower needs of persons with limited English-speaking ability including—

(A) the development of training courses and materials to teach skills and occupations that do not require a high proficiency in English, particularly the development of course materials in languages other than English; and

(B) the development of training courses and materials designed to increase the technical English vocabulary necessary for the performance of specific occupations likely to provide employment opportunities for such persons;

(2) preservice training designed to prepare persons to participate in bilingual manpower training and placement programs such as instructors, interviewers, counselors, and placement specialists; and

(3) the establishment, maintenance, and operation of programs, including acquisition of necessary teaching materials and equipment, designed to increase the employment opportunities and the opportunities for advancement of persons with limited English-speaking ability, which may include—

(A) programs to teach occupational skills in the primary language of any such persons for occupations that do not require a high proficiency in English;

(B) programs designed to teach specific technical English vocabulary necessary in the performance of specific skills and occupations in demand and which such persons may be reasonably expected to perform;

(C) programs developed in cooperation with employers designed to increase the English-speaking ability of such persons in order to enhance their opportunities for promotion;

(D) programs designed to assist any such person to further develop and capitalize on their bilingual ability for jobs that require such skills; and

(E) specialized placement programs including supportive services to encourage persons with limited English-speaking ability to find employment and to encourage employers to hire such persons.

APPLICATIONS FOR FINANCIAL ASSISTANCE AND CONDITIONS FOR APPROVAL

SEC. 514. (a) Financial assistance under this part may be made to any public or private nonprofit agency, institution, or organization, or to any such agencies, institutions, or organizations applying jointly or with a private employer, upon application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary. Such application shall—

(1) provide that the programs and projects for which assistance under this part is sought will be administered by, or under the supervision of, the applicant and set forth assurances that the applicant is qualified to administer or supervise such programs or projects;

(2) set forth a program for carrying out the purposes of this part and provide for such methods of administration as are necessary for the proper and efficient operation of the program;

(3) provide for such fiscal control and fund-accounting procedures as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the applicant under this part;

(4) provide assurances that provision has been made for the maximum participation in the projects for which the application is made of persons with limited English-speaking ability who are unemployed or underemployed and who reside in the area to be served by the project; and

(5) provide for making an annual report and such other reports as the Secretary may reasonably require and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) An application, or modification or amendment thereof, for financial assistance under this part may be approved by the Secretary only if the application is consistent with the purposes of this part and meets the requirements set forth in subsection (a).

DEFINITION

SEC. 515. As used in this part, the term "persons of limited English-speaking ability" shall include persons who come from environments where the dominant language is other than English and who are preparing for work in a labor market where the dominant language is English.

PART C—MIGRANT AND SEASONAL FARMWORKER MANPOWER PROGRAMS

STATEMENTS OF FINDINGS AND PURPOSE

SEC. 521. The Congress finds and declares that—

(1) chronic seasonal unemployment and underemployment in the agricultural industry, substantially affected by recent advances in technology and mechanization, constitute a substantial portion of the Nation's rural manpower problem and substantially affects the entire national economy;

(2) such severe employment pattern has led to family incomes below the poverty level, with resulting hardships and adverse effects on the health, education, and welfare of families and particularly of children;

(3) much of the migrant and seasonal farmwork force is untrained and unaccustomed to, and ill-equipped for, the requirements of steady, gainful employment;

(4) there is a compelling need for the modification and adaptation of manpower training and employment programs that have heretofore not included migrant and seasonal farmworkers within their scope to meet the needs of such farmworkers;

(5) because of the special nature of certain farmworker manpower problems, particularly those which are interstate in nature, such programs can best be administered at the national level.

ESTABLISHMENT OF AN OFFICE OF MIGRANT AND SEASONAL FARMWORKER MANPOWER PROGRAMS

SEC. 522. There is hereby established in the Department of Labor an Office of Migrant and Seasonal Farmworker Manpower Programs which, under the direction of the Secretary of Labor, shall have responsibility for administering the migrant and seasonal farmworker manpower programs authorized by this part.

AUTHORIZATION

SEC. 523. (a) Funds available for this part shall be expended for programs and activities consistent with the purposes of this part, including but not limited to such programs and activities carried out by eligible applicants under other provisions of this Act.

(b) For the purpose of carrying out this part, the Secretary shall reserve not less

than that proportion of the total amounts available for carrying out this Act as is equivalent to that proportion which the total number of persons in migrant and seasonal farmworker families bears to the total number of low-income persons, as determined for the United States on the basis of the most satisfactory current data and estimates available to the Secretary. The Secretary shall make equitable adjustments in allocations under other provisions of this Act to take into account that persons counted for purposes of making such allocations are being counted for purposes of the reservation of funds provided for in this section. For the purposes of this part, persons shall be deemed to continue to be members of migrant and seasonal farmworker families for such period of time, not in excess of five years, as the Secretary may determine, in accordance with regulations which he shall prescribe, that such persons generally can benefit from the special programs authorized by this part.

(c) No financial assistance may be provided under this part unless the Secretary determines, upon the basis of evidence supplied by each applicant and evaluated and approved by the Migrant and Seasonal Farmworker Manpower National Advisory Council established by section 704, that persons broadly representative of the population to be served have been given an opportunity to participate in the development of programs to be assisted under this part, and will be given an opportunity to participate in the implementation of such programs.

MIGRANT AND SEASONAL FARMWORKER MANPOWER NATIONAL ADVISORY COUNCIL

SEC. 524. (a) The Secretary shall appoint a Migrant and Seasonal Farmworker Manpower National Advisory Council (referred to in this part as the "Council") which shall consist of—

(1) three individuals, appointed from private life, to represent farmers, who shall be individuals actively engaged in, and whose livelihoods are dependent upon, agriculture, and who employ labor in connection therewith;

(2) five individuals, appointed from private life, to represent the migratory agricultural workers;

(3) three individuals, appointed from private life, who shall have a demonstrated interest in and knowledge of the problems relating to agricultural labor and who are or have been actively engaged in activities concerned with determining and solving the health, education, housing, social, economic, or welfare problems of the agriculture worker, his family, his employer, and the community in which he works;

(5) two individuals who have had experience as State or local officials and who have first-hand knowledge of the problems of agricultural labor; and

(6) the Secretary of Labor, the Secretary of Agriculture, the Secretary of Health, Education, and Welfare, the Secretary of the Interior, the Secretary of Housing and Urban Development, and the Director of the Office of Economic Opportunity who shall be nonvoting members of the Council.

(b) From the members appointed to such Council, the Secretary shall designate a Chairman and a Vice Chairman. Such Council shall hold not less than twelve meetings during each calendar year.

(c) The appointed members of the Council shall be paid compensation at a rate not to exceed the daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, while engaged in the work of the Council, including traveltime and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

(d) The Secretary of Labor is authorized to use in connection with the work of the Council such technical and support personnel from any of the agencies specified in paragraph (6) of subsection (a) as he deems necessary, with the consent of the head of the agency concerned.

DUTIES OF COUNCIL

SEC. 525. (a) It shall be the duty of the Council to advise the President, the Secretary, and the Congress, with respect to (1) the operation of Federal, State, and local laws, regulations, programs, and policies relating to any and all aspects of agricultural labor, (2) the extent of farmworker participation in the development and implementation of manpower programs authorized by this part and (3) any and all other matters relating to agricultural labor. The Council, or any duly established subcommittee thereof, shall from time to time make recommendations to the Secretary concerning his functions under this part to provide maximum employment and manpower opportunities for migrant and seasonal farmworkers.

(b) It shall also be the duty of the Council to consider, analyze, and evaluate periodically the problems relating to agricultural labor in order to devise plans and make recommendations for the establishment of policies and programs designed to meet such problems effectively. In carrying out this subsection, the Council shall consider, among others, the following matters—

(1) the effect of existing laws, regulations, programs, and policies on the problems relating to agricultural labor, including the problems of the migratory agricultural worker, his employer, and the local area in which he resides or is employed;

(2) the effect of the open-border policy between Mexico and the United States upon (A) the labor supply, (B) the living and working conditions in border areas, (C) the need for American residents along the border to migrate north in search of jobs, and (D) the entire national farm labor and rural economy;

(3) the extent that available labor market information (A) improves or limits farmworkers' opportunities to find jobs and to increase earnings, (B) alleviates the problems of underemployment and unemployment, and (C) provides the means for improving coordination of Federal, State, and local public and private policies and programs relating to agricultural labor;

(4) the need for more effective programs for the recruitment, transportation, housing, and full employment, in and off season, of the farm work force;

(5) the efficacy of a nonprofit manpower corporation or other ways to help regularize the employment of farmworkers, particularly seasonal farmworkers, including the provision of employment opportunities in rural areas that complement the seasonal job demands of agriculture;

(6) the development of a comprehensive manpower program to train and develop workers for increased mechanization of farm jobs, for nonfarm jobs in rural areas, and for meeting urban job opportunities;

(7) the future demand for farmwork including an accurate appraisal of the changing levels of demands and requirements for employees, particularly in the face of increasing mechanization;

(8) the relationship of such factors as workers ability, employer attitudes, skill levels, and educational levels to the employment opportunities of such farmworkers;

(9) the effect of farmworkers' substantial exclusion from major social and worker benefit programs, including legislation protecting the right to organize and collectively bargain;

(10) the means to familiarize farmworkers with program benefits and basic civil rights, including voting, to help them participate more fully in the American economic and political mainstream;

(11) the relationship between the institution of migrancy and the factors which cause it, to overall poverty in the United States, and relocation and resettlement programs and activities previously developed to more adequately overcome such problems.

ANNUAL REPORT

SEC. 526. The Council shall study, investigate, conduct research, and prepare a report containing its findings and recommendations concerning matters relating to the purposes of this part, and shall transmit such report to the Secretary and the President no later than August 1 and to the Congress no later than October 1 of each year.

PART D—MIDDLE-AGED AND OLDER WORKERS MANPOWER PROGRAMS

Subpart 1—General Provisions

DECLARATION OF FINDINGS

SEC. 531. The Congress hereby finds and declares that—

(1) in a period of great affluence, middle-aged and older workers find it increasingly difficult to regain employment when out of work and to retain employment;

(2) inflation has forced middle-aged and older persons to bear growing economic burdens, particularly if they are living on limited, fixed incomes;

(3) the Age Discrimination in Employment Act of 1967 cannot reasonably be expected without supplementary legislation to cope adequately with age discrimination in employment and to provide employment opportunities for middle-aged and older workers;

(4) the incidence of unemployment, especially long-term unemployment with resultant deterioration of skill, morale, and employer acceptability, is higher among workers age forty-five and over than among younger workers;

(5) as a result of unemployment, underemployment in low-skill jobs, and retirement with severely reduced incomes, millions of persons age forty-five and over live in poverty;

(6) more than a million men between the ages of fifty-five and sixty-four have given up the active search for work and thousands of men and women between the ages of sixty-two and sixty-four have retired with inadequate benefits;

(7) there is almost no opportunity for continued training and education for older individuals who are employed to meet the needs of a dynamic economy and changing technology;

(8) the loss to the economy of the potential production of goods and services, and the costs of unemployment compensation and public assistance, can be reckoned in billion of dollars;

(9) the loss to the individual in terms of frustration, impaired morale, loss of the sense of worth and dignity, and of his status within the family and society, is incalculable;

(10) providing such individuals with opportunities for useful work will increase their incomes, benefit their physical and mental well-being, and strengthen the economy.

STATEMENT OF PURPOSE

SEC. 532. It is the purpose of this part to establish and to assist programs which will—

(1) afford the middle-aged and older worker a range of real and reasonable opportunities for employment;

(2) eliminate arbitrary discriminatory practices which deny work to qualified persons solely on account of age;

(3) increase the availability of jobs by finding new work opportunities, including part-time employment to supplement income and to facilitate the transition to full retirement or the return to full-time work;

(4) improve and extend existing programs

designed to facilitate training and the matching of skills and jobs;

(5) assist middle-aged and older workers, employers, labor unions, and educational institutions to prepare for and adjust to anticipated changes in technology in jobs, in educational requirements, and in personnel practices; and

(6) stimulate innovative approaches to provide increased employment opportunities for middle-aged and older persons.

AUTHORIZATION

SEC. 533. (a) Funds available for this part shall be expended for programs and activities consistent with the purposes of this part, including but not limited to such programs and activities carried out by eligible applicants under other provisions of this Act.

(b) For the purpose of carrying out this part, the Secretary shall reserve not less than that proportion of the total amounts available for carrying out this Act as is equivalent to that proportion which the total number of heads of households who are forty-five years of age or older and are not in the labor force or are unemployed bears to the total population, as determined for the United States on the basis of the most satisfactory current data and estimates available, to the Secretary. The Secretary shall make equitable adjustments in allocations

[illegible] funds provided for in this section.

under other provisions of this Act to take into account that persons counted for purposes of making such allocations are being counted for purposes of the reservation of

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 534. The Secretary shall establish criteria designed to achieve an equitable distribution of assistance under this part among the States and between urban and rural areas.

ADMINISTRATION

SEC. 535. (a) In order to carry out the purposes of this part the Secretary is authorized to—

(1) prescribe such rules and regulations as he deems necessary;

(2) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

(3) appoint such advisory committees composed of private citizens and public officials who, by reason of their experience or training, are knowledgeable in the area of job opportunities for middle-aged and older individuals, as he deems desirable to advise him with respect to his functions under this part;

(4) utilize, with their consent, the services, personnel, information, and facilities of other Federal and State agencies, with or without reimbursement therefor.

(b) Each member of a committee appointed pursuant to clause (3) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day on which he is engaged in the actual performance of his duties (including traveltime) as a member of the committee. All members shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

PROGRAM DEVELOPMENT AND COORDINATION

SEC. 536. (a) In addition to any other provisions for the administration of this part, the Secretary shall designate personnel to have responsibility for program leadership, development, and coordination and provide for a central office for information on and special attention to the problems of middle-aged and older workers and the programs concerning such workers.

(b) No individual, institution, organization, or agency shall evaluate any program under this part if that individual, or any member of any such institution, organization, or agency is associated with the program as a consultant, technical adviser, or in any other capacity.

RESEARCH AND INFORMATION PROGRAMS

SEC. 537. (a) The Secretary is authorized to enter into grants, contracts, and other arrangements with public and private agencies and institutions to conduct such research and demonstration projects as he determines will contribute to carrying out the purposes of this part.

(b) In carrying out the purposes of this part the Secretary is authorized to publish and disseminate materials and other information relating to training and job opportunities for middle-aged and older individuals and to conduct such special information and educational programs as he determines appropriate.

## Subpart 2—Midcareer Development Service Program

PROGRAM ESTABLISHED

SEC. 541. There is hereby established a comprehensive midcareer development service program, to be administered by the Manpower Administration in the Department of Labor, to assist middle-aged and older workers to find employment by providing training, counseling, and special supportive services to such workers.

TRAINING PROGRAMS

SEC. 542. (a) The Secretary, through the Manpower Administration, is authorized to make loans and grants to public and private nonprofit agencies, institutions, and organizations and to individuals for training, including on-the-job, institutional, residential, and other training, designed to upgrade the work skills and capabilities of middle-aged and older persons who are at least forty-five years of age.

(b) Any grant or loan made pursuant to this section may be used to pay all or part of the cost of training under any such program plus such stipends (including allowances for subsistence or other expenses) for such persons and their dependents as he may determine to be consistent with prevailing practices under comparable Federal programs.

(c) A grant or loan under this section shall be made on such terms and conditions as the Secretary shall prescribe and may be made only upon application to the Secretary at such time or times and containing such information as he deems necessary. The Secretary shall not approve an application unless it set forth a program for training which meets criteria established by him, including training costs and tuition schedules.

(d) The Secretary shall pay to each applicant who has an application approved by him part or all of the cost of the program provided for in such application.

(e) Individuals receiving payments under the provisions of this section while undergoing training shall continue to receive such payments only during such period as the Secretary finds that they are maintaining satisfactory proficiency in such training program.

(f) The Secretary is authorized to enter into agreements to provide loan guarantees to lending institutions on such terms and conditions as the Secretary shall prescribe in order to permit such institutions to make loans to persons who are at least forty-five years of age for training which qualifies under this section.

TRAINING PERSONS TO TRAIN AND RETRAIN MIDDLE-AGED AND OLDER WORKERS

SEC. 543. The Secretary is authorized to develop and carry out a program under which an adequate number of persons are trained to understand the learning processes of middle-aged and older persons and to become qualified to train and retrain middle-aged and older workers in skills needed in the economy. Such programs shall emphasize developing innovative techniques for training middle-aged and older persons.

SPECIAL SERVICES FOR MASS LAY-OFFS

SEC. 544. The Secretary is authorized to recruit and train personnel within the Department of Labor to be made available to localities in which substantial numbers of middle-aged and older persons are unemployed as a result of the closing of a plant or factory or a permanent large-scale reduction in force. In carrying out the provisions of this section, the Secretary is authorized to provide such persons with recruitment, placement, and counseling services.

SPECIALIZED SERVICES

SEC. 545. (a) The Secretary shall establish and carry out specialized services for older workers who desire to improve their employability, to receive training to improve their capabilities at their present employment, or to obtain counseling in planning to maximize earning opportunities for the rest of their working lives.

(b) The Secretary is authorized to recruit and train manpower specialists, including older and retired employment counselors and personnel directors to serve in programs authorized under this section.

MANPOWER STUDY

SEC. 546. (a) The Secretary is authorized and directed to undertake, either directly or by way of grant or contract, a thorough study of manpower programs authorized by other provisions of this Act, the Economic Opportunity Act of 1964, and other federally assisted training programs to determine whether such programs are responsive to the needs of persons who are at least forty-five years of age. The Secretary shall report the findings and recommendations of this study, and his own recommendations with respect to additional legislation, to the President for transmittal to the Congress not later than July 1, 1972.

(b) In conducting this study the Secretary shall not employ or contract with any individual, institution, organization, or agency providing advice or technical assistance for any program described in subsection (a) of this section.

## Subpart 3—Work Opportunities for Middle-Aged and Older Workers

INCREASED JOB OPPORTUNITIES FOR MIDDLE-AGED AND OLDER PERSONS IN FEDERALLY ASSISTED PROGRAMS

SEC. 551. (a) The Secretary shall review Federal grants-in-aid and other Federal assistance programs in order to determine their potential for maximizing employment opportunities for middle-aged and older persons. The review under this section shall include, but is not limited to, collection and analysis of information on the number of positions wholly or partially supported by such programs, their occupational structure, wage and salary levels, the number of persons forty-five years of age and older employed as a result of such programs, requirements and qualifications for entry and promotion especially with regard to any maximum employment age for job applicants, and projections for future growth of job opportunities, resulting from such programs. The heads of all Federal departments and agencies administering grants-in-aid or other Federal assistance programs are hereby directed to cooperate fully with the Secretary in the conduct of this review. At the request of the Secretary, the head of each Federal department and agency shall transmit estimates of employment increases or decreases anticipated as a result of the planned expansion or reduction of any such program, and the anticipated impact on em-

ployment opportunities for middle-aged and older workers.

(b) To increase employment opportunities for middle-aged and older workers the Secretary is authorized to enter into agreements with the heads of other Federal departments and agencies administering grants-in-aid and other forms of Federal assistance to establish annual and multiyear goals for the employment of middle-aged and older persons in employment wholly or partially supported through such Federal assistance. For the purposes of carrying out these agreements, the head of any Federal department or agency may, at his discretion, notwithstanding any other provision of law, require that the fulfillment of such goals shall be a condition for receiving assistance.

(c) The Secretary is authorized to take appropriate action, to the extent practicable, designed to eliminate artificial barriers to employment and occupational advancement of middle-aged and older workers in Federal assistance programs, especially mandatory provisions for maximum employment ages for job applicants, except where age would be a bona fide occupational qualification reasonably necessary to the normal operation of such employment.

(d) The provisions of this section shall not be construed to require the discharge of any employee to obtain a reasonable balance of middle-aged and older workers with younger workers.

(e) Federal grantees and Federal departments and agencies may fill a single job position with one or more persons provided that this will not exceed the funds or hours allocated to that position.

(f) The Secretary shall prescribe appropriate rules and regulations for the uniform administration of this section.

(g) The provisions of this section shall become effective one year after the date of enactment of this Act.

EMPLOYMENT IN ECONOMIC OPPORTUNITY PROGRAMS

SEC. 552. The Secretary shall consult with and advise the Director of the Office of Economic Opportunity and the heads of other departments and agencies responsible for the administration of programs under the Economic Opportunity Act of 1964, for the purpose of maximizing employment opportunities for middle-aged and older persons under programs assisted pursuant to that Act. The Secretary shall make recommendations to the agency concerned with respect to programs and policies which will assure that services to the eligible middle-aged and older persons who wish employment will be assisted to the extent reasonably consistent with the proportion which the number of the middle-aged and older poor bears to all of the poor.

EMPLOYMENT SERVICES FOR PART-TIME EMPLOYMENT

SEC. 553. The Secretary may, where appropriate, make special provisions through the United States employment service, or with the advice and assistance of the employment service, by means of grants to or contracts with nonprofit volunteer agencies to assist such agencies in securing part-time or temporary employment for additional members of middle-aged and older persons who wish such employment.

Subpart 4—Expanding Opportunities for Employment and Education

RESEARCH, EXPERIMENTATION, AND DEMONSTRATION

SEC. 561. (a) In order to carry out the purposes of this part the Secretary is authorized to conduct research, either directly or by way of grant, contract, or other arrangement with any public or private nonprofit agency, institution, or organization, including membership organizations of older persons, and to enter into contracts with any such private agency or with labor or management organizations or with any individual—

(1) to find, test, and promote solutions to problems presented by institutional arrangements which may work to the disadvantage of older workers in such matters as pensions and other private annuity coverage, workmen's compensation and disability income, and seniority in collective bargaining;

(2) to examine and evaluate proposals related to flexible or phased retirement, and preparing for and adjusting to retirement, including the causes of successful and unsuccessful adjustment;

(3) to examine and evaluate programs for continuing educational and training opportunities to prepare workers, while still employed, for job changes, to enhance their employability, to reduce their vulnerability to displacement, to promote satisfying activity in retirement; and to consider methods of financing educational programs consistent with the working life of older individuals, including such proposals as sabbaticals and contributory educational insurance;

(4) to develop principles and criteria for job redesign and effective methods for training middle-aged and older persons;

(5) to forecast and define goals in the relationship between work, leisure, and income with reference to a changing economy and social expectations, and to a balance of the interests of all groups in the population;

(6) to develop techniques, guidelines, and models for advance planning of manpower requirements, for encouraging the employment of older workers, and for programs of public service employment by which the Government may assist in providing work for older persons otherwise deprived of opportunity in useful community enterprises;

(7) to conduct research designed to strengthen programs for meeting the employment needs of workers who are at least forty-five years of age, including part-time or temporary employment of persons who wish such work until full-time work opportunities are available or who wish to supplement their income from retirement benefits or other sources;

(8) to conduct such demonstration projects relating to meeting the employment needs of such persons as he deems will contribute to carrying out the purposes of this part;

(9) to conduct research and demonstration projects for recruiting, placement, and counseling services in localities in which a substantial number of middle-aged and older persons are unemployed as a result of the closing of a plant or factory or a permanent large-scale reduction in the labor force; and

(10) to develop demonstration in the application of precise and functional measurements of work capabilities, employability, and trainability of adult persons.

(b) The Secretary shall report not later than two years after the date of enactment of this Act his findings and recommendations based on the research and demonstration projects conducted under this section.

EXTENDED UNEMPLOYMENT COMPENSATION

SEC. 562. The Secretary shall study the feasibility of establishing a program of extended unemployment compensation benefits for unemployed workers aged fifty-five and older who have exhausted their unemployment compensation. On or before February 1, 1972, the Secretary shall report to the Congress and the President his findings and recommendations with respect to such a program of allowances.

COMPENSATION AND DISABILITY INSURANCE

SEC. 563. The Secretary shall prepare and submit a report to the Congress not later than February 1, 1972, on means of eliminating the lack of coverage and other inadequacies in workmen's compensation and disability insurance programs, health insurance, and pension plans, particularly as they affect adversely the employment of middle-aged and older workers.

Subpart 5—Federal Employment Opportunities for Middle-Aged and Older Workers

STUDY

SEC. 571. (a) The Civil Service Commission is authorized and directed to undertake a study of part-time employment in the executive branch of the Government of the United States and to make a report of its findings, together with any recommendations it considers appropriate or desirable to the Congress on or before July 1, 1971. Such study shall include a determination of—

(1) the extent to which part-time employment exists in the executive branch;

(2) the limitations, if any, that are imposed by Federal statutes, regulations, or administrative policies or practices on such part-time employment, and the extent to which such limitations are justified; and

(3) the measures that may be taken to increase the number of part-time positions available in the executive branch which may be filled by older individuals.

(b) The Commission is further authorized and directed to undertake a study of the feasibility of redesigning positions in the executive branch of the Government of the United States without impairing the effectiveness or efficiency of operations of any department, agency, or independent establishment, with a view to increasing the number of positions which are available to older individuals at the subprofessional level. The Commission shall make a report of its findings, together with any recommendations it considers appropriate or desirable, to the Congress on or before July 1, 1971. Such study shall include a determination of—

(1) the extent to which positions have been redesigned, resulting in an increase in the number of positions in the executive branch available to older individuals;

(2) the limitations, if any, imposed by Federal statutes, regulations, or administrative policies or practices on redesigning positions in the executive branch to increase the number of subprofessional positions available to older individuals and the extent to which such limitations are justified;

(3) the measures that may be taken to redesign positions so that the number of subprofessional positions available to older individuals may be increased; and

(4) the programs which would be needed to train older individuals to fill subprofessional positions created as a result of redesigning such position.

PREPARING MIDDLE-AGED PERSONS FOR NEW CAREERS IN GOVERNMENT

SEC. 572. The Commission is authorized and directed to undertake special work and training programs to provide middle-aged persons (those at least forty-five years of age) who are unemployed or whose income is within a low-income classification, as specified by the Director of the Office of Economic Opportunity, with job opportunities in the executive branch of the Government of the United States, including, without limitation, opportunities for new types of careers in the fields of health, education, welfare, neighborhood redevelopment, and public safety, which provide maximum prospects for advancement and continued employment, either within or without the executive branch, and which give promise of contributing to the adoption of new methods of structuring jobs and of providing job-ladder opportunities, and to provide such persons with opportunities for further occupational training to facilitate career advancement.

TITLE VI—EMERGENCY EMPLOYMENT ASSISTANCE

PROGRAM AUTHORIZED

SEC. 601. (a) In addition to amounts authorized to be appropriated for carrying out this Act under section 3, there are authorized to be appropriated such amounts as may be

necessary for the purposes of carrying out this section.

(b) There is hereby established in the Treasury a revolving fund to be known as the Emergency Employment Assistance Fund (hereinafter referred to as the "Fund"). Amounts appropriated pursuant to subsection (a) which are not needed for immediate expenditure in accordance with this section shall be deposited in such Fund to be available for obligation without fiscal year limitation in accordance with the provisions of this section. The Secretary of Labor is authorized to utilize sums deposited in the Fund to provide assistance under this section.

(c) In order to provide financial assistance for employment and training activities in areas of high unemployment, there shall be available to the Secretary of Labor, out of appropriations for the purposes of this section or out of the Fund, such amounts as shall be equal to the sum of the following:

(1) the amount of $200,000,000 when the Secretary determines that the rate (seasonally adjusted) of national unemployment equals or exceeds 4½ per centum for three consecutive months; and

(2) the amount of $200,000,000 when the Secretary determines that the rate (seasonally adjusted) of national unemployment equals or exceeds 5 per centum for three consecutive months.

(d) The Secretary shall apportion funds made available pursuant to subsection (c)(1) or (c)(2) among areas of high unemployment through the United States on an equitable basis, and to the extent practicable such funds shall be apportioned in proportion to the extent that the rate of unemployment exceeds 4.5 per centum or 5 per centum, as the case may be, in such area.

(e) No further obligation of funds appropriated under subsection (c)(1) may be made subsequent to a determination by the Secretary that the rate of national unemployment (seasonally adjusted) has receded below 4½ per centum for three consecutive months and no further obligation of funds appropriated under subsection (c)(2) may be made subsequent to a determination by the Secretary that the rate of national unemployment (seasonally adjusted) has receded below 5 per centum for three consecutive months.

(f) No more than one determination under subsection (c)(1) and no more than one determination under subsection (c)(2) shall be made in any given fiscal year.

## TITLE VII—MISCELLANEOUS

### EFFECT ON EXISTING LAWS

SEC. 701. (a) Effective with respect to fiscal years after June 30, 1971, the Manpower Development and Training Act of 1962 is repealed. Unexpended appropriations for carrying out such Act may be made available to carry out this Act, as directed by the President.

(b) Effective with respect to fiscal years ending after June 30, 1971, title I of the Economic Opportunity Act of 1964 is amended by—

(1) amending all of the matter that appears preceding part D thereof to read as follows:

"TITLE I—MANPOWER DEVELOPMENT AND COMMUNITY ECONOMIC DEVELOPMENT PROGRAMS

"PART A—RESEARCH, EXPERIMENTAL, AND DEVELOPMENTAL AUTHORITY IN THE MANPOWER AREA

"STATEMENT OF PURPOSE

"SEC. 101. It is the purpose of this part to provide authority for the conduct of research, experimental, and developmental activities focused on providing more effective means for dealing with the employment and employment-related problems of the economically disadvantaged.

"ACTIVITIES AUTHORIZED

"SEC. 102. (a) The Director is authorized to contract with or provide financial assistance to public or private agencies or organizations for the payment of all or part of the costs of developing and carrying out programs designed to further the purposes of this part. Programs assisted under this part shall be of an experimental, developmental, demonstration, or pilot nature and shall be structured in such manner as the Director deems will best equip them to yield information as to the relative effectiveness of various approaches (including new approaches and refinements or variations of traditional approaches) directed to the solution of the employment and employment-related problems of the economically disadvantaged. Such programs may include provision for supportive and followup services.

"(b)(1) Such programs shall include a demonstration program to determine the feasibility of various means of providing assistance to disadvantaged individuals to enable them to purchase or otherwise arrange for manpower training and related services from public and private agencies, institutions and business concerns approved by the Secretary.

"(2) Not less than twenty-four months after enactment of this provision, the Director shall report to the Congress the results of the program conducted under this section together with his recommendations.

"(c) In formulating plans for the implementation of this section, the Director shall consult with the Secretary of Labor, and, as appropriate, the heads of other Federal agencies.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 103. The Director may provide (directly or through contracts or other appropriate arrangements) technical assistance to assist in the initiation or effective operation of programs under this part. He may also make arrangements for the training of instructors and other personnel needed to carry out programs under this part.

"RESEARCH AND EVALUATION

"SEC. 104. The Director is authorized to contract with or provide financial assistance to public or private agencies or organizations for research pertaining to the purposes of this part. He shall also provide for the careful and systematic evaluation of programs related to the purposes of this part, directly or by contracting for independent evaluations, with a view to measuring specific benefits, so far as practical, and providing information needed to assess the relative potential of the various approaches employed in such programs for contributing significantly to the solution of employment and employment-related problems of the economically disadvantaged. In formulating plans for the implementation of this section, the Director shall consult with the Secretary of Labor and, as appropriate, with the heads of other Federal agencies.

"SPECIAL CONDITIONS

"SEC. 105. Participants in programs under this part shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.";

(2) redesignating part D thereof as part B and sections 150 through 155 as sections 121 through 126, respectively;

(3) striking out part E thereof; and

(4) redesignating part F as part C and section 171 as section 141.

(c) Effective with respect to fiscal years after June 30, 1971, section 810(a) of the Economic Opportunity Act of 1964 is amended by striking the word "and" at the end of paragraph (2) thereof, by inserting in lieu of the period at the end of paragraph (3) a semicolon and the word "and", and by adding the following new paragraph:

"(4) with the approval of the Secretary of Labor, in Job Corps centers operated under title III of the Employment and Training Opportunities Act of 1970.".

(d) Grants and contracts entered into pursuant to the provisions of title I of the Economic Opportunity Act of 1964 and the Manpower Development and Training Act of 1962 prior to the effective date set forth in subsections (a) and (b) of this section shall not be affected by the provisions of this section.

(e) Effective with respect to fiscal years ending after June 30, 1971, the Vocational Education Act of 1963, as amended, is amended by adding at the end thereof the following new part:

"PART J—OCCUPATIONAL TRAINING

"AUTHORIZATION

"SEC. 201. (a) The Commissioner of Education shall, with the concurrence of the Secretary of Labor, enter into agreements with States whereby the appropriate State educational agencies shall provide occupational training through public educational agencies or institutions, or through arrangements with private educational or training institutions where such private institutions can provide equipment or services not available in public institutions, particularly for training in technical or subprofessional occupations and for training the disadvantaged, or where such institutions can, at comparable cost, provide substantially equivalent training, make possible an expanded use of the individual-referral method, or aid in reducing more quickly unemployment or current and prospective manpower shortages.

"(b) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1972, to carry out this part."

### AMENDMENTS TO TITLE 38, UNITED STATES CODE

SEC. 702. (a) Chapter 41 of title 38, United States Code, is amended to read as follows:

"Chapter 41—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE FOR VETERANS

"Sec.
"2001. Definitions.
"2002. Purpose.
"2003. Assignment of veterans' employment representative.
"2004. Employees of local offices.
"2005. Cooperation of Federal agencies.
"2006. Estimate of funds for administration: authorization of appropriations.
"2007. Administrative controls; annual report.
"2008. Cooperation and coordination with the Veterans' Administration.

"§ 2001. Definitions

"For the purposes of this chapter—

"(1) the term 'eligible veteran' means a veteran of any war or service after January 31, 1955, as defined in section 101 of this title; and

"(2) the term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, and may include, to the extent determined necessary and feasible, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"§ 2002. Purpose

"The Congress declares as its intent and purpose that there shall be an effective (1) job and job training counseling service program, (2) employment placement service program, and (3) job training placement service program for eligible veterans and that, to this end, policies shall be promulgated and administered, so as to provide such veterans the maximum of employment and training opportunities.

"§ 2003. Assignment of veterans' employment representative

"The Secretary of Labor shall assign to each State a veterans' employment representative, and such assistant veterans' employment representative as he shall determine, based on the data collected pursuant to section 2007 of this title, to be necessary to assist the veterans' employment representative to carry out effectively in that State the purposes of this chapter. Each veterans' employment representative and assistant veterans' employment representatives shall be an eligible veteran who at the time of appointment shall have been a bona fide resident of the State for at least two years and who shall be appointed in accordance with the provisions of title 5, United States Code, governing appointments in competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and general schedule pay rates. Each such veterans' employment representative and assistant veterans' employment representative shall be attached to the staff of the public employment service in the State to which they have been assigned. They shall be administratively responsible to the Secretary of Labor for the execution of the Secretary's veterans' counseling and placement policies through the public employment service and in cooperation with manpower and training programs administered by the Secretary in the State. In cooperation with the public employment service staff and the staffs of each such other program in the State, the veterans' employment representative and his assistants shall—

"(1) be functionally responsible for the supervision of the registration of eligible veterans in local employment offices for suitable types of employment and training and for counseling and placement of eligible veterans in employment and job training programs;

"(2) engage in job development and job advancement activities for eligible veterans, including maximum coordination with appropriate officials of the Veterans' Administration in that agency's carrying out of its responsibilities under subchapter IV of chapter 3 of this title and in the conduct of job fairs, job marts, and other special programs to match eligible veterans with appropriate job and job training opportunities;

"(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veterans' particular qualifications with an available job or on-the-job training or apprenticeship opportunity which is commensurate with those qualifications;

"(4) promote the interest of employers and labor unions in employing eligible veterans and in conducting on-job training and apprenticeship programs for such veterans;

"(5) maintain regular contact with employers, labor unions, and training programs and veterans' organizations with a view to keeping them advised of eligible veterans available for employment and training and to keeping eligible veterans advised of opportunities for employment and training; and

"(6) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans.

"§ 2004. Employees of local offices

"Except as may be determined by the Secretary of Labor based on a demonstrated lack of need for such services, there shall be assigned by the administrative head of the employment service in each State one or more employees, preferably eligible veterans, or the staffs of local employment service offices, whose services shall be fully devoted to discharging the duties prescribed for the veterans' employment representative and his assistants.

"§ 2005. Cooperation of Federal agencies

"All Federal agencies shall furnish the Secretary of Labor such records, statistics, or information as he may deem necessary or appropriate in administering the provisions of this chapter, and shall otherwise cooperate with the Secretary in providing continuous employment and training opportunities for eligible veterans.

"§ 2006. Estimate of funds for administration; authorization of appropriations

"(a) The Secretary of Labor shall estimate the funds necessary for the proper and efficient administration of this chapter. Such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget for the Department of Labor.

"(b) There are hereby authorized to be appropriated such sums as the Congress shall determine to be necessary for the proper and efficient administration of this chapter.

"(c) In the event that the regular appropriations Act making appropriations for administrative expenses for the Department of Labor with respect to any fiscal year does not specify an amount for the purposes specified in subsection (b) of this section for that fiscal year, then of the amounts appropriated in such Act there shall be available only for the purposes specified in subsection (b) of this section such amount as was set forth in the budget estimate required pursuant to subsection (a).

"(d) Any funds made available pursuant to subsection (b) and (c) of this section shall not be available for any purpose other than those specified in such subsections, except with the approval of the Secretary based on a demonstrated lack of need for such funds for such purposes.

"§ 2007. Administrative controls; annual reports

"(a) The Secretary of Labor shall establish administrative controls for the following purposes:

"(1) To insure that each eligible veteran, especially those veterans who have been recently discharged or released from active duty, who requests assistance under this chapter shall promptly be placed in a satisfactory job or job training opportunity or receive some other specific form of assistance designed to enhance his employment prospects substantially, such as individual job development or employment counseling service.

"(2) To determine whether or not the employment service agences in each State have committed the necessary staff to insure that the provisions of this chapter are carried out; and to arrange for necessary corrective action where staff resources have been determined by the Secretary to be inadequate.

"(b) The Secretary of Labor shall report annually to the Congress on the success of the Department of Labor and its affiliate State employment service agencies in carrying out the provisions of this chapter. The report shall include, by State, the number of recently discharged or released eligible veterans and other eligible veterans who requested assistance through the public employment service and, of these, the number placed in suitable employment or job training opportunities or who were otherwise assisted, with separate reference to occupational training under appropriate Federal law. The report shall also include any determination by the Secretary under section 2004 or 2005 of this title and a statement of the reasons for such determination.

"§ 2008. Cooperation and coordination with the Veterans' Administration

"In carrying out his responsibilities under this chapter, the Secretary of Labor shall from time to time consult with the Administrator and keep him fully advised of activities carried out and data gathered pursuant to this chapter to insure maximum cooperation and coordination between the Department of Labor and the Veterans' Administration."

(b) The table of chapters at the beginning of title 38, United States Code, is amended by striking out

"41. Job Counseling and Employment Placement Service for Veterans ---------- 2001"

and inserting

"41. Job Counseling, Training, and Placement Service for Veterans ---------- 2001".

(c) The table of chapters at the beginning of part III of title 38, United States Code, is amended by striking out

"41. Job Counseling and Employment Placement Service for Veterans ---------- 2001"

and inserting in lieu thereof

"41. Job Counseling, Training, and Placement Service for Veterans ---------- 2001".

(d) The amendments made by this section shall become effective ninety days after the enactment of this Act.

Mr. JAVITS. Mr. President, I wish to express my appreciation for the excellent job done by John K. Scales, of the minority staff, on this highly complex legislation. He has been invaluable and highly expert and contributed much to a successful result. I wish also to commend William Bechtel, Richard Johnson, and William Spring of the majority staff who have been most helpful to us and have contributed so much to this legislation.

Mr. NELSON. Mr. President, I want to thank the Senator from New York for his kind remarks, his cooperation, and that of his staff. We have benefited from the patient assistance of the minority counsel, John Scales.

Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Wisconsin (Mr. NELSON) is to be commended for the outstanding manner in which he handled the manpower measure. Its wide acceptance by the Senate speaks abundantly for the outstanding legislative ability of the chairman of the subcommittee on manpower and poverty. His strong advocacy was in keeping with the splendid tradition he set long ago. This success adds another fine achievement to the abundant record of public service accomplished by Senator NELSON. The Senate is deeply grateful.

The Senate is grateful, as well, to the Senator from New York (Mr. JAVITS). As the ranking minority member of the

committee his cooperation and assistance was indispensable to this success.

## MESSAGE FROM THE HOUSE— ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 58. An act providing for the addition of the Freeman School to the Homestead National Monument of America in the State of Nebraska, and for other purposes;

S. 621. An act to provide for the establishment of the Apostle Islands National Lakeshore in the State of Wisconsin, and for other purposes; and

S. 2208. An act to authorize the Secretary of the Interior to study the feasibility and desirability of a national lakeshore on Lake Tahoe in the State of Nevada and California, and for other purposes.

## MERCHANT MARINE PROGRAM

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1090 (H.R. 15424) to amend the Merchant Marine Act of 1936.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows: A bill (H.R. 15424) to amend the Merchant Marine Act of 1936.

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

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce with amendments on page 2, line 1, after "(46 U.S.C. 1119(b)," strike out "is amended by striking the period at the end thereof and inserting a colon and the following: *"Provided, however,* That the Secretary of Commerce is authorized prior to June 30, 1980, to approve applications and enter into contracts for construction differential subsidy and for the cost of national defense features incident to the construction of 300 ships for operation in foreign commerce of such size, type, and design as he may consider best suited to carry out the purposes and policy of this Act." and, in lieu thereof, insert "is amended by inserting before the period the following: ", except that for fiscal years 1971 through 1980 there is hereby authorized to be appropriated such sums as may be necessary, without fiscal year limitation, as appropriation Acts may provide, for the uses set forth in subparagraphs (1) and (2) of this subsection, including but not limited to the construction of 300 ships for operation in foreign commerce of such sizes, types, and designs as the Secretary of Commerce may consider best suited to carry forward the national policy declared in section 101 of this Act."; on page 3, line 2, after the word "of", insert "efficient"; in line 3, after the word "repair", strike out "facilities" and insert "capacity"; on page 5, line 20, after the word "purchaser," strike out "if he is the applicant,"; in line 23, after the word "of", insert "the first sentence of"; in line 24, after the word "Act", insert "with respect to competitive bidding,"; on page 6, line 15, after the word "any", strike out "directly"; on page 7, line 12, after the word "By", strike out "the insertion" and insert "inserting"; in line 13, after "(b)", strike out "of three new sentences to read as follows:" and insert "the following:"; after the amendment just above stated, strike out "The Secretary shall recompute such estimated foreign cost periodically, as necessary. Between recomputations the construction differential subsidy shall be based on such estimated foreign cost, adjusted for the increases or decreases in labor and material costs. Such adjustments shall be based on the most reliable available statistics showing such increases or decreases." and, in lieu thereof, insert "The Secretary of Commerce shall recompute such estimated foreign cost annually unless, in the opinion of the Secretary, there has been a significant change in shipbuilding market conditions. The Secretary shall publish notice of his intention to compute or recompute such estimated foreign cost and shall give interested persons, including but not limited to shipyards and shipowners and associations thereof, an opportunity to file written statements. The Secretary's consideration shall include, but not be limited to, all relevant matter so filed, and his determination shall include or be accompanied by a concise explanation of the basis of his determination."; on page 8, line 20, after the word "of", insert "the first sentence of"; on page 9, line 10, after the word "shall", strike out "notify the Commission on American Shipbuilding of such contract and the Commission on American Shipbuilding shall,"; in line 12, after the word "after", insert "entering"; in line 13, after the word "such", insert "contract"; in the same line after the amendment just stated, strike out "notification"; in the same line, after the word "submit", strike out "its" and insert "his"; on page 11, after line 1, insert:

(a) By striking out the words "title VII and section 509, and the Federal Maritime Board, in connection with ship construction, reconstruction, or reconditioning under title V (except section 509)," in the second sentence and inserting in lieu thereof "titles V and VII,".

(b) By striking out the words "in such manner as it may be determined" in the second sentence and inserting in lieu thereof "in such manner as he may determine".

At the beginning of line 10, strike out "(a)" and insert "(c)"; at the beginning of line 12, strike out "(b)" and insert "(d)"; at the beginning of line 15, strike out "(c)" and insert "(e)"; on page 12, line 18, after the word "the", where it appears the second time, strike out "shipbuilder" and insert "shipyard"; on page 13, after line 10, strike out:

(d) By striking out the second sentence the words "In all such construction the shipbuilder, subcontractors, materialmen, or suppliers shall use," and inserting in lieu thereof the words "Any material or other articles used in the construction of a vessel and included in the United States construction cost for the purpose of determining the construction differential subsidy payable and all major components of the hull and superstructure and any material used in the construction thereof shall,".

(c) By striking out of the second sentence the words "only articles, materials, and supplies" and inserting in lieu thereof the word "be".

At the beginning of line 23, strike out "(f)" and insert "(d)"; on page 14, after line 3, insert a new section, as follows:

SEC. 11. Section 509 of the Merchant Marine Act, 1936 is amended as follows:

(a) By striking out the word "Commission" wherever it appears and inserting in lieu thereof the words "Secretary of Commerce".

(b) By striking out the word "applicant" wherever it appears and inserting in lieu thereof the word "purchaser".

(c) By striking out the words "at 3½ per centum per annum," and inserting in lieu thereof, the words "at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus (ii) an allowance adequate in the judgment of the Secretary of Commerce to cover administrative costs, the balance of such purchase price being".

At the beginning of line 23, change the section number from "11." to "12."; on page 15, at the beginning of line 19, change the section number from "12." to "13."; on page 16, at the beginning of line 11, change the section number from "13." to "14."; at the beginning of line 24, change the section number from "14." to "15."; on page 17, at the beginning of line 4, change the section number from "15." to "16.";

After line 5, strike out:

(1) By striking out of the first sentence the words "on a service, route, or line" and inserting in lieu thereof the words "in an essential service".

(2) By inserting in the first sentence following the words "shall not exceed the excess of" the words "the subsidizable wage costs of the United States officers and crews,".

And, in lieu thereof, insert:

(1) By striking out the words "Such contract shall provide that the amount of the operating-differential subsidy for the operation of vessels on a service, route, or line shall not exceed the excess of" and inserting in lieu thereof the words "Such contract shall provide, except as the parties should agree upon a lesser amount, that the amount of the operating-differential subsidy for the operation of vessels in an essential service shall equal the excess of the subsidizable wage costs of the United States officers and crews".

At the beginning of line 21, strike out "(3)" and insert "(2)"; at the top of page 18, insert:

(3) By striking out of the first sentence the words "maintenance, repairs not compensated by insurance," and inserting in lieu thereof "maintenance and repairs not compensated by insurance".

In line 10, after the word "to," insert "and inserting in lieu thereof "'incurred'"; at the beginning of line 21, change the section number from "16" to "17; on page 19, at the beginning of line 8, insert "and taxes or other governmental assessments on crew payrolls";

in line 11, after the word "relating", strike out "thereto:" and insert "to:"; in line 20, after the word "finding", strike out the comma and "or"; after the amendment just above stated, insert a colon and "*And provided further,* That in determining whether officers or members of the crew are necessary for the efficient and economical operation of such vessel, the Secretary of Commerce shall give due consideration to, but shall not be bound by, wage and manning scales and working conditions required by a bona fide collective bargaining agreement, or"; on page 20, line 4, after the word "to", insert "ninety days following"; in line 12, after the word "to", insert "ninety days following"; on page 21, line 9, after the word "established.", strike out "The Secretary of Commerce shall not start a new base period unless he announces his intention to do so prior to the December 31 that would be included in the new base period"; on page 22, line 4, after the word "cost", insert "except that the Secretary shall not establish a new base period unless he announces his intention to do so prior to the December 31 that would be included in the new base period." on page 23, line 3, after the word "interested", strike out "operator" and insert "contractor"; in line 9, after the word "the", strike out "end of such period" and insert "beginning a new base period"; in line 11, after the word "the", where it appears the third time, strike out "operator's" and insert "contractor's"; on page 24, after line 6, insert a new section, as follows:

SEC. 18. Section 605(b) is amended by striking out the words "except on whose life expectancy has been determined as provided in section 607(b) for a period in no case to exceed the life expectancy determined thereunder, unless the Commission" and inserting in lieu thereof ", unless the Secretary of Commerce".

At the beginning of line 13, change the section number from "17" to "19"; on page 25, at the beginning of line 4, change the section number from "18" to "20"; on page 26, after the semicolon following the word "items", insert "by striking out '505(a)' and inserting in lieu thereof '505';"; at the beginning of line 23, change the section number from "19" to "21"; on page 27, line 9, after the word "providing", strike out "replacement or additional vessels" and insert "replacement vessels, additional vessels, or reconstructed vessels,"; on page 30, line 7, after the word "to", where it appears the first time, insert "tend to"; on page 38, line 14, after the word "made", insert "in"; on page 41, line 19, after the word "those", strike out "voyages" and insert "areas"; on page 42, line 4, after the word "includes", strike out "an ocean-going towing vessel or an ocean-going barge" and insert "a towing vessel or barge other than a towing vessel or barge engaged solely in the transportation of property on inland rivers or canals exclusively.

"(8) The term "noncontiguous trade" means (i) trade between the contiguous forty-eight States on the one hand and Alaska, Hawaii, Puerto Rico and the insular territories and possessions of the United States on the other hand, and (ii) trade between Alaska, Hawaii, and Puerto Rico and such territories and possessions and (iii) trade between the islands of Hawaii."; on page 43, after line 6, insert a new section, as follows:

SEC. 22. Section 714 of the Merchant Marine Act, 1936 is amended as follows:

(a) By striking out the words "Commission" and "Commission's" wherever they appear and inserting in lieu thereof the words "Secretary of Commerce" and "Secretary of Commerce's" respectively.

(b) By striking out in the first sentence the words "3½ per centum of the depreciated foreign cost computed annually upon the basis of a twenty-five year life of the vessel." and inserting in lieu thereof "an amount equal to (i) the sum of a percentage of the depreciated foreign cost computed annually upon the basis of a twenty-five year life of the vessel determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the term of the charter, adjusted to the nearest one-eighth of 1 per centum, plus (ii) an allowance adequate in the judgment of the Secretary of Commerce to cover administrative costs."

(c) By striking out of the last sentence of the first paragraph thereof the words "of 3½ per centum per annum from the date of purchase." and inserting in lieu thereof, "from the date of purchase, at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus (ii) an allowance adequate in the judgment of the Secretary of Commerce to cover administrative costs."

On page 44, at the beginning of line 15, change the section number from "20" to "23"; at the beginning of line 18, change the section number from "21" to "24"; in line 19, after the word "amended", insert "to read"; after line 20, strike out:

(1) The words "its discretion" are stricken out and the words "his discretion" are inserted in lieu thereof.

(2) The words "by affirmative vote of four of its members, except as provided in section 201(a)" and the comma that precedes them are stricken out.

(3) A colon and the following are inserted before the period at the end thereof: *"Provided further,* That this section shall not apply to any contractor under title VI, or those in the foregoing specified relationship to him, who is not such a contractor on April 15, 1970, and who becomes such a contractor after April 15, 1970, with respect to specific activities that he, or those in the specific relationship to him, are engaged in on April 15, 1970. Such contractor, or those in the foregoing specified relationship to him, may continue to engage in such of the aforesaid specific activities in which he was engaged on April 15, 1970, for a period of twenty years after the date he becomes such a contractor, after which time he, and those in the foregoing specified relationship to him, must divest themselves completely of such specific activities. During this twenty year period, the contractor or those in the foregoing specified relationship to him, may not acquire, charter or use directly or indirectly a foreign flag vessel which was not owned, chartered or used directly or indirectly before April 15, 1970".

And insert:

"SEC. 804. (a) Except as provided in subsections (b) and (c) of this section, it shall be unlawful for any contractor receiving an operating-differential subsidy under title VI or for any charterer of vessels under title VII of this Act, or any holding company, subsidiary, affiliate, or associate of such contractor or such charterer, or any officer, director, agent, or executive thereof, directly or indirectly to own, charter, act as agent or broker for, or operate any foreign-flag vessel which competes with any American-flag service determined by the Secretary of Commerce to be essential as provided in section 211 of this Act.

"(b) Under special circumstances and for good cause shown, the Secretary of Commerce may, in his discretion, waive the provisions of subsection (a) of this section as to any contractor, for a specific period of time.

"(c) Upon application to the Secretary of Commerce the provisions of subsection (a) of this section shall not apply to the following specified activities of any contractor under title VI, or those in the foregoing specified relationship to him, who was not such a contractor on April 15, 1970, and who shall have complied with the requirement set forth in subsection (d) of this section:

"(1) Until April 15, 1990—

"(A) the continued ownership, charter, or operation of a foreign-flag vessel engaged in the carriage of dry or liquid cargoes in bulk which was owned, chartered, or operated by such contractor, or those in the foregoing specified relationship to him, on April 15, 1970;

"(B) the continued acting as agent or broker for a vessel described in subsection (c)(1)(A) of this section which is owned, chartered, or operated by such contractor, or those in the foregoing specified relationship to him, and for which such contractor, or those in the foregoing specified relationship to him, were acting as agent or broker on April 15, 1970;

"(2) Until April 15, 1972, the continued acting as agent or broker for a foreign-flag vessel engaged in the carriage of dry or liquid cargoes in bulk (other than one described in subsection (c)(1)(A)), for which the contractor, or those in the foregoing specified relationship to him, were acting as agent or broker on April 15, 1970;

(d) No contractor under title VI, whether he shall have become such a contractor before or after the date of enactment of this section, shall avail himself of the provisions of subsection (c) of this section unless not later than ninety days after the enactment of this section there shall have been filed with the Secretary of Commerce a full and complete statement, satisfactory in form and substance to the Secretary, of all foreign-flag vessels which he, or those in the foregoing specified relationship to him, directly or indirectly owned, chartered, acted as agent or broker for, or operated on April 15, 1970.

"(e) During the period of time provided for in subsection (c) of this section, the Secretary of Commerce shall, at the beginning of each regular session, make a report to the Congress on the activities of contractors under such subsection, including but not limited to, the nature and extent of such activities; its effect, if any, upon carrying forward the national policy declared in section 101 of this Act; and the Secretary's recommendations for legislation, if such is deemed to be necessary."

On page 48, at the beginning of line 6, change the section number from "22" to "25"; at the beginning of line 9, change the section number from "23" to "26"; after line 15, insert a new section, as follows:

SEC. 27. Section 901 of the Merchant Marine Act, 1936 (46 U.S.C. 1241) is amended as follows:

(a) By redesignating subsection (b) as subsection (b)(1).

(b) By striking the words "section 901(b)" in redesignated subsection (b) (1) and inserting in lieu thereof the words "section 901 (b) (1)".

(c) By adding a new subsection (b) (2) to read as follows:

"(2) Every department or agency having responsibility under this subsection shall administer its programs with respect to this subsection under regulations issued by the Secretary of Commerce. The Secretary of Commerce shall review such administration and shall annually report to the Congress with respect thereto."

On page 49, after line 4, insert a new section, as follows:

SEC. 28. Section 905(a) of the Merchant Marine Act, 1936 (46 U.S.C. 1244(a)), is amended by striking the period at the end thereof, substituting a comma therefor, and adding the words "except that in the context of title V of this Act concerning construction-differential subsidy, the said words 'foreign commerce' or 'foreign trade' shall to the extent provided in uniform regulations promulgated by the Secretary of Commerce also include, in the case of liquid and dry bulk cargo carrying services, trading between foreign ports in accordance with normal commercial bulk shipping practices in such manner as will permit U.S.-flag bulk vessels freely to compete with foreign-flag bulk carrying vessels."

At the beginning of line 18, change the section number from "24" to "29"; at the beginning of line 25, change the section number from "25" to "30"; on page 50, at the beginning of line 4, change the section number from "26" to "31"; at the beginning of line 8, change the section number from "27" to "32"; at the top of page 51, insert a new section, as follows:

SEC. 33. Section 1105(d) of the Merchant Marine Act, 1936 (46 U.S.C. 1275(d)) is amended by striking the last sentence thereof and inserting a new sentence to read as follows: "Such installments shall include interest on the purchase price remaining unpaid at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such installments, adjusted to the nearest one-eighth of 1 per centum, plus (ii) an allowance adequate in the judgment of the Secretary of Commerce to cover administrative costs."

At the beginning of line 13, change the section number from "28" to "34"; at the beginning of line 17, change the section number from "29" to "35"; on page 53, at the beginning of line 8, change the section number from "30" to "36"; at the beginning of line 13, change the section number from "31" to "37"; after line 17, strike out:

SEC. 32. Section 301 of Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) is amended by striking out the words "and to the Maritime Administrator and all other officers and employees of the Maritime Administration".

After line 20, insert a new section, as follows:

SEC. 38. Reorganization Plan Numbered 7 of 1961 (75 Stat. 840) is amended as follows:

(a) By striking out section 201 and inserting in lieu thereof a new section 201 to read as follows:

"SEC. 201. MARITIME ADMINISTRATOR.—There shall be at the head of the Maritime Administration (established by the provisions of part II of Reorganization Plan 21 of 1950) a Maritime Administrator, hereinafter referred to as the Administrator. The Assistant Secretary of Commerce for Maritime Affairs shall, ex officio, be the Administrator. The Administrator shall perform such duties as the Secretary of Commerce shall prescribe."

(b) By striking out of section 301 the words at the end thereof "and to the Maritime Administrator and all other officers and employees of the Maritime Administration".

On page 54, at the beginning of line 12, change the section number from "33" to "39"; at the beginning of line 23, change the section number from "34" to "40"; on page 55, line 8, after the word "section", where it appears the second time, strike out "19" and insert "21"; in line 13, after the word "Act.", strike out ": *Provided*, That the Secretary of Commerce may, in order to facilitate the amendment of existing contracts, settle or compromise outstanding controversies under such contracts in such manner as he determines."; and insert "Nothing in section 16 of this Act amending section 603 of the Merchant Marine Act, 1936 or in the contracts made thereunder, shall be deemed to affect or to change existing law or contracts with respect to the proceedings now pending before the Secretary of Commerce relating to the payment of subsidy in respect to cargoes covered by section 901(b)(2) of the Merchant Marine Act, 1936, section 616(a) of title 15, United States Code, or section 2631 of title 10, United States Code."; on page 56, line 3, after the word "Act", insert "or all of the amendments made by this Act other than those made by section 21,"; after line 17, strike out:

SEC. 35. (1) There is hereby established a commission to be known as a Commission on American Shipbuilding (hereinafter referred to as the "Commission"). The Commission shall be composed of seven members appointed by the President. Members of the Commission shall be appointed for the life of the Commission. The President shall designate one of the members of the Commission as Chairman.

(2) Members of the Commission who are not full-time employees of the United States Government shall each be entitled to receive the per diem equivalent of the rate authorized for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code when engaged in the actual performance of duties vested in the Commission, including traveltime, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

(3) The Commission shall meet at the call of the Chairman or at the call of a majority of the members thereof.

(4) The Commission may appoint an Executive Director without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service and shall fix his compensation without regard to the provisions of chapter 51 and subtitle III of chapter 53 of such title relating to classification and General Schedule pay rates.

(5) The Commission shall have the power to appoint and fix the compensation of such personnel, as it deems advisable, subject (except as provided in paragraph (4) hereof) to the civil service laws and classification laws.

(6) The Commission may procure, in accordance with the provisions of section 3109 of title 5 of the United States Code, the temporary or intermittent services of experts or consultants; individuals so employed shall receive compensation at the rate to be fixed by the Commission, but not in excess of the per diem equivalent of the rate authorized for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code, including traveltime, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

On page 58, at the beginning of line 12, strike out "(7)" and insert "SEC. 41. (1)"; in the same line, after the word "The", strike out "Commission" and insert "Secretary of Commerce"; in line 15, after the word "The", strike out "Commission" and insert "Secretary"; in line 21, after the word "The", strike out "Commission" and insert "Secretary"; in line 25, after the word "the", where it appears the first time, strike out "Commission" and insert "Secretary"; on page, 59, line 2, after the word "cost", strike out "it" and insert "he"; at the beginning of line 4, strike out "(8)" and insert "(2)"; in the same line, after the word "The", strike out "Commission" and insert "Secretary"; in line 9, after the word "the", strike out "Congress, and sixty days thereafter shall cease to exist." and insert "Congress."; after line 10, strike out:

(9) There are hereby authorized to be appropriated such amounts as may be necessary to permit the Commission to carry out its responsibilities under this Act.

At the beginning of line 14, change the section number from "36" to "42"; and at the top of page 60, insert a new section, as follows:

SEC. 43. Section 4 of Public Law 89–777 (80 Stat. 1356 et seq.), as amended by Public Law 90–435 (82 Stat. 449), is further amended by changing the first sentence of the language of that section which amends subsection 5(b) of the Act of May 27, 1936 (49 Stat. 1384) to read: "After November 1, 1970, no passenger vessel of the United States of one hundred gross tons or over, having berth or stateroom accommodations for fifty or more passengers, except a vessel operating solely on the inland rivers, shall be granted a certificate of inspection by the Coast Guard unless the vessel is constructed of fire retardant material."

Mr. LONG. Mr. President, basically, H.R. 15424 is a program which President Nixon promised when he was a candidate for office. It is a program to revitalize our Merchant Marine Act so that it will be viable and workable in wartime and in peace.

The committee report is rather formidable. Even though it has been available to Senators for some time, it is entirely possible that because of the many details that are involved in this program, as well as in the amendments adopted by the House and Senate committees, Senators may like to have a profile of the bill. I have prepared, and I ask that there be placed on the desk of every Senator, a mimeographed statement describing the principal features of the bill and an indication of what are expected to be the benefits to the Nation resulting from enactment of the bill. I ask unanimous consent that the profile of the bill be printed in the RECORD, as well.

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

MARITIME BILL—H.R. 15424

WHAT THE BILL DOES

Authorizes appropriations for the construction of 300 ships over the next 10 years;

Makes shipyards as well as shipowners eligible to apply for construction subsidy;

Permits negotiated procurement of ships as well as competitive bidding;

Establishes guidelines for reducing construction subsidy from the present rate of 50% to 35% by 1976;

Extends operating subsidy to bulk carriers (now only liner vessels which operate on a fixed route are eligible);

Ties operating subsidy to a new wage index in order to help reduce skyrocketing costs.

Gives newly subsidized operators 20 years in which to divest their foreign flag *bulk* ships;

Extends tax deferment privileges to all operators in foreign trade, Great Lakes, noncontiguous trade (Alaska, Hawaii, etc.) and the fisheries. This privilege is now only enjoyed by 13 of the (subsidized) operators in foreign trade. Under the bill, an operator may deposit untaxed earnings in a fund and use the fund to build ships. The tax basis of the new ships is reduced by the amount of tax deferred so that deductible depreciation is reduced and the Government gets its money back over the life of the new ship. The net result is to cut in half the amount of capital which must be accumulated to buy a new ship.

Increases the authorization for mortgage insurance from $1 billion to $3 billion.

Gives the Secretary of Commerce authority to promulgate regulations as to the administration of the Cargo Preference Laws (cargoes restricted to U.S. vessels).

Establishes a new Assistant Secretary of Commerce for Maritime Affairs.

Save the *Delta Queen*.

BENEFITS OF THE BILL

A modern merchant fleet capable of meeting the needs of our commerce and defense.

An improvement in our balance of payments estimated at $2.9 billion during the vessel construction program and $600 million annually thereafter.

Generation of 440,000 man-years of employment for manufacturing employees (skilled and semi-skilled), much of which will be in poverty areas.

An amelioration of the decline in seagoing jobs which otherwise would drop by 50% by 1980.

Attached is a copy of the Committee Report. Pages 9 to 11 are background and maritime history. Pages 11 to 17 are charts and statistics showing the need for the program. Pages 17 and 18 are the legislative history. Pages 18 to 20 summarize the major committee amendments and cross-reference to more detailed explanations. Pages 20 to 25 explain the projected impact of the program. Pages 25 to 65 are a section-by-section report.

Mr. LONG. Mr. President, the Senate today has the opportunity to enact historic legislation to provide this Nation with a new maritime program. There is little legislation that is so urgently needed or about the need for which there is such overwhelming agreement. Congress has for many years urged the executive branch to support a program to rebuild our merchant marine. Our defense requires it. Our commerce requires it. Our balance of payments and the continued vitality of our Nation require it. For the first time in many years we have before us a maritime program that has the full support of the administration, the overwhelming backing of the House of Representatives, and the near-unanimous concurrence of those in the private sector whose cooperation will be required to make the program work.

This legislation represents the efforts of many persons, all of whom are to be commended: the President, the Secretary of Commerce, the Maritime Administrator, and others. But no man has worked longer, harder, or more ably for a new maritime program than the distinguished Senator from Washington (Mr. MAGNUSON). He has for many years labored to effect a revitalization of our merchant marine. As chairman of our committee, he has guided and shaped this legislation and, as much as any man in this country, is responsible for it. Unfortunately, his wife is seriously ill and he is unable to be with us today. However, I have been in continuous consultation with him and ask unanimous consent to have printed in the RECORD the statement he would have made had he been here.

There being no objection, Senator MAGNUSON'S statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MAGNUSON

Mr. President, the purpose of the bill is to revitalize our merchant marine. The bill lays the legislative groundwork for a long overdue rehabilitation of our maritime capability to meet the urgent needs of our commerce and defense.

This legislation represents the culmination of a long and arduous process. The record of the Committee on Commerce on this bill alone extends over 800 pages and, most appropriately, could be considered a continuation of lengthy hearings conducted in the last Congress over a period of five months. The bill before you and the program it represents is the product of the collective best judgment and suggestions of a great number of concerned people. The program has the support of the President and the administration, including specifically the Secretaries of Commerce, Defense and Transportation. It has received the virtually unanimous support of both labor and management in the shipbuilding and ship operating industries. The Committee's consideration was also assisted by the suggestions of shippers, potential investors, and citizen's groups. The bill was passed by the House of Representatives by an overwhelming vote and, as amended, has been unanimously endorsed by the Committee on Commerce. I heartily commend the President, the Secretary of Commerce and all the others who have participated in framing this historic legislation and I particularly congratulate the distinguished Senator from Louisiana (Mr. Long), the Chairman of the Merchant Marine Subcommittee, for his fine and able legisl..tive leadership on behalf of this measure.

The time and effort devoted to this program and its widespread support is a measure of its importance. The legislation is necessarily lengthy and complex because the problems with which it deals are complex. In the main, the bill is cast as amendments to the Merchant Marine Act of 1936, and is the most extensive revision of that Act since it originally became law. The Committee's Report, which is over 130 pages in length, explains in detail the need for the bill and also each section of the legislation. I would like to discuss only a few of the most pertinent facts and review some of the most salient features of this legislation.

Although the foreign trade of our nation now accounts for about one-third of the world's total international trade, our fleet now ranks fifth in the world on a tonnage basis. Approximately three-quarters of our foreign trade fleet consists of obsolete, overage vessels that will disappear within the next five years. We face a problem of massive block obsolescence that is reaching crisis proportions.

This is crucial both to our national security and to our economic well-being. Merchant vessels have historically been and continue to be the backbone of military logistic support. Of the total cargo transported to Southeast Asia from mid-1965 to the present, 97 percent moved by sea. Ships in our privately owned fleet carried over 60 percent of the cargo. To carry much of the balance we had to break out antiquated, war-built vessels from the Reserve Fleet. These were costly and inefficient. Their number has declined dramatically, and we cannot count on them in the future to provide the extra margin of capacity necessary to meet emergency requirements. Without an emergency sealift capacity, this nation cannot be the master of its own fate but will be inevitably forced to rely on other nations whose policies may or may not agree with our own.

A viable merchant fleet is also necessary to our continued economic well-being. As a nation, we increasingly depend on our ability to import raw materials and to export finished products. We are not self-sufficient, and therefore must take steps to assure ready access to foreign sources of supply and foreign markets. At present, we carry only about 5% of our waterborne foreign commerce and this will decline dramatically over the next few years if nothing is done. A modern and efficient merchant fleet is necessary to assure a continued American voice in world shipping conferences that set ocean transportation rates. It is also necessary to assure that American products are carried at rates which do not jeopardize their competitive position in the world marketplace—rates that are not unilaterally determined by our foreign competitors.

This bill represents the necessary governmental commitment to revitalize our merchant fleet. It is designed to provide a long-range shipbuilding program of 30 ships per year for the next 10 years. By focusing on series runs of standardized ships, the bill is designed to reduce the government's per-unit cost on these ships from the present rate of 50% construction subsidy to 45% in fiscal 1971 and to 35% by fiscal 1976.

One of the major objectives of this long range program is to build and operate bulk carriers in our foreign trade. This trade, which was relatively unimportant at the time the 1936 Act was passed, has grown tremendously. Administration of the 1936 Act has ignored the bulk trades at the same time that oil, iron ore, bauxite and other raw materials have become increasingly important to us. Presently, our liner trade involves the carriage of about 46 million tons annually while our bulk trades have grown to almost 350 million tons. The bill would help us respond to this change in our requirements and is designed to reduce our dependence on foreign flag ships in the transportation of the raw materials our country needs for defense purposes and to keep our economy operating.

On the operating side, the bill makes other changes which should prove beneficial. It introduces a wage index to which subsidy is keyed. Under the new system, the amount of subsidy paid for crew costs will be determined by considering other American industries. This will eliminate the government's interference in the collective bargaining process and will also give operators an incentive to hold down wage costs. If the operator negotiates an agreement above the index, he will not be paid subsidy on the excess. If he negotiates an agreement below the index, he benefits. The bill also provides for a floor and ceiling to the amount of subsidy paid for crew costs.

A most important feature of the bill is that it extends tax deferral privileges to new operators. At present, only operators with operating subsidy contracts may establish capital construction funds on which taxes are deferred. The bill would extend this privilege to many new operators and would permit the funds to be established for construction of vessels in the foreign trade, non-contiguous and Great Lakes trades, and the commercial fisheries. In effect, these provisions cut in half the amount of capital an operator needs to accumulate in order to build a new ship, and also see to it that the Government gets its tax money by decreasing the depreciation that the operator can deduct from his taxes over the useful life of the new ship. This provision should do a great deal to revitalize our merchant fleet and should also help immeasurably in the development of a competitive American fishing fleet.

The Committee has also recommended several amendments to the bill.

Section 10 of the bill as passed by the House eliminated the requirement that in the construction of ships built with construction subsidy only articles, materials and supplies of American origin can be used. Instead, only the hull and superstructure and material used in the construction thereof, and articles used in computing subsidy would be required to be of American origin. The Committee received testimony relating to restrictive practices employed by foreign shipbuilders which preclude our supplies and component manufacturers from competing effectively in foreign markets, thus making them dependent on American vessel construction. The Committee also received testimony relating to dumping, dual pricing and other predatory practices engaged in by some foreign component manufacturers. In light of this, the Committee determined that it would be unwise to unilaterally relax our present buy-American policy and amended the provisions of the bill to continue existing law.

As the bill passed the House, it provided for a Shipbuilding Commission to study our shipbuilding industry and to determine whether the industry could achieve the productivity goals of the new program. The Committee was reluctant to create another Commission and, therefore, eliminated the provisions creating the Commission and vested all its functions in the Secretary of Commerce.

As we received the bill, it contained provisions which would give presently unsubsidized operators twenty years after entering subsidy contracts to dispose of their foreign flag vessel holdings and affiliations. The Committee substantially modified this provision by limiting it to bulk carriers, distinguishing agency relations from ownership, and providing filing and reporting requirements which will facilitate review and enforcement.

The last Committee amendment which I will discuss relates to cargo preference under section 901 of the 1936 Act. The amendment would place in the Secretary of Commerce the function of making regulations under that section. This is altogether logical and should alleviate some of the anomalies and injustices that have resulted from a lack of coordinated administration of cargo preference. Section 901 is promotional legislation and the promotional agency for maritime matters should guide its administration.

Mr. President, that is a brief summary of some of the most salient features of this bill. The Committee Report, under the heading "Impact of the New Program" describes what the bill will do for our Nation. It will help meet the urgent needs of our commerce and defense. An important secondary benefit is that it will generate substantial numbers of skilled and semi-skilled jobs and new economic opportunities—a result to be desired in these times of rising unemployment and increasing economic hardships. The program will also make important direct and indirect contributions to our balance of payments position. These have been estimated at $2.9 billion for the period prior to completion of the vessel construction program and $600 million annually thereafter. That would be a substantial help in our struggle to improve our critical balance of payments and trade balance problems.

I am mindful of the budget limitations forced upon us by the economic conditions now prevailing, and am well aware of the vast demands upon the Federal budget dollar for badly needed domestic programs. I have long supported and worked for many of these domestic programs and will continue to do so. But the need to rehabilitate our maritime capability is also urgent and critical. Too often, our efforts in the maritime area have been reported to the American public as simply a subsidy without explanation of their purpose or justification. We do subsidize our merchant marine, as do all the other maritime nations of the world in one form of another. If we did not, we would have no merchant marine and the result to our security and commerce would be disastrous. American vessel construction and operating costs are higher than those of many other nations reflecting the higher standard of living in this country. This has been true for about a hundred years—it is not a new development. How many of the people who oppose maritime programs would have been willing to claim responsibility for the result if we had not had a merchant marine in the two world wars, Korea and Vietnam? How many would be willing to take credit for changes in our economy and way of life that would result if we lacked dependable ocean transportation?

The need to revitalize our fleet should be evident to everyone. This bill makes a sound beginning in that regard. I urge my colleagues to support it.

Mr. LONG. Mr. President, in order to develop a modern and efficient merchant marine, the bill authorizes appropriations for the construction of 300 merchant ships over the next 10 years. It streamlines and makes the procurement system more efficient and provides guidelines for gradually reducing the Government subsidy level from the present rate of 50 to 35 percent by 1976.

It extends certain tax benefits and construction and operating subsidy benefits to the bulk cargo fleet which we have hitherto ignored. These cargoes are of tremendous and increasing importance to our economy and security. At present, because there has been no program in this area, our capacity to carry these cargoes is miniscule. The bill would balance our efforts and assure a capability to carry the ores, grains, oil, and other strategic materials required by our security and economy.

The bill also substantially amends and streamlines our operating subsidy program. Instead of merely paying the operator the difference between his American costs and the costs of a foreigner, it ties the subsidy to a new wage index which will reflect wages in the country as a whole. This will reduce Government interference in the collective bargaining process and at the same time give the operator incentive to reduce costs since he will not be paid the excess if his costs exceed the index and, within limits, he can keep the difference if his negotiations result in an agreement below the index level.

Some of the most important provisions of the bill extend the capital reserve fund tax deferment privileges of the 1936 act. Under present law only subsidized operators have this privilege. In the bill, this would be extended to all operators in the foreign trade, Great Lakes and domestic noncontiguous trade—Alaska, Hawaii, and Puerto Rico—and the fisheries. This provision will do much to revitalize our merchant marine and ailing fishing industry. These operators will be allowed to deposit untaxed earnings in a fund used to build ships. The tax basis and therefore deductible depreciation on the new ships is reduced by the amount of tax deferred so that the Government gets its money back over the life of the new ships. The tax provisions in existing law are substantially tightened and improved to better protect the Government's interest.

The bill also increases from $1 billion to $3 billion the authorized level for mortgage insurance. This has been an excellent program but is now almost used up and the increase is necessary to build the new ships provided for in the program.

The committee also adopted a number of amendments. One of these would continue the provisions of existing law that require that articles and materials used in the construction of subsidized ships must be of American origin. Another amendment provides a realistic means for phasing out the American owned foreign flag or "runaway" fleet. Another would vest in the Secretary of Commerce the authority to oversee the progress of the shipyards in meeting the goals of the program and also would give him authority to promulgate regulations with respect to certain military and Government-generated cargoes which are by existing law restricted to U.S.-flag vessels. These and other amendments are explained in detail in the committee's report which accompanies the legislation, and all of which I believe are substantial contributions to the program.

Finally, a section in the bill will permit the continued operation of the river steamboat *Delta Queen*. The *Delta Queen* is a sternwheel passenger vessel that operates on the Mississippi, Ohio, Tennessee, and Cumberland Rivers and is the only passenger vessel with overnight accommodations operating solely on the inland rivers of the United States.

There is no real reason why this vessel should not be excepted from the safety at sea regulations. Those regulations should not be made applicable to the *Delta Queen*. It is one of our historic vessels and operates solely on inland rivers of the United States. It deserves to retain its place in American maritime life.

Section 43 of the committee report, on page 64, relates to the *Delta Queen*. It is particularly eloquent and moving English prose. Since I am not the author of this section, I shall not describe it, but I ask unanimous consent that it be printed in the RECORD.

There being no objection, section 43 of the committee report was ordered to be printed in the RECORD, as follows:

SECTION 43

This section is a committee amendment, the sole purpose of which is to permit the continued operation of the river steamboat *Delta Queen*. The *Delta Queen* is a stern-wheel passenger vessel that travels the Mississippi, Ohio, Tennessee, and Cumberland Rivers. She is the only passenger vessel with overnight accommodations operating solely on the inland rivers of the United States.

The section would exempt the *Delta Queen* from the provision of Public Law 89-777 which requires that passenger vessels of one hundred gross tons and over, having berth or stateroom accommodations for fifty or more passengers, be constructed of fire retardant material. Public Law 89-777 was enacted in 1966 following two disastrous ship fires in the Atlantic Ocean. The primary focus of that law was to protect American citizens from substandard safety standards on deep-draft passenger vessels.

The committee is thoroughly familiar with the *Delta Queen* and her manner of operation and believes that she presents a special case worthy of exemption. Unlike an ocean vessel, the *Delta Queen* is never more than a few hundred yards or a few minutes from shore. Unlike ocean vessels, the *Delta Queen's* staterooms open directly to the outside decks and there are no long enclosed corridors where passengers or crew members could be trapped. Her compartments and rooms are equipped with full coverage sprinkler systems maintaining constant pressure. In the 44 years since her launching, her safety record is unblemished. Her oil-fired galley stoves have been replaced with safe electric ranges and ovens, and fire-retardant coatings have been applied to nearly every surface on the vessel. New and additional communications equipment, firefighting equipment and emergency devices have been installed.

With the exception of the fire retardant construction requirements of P.L. 89-777, the *Delta Queen* is by all existing standards a safe vessel. But no amount of modification can bring her into compliance with that law. In 1968, the Congress granted her a two year extension to come into compliance, but thereafter it became apparent that there was no practicable way for her to do so. Although her hull is steel, the elegant teak, mahogany, ironwood and oak of her superstructures and interiors do not conform to the provisions of the 1966 law which permits no wood to be used, and her stairways, steamplants and electrical machinery do not conform to the law's requirements. Practically every piece of the vessel would have to be rebuilt to make her conform; the cost would be astronomical and, even so, much of her historical charm would be lost.

After considering all these factors, the committee determined to adopt this amendment to the bill which is intended to apply only to the *Delta Queen*. It is not inappropriate that this bill which looks to America's Maritime future contain one section that will allow us to recall part of America's past. The *Delta Queen* brings back memories of a bygone era and her continued operation on the rivers of mid-America will permit us to recall the day when the riverboat was king, the primary means of transportation for all of the central United States, and when the characters of Mark Twain could be found along the riverbanks and not just in books. Further, the *Delta Queen's* continued service between Minneapolis-St. Paul, Pittsburgh, Louisville, Cincinnati, her home port, Memphis and New Orleans provides an excellent tourist attraction which should further our national objective of encouraging travel to and within the United States both by American and our foreign visitors.

Mr. LONG. Mr. President, I urge Senators to enact H.R. 15424. The needs of our commerce and defense and the deterioration of our balance of payments require no less.

Mr. SCOTT. Mr. President, I propose to call up an amendment which is sponsored, principally, by the Senator from Minnesota (Mr. MONDALE) and cosponsored by a number of other Senators, particularly Senators from the Great Lakes States, regarding an administration proposal for the forgiveness of interest on certain obligations. I ask that the reading of the amendment be dispensed with and that it be printed in the RECORD.

The PRESIDING OFFICER. The Senator from Pennsylvania should be advised that before the Senate can consider the amendment, the committee amendments must first be considered.

Mr. LONG. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, reserving to every Senator the right to amend them in the first and second degrees.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

Without objection, the amendment of the Senator from Pennsylvania will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

AMENDMENT

On page 60, immediately after line 11, insert the following new section:

SEC. 44(a)(1) Section 5 of the Act of May 13, 1954, as amended (33 U.S.C. 985), is further amended by inserting "(a)" immediately after "Sec. 5.", and by striking out the fourth, fifth, and eighth sentences thereof.

(2) Such section is further amended by adding at the end thereof the following new subsection:

"(b) Effective as of the date of enactment of this subsection the obligations of the Corporation incurred under subsection (a) of this section shall bear no interest, and the obligation of the Corporation to pay the unpaid interest which has accrued on such obligations is terminated."

(b)(1) Subsection (a) of section 12 of such Act (33 U.S.C. 988(a)) is amended by inserting after the first sentence the following: "Any formula for a division of revenues which takes into consideration annual debt charges shall include the total cost, including both interest and debt principal, incurred by the United States in financing activities authorized by this Act, whether or not reimbursable by the Corporation."

(2) Subsection (b)(4) of such section 12 is amended by striking out the words ", payment of interest on the obligations of the Corporation,".

SECTIONAL SUMMARY

Section 1(a) of the bill amends section 5 of the Seaway Act to delete the provisions therein respecting the payment of interest on the Seaway debt.

Section 1(b) adds a new subsection to section 5 providing that as of the date of enactment of the subsection, the obligations of the Corporation incurred under section 5 shall bear no interest, and that the obligation of the Corporation to pay the unpaid interest which has accrued on such obligations is terminated.

Section 2(a) of the bill adds to section 12 (a) of the Seaway Act a new sentence providing that any formula for the division of the revenues between the Seaway Corporation and the Saint Lawrence Seaway Authority of Canada which takes into consideration annual debt charges shall include the total cost incurred by the United States in financing activities authorized by the Seaway Act, including both interest and debt principal, regardless of whether the Corporation itself is obligated to make payments thereon to the United States Treasury.

Section 2(b) of the bill amends section 12 (b)(4) of the Seaway Act to delete therefrom reference to interest payments. The deletion of the reference to interest conforms to the amendments to section 5 of the Act.

Mr. SCOTT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I understand the good Samaritan intention of the Senator in offering the amendment and the great interest in the Great Lakes area. However, we on the committee have not had an opportunity to vote on this matter.

Offhand, my reaction to the amendment is that while I do not personally think I can support the amendment, if it is the will of the Senate, I will cheerfully take it to conference and try to persuade the conferees to agree to it. I have no objection to that.

The principal purpose of the amendment is to prevent an increase in toll rates on the St. Lawrence Seaway. I have no particular objection to the amendment, particularly in view of the fact that the administration supports it. The matter has not been reported by the committee.

I mildly protest the matter coming in in this fashion. I would not want this amendment to kill the bill. If the House conferees will not take it, we will do the best we can.

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the administration in support of the amendment.

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

THE SECRETARY OF TRANSPORTATION,
*Washington, D.C., September 14, 1970.*

HON. SPIRO T. AGNEW,
*President of the Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill "To amend the Act creating the Saint Lawrence Seaway Development Corporation to terminate the accrual and payment of interest on the obligations of the Corporation, and for other purposes", together with a sectional summary.

On May 13, 1954, Congress enacted the statute creating the Saint Lawrence Seaway Development Corporation (33 U.S.C. 981). The statute authorized the Corporation to construct the portion of the Saint Lawrence Seaway located in United States territory and to operate and maintain the United States facilities. To enable the Seaway Corporation to finance its activities the statute authorized the Corporation to issue revenue bonds payable from the corporate revenue to the Secretary of the Treasury. The statute, as amended in 1957, further provided that interest payments on the bonds could be deferred with the approval of the Secretary of the Treasury, but that any interest payments so deferred would bear interest after June 30, 1960. Bonds issued by the Corporation were to have maturities agreed upon by the Corporation and the Secretary of the Treasury, not in excess of fifty years.

The statute further provided that the tolls charged by the Corporation be calculated to

cover, as nearly as practicable, all costs of operating and maintaining the facilities under the control of the Corporation, including depreciation and interest on the obligations of the Corporation. In addition, it established the principle that Seaway tolls provide the Corporation sufficient revenues to amortize the principal of its debts and obligations over a period not to exceed fifty years.

The first ten years of operation of the Seaway were projected to be a development period during which revenues would not be sufficient to meet all of the annual financial requirements. The plan for the first five years was to meet all expenses of operation and maintenance, but not all of the interest expenses. However, it was projected that interest so deferred would be paid back by the end of 1967. By that time, annual revenues were forecast to be sufficient to provide for the payment of all operating expenses and all current interest on the debt, and payments on the principal of the debt were to begin.

Unfortunately, some of the assumptions upon which the Seaway debt payment plan was established have not proven out over the long term. Each year since the opening of the Seaway, the Corporation has, in fact, paid from revenues all of its normal operating and maintenance costs. In addition, it has returned over $36 million to the Treasury. However, revenues have not been adequate to meet the interest on the debt, and the overall debt (including unpaid interest) has been growing each year until it has now reached nearly $156 million.

The Department believes the point has been reached where a substantial revision is necessary to the debt repayment plan for the Seaway. We oppose any increase in the present tolls on the Seaway, as we believe an increase in tolls would tend to discourage use of the waterway and, in turn, be detrimental to the growth of the mid-western economy. Traffic forecasts indicate that cargo volume eventually will increase from the 41 million tons handled in 1967 to an annual level of 75 million tons. Despite that growth, however, major toll increases would be necessary to enable the Seaway Corporation to meet its debt repayment schedule.

The Department therefore recommends the enactment of legislation terminating the requirement for the Corporation to pay interest on the Seaway debt. This includes unpaid interest which has accrued to date (approximately $22 million) and interest that would otherwise accrue on revenue bonds issued to the Secretary of the Treasury under section 5 of the Act of May 13, 1954. The enclosed bill is designed to accomplish this aim.

Under the proposed bill, the existing requirement for repayment to the Treasury of the principal on the revenue bonds issued by the Corporation would continue in effect. Our projections indicate that providing the Corporation relief from interest payments should permit the repayment of the bonded debt within the statutory period while holding the line on tolls.

In summary, the enclosed bill is designed to place the Seaway on a sound long-term financial footing and permit the Development Corporation to effectively develop and promote the movement of cargo through the Seaway. At the same time, it would retain the requirement that the Corporation return to the Treasury the amounts it borrowed to construct the facilities operated by the Corporation.

The Office of Management and Budget has advised that this proposed legislation is consistent with the Administration's objectives.

Sincerely,

JOHN VOLPE.

Mr. SCOTT. Mr. President, I would hope there would be sufficient support in the other body for the amendment. This affects a great many States and we hope that would generate support.

Mr. SPONG. Mr. President, will the Senator yield? I would like to ask a question.

Mr. SCOTT. I yield.

Mr. SPONG. I understand that the amendment is designed to help the situation on the Great Lakes. Will the Senator tell us what the amendment does?

Mr. SCOTT. The amendment would relieve the St. Lawrence Seaway from certain unpaid interest obligations. It does not affect the question of tolls at all, so far as I am concerned.

Mr. SPONG. Would it affect future interest payments?

Mr. SCOTT. It takes into consideration the annual debt charges which shall include the total costs, including both interest and debt principal, incurred by the United States in financing activities authorized by the Seaway Act, including both interest and debt principal and, therefore, deletes prior reference to the debt payment.

In essence, it is a forgiveness of some prior obligations of unpaid interest.

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

Mr. SCOTT. I yield.

Mr. MONDALE. The measure is a very modest one but I think a very important one. The ultimate effect is to head off a toll increase. It does not give much, if any leeway for a toll reduction. It does this by forgiving accrued but unpaid interest and forgiving future interest. But having forgiven that, the toll charges on the Seaway are such they will barely pay the capital costs and annual costs of operation and maintenance.

Mr. SPONG. In the past the Senator from Minnesota sought the forgiveness of principal and interest.

Mr. MONDALE. The Senator is correct.

Mr. SPONG. Do I understand no principal is forgiven?

Mr. MONDALE. The Senator is correct.

Mr. SCOTT. Not on this amendment. There may be other action but it is not in this amendment.

Mr. MONDALE. This is a modest amendment and it would make it possible to head off a toll increase.

The St. Lawrence Seaway is the only federally maintained waterway where any tolls are paid, and the toll structure is so exorbitant that this year ships plying the locks have paid up to $21,000. The situation is depriving the Seaway and the Great Lakes of much potential.

I think there should be no tolls and we would be on the same footing as everyone else; but all we ask for now is the forgiveness of accrued and future interest charges.

Shortly after I came to the Senate in 1964, it became apparent to me that there was gross and unjust discrimination against the Great Lakes region with respect to Federal transportation programs and policies. Accordingly, I introduced a bill in the 89th Congress to refinance the St. Lawrence Seaway Development Corporation. I reintroduced that bill in the 90th Congress. Although hearings were held on that legislation, no action was taken.

Last year, after further study, I concluded that the legislation was even more urgently needed and introduced a new bill, S. 3137. This bill had the bipartisan sponsorship of 17 Senators from all of the States in the upper Midwest and from Pennsylvania, as well. The bill was the subject of a series of hearings by the Special Subcommittee on Great Lakes-St. Lawrence Transportation, chaired by the Senator from Indiana (Mr. HARTKE). The hearings began in Washington, D.C. and continued in Chicago and Duluth.

I was delighted last month when the U.S. Department of Transportation reversed the longstanding opposition of the executive branch and recommended legislation to relieve the Seaway Corporation of the burden of interest payments on its debt to the Treasury. The Department announced that it was now opposed to a toll increase.

While the Transportation Department's proposals do not go as far as my original bill, they would certainly be helpful to the Seaway and should remove the pressure for significant toll increases. Therefore, I have decided to support Secretary Volpe's recommendations, which are now embodied in the pending amendment.

Under the amendment, the Corporation will pay all operating and maintenance costs out of toll revenues and pay off the construction costs during the next 39 years. In this respect, the seaway would still be treated unfavorably with respect to all other waterways in the United States which have been developed and operated entirely out of general tax revenues. In this light, converting the seaway debt to an interest-free loan is a very modest step.

I think, however, that this approach is one which will permit the seaway to grow and remain economically viable. If such legislation is not enacted, substantial toll increases will be required under terms of the seaway legislation and our agreements with Canada.

The American midcontinent is the keystone of the Nation's production. In both agriculture and industry, the Midwest is a leading world producer. It outproduces the six Common Market nations together. It also outproduces the Soviet Union.

The midcontinent is the largest exporting region in the United States. However, we find that the overwhelming majority of exports from this region are being shipped by expensive overland routes to coastal cities where they must be reloaded on oceangoing vessels.

Since the construction of the St. Lawrence Seaway, this American heartland has been open to low-cost shipping through a transportation artery extending 2,342 miles from the ocean to the head of the Lakes. We have cost data which show that shipping from Great Lakes ports through the seaway is extremely economical, compared to alternative routes. But Federal policies are inhibiting Great Lakes shipping.

If the Great Lakes are to be fairly treated, a number of other measures are also required:

We must put a stop to discriminatory overland transportation rates.

We must assure that the U.S. Government cargo is shipped, where it is economical, via the Great Lakes-St. Lawrence system.

We must vigorously pursue the initial study of the Corps of Engineers with respect to extending the navigation season in the lakes.

We must see to it that the lake ports are developed, at the very least, to the point that they can handle the largest ships which can use the seaway.

But these improvements depend on the maintenance of a transportation artery to the ocean which is not strangled by excessive toll charges.

I urge my colleagues to do simple justice to the Great Lakes by acting now to prevent any increase in tolls.

I ask unanimous consent that my testimony on this issue be included at this point in the RECORD.

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

STATEMENT BY SENATOR WALTER F. MONDALE

Mr. Chairman, I am delighted to be here at the opening of your hearings of this important, new Subcommittee.

I think the establishment of this Subcommittee is a very significant step in establishing the facts concerning both the problems and the potential of the Great Lakes-St. Lawrence system—this vital transportation artery which extends 2342 miles from the ocean into the heartland of America. When the facts have been put on record, I am confident that your Subcommittee will be able to lead the way toward unlocking the great potential of this unique transportation system.

The American mid-continent is the keystone of the Nation's production. In both agriculture and industry, the mid-west is a leading world producer. It out-produces the six Common Market nations together. It also out-produces the Soviet Union.

Within the United States, the mid-continent has become the largest exporting region of the United States. Indeed, Chicago has become the leading export city in the nation. And Detroit is now the second largest exporting city in the nation.

Do we find that these leading export cities are shipping their products out of their own port facilities? No. On the contrary, we find that the overwhelming majority of exports are being shipped by expensive overland routes to coastal cities. There, they must be reloaded on ocean going vessels to sail to ports which, in many cases, are no closer to the U.S. coastal city than they are to the port of origin on the Great Lakes. For example, the distance by water from Baltimore to Liverpool is 3,936 miles. The city of Detroit is actually closer to Liverpool by water. It measures only 3,710 miles. If we add the 604 miles overland from Detroit to Baltimore we see that route through the coastal port is 840 miles longer than that through the Great Lakes-St. Lawrence system.

Cost analysis of shipments through the Lakes and from coastal ports bears out the savings which should accrue from direct exporting. For example, the *Wall Street Journal* recently observed that a shipment of power transformers from Oil City, Pennsylvania to LeHavre, France, cost the shipper $1,387 each through Cleveland, compared with $2,232 if the transformer had been shipped by rail to New York and then to France.

Similar cost savings exist for shipments via Duluth in my own State. For example, in 1968 it cost $1.39 per case to ship scotch whiskey from Glasgow to Minneapolis via Duluth and $1.99 via New York. Rough quarried marble cost $2.43 per 100 pounds from Leghorn, Italy, to Minneapolis via Duluth and $3.45 per 100 via Boston.

Despite these inherent advantages of proximity via great circle routes to major U.S. buyers abroad; despite the cost advantages of water borne commerce over land borne commerce; and despite the ability to ship directly without reloading at coastal ports, we find that the lake ports are handling only 2½% of the U.S. overseas water borne trade.

Virtually no U.S. government cargo is shipped abroad out of Great Lakes ports. For example, the Department of Defense alone exports almost 30 million tons in a year and only 2,000 tons were shipped through Great Lakes ports in 1968. This amounts to less than 1/100 of 1% of the total Defense exports. In contrast, approximately 35% of the material exported by Defense originated in the Great Lakes area.

Why do we find that the Lake ports are not handling the traffic which would seem to be their reasonable share of U.S. exports? The reasons are complex and interrelated. They include some natural limitations such as the extended winter period when, at least by tradition, shipping is thought to be impractical because of ice conditions on the lakes. But they also include a variety of grossly discriminatory practices which are either imbedded in Federal legislation or are sanctioned by Federal agencies.

For example, under Section 22 of the Interstate Commerce Act, free or reduced rates are often given for government cargo moving to coastal ports. But such rates are seldom offered on traffic to Geat Lakes ports.

Moreover, the railroads have charged excessive and unfair rates on shipments to Great Lakes ports as contrasted to rates for shipments to more distant coastal ports. As noted by the *Wall Street Journal*, "It costs nine times as much per mile . . . to ship steel silos by train from Kankakee, Illinois, to Chicago than from Kankakee, Illinois to New York." Another example is the proposed rates which have been filed with government agencies for shipment of soybeans and meal from central Illinois to New Orleans—rates which are the same as those for shipment to nearby Chicago.

We also find that the cargo preference laws operate to prevent shipments of government cargo through lake ports because there are usually no American Flag Carriers available in which to ship such cargo. The reason why there are so few American Flag Carriers on the Lakes is that traditionally, the Maritime Administration has not made the benefits of maritime assistance programs available to the Great Lakes.

For example, the maritime construction subsidy program offers some $100 million per year in Federal assistance, but not a dime has gone to the construction of vessels in the Great Lakes. Similarly, the $300 million a year in operating subsidies have gone almost exclusively to the three coasts enumerated in the Merchant Marine Act of 1936. The Great Lakes sea coast is conspicuous only by its absence.

Only three American Flag Carriers have received operating subsidies from the Maritime Administration, and these supported less than a dozen voyages out of the Great Lakes in 1969.

By comparison, vessels registered to the Soviet Union made 33 voyages into the Lakes in 1969.

The total subsidy for the three American Flag Carriers in the last four years has been approximately $11 million. In contrast, the operating subsidy to a single U.S. vessel, namely the SS. United States, was $11 million in the last year alone.

In 1969, 11 of the 17 trips made by U.S. Flag vessels were in connection with a temporary Department of Defense test to assess the cost advantages of shipping defense cargo directly through Lake ports. Even this test, however, reflects the government-sanctioned discrimination against the Seaway which has plagued development of the area and its transportation system.

Since these Defense-chartered vessels were only able to carry Defense cargo back from their European destinations, they frequently returned with uneconomic loads. As a result, this test could not fairly show the inherent cost advantages of shipment through the lakes.

All of these factors have operated to limit the number of voyages out of the lakes, making it difficult for shippers to rely on timely deliverly through lake ports. Thus, the solution to the problems of the Great Lakes-Seaway transportation system is as complex as the interrelated causes. But a start has to be made, and the work of this Subcommittee should mark that important beginning.

I hope this Subcommittee will help to explore the feasibility of greatly extending the navigation season on the lakes and suggest steps which can be taken during this session of this Congress to begin the process. Every year, hundreds of millions of dollars are spent on navigation improvements on toll free waterways throughout the United States. Let us not hesitate to spend a small portion of these waterways improvement funds on the Great Lakes-St. Lawrence system.

A feasibility study, recently concluded by the Corps of Engineers, revealed that it should be entirely practical from a technical point of view, and entirely reasonable from an economic point of view, to greatly extend the shipping season. Including a 30 year amortization schedule for capital investment, the total cost per year for extending the shipping season to a 12 month basis has been estimated to be only $27 million.

I also hope that this Subcommittee will begin to explore and expose the grossly discriminatory overland transportation rates to lake ports. It is almost inconceivable that an agency of the United States government—the Interstate Commerce Commission—should have sanctioned such rates in apparent contravention of statutory policy against discriminatory rates. Unfortunately, the lake ports have only recently begun to protest these unfair rates. But it is time for the Congress to show that it supports their cause and will not condone the continuation of such unfair policy and practice by one of its regulatory arms.

It is also time to bring to a stop the discrimination against the lake ports under the maritime subsidy programs. We must eliminate any imperfections in the 1936 Merchant Marine Act, and make it perfectly clear that Great Lakes ports are fully eligible for all the benefits under that program. But we must do more.

I was amazed to note that the recent proposal of the Administration for a 10 year maritime program made no reference to the Great Lakes trade. The Maritime Administration has shown something less than enthusiasm for the development of Great Lakes trade. In order that it does not continue its well established practice of overlooking Great Lakes commerce, I believe it essential that we amend the legislation proposed by the Administration to be very specific about our objectives. We must not only permit Federal assistance to the Great Lakes maritime trade; but we must require it.

I would also hope that this Committee could be helpful in persuading the Defense Department to extend the so-called test for studying the possible economies of shipping defense cargo through lake ports. The test conducted so far was like sending a contestant into the fray with one hand tied behind his back. Surely, if we are going to have a test of the economics of shipment to European ports, we can devise one where a ship will have a full cargo on both legs of its journey.

Finally, I would like to turn to the subject of the financial structure of the St. Lawrence Seaway Development Corporation. I was proud to introduce S. 3137 with the co-sponsorship of 14 Senators from both parties from all of the States in the upper mid-west.

This bill should not be regarded merely as a regional measure. The Seaway has clearly benefited the entire nation. The Great Lakes-St. Lawrence Waterway System permits extremely economical water transport serving one of the world's richest agricultural regions and leading industrial complexes.

In the year before the Seaway opened less than 12 million tons of cargo moved through the St. Lawrence. This jumped to over 20 million tons in 1959 and continued to grow to almost 50 million tons in 1968. Unfortunately, traffic declined last year to about 41 million tons, due in large part to extended labor disputes at iron ore mines and docks. Much of this growth in volume represents an increase in the United States' share of world trade. I hope the Committee will be able to develop data to document this growth. Overseas tonnage was a mere 300 to 600 thousand tons before the Seaway opened. In the first year, this jumped to almost 5 million tons and continued to grow to almost 15 million tons by 1967.

There are only five countries competing in the world wheat market. The Seaway has helped to secure a significant portion of that market for U.S. farmers. It has provided an excellent low-cost route for exporting surplus agricultural production.

And so it is for other U.S. exports of commodities and industrial products, such as automobiles, locomotives, gasoline engines, farm equipment, turbines, earth moving equipment and heavy machinery. Manufacturers and processors have also found that the Seaway provides efficient and economical access to raw materials from Canada and abroad. Here too, the benefits of increased U.S. production are shared by the entire nation.

According to a study by the Maritime Administration, the additional income to the Great Lakes area in a single year, as a result of the waterborne commerce, is estimated at $300 million. This represents a return of more than 200% per year on the total U.S. investment in the Seaway. Two years ago, while similar legislation was pending, we were successful in securing a four-year moratorium on toll increases on the St. Lawrence Seaway. Two years have passed without the action which is necessary to prevent new proposals for toll increases.

It is abundantly clear that the financial projections underlying the original Seaway Act are unsound. The time to put the Seaway on a solid financial footing is now. The U.S. will soon have to agree with its Canadian partner on new toll rates to be effective in 1971. Therefore, I believe that prompt action on this bill is essential.

The St. Lawrence Seaway act of 1954 requires that the Corporation pay, out of toll revenues, the entire cost of construction by the year 2009. In addition, toll revenues must cover fully the cost of operation and maintenance.

This self-sustaining requirement is unique for waterways in the United States. The Federal Government has developed and maintained waterways and ports throughout the United States entirely out of general revenues.

For example, the U.S. has spent over $56 million for the development of the Gulf Intercoastal Waterway and an additional $50 million for operation and maintenance. The same region has been benefited by an expenditure of $62 million for the 76-mile Mississippi River-Gulf Outlet and close to $11 million has already been spent on operation and maintenance. The 50-mile Houston Ship Channel has cost the taxpayers almost $33 million and more than $37 million has been paid for operation and maintenance. The 96 mile Delaware River Channel to Philadelphia was developed at a public cost of $130 million—which is greater than the U.S. investment in the St. Lawrence Seaway. Moreover, $140 million from general revenues has gone into operation and maintenance of that Channel.

The Federal Government is also investing more than $1 billion in the Arkansas River project.

No user charges whatsoever have been levied in the case of any of these facilities. For this reason, there is growing recognition that the financial framework of the St. Lawrence Seaway is unfair and unreasonable and discriminates against the Nation's "fourth seacoast."

This discrimination in financing an essential link in this 2342 mile waterway into the the mid-continent is dramatized by contrasting the Federal transportation aid given to other regions, such as Appalachia. Up to the end of the last fiscal year, the U.S. Government has invested $470 million in developing roads to serve Appalachia. And much more remains to be spent there.

I do not begrudge those expenditures for Appalachia, and I am sure that my fellow Senators from the Great Lakes area do not either. But we are compelled to wonder why this unequal treatment for the Seaway. I, for one, am determined to obtain fairer treatment for Minnesota and her sister states in the Great Lakes region.

Perhaps, when the Congress authorized this historic project, there was reason to believe that the Seaway could, indeed, bear the unprecedented financial burden which was placed upon it. But this belief has proved unfounded. Since the Seaway was opened in 1959, it has not been able to make any significant payments toward reduction of the bonded debt. Although it has made substantial interest payments to the Treasury, it has fallen in arrears $15.7 million in interest charges.

Thus, the original capital cost of $124 million, plus $6.7 million in interest during the construction period, and $9 million for lock rehabilitation has grown to a total of $155.9 million. Based on present traffic projections and current toll revenues, the debt of the St. Lawrence Seaway Corporation will not be eliminated by the year 2009. In fact, it will grow to some $800 million if corrective action is not taken.

Raising toll revenues is not the solution. Those who propose this easy remedy may be unaware of what the toll rates are. Perhaps, when they think of tolls, they have in mind the $1.75 for an automobile to drive the length of the New Jersey Turnpike. Or perhaps they think of the $5.00 a truck might pay. How many realize that, for example, a ship named "Andwei," carrying 22,636 tons of iron and steel, paid a toll of $21,225.28 on October 12, 1969 to use the St. Lawrence Seaway?

The existence of competitive modes of transportation which were once, themselves, heavily subsidized, would draw off the necessary traffic if the tolls were significantly raised. But the existence of the Seaway has already served a very useful purpose in keeping the rates on other transportation down.

A "principle" was put forth in 1954 that transportation facilities should be self supporting. As I have noted, in the 15 years since then, no other waterways have been built or operated in accordance with this principle. Air transport is also subsidized by the Federal Government. Should the Seaway be forced into "bankruptcy" in the interest of establishing this elusive principle?

Under existing law, the current break-even point would be some 56 to 58 million tons of Seaway traffic annually. In contrast, only 41 million tons were handled in 1969. Thus, it can be seen that intensive traffic-building efforts would still fall far short of making the Seaway self-supporting under present statutory provisions. But, clearly, we should do our best to build traffic. Last year, however, the House of Representatives denied the Seaway Corporation $30,000 for a traffic development study. I regret that the Senate did not see fit to restore that small sum.

Based on existing practice with respect to all other Federally assisted waterways and ports, it would be entirely reasonable to propose that the bonded debt of the Seaway be written off and that operating and maintenance costs, henceforth, be paid out of general revenues.

We still hear proposals for initiating waterways "user charges" on other Federally-assisted waterways. Perhaps we should propose that toll charges on the Seaway be abandoned until such time as the Congress adopts such charges.

We have not made that proposal, however. S. 3137 merely proposes to relieve the Seaway of the crushing burden of debt service. It could then pay its fair share by fully covering its operating and maintenance costs and maintain reasonable toll levels.

The bill would cancel the existing debt of the Seaway to the Treasury. It would, however, require the Seaway to pay operating and maintenance costs, and payments in lieu of taxes, out of toll revenues. Any money remaining would be returned to the Treasury.

The Corporation has already returned more than $36 million to the Treasury in the form of interest on the original bonded debt. Until such time as agreement can be reached with Canada for a substantial reduction in tolls, the Seaway would have a "surplus" after paying operating and maintenance costs. Under our bill, and in light of existing Canadian law and international agreement, this "surplus" would result in payments to the Treasury at approximately the current rate of $4 to $5 million per year.

However, it is our hope that this bill will lead to significant toll reductions. Based on present traffic volume, and assuming Canadian agreement, a toll reduction of approximately ⅔ would be possible.

It does not seem unreasonable for the United States to pay out of general revenues the approximately $5½ million annual interest cost on the U.S. investment in the Seaway. This seems very small in relation to the billions of dollars in Federal revenues which have been paid for the construction and operation of other waterways. Considering the extensive public interest and national defense value of the Seaway, it is clearly appropriate to have general revenues assume this modest cost.

I wish it were possible for the U.S. Congress to require that Seaway tolls be substantially reduced and eventually eliminated. But we own only two of the seven locks. And our action must be coordinated with Canada's. Accordingly, I will merely state at this time the objective of the sponsors that everything possible be done by the U.S. to prevent any toll increase and to move as rapidly as possible toward reduction in tolls.

I suggest that, in hearings on this bill, the Committee explore various possibilities for reducing or eliminating toll charges on the Seaway. If a formula could be devised to assure such reductions, I would like to see it incorporated in the bill. If not, I would hope the Committee would express its intent about toll rates in its report on the bill.

Perhaps enactment of the bill will encourage our Canadian partner to consider changes in the financial structure of its Seaway Authority. If Canada adopted similar legislation, then surely there could be significant toll reductions.

If action along the lines of this bill is not taken, the Seaway will be forced to consider toll increases in the order of 25 to 50

percent in the near future. That would clearly be disastrous.

I believe that the national benefits already realized from the construction of the St. Lawrence Seaway are clear. It has been estimated that Seaway traffic could be doubled over the next 20 years, with vastly increased contributions to the security and well-being of America. I hope that the bill will be enacted speedily so that it will be unnecessary for the U.S. to agree to an increase in tolls, which would seriously jeopardize the Seaway's potential. I also hope the other steps which are necessary to extend the navigation season, eliminate discriminatory practices, and assist Great Lakes shipping will be taken promptly.

Mr. SCOTT. I represent the ports of Philadelphia and Erie. I am convinced this is perfectly fair to Atlantic seaboard ports in that it goes no further than to relieve the seaway of certain unpaid interest obligations. I think it is fair and it does not harm my home port of Philadelphia.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. WILLIAMS of Delaware. I have heard this described as a modest amendment. How modest is it? How much is the principal and to whom do they owe it? How much is accrued that is not paid?

Mr. GRIFFIN. Mr. President, will the Senator yield so that I may respond.

Mr. SCOTT. I yield.

Mr. GRIFFIN. It would cancel accrued interest of $22.4 million.

Mr. WILLIAMS of Delaware. To whom is that owed?

Mr. GRIFFIN. It is owed, of course, to the United States. When the legislation authorizing development of the St. Lawrence Seaway was passed, it was passed with the requirement that the investment be paid back with interest. It was passed with certain estimates about how much traffic there would be on the seaway and what tolls would be. There is no question that the traffic has not come up to the estimates, and there is a statutory obligation that the tolls provide the seaway corporation with revenues sufficient to pay off its debt by the year 2000.

We are in a situation where tolls must be raised because they have not covered both principal and interest. This is counterproductive since it will further reduce traffic on the seaway. In previous years Senators from the Great Lakes area on both sides of the aisle have been pushing for a forgiveness of principal and interest. The Senator from Minnesota, the Senator from Michigan and others have tried to do this because we believe the seaway has suffered as a result of the unfair burden placed on it. It is the only United States waterway having some type of user charge.

We have passed legislation authorizing development of waterways and harbors as well as authorizing construction of locks in other parts of the United States without requiring anything to be paid back. This amendment is a compromise.

This administration agreed only to forgive the interest. We will still have to pay back the principal, but the necessity for raising tolls will be eliminated.

Mr. WILLIAMS of Delaware. I understand. I supported the Saint Lawrence Seaway. That is an obligation that is owed to the U.S. Government. Is that right?

Mr. GRIFFIN. The Senator is correct.

Mr. WILLIAMS of Delaware. Are any of those moneys owed to the Canadian Government?

Mr. GRIFFIN. No.

Mr. WILLIAMS of Delaware. Will it continue to be paid on other obligations of the Saint Lawrence Seaway, or is this the only obligation? I am trying to determine what we are forgiving.

Mr. GRIFFIN. No.

Mr. WILLIAMS of Delaware. The Saint Lawrence Seaway does not owe anyone except what they owe to the U.S. Government; is that right?

Mr. GRIFFIN. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania (Mr. SCOTT). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT) the Senator from Alabama (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), the Senator from Maryland (Mr. TYDINGS), the Senator from Texas (Mr. YARBOROUGH), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Georgia (Mr. RUSSELL), are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Hawaii (Mr. FONG), the Senator from New York (Mr. GOODELL), the Senator from Idaho (Mr. JORDAN), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senator from Texas (Mr. TOWER), are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) is absent on official business.

If present and voting, the Senator from New York (Mr. GOODELL), the Senator from South Dakota (Mr. MUNDT), the Senator from Illinois (Mr. SMITH), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 56, nays 14, as follows:

[No. 312 Leg.]

YEAS—56

| | | |
|---|---|---|
| Aiken | Ervin | Mondale |
| Allott | Gore | Nelson |
| Anderson | Griffin | Pearson |
| Baker | Gurney | Percy |
| Bayh | Hansen | Prouty |
| Bellmon | Harris | Proxmire |
| Bennett | Hart | Randolph |
| Bible | Hartke | Saxbe |
| Boggs | Hatfield | Schweiker |
| Burdick | Holland | Scott |
| Byrd, W. Va. | Hruska | Smith, Maine |
| Case | Hughes | Sparkman |
| Church | Inouye | Stevens |
| Cook | Javits | Symington |
| Cooper | Jordan, N.C. | Williams, N.J. |
| Cranston | Mansfield | Williams, Del. |
| Curtis | McGovern | Young, N. Dak. |
| Dole | Metcalf | Young, Ohio |
| Dominick | Miller | |

NAYS—14

| | | |
|---|---|---|
| Allen | Hollings | Pastore |
| Brooke | Long | Pell |
| Byrd, Va. | Mathias | Spong |
| Dodd | McIntyre | Talmadge |
| Ellender | Packwood | |

NOT VOTING—30

| | | |
|---|---|---|
| Cannon | Jackson | Murphy |
| Cotton | Jordan, Idaho | Muskie |
| Eagleton | Kennedy | Ribicoff |
| Eastland | Magnuson | Russell |
| Fannin | McCarthy | Smith, Ill. |
| Fong | McClellan | Stennis |
| Fulbright | McGee | Thurmond |
| Goldwater | Montoya | Tower |
| Goodell | Moss | Tydings |
| Gravel | Mundt | Yarborough |

So the amendment was agreed to.

Mr. SPONG. Mr. President, for those of us who have served on the Merchant Marine Subcommittee or who are in the least familiar with marine affairs, today is an occasion of special significance not unlike the launching of a ship. In this case, I am hopeful that the comprehensive legislation before us will lead to the launching of a whole new era in our merchant marine history.

There is no question about the urgency of solving the problems of our merchant marine. The age and condition of our fleet has deteriorated to the point where this country is almost totally dependent upon other nations to carry its seaborne commerce. This has disturbing implications not only for our ability to deploy and support our military forces abroad, but for the continued vitality of our international trade.

For the most part, our merchant fleet is made up of worn out World War II ships, three-fourths of which are more than 20 years old and slated for the scrap pile in the next 3 or 4 years. Unless we can reverse the depressing record of ship replacement, we will have barely 200 modern ships in our foreign trade fleet by 1982, able to carry less than 3 percent of U.S. trade.

This projection is in startling contrast to the picture immediately following World War II when as the result of a crash wartime shipbuilding program, the United States could boast the largest merchant marine fleet in the world, with some 3,600 vessels. Years of neglect and a basic failure to understand the nature and requirements of our role as a major sea power has led to our present dismal status among the seafaring nations of the world.

I think it is clear that we either must expand our shipbuilding program to offset the deficiencies of previous years, or we must resign ourselves to the position

of a second-rate seapower. With the United States standing virtually alone as the leader of the free world, I cannot imagine the American people accepting such a fate.

I am hopeful that the bill before us today will begin to meet this problem. I am particularly pleased that this legislation seeks to correct a major inequity in our maritime laws, an inequity based on the extension of tax-deferred construction reserve benefits for the Nation's oceangoing merchant fleet, and a problem which I sought to correct with legislation last year.

By making available these tax benefits to unsubsidized as well as subsidized companies, I am confident that we are going to induce the investment of much larger sums of private capital in new merchant ship construction. And, of course, if we can bring more private capital into this sadly languishing industry, we will diminish by that much the demands for more Government—which is to say taxpayers'—money.

So I hope that this bill is the beginning of a new true course. It reflects the direction taken by many of us in the Congress for a long time. That direction is toward fair and equitable treatment for all sections of the shipping industry involved in international trade, and the attraction of more private capital to accomplish the enormous task ahead of us.

The distinguished chairman of the Commerce Committee, Senator MAGNUSON, the able chairman of the subcommittee, Senator LONG, and the ranking minority committee member, Senator COTTON, are to be commended not only for introducing this bill but for their efforts over the years to give this country the kind of broad program it needs to revitalize our merchant marine.

I am pleased that we are finally embarked on a committed course and I am hopeful that we can move full speed ahead by passing this long-awaited bill.

Mr. HART. Mr. President, after many years of study and analysis, the Committee on Commerce brings to the Senate floor H.R. 15424, which provides for the long-needed revitalization of the American merchant marine. We regret that our late colleague, Senator Bartlett, who toiled at this task so long and so faithfully, is not with us to see his efforts and the efforts of others too many to name reach fruition.

Particularly satisfying to those of us from the Great Lakes area is the fact that the committee has retained the amendments to the administration's initial bill added by the House Committee on Merchant Marine and Fisheries. These amendments recognize and provide long-needed assistance to the struggling Great Lakes fleet and the rapidly growing Great Lakes foreign commerce. For the first time in history, lake carriers will be entitled to receive Federal assistance on the same terms that other segments of the American merchant marine have enjoyed since the enactment of the Merchant Marine Act in 1936. This assistance is long overdue, and it is our hope that the hard-pressed lake carrier fleet can be revitalized and modernized under the provisions of the bill before us today.

This bill also formally recognizes what we have known to be true since the opening of the St. Lawrence Seaway in 1959; namely, that the Great Lakes-St. Lawrence Seaway system is a vital and necessary avenue of foreign commerce of the United States. Section 23 of the bill declares this to be a fact, and in essence, calls upon the Federal Government to insure that American-flag ships equitably serve the Great Lakes overseas trades. We fully expect that the Maritime Administration will heed the intent of the Congress and institute a program to provide adequate American-flag service on all Great Lakes trade routes as expressed in the passage of this legislation and as earlier expressed by a special subcommittee of the Senate Commerce Committee in 1965.

During our study of this bill, the committee considered an amendment to the Military Cargo Preference Act of 1904, 10 U.S.C. 2631, which would have permitted the President to authorize the Department of Defense to ship military supplies via the lowest cost routing and use foreign-flag vessels when there were no American-flag ships serving the lowest cost trade route. The primary aim of the amendment was to prevent the diversion of millions of tons of military cargo away from the lower cost trade routes and ports, and to offer sufficient incentive for American-flag ship owners to provide vitally needed American-flag service to Great Lakes ports and other ports that are presently denied such services. Because some of the members were convinced that such an amendment, not fully considered by either the Senate or House committees, might jeopardize final passage of H.R. 15424, the amendment was not accepted by your committee.

Our consideration of the amendment, however, pointed out that the strict application of the several cargo preference laws serves to restrict the primary goal of expanding the American merchant marine because those laws remove any incentive to expand available American-flag shipping services beyond a few major port areas where such services tend to concentrate in hopes of receiving government impelled cargoes reserved to American-flag ships. This concentration leaves port areas like the Great Lakes and New England substantially devoid of American-flag service and does not in the long run promote or foster a citizen-owned merchant marine capable of carrying a substantial portion of all American foreign commerce.

I support the enactment of H.R. 15424 and urge its early implementation in all of its aspects by the Maritime Administration. I also urge that the Maritime Administration take immediate steps to formulate a program that will insure that American-flag ships equitably serve all major U.S. trade routes with special emphasis on those port areas which are presently denied American-flag service. Our amendment would have provided the first step in this direction, and we will closely observe what steps the Maritime Administrator takes to see that the merchant marine truly grows to serve the needs of the entire Nation.

Mr. PROUTY. Mr. President, I wish to urge favorable consideration by the Senate of the bill, H.R. 15424. This bill will serve to provide the vehicle for the new maritime program recommended by President Nixon in his message to the Congress on October 3, 1969 and, more importantly, chart the course for the revitalization of the American maritime industry for which many of us have labored so arduously over the past several years.

Mr. President, H.R. 15424 is an omnibus bill which principally serves to amend the Merchant Marine Act of 1936 so as to bring its provisions in consonance with the maritime needs of our Nation for the 1970's and 1980's. In so doing, it incorporates several prior legislative recommendations to improve the administration of our Nation's maritime program and to improve the competitive posture with respect to both shipbuilding and ship operations. In a word, it is the legislative blueprint for the President's proposed 10-year maritime program.

Referring to the President's message on this new maritime program, I invite particular attention to the following statements contained therein concerning the shipbuilding industry:

> 1. We should make it possible for industry to build more ships over the next ten years, moving from the present subsidy level of about ten ships a year to a new level of thirty ships a year.
>
> 2. We should reduce the percentage of totals costs which are subsidized.

These goals will be aided in their accomplishment by the use of a multiyear procurement system now used in connection with other Government programs.

In connection with the ship operations, H.R. 15424 would propose to continue operating-differential subsidies for only a limited number of specific items. It also would tie the principal cost item of wages to an index-type system. As President Nixon observed in his message:

> A policy which ties subsidies to this wage index will reduce subsidy costs and provide an incentive for further efficiencies.

Thus, the bill represents a positive and an affirmative step forward to meeting our national sealift requirements. It also is significant that, in the words of President Nixon:

> The expansion of American merchant shipbuilding which this program makes possible will provide many new employment opportunities.

But perhaps of greatest importance is that this legislative proposal bears the general endorsement and support of all interested parties—the President and his administration, the Congress, and by and large the maritime industry.

In conclusion, I believe that President Nixon perhaps best summed up the thrust of this legislation in the following manner:

> It is my hope and expectation that this program will introduce a new era in the maritime history of America, an era in which our shipbuilding and ship operating industries take their place once again among the vigorous, competitive industries of this nation.

I, therefore, urge all my colleagues to support the passage of H.R. 15424,

launching our maritime industry into an era of challenge and opportunity, rather than leave it in the present costly doldrums.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 918

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment No. 918.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 918) of Mr. WILLIAMS of Delaware is as follows:

On page 27, line 3, strike out "eligible vessels (as defined in subsection (k)(1))" and insert in lieu thereof "vessels operating in the United States foreign trade".

On page 27, line 7, strike out the word "vessels" and insert in lieu thereof "vessels which can become agreement vessels (as defined in subsection (k)(1))".

On page 27, lines 13 and 14, strike out ", Great Lakes, or noncontiguous domestic trade or in the fisheries of the United States" and insert in lieu thereof the word "trade".

On page 28, lines 13 and 14, strike out "foreign or domestic commerce of the United States or in the fisheries of the United States," and insert in lieu thereof the following: "United States foreign trade,".

On page 33, lines 21 and 24, and on page 34, lines 2 and 3, strike out in each such line "a qualified" and insert in lieu thereof in each such place "an agreement".

On page 40, line 11, strike out the word "'eligible" and insert in lieu thereof the word "'agreement".

On page 40, line 15, strike out the word "and".

On page 40, strike out lines 16 through 24, and on page 41, strike out lines 1 through 14 and insert in lieu thereof the following:

"(C) on which an operating-differential subsidy is being paid, and

"(D) which the person maintaining the fund agrees with the Secretary of Commerce will be operated in the United States foreign trade."

On page 41, line 15, strike out "(4)" and insert in lieu thereof "(2)".

On page 41, line 18, strike out "(5)" and insert in lieu thereof "(3)".

On page 41, line 23, strike out "(6)" and insert in lieu thereof "(4)".

On page 42, line 1, strike out "(7)" and insert in lieu thereof "(5)".

On page 42, strike out lines 8 through 14.

Mr. WILLIAMS of Delaware. Mr. President, although this bill is an amendment to the Merchant Marine Act of 1936, one of its principal purposes is to indirectly amend the tax laws of the United States, and it is my opinion that for that reason the tax portions of the bill should have been referred to the Committee on Finance for its consideration before it was reported by the Committee on Commerce.

I am referring specifically to section 19 of the bill, which extends the privilege of tax deferral of income taxes on earnings deposited in a reserve fund to unsubsidized American-flag operators in foreign trade, vessels used in the Great Lakes trade, in noncontiguous domestic trade—such as that with Alaska, Hawaii, and Puerto Rico—and in the fisheries of the United States. This privilege of tax deferral under present law is available only to subsidized ship operators in the U.S. foreign trade. With this expansion of the section under present law, it is difficult to see why, should this bill be enacted, the shipping industry will any longer pay much, if any, Federal income taxes. I can assure you that there is not an industry in the country that would not like similar treatment. It is difficult for me to see why, if the Commerce Committee is to exempt from Federal tax the industries which come within its jurisdiction, other committees cannot similarly exempt from tax those industries coming within their jurisdiction. Ultimately, if this process continues, we would, of course, raise no revenue from American business.

Under the terms of the provision, it is true that the money placed in the capital construction fund generally is to be spent for the construction of new ships. However, the fact that the money is invested in the ships does not end the tax benefit with respect to the amounts previously placed in the construction reserve fund. Even when the money is invested in a ship, the deferral continues and when that ship is sold, if the funds are reinvested again in the fund, the tax deferral can be continued indefinitely. Also, the investment income of the fund falls within this tax privilege.

One of my major concerns with this bill is the substantial additional costs to the Government through a reduction in revenues which would otherwise be available. The present provision costs about $10 million and this bill would increase this loss to between $50 and $100 million, or possibly more, depending on how much is placed in the fund. I do not believe we can afford this revenue loss at this time.

I would like to go through with you now the principal reasons why I believe that this type of indirect tax legislation is the wrong thing to do

First, as I have already suggested, if this one industry is for the most part to obtain freedom from Federal tax because it is a good thing to have for the shipping industry, what about all of the other industries that we need in the country? How does one justify imposing a tax on any other industry needed by the country if specific tax exclusions are provided for this industry?

Second, if you were to provide a subsidy for the shipping industry, I would assume that you would not want the largest benefits to go to those with the largest profits. I think it is clear that to do so is the reverse of what a rational decision would be. Yet, that is exactly the result under this provision. The benefit depends upon the size of the taxable income. The larger the income, the larger the benefit; any business that operates at a loss receives no benefit at all. Thus, a tax subsidy operates just opposite to the manner in which it should work since those that need aid the most receive the least help and the more a member of the industry prospers, the more benefits it receives.

Third, it seems to me that if Congress is to provide a subsidy for the shipping industry, it would want to review this from year to year to see whether it was working in the manner desired and whether the subsidy was being granted in the most economical way possible to achieve the desired goals. Yet, a tax subsidy of this type almost guarantees that there will not be an annual review of the subsidy since this is permanent law and this cost does not appear in the budget.

Finally, at a time such as the present, when we are asking the Government generally to cut back its spending, it seems to me that this is a particularly inappropriate time to say to the shipping industry: "You no longer have to pay any taxes."

The amendment I am offering today is intended to preserve present law as far as the use of the tax deferred reserve fund is concerned. This means that the subsidized vessels operating in the U.S. foreign trade will continue to have available a reserve fund in which they may deposit their profits free from tax to be used for ship construction in the United States. However, as a result of my amendment, the reserve fund will not be extended to unsubsidized vessels operating the U.S. foreign trade or to vessels used in the Great Lakes trade, in noncontiguous domestic trade or in the fisheries of the United States.

I understand that at the present time this tax deferred reserve fund is administered by the Treasury Department through closing agreements which, in most cases, date back to the 1940's and are not clear as to the tax status in various situations. This bill, as I understand it, besides expanding the use of the tax deferred reserve funds, also revises the tax treatment of the funds to clarify and simplify the effect of the various transactions that are made by a company through its reserve fund. For this reason I am not opposing the technical changes made by the bill. Instead, my amendment is directed only toward cutting back on the additional types of shipping which would otherwise be given the tax deferred treatment in the bill before us.

I suggest that if the Commerce Committee believes that the merchant marine industry is in need of financial aid that it bring before the Senate a bill providing subsidies through the use of direct appropriations. We would then have the opportunity of seeing who will receive the subsidy and how the industry is faring from one year to the next. This will allow the Appropriations Committee an opportunity to review the needs of this industry in providing appropriations each year. I feel that this is the better way to provide aid for an industry than to use the tax laws to provide an indirect subsidy. It will allow us to see what we are doing each year, instead of providing subsidies by using the tax laws. The subsidies through the tax laws are undesirable first because they do not provide the financial aid to those that need it the most and second because under this procedure there is no opportunity to review from year to year the effect of the subsidy.

To summarize—the issue is very clear.

Under the existing law the merchant marine, that is, the subsidized merchant marine, those ships operating in coastal waters and those operating under certain restrictions as to rates, are granted certain tax credits or the privilege of setting aside a portion of their earnings without paying income taxes. This can be set aside and put in a special fund for the purpose of buying a new ship or expanding their fleet.

This privilege of tax credits has never before been available to those nonsubsidized lines flying the American flag in international commerce, to fishing vessels or any of the nonsubsidized lines. This bill for the first time extends this tax credit and this tax privilege to all of the American merchant marine ships classified as American-citizen-owned, or flying the American flag regardless of where they operate.

I have checked this with the staff of the joint committee, and they pointed out that under existing law this tax credit costs the Government about $10 million a year. All of the subsidized lines do not take advantage of the provision because there are some restrictions attached to it; but with these restrictions removed and these tax credits extended to all ships flying the American flag it is figured that the loss in revenue would be $50 million as a minimum estimate and a maximum of $100 million. The reason it would cost more right now is that tanker rates and a lot of shipping rates are at an abnormally high level. This would practically excuse all of the merchant marine from paying any Federal income taxes whatsoever if the committee bill is approved.

I think, in the first place, this tax credit should have been considered by either the Ways and Means Committee or the Committee on Finance. I am not making any point of that now. It is late in the session, and I told the chairman we would debate the matter on the floor. But I think we should be clear in what we are doing.

Without this amendment we would be extending a tax-exempt haven to practically all of the merchant marine that is classified as American owned, and there would be very little if any income taxes paid by this industry. I do not think we can start exempting any of the industries from having to pay their proportionate part of the cost of operating the Government. If one of these ships should be sunk in international waters it may mean the involvement of our country in war. They expect the protection of the American flag, yet they do not seem to be willing to pay anything toward the defense of this country. I do not see how such favored treatment can possibly be justified.

I asked the Department, and, while I do not have a list of all the companies that would be classified as eligible for this exemption—when I say eligible, I mean they would be in an eligible position where they could be considered for the tax credit—I did ask them if all companies which are being subsidized with Government-guaranteed loans would automatically have to be classified as American-owned companies in order to get that guarantee, and the answer was in the affirmative.

So we can well proceed on the theory that any company which is operating in international waters—a nonsubsidized line—where they had a Government-guaranteed loan, conceivably could qualify. It is rather significant that two large operators, in particular, whom I have criticized several times before for the lenient treatment that has been given them, would be beneficiaries of this tax exemption. For instance, companies owned by Mr. Onassis, who is already enjoying the benefit of this country's benevolence in that he has a 5-percent Government-guaranteed loan financing his shipping operation, could be eligible for this tax exemption. Mr. Niarchos with some of his companies would also be eligible. The company which owns the *Manhattan* tanker that went through the Arctic was recently owned by Stavros Niarchos, and its earnings would be practically exempted from taxation, if my amendment is defeated.

Why should these shipping tycoons not pay income taxes on their earnings while operating under the American flag?

I think this provision should be stricken from the bill. I see no reason whatsoever why we should extend this tax-exempt privilege to all of the merchant marine just because they are flying the American flag or claiming American citizenship on such a flimsy basis.

Mr. Onassis is not an American citizen, but his two children having been born in this country do have the status of American citizenship, and his ships are operated under a trust account in their name. Theoretically, they could enjoy tax-exemption on their earnings in the shipping industry under this committee bill. Why?

I think we have gone as far as we can in extending tax benefits, and I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

I ask unanimous consent that various insertions relating to the financial arrangements with companies owned by Onassis and Niarchros be incorporated in the RECORD as a part of my remarks.

This lists the extent of the Government-guaranteed loans, and it shows the rate of interest at 5 percent. Now the committee wants to give them tax exemptions.

In my opinion both these individuals have been having a free ride on the taxpayers, and I will not support an extension of the benefits.

Nor can the extension of this tax credit be justified for the other companies.

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

U.S. DEPARTMENT OF COMMERCE,
MARITIME ADMINISTRATION,
*Washington, D.C., September 2, 1970.*

Hon. JOHN J. WILLIAMS,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR WILLIAMS: Reference is made to your letter of July 29, 1970, and our interim reply of August 4, 1970, relating to any loans and/or loan guarantees approved by the Maritime Administration during the past twenty years for Aristotle S. Onassis, Stavros Niarchos and any company affiliated with either.

Attached is a statement covering the sales of U.S. Government-owned vessels during the past twenty years to domestic companies reported to be owned or controlled by Messrs. Niarchos or Onassis. These vessels were all sold subject to preferred mortgages held by the U.S. Government. These mortgages have all been paid in full.

The following information relates to loan guarantees (loan and/or mortgage insurance) of the Maritime Administration pursuant to Title XI, Merchant Marine Act, 1936, as amended, for the aforementioned parties:

(A) Aristotle S. Onassis and affiliates Victory Carriers, Inc. (Victory). This U.S. corporation (Delaware) is 75% owned by Onassis' children (U.S. citizens) under a trust agreement with The Grace National Bank of New York (now Marine Midland Grace Trust Company) (Trustee) and 25% owned by Sociedad Industrial Maritima Financiera Ariona, Panama, S.A., a Panamanian corporation owned and/or controlled by Mrs. Onassis. Thus, Victory was deemed to be a citizen of the United States within the meaning of Section 2 of the Shipping Act, 1916, as amended, and qualified to own U.S. vessels for operation in the domestic coastwise trade.

Pursuant to a Maritime Administration Trade-Out and Build Contract (MA–1439) with Victory et al, dated January 25, 1957, as amended, Victory was obligated to construct 3 tankers (2 of 46,000 DWT and 1 of 106,450 DWT) in exchange for U.S. permission to transfer 14 older vessels to foreign registry. This contract was later amended to require 4 tankers of 46,000 DWT each to be constructed for the below listed companies under the terms and conditions stated:

(1) Mount Vernon Tanker Company—100% owned by Victory, the tanker *Mount Vernon Victory* was built at a cost of $13,553,068 and a 20-year, 5% per annum mortgage, executed January 27, 1961, in the amount of $11,858,900, was insured under the provisions of Title XI. The unpaid balance of this mortgage as at June 30, 1970, is $6,313,217.55. All mortgage payments have been currently made.

(2) Monticello Tanker Company—100% owned by Victory, the tanker *Monticello Victory* was built at a cost of $13,655,384 and a 20-year, 5% per annum mortgage, executed October 19, 1962, in the amount of $11,868,600, was insured under the provisions of Title XI. The unpaid balance as of June 30, 1970, is $6,750,266.25. All mortgage payments have been currently made.

(3) Montpelier Tanker Company—100% owned by Victory, the tanker *Montpelier Victory* was built at a cost of $14,501,043 and a 20-year, 5% per annum mortgage, executed December 26, 1962, in the amount of $12,313,450, was insured under the provisions of Title XI. The unpaid balance as of June 30, 1970, is $7,630,918.35. All mortgage payments have been currently made.

(4) Mount Washington Tanker Company—100% owned by Victory, the tanker *Mount Washington Victory* was built at a cost of $14,656,290 and a 20-year, 5% per annum mortgage, executed October 31, 1963, in the amount of $12,313,450, was insured under the provisions of Title XI. The unpaid balance as of June 30, 1970, is $8,255,141.84. All mortgage payments have been currently made.

The terms and conditions required by Maritime for approving Title XI aid to the four above-mentioned companies exceeded the minimum requirements of the Title XI regulations, in that, in addition to the normal restrictions imposed on the Title XI companies, Victory, the parent company, was required to execute certain agreements, such as a Financing Agreement, Guaranty Agreements, and a Restricted Fund Agreement, all of which provided additional security to the United States.

(B) Stavros Niarchos and affiliates, Manhattan Tanker Company (Manhattan). Pursuant to certain agreements executed between the United States and Niarchos inter-

ests, Mr. Niarchos was required, among other things, to construct one or more tankers of such tonnage as, in the opinion of the Maritime Administration, has substantially equivalent utility value to the total tonnage of the vessels to be approved for transfer to foreign ownership and registry.

The common stock of Manhattan was held on February 26, 1959, the date the Title XI application was approved by the Maritime Administration, by New York Tankers Company, Inc. (66.7%) and Industry Tanker Company (33.3%). Both of these companies were 75% controlled by Chase Manhattan Bank of New York (now Chase Manhattan Bank (N.A.)), as Trustee for minor children of Mr. Niarchos. In accordance with the aforesaid agreements, the 106,500 DWT tanker *Manhattan* was constructed at a cost of $27,406,128 and a 20 year, 5% per annum mortgage executed January 15, 1962, in the amount of $20,925,000 was insured under the provisions of Title XI. The Niarchos interests sold the stock of the Manhattan Tanker Company to Transeastern Associates Inc. (the interests of Joseph Kahn and Howard Pack) within a year of delivery and are no longer connected with any Title XI ships. During Niarchos' ownership, all payments were currently made. The *Manhattan* is the tanker which recently made the transit of the Northwest Passage to the Prudhoe Bay region of Alaska while under charter to the Humble Oil Company.

If further information is desired, please advise.

Sincerely,

M. E. PARR,
*Acting Chief, Office of Subsidy Administration.*

| Name of ship and company to which sold by U.S. M.C. | Type (Liberty dry cargo) | Date of construction | Date of transfer | Statutory sales price | Terms of sale |
|---|---|---|---|---|---|
| Victory Carriers, Inc.:[1] | | | | | |
| Lewis Emery, Jr. | EC2-S-C1 | Oct. 25, 1943 | Feb. 26, 1951 | $544,506 | 25 percent cash; 75 percent mortgage (12 annual installments, 3½ percent interest payable semi-annually). |
| Heywood Broun | EC2-S-C1 | Sept. 15, 1943 | Feb. 24, 1951 | 544,506 | |
| North American Shipping & Trading Co., Inc.:[2] | | | | | |
| David Bushnell | EC2-S-C1 | Sept. 28, 1942 | Feb. 20, 1951 | 544,506 | Do. |
| James Fenimore Cooper | EC2-S-C1 | June 8, 1942 | Feb. 19, 1951 | 544,506 | |
| American Pacific Steamship Co.:[2] | | | | | |
| Henry Villard | EC2-S-C1 | Sept. 25, 1942 | Feb. 16, 1951 | 544,506 | Do. |
| Howard T. Ricketts | EC2-S-C1 | July 30, 1943 | Feb. 23, 1951 | 544,506 | |
| King S. Woolsey | EC2-S-C1 | Dec. 29, 1942 | do | 544,506 | |

[1] Domestic company reportedly owned and controlled by Onassis.
[2] Domestic company reportedly owned and controlled by Niarchos.

Note: Amount principal outstanding, none.

Mr. LONG. Mr. President, the Senator's amendment would strike at the very heart of what is perhaps the best feature in the bill. He is striking at what President Nixon had promised and recommended, and what is vital if we are to have a merchant marine to serve this Nation in time of war or national emergency.

As it stands today, only about 3 percent of our bulk cargo moves in American bottoms, and that is because of a mistake made in the 1936 law and its administration. In that 1936 law, only the liner trade—that is, the American ships that go on a regular route, moving regularly back and forth and carrying general cargo, has this privilege which the Senator wishes to deny the bulk carriers.

The result is that we do have a liner fleet in which this Nation can take some small pride. If Senators will look at the report, on page 15, they will notice that we have the equivalent of 176 good general cargo vessels, while we are in pitiful shape with regard to tankers, only 18, and dry bulk carriers, only 28.

Mr. President, of our cargo moving on the high seas, only 46 million tons is in the general cargo category which enjoys this tax privilege, while 350 million tons is in the category which does not enjoy the tax privilege.

We are only carrying approximately 3 percent of our bulk cargo, of our oil, of our iron ore, of our grains and other strategic materials in bottoms that are subject to our control.

The Senator would like to think that we could control Mr. Onassis. We cannot. Quite the contrary. When the ship flies a foreign flag, that foreign nation has the right to order that ship into any port it desires. It has the right to order it not to come to an American port in time of emergency.

The crewmen aboard that ship are foreign nationals, and the foreign government has a right to punish those people, perhaps under penalty of death if it wishes, if they refuse to obey the order of that foreign government.

This Nation made a bad mistake in 1936, and at this late date we seek to correct it.

By rejecting the Senator's amendment, we will have a bill that will permit us to have a balanced fleet that can carry whatever we need, be it oil, gas, iron ore, grain, or whatever we need, rather than a fleet that can only carry general cargo.

Furthermore, the Senator's amendment would knock out some of the operators who are developing many of the most efficient and newest types of vessels. These are vessels such as the lash and container ships. They carry barges or mobile vehicles which can reach a port and then proceed up the river or highway to deliver the cargo to the final destination.

It is in this category that the United States hopes to excel, because this is the area where capital is so important; and we feel that these vessels should be able to operate in the future even without a subsidy, because they are capital intensive rather than manpower intensive. The Senator's amendment could take us completely out of many of these promising technological developments.

Further, the Senator—I am sure he is completely sincere about this—would, in his amendment, deny the Great Lakes the consideration which the Great Lakes has so long been denied.

As the law stands today, only general cargo vessels have had this tax privilege, and in the long run the Government does get its money back. But the repayment is over the life of the ship, and this tax deferral definitely encourages the construction of these ships.

The grain on the Great Lakes is being moved in vessels that are 50 years old. A seafaring man would ask, "How can a steel ship last 50 years?" That is because it is in fresh water. If it were in salt water, it would have rusted away twice during that period. Those pitiful 50-year-old ships, which need replacing, would be denied the tax privilege they desperately need if the Senator's amendment is agreed to.

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

Mr. LONG. I yield.

Mr. MONDALE. I want to express my appreciation to the committee for extending these tax terms to the construction of Great Lakes shipping, because, as the Senator from Louisiana rightly points out, the Great Lakes intralake shipping facilities are in terrible shape. As the Senator from Louisiana rightly points out, many of these ships are 50 years old or older. The Great Lakes industry does not have a subsidy as some of the others do. Our only hope to start revitalizing the Great Lakes ships is through this tax privilege.

I commend the committee for extending it to our area, and I think it is going to be most helpful and is arriving just in time.

Mr. LONG. The Senate obviously is in no mood to do such an injustice to the Great Lakes, as was indicated by the last rollcall vote. The overwhelming majority of Senators who voted for that were not from the Great Lakes region. They thought the Great Lakes had made an equitable and convincing argument for their position.

The Senator's amendment would not only deny what the committee did with respect to the Great Lakes, but also Hawaii, Alaska, and Puerto Rico. These committee amendments were not recommended by the administration. But any Senator can see the injustice of denying the same tax consideration to the ships that steam between our west coast ports and Alaska and Hawaii. Those two States suffer the greatest transportation expenses of any States in the Union. It is a heavy and severe problem for these two great States, the newest members of our Union.

It would seem to be a blind spot in our eyes were we to provide a needed and desirable privilege which has helped to keep the fleet modern in competing with foreign nations and to deny the same consideration to Alaska and Hawaii which pay greater transportation expenses than any other State.

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

Mr. LONG. I yield.

Mr. INOUYE. I should like to join my colleagues in commending the chairman of the subcommittee for his forthright statement and for his referral to the plight of Hawaiians and Alaskans.

My State, Hawaii, looks to the Maritime Act of 1970 for assistance in strengthening her economy. And it is to the provisions of this bill which extend to operators in the noncontiguous trade the privilege of accumulating tax-deferred reserve funds for ship construction replacement and reconditioning that I wish to address myself today.

Heretofore, vessels built for the noncontiguous trade have been built at full American costs. Consequently, freight rates for voyages to Hawaii and the other noncontiguous State of Alaska, as well as to Puerto Rico and Guam, have resulted in increased cost of commodities to consumers.

In Hawaii, as I told the Conference on the Noncontiguous Trade here in Washington on April 9 of this year, the average cost of goods and services is 22 percent more than the national average. These high costs have a direct effect on our basic economy by affecting industrial relocation and expansion and thus the availability of job opportunities.

For Hawaii, bulk cargo means water transportation. There is no alternative, such as rail and motor carriers. Thus, we have long looked for some means to relieve these costs pressures on our economy. We have also long sought to encourage trade between the mainland and Hawaii rather than with foreign countries where lower freight rates are available, which tend to damage our balance of payments situation.

Thus tax-deferred construction funds for bulk carriers, tankers and containerships by nonsubsidized companies in the noncontiguous trade, should have a strong and beneficial impact on Hawaii as well as on U.S. trade generally.

Heretofore, taxes paid by Hawaiian citizens have helped finance the Nation's subsidized shipbuilding program. However, this program has not helped reduce Hawaii's transportation costs nor improve the efficiency of service because the program has excluded subsidization of vessels for use in the mainland-Hawaii trade except incidentally where the vessels serve Hawaii as an intermediate point in foreign trade operations. The 1970 merchant marine program overcomes this inequity and provides the means whereby shipping companies will be able to plan—at lower costs—for the special transportation needs of Hawaii as well as the other noncontiguous areas of our nation.

But our gain, I believe, will not be all external. Within the State itself water transportation is a major concern.

For years, the glamor and economy of Honolulu has attracted people from the outer islands. This population influx to Oahu has meant a population drain on the outer islands. In fact, the outer islands are in the throes of economic stagnation without sufficient capital investment.

This bill can mean increased trade between the islands of Hawaii. Increased trade will benefit the outer islands and all facets of Hawaii's economy—agricultural and tourist. New industry—as well as tourists—will be attracted to these now somewhat isolated islands.

This bill is exciting to Hawaiians. It can have the effect of halting the ever rising cost of living for Hawaiians and help us revive the economy of a large portion of the State.

And it means that we have done this without weakening the protection provided for our domestic shipbuilding industry.

We accomplish a milestone by passing this bill: We revitalize our maritime industry, we provide needed assistance for all segments of the American maritime industry, and we help the people of the noncontiguous States.

I also wish to take this opportunity to acknowledge the strong support given this measure by our Governor John Burns, and the President of our State Senate, David McClung, and others. Their cooperation and expressed interest were most helpful.

I should like to remind the Senate that less than a year ago, a major shipping company in Hawaii purchased a ship which was built in a shipyard in Baltimore. That ship cost the shipping company $23 million. A sister ship was built in Hamburg, Germany, with the same specifications and the same equipment. That ship cost $10 million. Somebody has to pick up the extra tab, and the consumers in Hawaii are doing that right now.

The city of Honolulu at this moment has the honor—if one wishes to call it that—of being labeled the most expensive city in the world. Part of this is due to the high shipping costs and the fact that we have not been able to get any sort of assistance or relief from laws relating to merchant marine. This bill will do much, if not the most that we can ever hope to get, in assisting us in our plight.

I thank the chairman for his forthright assistance.

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

Mr. LONG. I yield.

Mr. SPONG. Mr. President, the hour is late, and I merely want to concur in what the distinguished chairman of the Subcommittee on Merchant Marine has said.

I introduced a bill to accomplish this 2 years ago. I was pleased when the administration recommended it. I agree with the extension of it that the committee enacted. I hope the Senate will reject this amendment.

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

Mr. LONG. I yield.

Mr. STEVENS. Mr. President, the fact that problems existed in the trade between the noncontiguous areas of our great Nation and the mainland has long been noted. Unfortunately, this notice has generated a great deal of rhetoric, but very little action.

All the noncontiguous areas of the United States have in common a unique and essentially exclusive dependence on oceangoing vessels for our transportation needs.

As any consumer in Alaska can tell you, ocean shipping is simply not competitive with overland shipping. For example it costs $210 to ship an automobile from Flint, Mich., to Los Angeles, a distance of 2,375 miles, while it costs $411 to ship the same car from Flint to Anchorage, Alaska, a distance of 3,800 miles. In terms of percentages, it costs 23 percent more per mile to ship that car to Anchorage than to Los Angeles.

The complaints this elicits from consumers are to be expected. They cannot understand why they should pay more for transportation than the residents of the contiguous areas. This becomes particularly hard for them to swallow when they learn that throughout the rest of the world, oceangoing transportation is often the cheapest, rather than an expensive form of transportation. These higher transportation costs become unacceptable when it is learned that they stem from a law which is designed to protect the national security of all the United States and its territories, but whose cost falls almost exclusively on the residents of the noncontiguous areas.

This, in a nutshell, is the problem as viewed by the consumer living in a noncontiguous area. He is being asked to bear the full cost of what is ostensibly a national policy predicated on national security.

I would like to explain the harmful and inequitable effects of the present program in a little more detail.

Alaska is as dependent on ocean shipping as an island. There is no railroad connecting Alaska with the south 48, though there should be. The only highway to the south 48 is still unpaved for over 600 miles of its length. Both automobiles and railway rolling stock are transported on barges or ferries. Air transportation is the only other means of mass transportation of passengers and merchandise to and from Alaska. And, at present, it is too expensive for the carrying of bulk cargo. So, oceangoing vessels must do the task.

Even though Alaska must rely on a single mode of transportation instead of the myriad of alternatives available to the south 48, there would be no problem if this mode of transportation were competitive with the alternatives. And, on a worldwide basis, it is. World trade reached a staggering $487 billion last year, and machinery shipped from Germany to Greece did not find itself at a competitive disadvantage because it went by ship rather than rail. In fact, in many instances ocean shipping is cheaper than alternative modes.

This is so partly because most of the shipbuilding nations of the world subsidize ocean shipping. These subsidies take many forms. Greece, for instance, exempts from income taxation for 10 years any ship brought under the Greek flag. Several nations provide either tax benefits or low interest rates for ship construction loans. France, Italy, Japan, and the United States provide direct subsidies for construction and operation of ships in domestic and foreign commerce.

But the United States has done a most peculiar thing. It has divided its shipping into two categories—foreign commerce and coastwise trade—and we sub-

sidize the former to a great extent, but do nothing to make the latter competitive. Of the 11 major shipbuilding nations surveyed by the Joint Economic Committee of the U.S. Congress in 1963, three provided direct construction or operating subsidies to both foreign and domestic shipping and three provided such subsidies to domestic shipping only, but only one—the United States—provided direct operating and construction subsidies to ships engaged exclusively in foreign commerce, while denying such subsidies to its own domestic shipping industry.

The decision to exclude coastwise shipping from subsidization was based on two assumptions: That coastwise shipping was protected from competition by cheaper foreign shipping by operation of the Jones Act and that alternate methods of shipping among the United States did not receive construction differential or operating differential subsidies either.

These two asumptions, which may have had validity in 1936, are no longer valid today.

First, coastwise shipping, insofar as Alaska is concerned, does indeed receive competition from foreign shipping.

Alaska finds that Japan, a little over 3,000 miles away, has a great demand for its natural resources and is able to supply consumer goods in return. The south 48, of course, is less than 2,000 miles away and offers the same market. However, Alaska finds itself shipping increasing quantities of its natural resources to foreign countries and importing increasing amounts of consumer goods from these countries in preference to the south 48. No one can tell me that there is no foreign competition in shipping when the shipping rates in foreign commerce make it economically advantageous to ship lumber, badly needed in the south 48 less than 2,000 miles away, to Japan over 3,000 miles away.

The assumption that coastwise trade does not require subsidization because it does not compete with foreign trade is wholly erroneous insofar as Alaska is concerned. Foreign commerce does compete, and it is winning. Alaska is being treated like a foreign country because of the anomaly in our shipping laws created by this erroneous assumption.

The second assumption on which the decision to exclude coastwise trade from subsidization was based is equally fallacious. The alternate methods of transportation are subsidized to a far greater extent than coastwise shipping. Highway user taxes exacted of all users, including passenger autos, build highways. Railroads received incentives to build their original rights-of-way, and they developed a system of rail transportation that was the envy of the world. Railroads no longer receive significant subsidies, and the decline that has resulted is evident to even the casual observer. In order to restore passenger rail service, the Senate has committed $10 billion to the urban mass transit system—much of it for rail carriers. The fact that unsubsidized coastwise shipping is not competitive is clearly evidenced by the small fraction of cargo now carried in that trade compared to the volume handled by alternate transportation modes.

The policies expressed in the Jones Act are national policies designed to benefit all Americans equally. But because of Alaska's geographical position as a noncontiguous State, the burden of these policies falls far more heavily on my State than on the contiguous 48. Because of the availability of alternate modes of transportation in the south 48, Alaska and Hawaii have ended up bearing almost the entire burden of these national policies. It is simply unfair to require that two States should bear the burden of policies designed to benefit all the States.

The bill now before the Senate recognizes this basic inequity by extending, for the first time, a very limited tax break to the noncontiguous trade. The bill would permit ship operators to set aside income in a fund. If that income were used to build ships for the noncontiguous trade, it would not be subject to income tax.

The Senator from Delaware would now take away this crumb from us in the name of fiscal responsibility. I am all for a balanced budget, for holding down Federal spending. But I ask you, why us? We have been suffering under this inequity for decades and you want us to continue to bear the burden of this national program. It is simply unfair to continue to ask the small noncontiguous States to bear the burden of a program which principally benefits the large coastal States in the south 48. I will vote against the Senator's amendment, and I hope my fellow Senators will join me in giving a fair deal to the noncontiguous areas of this country.

Mr. President, I commend the committee for its wisdom in extending to the noncontiguous domestic trade this opportunity for improvement. I believe that the real burden of the Senator from Delaware's amendment is the provision that would strike from the bill the Great Lakes noncontiguous trade or the fisheries of the United States. That is very important to my State, and I hope the amendment will be rejected.

Mr. LONG. Mr. President, the Senator from Delaware many times has been labeled the "Conscience of the Senate," and he has every right to that title. I think he has a very rightful claim to be called the watchdog of the fiscal integrity of this country.

But, Mr. President, one can make a good argument that the Government actually makes money by this tax provision; because without this tax incentive, we are not going to have these ships. If we do not have the ships, we do not have this business. If we do not have this business, we do not make this profit, and the money is paid to other nations.

The committee received expert testimony that when we look at the taxes that will be collected from workmen and the revenue generated by their trading, and in providing employment and opportunities to others, in the long run the Government will make money. Keep in mind that it is only a tax deferral over the life of the new ship. We get all the money back in reduced depreciation deductions.

But in addition, the bill assures us improvement in our balance-of-payments position, which is in desperate shape now. The program's contribution to our balance of payments is estimated at $2.9 billion over the next 10 years. When we have succeeded in constructing the type of fleet that is needed, the favorable effect to our balance of payments should be $600 million per year. That is of enormous importance, even more important, I think, than fiscal considerations.

As much as I admire my good friend from Delaware, and I salute him for his consistency in opposing anything that would cost a lot of money, and opposing it even if it would benefit his great State of Delaware, may I say, although he is a man of consistency and courage, I honestly believe that we would be poorly advised were we to reject what the administration has recommended and the committee agreed to in this case.

Mr. MATHIAS. Mr. President, I support the committee position on the amendment. I have the highest respect for the Senator from Delaware and for the position he has expounded here, but we have to consider the strong position the President has taken on the revival of our American merchant marine. It does need reviving. It is not purely a matter of just endorsing an industry. It is not purely an economic or commercial matter. But we have to look at it by realizing that we have fallen from the position we once occupied in the world of shipping to a much less desirable position.

The committee bill takes into account all questions of high policy and matters of national position, so that, under the circumstances, notwithstanding the sound arguments the Senator from Delaware has brought to the attention of the Senate, we should overcome the objections raised by his amendment and support the committee bill.

Mr. LONG. I thank the Senator from Maryland.

Mr. WILLIAMS of Delaware. Mr. President, I have listened with great interest to these eloquent speeches and expressions of respect for the administration's position on these tax credits. I am particularly pleased that Senators have spoken out so strongly that they want to support the administration. I think that is commendable, and I compliment them. I call their attention to the fact that the administration opposes the provision in the bill which this amendment proposes to strike.

I have a letter in my hand dated September 10, 1970, signed by Mr. William E. Murane, Acting General Counsel of the Department of Commerce.

They have endorsed the committee bill, yes, but with an important exception. Here is their comment on this section which would extend the tax credits.

Our final comment on H.R. 15424 as reported by the Senate Commerce Committee concerns the provisions contained in section 21 amending section 607 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1177), that would grant tax defer-

ment of earnings for the construction of ships to be operated in the noncontiguous domestic trade, in the domestic trade on the Great Lakes or in the fisheries. Since foreign-flag vessels are not permitted to operate in these trades, the rationals for extending tax deferment to vessels operating in foreign trade would not appear to apply to these vessels. We are therefore opposed to these provisions of the bill.

I repeat the last sentence:

We are therefore opposed to these provisions of the bill.

My amendment would strike these objectionable provisions, so naturally I will be expecting the votes of all these administration supporters.

So, Mr. President, I compliment the Senators who have spoken during the past half hour emphasizing their enthusiastic support of the President's position, and accordingly for their support of my amendment.

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

I call attention to the sixth paragraph of this letter wherein they express their opposition to the extension of the tax credits.

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

GENERAL COUNSEL OF THE
DEPARTMENT OF COMMERCE,
*Washington, D.C., September 10, 1970.*

Hon. JOHN J. WILLIAMS,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR WILLIAMS: This is in reply to your letter of August 14, 1970, concerning H.R. 15424 as reported by the Senate Commerce Committee. The following constitute our views on those portions of the bill which relate to the new Maritime Program.

H.R. 15424, as so reported, substantially sets forth the Maritime Program announced by President Nixon on October 23, 1969. The need for this proposed legislation and resulting benefits to the United States have been commented upon at length and need not be repeated at this time. This Department strongly supports H.R. 15424 as reported by the Senate Commerce Committee. We would, however, suggest a few amendments to the bill as presently written. These proposed amendments are in the nature of refinements to what we consider to be a sound piece of legislation.

The first amendment we would propose concerns the "Buy American" provision set forth in section 505 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1155). This section provides that in all ship construction under the Act, the shipbuilder, subcontractors, materialmen, or suppliers shall use, so far as practicable, only articles, materials and supplies of the growth, production or manufacture of the United States. As originally proposed, H.R. 15424 (section 9) would have amended section 505 so that only those items for which construction-differential subsidy is paid and all major components of the hull and superstructure would be required to be of domestic origin. The House made one minor change to this section of the bill by the addition of a provision requiring that any material used in the construction of such major components of the hull and superstructure be of domestic origin. These provisions have been eliminated from H.R. 15424 as reported by the Senate Commerce Committee, and the bill would continue the existing requirements of section 505 that all components used in the construction of a subsidized vessel be of domestic origin. It is our view that the provisions of the bill as passed by the House (section 10) adequately protect the interests of United States' suppliers and would result in increased procurement flexibility for shipyards involved in the construction of subsidized vessels. Accordingly, we urge that the provisions in section 10 of H.R. 15424 as passed by the House be adopted by the Senate.

The second amendment we would propose concerns the Commission on American Shipbuilding set forth in section 35 of H.R. 15424 as passed by the House. This provision would establish a Commission on American Shipbuilding composed of seven members appointed by the President to review the status of the American shipbuilding industry, to determine whether the industry can achieve a level of productivity by 1976 so that construction-differential subsidy will not exceed 35 percent of United States construction costs and to recommend the steps that should be taken by industry and government to improve the competitive position of the industry. If the Commission concludes that construction-differential subsidy cannot be reduced to 35 percent, it would recommend alternatives to the ship construction program proposed by the bill. H.R. 15424 as reported by the Senate Commerce Committee would amend this provision to eliminate the Commission on American Shipbuilding and vest its responsibilities in the Secretary of Commerce. It is our view that these functions can best be performed by an independent body, such as the proposed Commission. Although, as pointed out by the Senate Commerce Committee, this Department is capable of performing the duties proposed for the Commission, we believe that a Presidentially appointed Commission would have easier access to the most knowledgeable segments of the maritime industry and that the recommendations of such a Commission would more readily gain acceptance in the industry. More importantly, proper discharge of the functions of the Commission will require the collection of much data and information on ship construction. Since the Maritime Administration of the Department of Commerce will be administering the construction-differential subsidy program and will in some instances be in a position adverse to the position of individual shipyards with respect to specific construction-differential determinations, it is likely that the Department of Commerce will experience substantial difficulty in securing ship construction information which the shipbuilders may view as reflecting adversely on specific construction-differential requests pending before the Maritime Administration. For this reason, it is the belief of this Department that a Presidentially appointed Commission would have freer access to information on shipbuilding and would have a better opportunity to hear the candid opinions of the shipbuilding industry than would the Department of Commerce. Accordingly, we strongly urge that the provisions in section 35 of H.R. 15424 as passed by the House be adopted by the Senate.

The original legislative proposal submitted by the Department of Commerce which became H.R. 15424, eliminated the payment of operating subsidy for maintenance and repairs on subsidized vessels constructed after January 1, 1970. This subsidy item was eliminated because it was felt that given new modern maintenance free construction techniques, its elimination would not significantly detract from the competitive posture of subsidized United States flag shipping operations. The original proposal also contained provisions which would have permitted the Secretary of Commerce to place restrictions on the areas of the world in which vessels built with construction-differential subsidy would be permitted to operate. The purpose of this provision was to insure that these vessels will be used where they best serve the commerce of the United States. Neither of these provisions was adopted by the House. The Senate Commerce Committee did not alter the House passed bill in this respect. We believe that the addition of these two provisions would strengthen H.R. 15424.

Our final comment on H.R. 15424 as reported by the Senate Commerce Committee concerns the provisions contained in section 21 amending section 607 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1177), that would grant tax deferment of earnings for the construction of ships to be operated in the noncontiguous domestic trade, in the domestic trade on the Great Lakes or in the fisheries. Since foreign-flag vessels are not permitted to operate in these trades, the rationale for extending tax deferment to vessels operating in foreign trade would not appear to apply to these vessels. We are therefore opposed to these provisions of the bill.

The cost to the Government of implementing the new Maritime Program, as set forth in H.R. 15424 as reported by the Senate Commerce Committee, will depend primarily upon the degree of private participation by ship operators. Since the principal outlay will occur in the construction program, the cost of the program will be determined by the number of ships actually built by private operators. In addition, implementation of this program will be subject to annual appropriations. Enactment of the new Maritime Program will not require funds for fiscal year 1971 beyond those amounts set forth in H.R. 17575 as passed by the Senate on August 24, 1970.

This legislation constitutes the most far reaching reform of the Merchant Marine Act, 1936, since its original enactment. The wage subsidy index system and the specific construction-differential subsidy goals of H.R. 15424 will give the shipbuilding and ship operating industries an incentive to cut costs and increase productivity. We believe the result will be a merchant marine that will be an effective commercial competitor and will provide a modern fleet for use in times of national emergency. We, therefore, urge that you give the bill your favorable consideration.

With respect to Section 43 of the bill, which provides an exception from the requirements for a Coast Guard certificate of inspection, we defer to the views of the Department of Transportation.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

WILLIAM E. MURANE,
*Acting General Counsel.*

Mr. WILLIAMS of Delaware. Mr. President, much has been said about wanting to help the Great Lakes area. Let us cut out all the fanfare. I supported the amendment for the St. Lawrence Seaway. I have nothing against the Great Lakes area, but who operates the bulk of the shipping there? Let us face it; there is a lot of lake traffic in ships carrying iron ore. Who operates the iron ore ships? Who owns these oil tanks and bulk cargo ships that will get this tax deferment? Certainly all of them would appreciate it.

Much has been said about the cost of a ship that was built in the Baltimore shipyard as compared with the cost of the ship that was built in a German shipyard.

That is true, but concerning the ship built in Baltimore 55 percent of its con-

struction cost was paid for by the American taxpayers to equalize the domestic shipyard cost and the foreign shipyard cost. After the ship is built the difference in the cost of wages for American seamen and foreign labor is paid by the taxpayers.

Is this not enough of a subsidy? Nothing was mentioned about that.

Then, in addition, these shipping companies get the Government-guaranteed loans at a lower rate for the part of the construction costs they do assume. Adoption of my amendment does not take away from one single shipping company any tax credit or deferment which they are now getting under existing law. The only question is, without this amendment the bill would be extending a tax deferment to all of the rest of the merchant marine operating both internationally and domestically.

According to the estimates I get there will be very little taxes, if any, collected in the future so far as the American merchant marine is concerned.

I think that at a time when we have a deficit averaging over $1 billion per month at a time when we are asking other taxpayers to pay their taxes, surely this is not the time to exempt the whole merchant marine industry from all taxes.

One other point that should be mentioned, as they set aside these funds out of their earnings, before taxes, $5 million to $10 million or whatever it may be in the trust fund, they can invest that money, and the investment income is exempt from taxes under the committee bill. In other words, they will be a special-privilege group, exempt from taxes under existing law.

If Senators want to extend complete tax exemption for this merchant marine industry, then they should go ahead and reject this amendment. Suppose tomorrow someone comes in and says that the railroads are in trouble. Will Congress exempt them from taxes? I am sure that one by one the various industries will all enthusiastically support the idea of being exempt from taxes, but I also expect that a lot of other taxpayers in this country, who are making quarterly installments on their taxes or are having taxes deducted from their pay, would likewise like to get some tax exemption.

So far as the workingmen are concerned, those who work on the ships, they will still be paying their income taxes. They will not be exempt.

Why should we consider by one sweep exempting a whole industry from income taxes?

Such favored treatment is an outrage and an insult to all taxpaying citizens.

Surely Mr. Onassis and Mr. Niarchos can afford to pay their income taxes.

According to our estimate under present law these tax credits cost about $10 million. Under this bill the tax credits would be between $50 million and $100 million—possibly more. If this amendment is rejected there will be very little if any tax revenue coming in from the American merchant marine, including those ships operated for example under American ownership by men like Onassis and others.

If this amendment is defeated perhaps this section of the bill should be labeled "a relief measure for poor Onassis and other shipping magnates."

Mr. GRIFFIN. Mr. President, I wish to indicate my strong opposition to the pending amendment. I ask that a letter and an attachment be printed in the RECORD concerning the effect of the Committee provision on the Great Lakes.

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

LAKE CARRIERS' ASSOCIATION,
*Cleveland, Ohio, March 24, 1970.*

Hon. ROBERT P. GRIFFIN,
*U.S. Senate,*
*Washington, D.C.*

Re: S. 3287—A bill to amend the Merchant Marine Act, 1936.

DEAR SENATOR GRIFFIN: Replying to your letter of March 16, 1970, we earnestly share your hopes that through the pending legislation to revise the Merchant Marine Act of 1936 the Great Lakes will be able to obtain some equality of treatment. As you know, the Great Lakes vessel industry has long advocated that it should be granted the right to set aside tax-deferred reserve funds for ship construction. We believe that the opposition which has arisen to this proposal stems from a misunderstanding of how the tax-deferred construction reserve fund works. For that reason, the Association has undertaken a study which is herewith enclosed.

This study is based on actual experience of a typical Great Lakes vessel company. It indicates that a new $20,000,000 bulk carrier could be made operational within four years through the establishment of a tax-deferred construction reserve fund. It further indicates that within eight years the Government will have recovered all deferred taxes and that at the end of 18 years the Government will receive in Federal Income Taxes more than $63,000,000, whereas without the new vessel, the Federal Income Taxes on this particular fleet would only be $43,000,000.

The Administration's concern with Government expenditures makes it understandable that it would limit its new maritime program to vessels engaged in foreign trade. What apparently is not realized, however, is that the Administration can go forward with such a program and, at the same time, extend to the Great Lakes the privilege of establishing tax-deferred construction reserve funds without any additional expenditures being involved. We are not asking for the entire package, but only this one privilege which, if properly administered, will, we believe, provide the necessary incentive to undertake new vessel construction. If that construction materializes, the Federal Government will be the first to benefit because of increased tax revenues.

When we submitted a statement in connection with S. 3287, there was attached a proposed amendment which would revise Section 607 so as to make that Section applicable to the Great Lakes. Since that time, we have revised this proposed amendment so as to bring it as nearly as possible into conformity with the revision proposed by the Administration. The principal difference between the Administration's proposal and that which we submit is that the Administration would make it compulsory to deposit all depreciation in the reserve fund, whereas we propose that the amount of depreciation to be deposited be made discretionary with the Secretary of Commerce.

We hope you will find merit in the amendment we propose, and that the Commerce Committee, when it reports out S. 3287, will find it appropriate to include such amendment.

Sincerely yours,

SCOTT H. ELDER,
*General Counsel.*

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CONSTRUCTION RESERVE FUND STUDY

In order to evaluate the desirability of permitting Great Lakes vessel operators to establish tax deferred construction reserve funds, a study was made for the Association with the following result.

PROCEDURES AND ASSUMPTIONS

Actual experience of a Great Lakes vessel company during 1969 was utilized to establish the relationship of gross earnings from vessel operations, operating expense and overhead. It was assumed that these items would remain constant over a period of 30 years. Federal income taxes were assumed to be 48% of net taxable income and depreciation was calculated as currently allowed under the guidelines published by the Internal Revenue Service. It was further assumed that the vessel operator's contract with the Secretary of Commerce would call for the addition to the fleet of a new Great Lakes bulk carrier costing $20,000,000 which, when completed and in operation, would generate earnings over and above operating expense and overhead of $4,000,000 per year, less depreciation, over a useful life of 30 years.

Assumed deposits in the tax deferred construction reserve fund consist of 50% of net income before taxes and 50% of depreciation charges as presently allowed on the existing fleet. It was further assumed that upon completion of the new vessel, 50% of the net income and 50% of the depreciation charges, computed at the rate of 15% per annum on the declining balance method, would be returned to the construction reserve fund until such time as the purchase price of the vessel is fully paid and the construction reserve fund terminated.

No interest assumptions were included.

RESULTS

The study indicates that after the first year the vessel owner would be in a position to order a new vessel. Assuming a down payment of 25% of the purchase price of the vessel; namely, $20,000,000, would be required, sufficient money would be available in the fund to accept delivery of the new vessel at the end of the third year, and the new vessel would be operational at the beginning of the fourth year.

At the end of the eighth year, that is, after the new vessel has been in operation four years, the government will have recovered the full amount of all tax deferments. From then on, increased tax payments will result until at the end of eighteen years, the government will have recovered a total of $63,046,000 in income taxes; whereas, if the new ship had not been built the total tax recovery from the basic fleet would have been only $43,665,000.

Interestingly, the depreciation schedule of the new vessel, namely, 15% per annum on the declining balance method, benefits the government in that the more rapidly the vessel is depreciated, the greater becomes her taxable earnings. Thus, tax deferments are recovered sooner. It can only be concluded that both the vessel operator and the government benefit from the construction reserve fund in that (1) the vessel owner borrows tax dollars with which to construct the new vessel and pays back those tax dollars through the increased earnings of the new vessel, and (2) the government regains all deferred taxes within a short period of time (8 years, in this particular example), and as an end result actually receives more tax dollars because of the increased earnings of the new vessel.

TABLE 1.—CONSTRUCTION RESERVE FUND STUDY—GREAT LAKES VESSEL COMPANY—PROJECTED (1969) EXPERIENCE OF BASIC FLEET, 30 YEARS

| Year (1969) | Income before depreciation | Depreciation | Net taxable income | Tax on basic fleet operation | Year (1969) | Income before depreciation | Depreciation | Net taxable income | Tax on basic fleet operation |
|---|---|---|---|---|---|---|---|---|---|
| 1 | $5,650,000 | $1,700,000 | $3,950,000 | $1,896,000 | 16 | $5,650,000 | $220,000 | $5,430,000 | $2,606,000 |
| 2 | 5,650,000 | 1,600,000 | 4,050,000 | 1,944,000 | 17 | 5,650,000 | 190,000 | 5,460,000 | 2,621,000 |
| 3 | 5,650,000 | 1,330,000 | 4,320,000 | 2,074,000 | 18 | 5,650,000 | 180,000 | 5,470,000 | 2,626,000 |
| 4 | 5,650,000 | 770,000 | 4,880,000 | 2,342,000 | 19 | 5,650,000 | 160,000 | 5,490,000 | 2,635,000 |
| 5 | 5,650,000 | 690,000 | 4,960,000 | 2,381,000 | 20 | 5,650,000 | 140,000 | 5,510,000 | 2,645,000 |
| 6 | 5,650,000 | 620,000 | 5,030,000 | 2,414,000 | 21 | 5,650,000 | 130,000 | 5,520,000 | 2,650,000 |
| 7 | 5,650,000 | 560,000 | 5,090,000 | 2,443,000 | 22 | 5,650,000 | 115,000 | 5,535,000 | 2,657,000 |
| 8 | 5,650,000 | 500,000 | 5,150,000 | 2,472,000 | 23 | 5,650,000 | 105,000 | 5,545,000 | 2,662,000 |
| 9 | 5,650,000 | 450,000 | 5,200,000 | 2,496,000 | 24 | 5,650,000 | 95,000 | 5,555,000 | 2,666,000 |
| 10 | 5,650,000 | 410,000 | 5,240,000 | 2,515,000 | 25 | 5,650,000 | 85,000 | 5,565,000 | 2,671,000 |
| 11 | 5,650,000 | 370,000 | 5,280,000 | 2,534,000 | 26 | 5,650,000 | 75,000 | 5,575,000 | 2,676,000 |
| 12 | 5,650,000 | 330,000 | 5,320,000 | 2,554,000 | 27 | 5,650,000 | 70,000 | 5,580,000 | 2,678,000 |
| 13 | 5,650,000 | 300,000 | 5,350,000 | 2,568,000 | 28 | 5,650,000 | 65,000 | 5,585,000 | 2,681,000 |
| 14 | 5,650,000 | 270,000 | 5,380,000 | 2,582,000 | 29 | 5,650,000 | 55,000 | 5,595,000 | 2,686,000 |
| 15 | 5,650,000 | 240,000 | 5,410,000 | 2,597,000 | 30 | 5,650,000 | 50,000 | 5,600,000 | 2,688,000 |

Note: Assumptions: Gross vessel earnings, $21,250,000 per year; operating expense, $13,200,000 per year; overhead, $2,400,000 per year. Depreciation as presently allowed under guidelines Federal income tax 48 percent of net taxable income.

TABLE NO. 2.—CONSTRUCTION RESERVE FUND STUDY—EFFECT ON BASIC FLEET OF ESTABLISHING CONSTRUCTION RESERVE FUND

| Year (1969) | Net taxable income | Less additions to reserve fund | Revised taxable tax on basic— Income | Revised taxable tax on basic— Fleet | Addition to construction reserve fund: Net income, basic fleet | Depreciation basic fleet | Net income, new vessel | Depreciation new vessel | Total reserve fund |
|---|---|---|---|---|---|---|---|---|---|
| 1 | $3,950,000 | $1,975,000 | $1,975,000 | $948,000 | $1,975,000 | $850,000 | ---------- | ---------- | $2,825,000 |
| 2 | 4,050,000 | 2,025,000 | 2,025,000 | 972,000 | 2,025,000 | 800,000 | ---------- | ---------- | 5,650,000 |
| 3 | 4,320,000 | 2,160,000 | 2,160,000 | 1,037,000 | 2,160,000 | 665,000 | ---------- | ---------- | 8,475,000 |
| 4 | 4,880,000 | 2,440,000 | 2,440,000 | 1,171,000 | 2,440,000 | 385,000 | $912,000 | $1,038,000 | 13,250,000 |
| 5 | 4,960,000 | 2,480,000 | 2,480,000 | 1,190,000 | 2,480,000 | 345,000 | 1,281,000 | 719,000 | 18,075,000 |
| 6 | 5,030,000 | 1,374,000 | 3,656,000 | 1,755,000 | 1,374,000 | 310,000 | ---------- | 241,000 | 20,000,000 |

Note: Assumptions: Deposits in construction reserve fund to consist of:
(1) 50 percent per year of net earnings of basic fleet.
(2) 50 percent year of depreciation of basic fleet.
(3) 50 percent per year of net earnings of new vessel.
(4) 50 percent per year of depreciation of new vessel.
Cost of new vessel $20,000,000. Vessel operational upon payment of purchase price. Fund terminated upon payment of full purchase price of $20,000,000. Annual net income of new vessel once operational $4,000,000 per year before depreciation. New vessel depreciated at rate of 15 percent per annum on the declining balance method.
Amount in fund indicates new vessel can be ordered at end of 1st year and delivery accepted at end of 3d year, making vessel operational in 4th year.

TABLE 3.—CONSTRUCTION RESERVE FUND STUDY—PROJECTION OF EARNINGS OF NEW VESSEL BUILT WITH CONSTRUCTION RESERVE FUNDS AND OPERATIONAL IN 4TH YEAR

| Year (1969) | Income portion reserve fund | Depreciation reserve | Basis before current depreciation | Depreciation at 15 percent per annum declining balance | Net value of asset | Addition to construction reserve fund: 50 percent of net income | 50 percent of depreciation | Net income new vessel | Tax on income new vessel | Tax on basic fleet | Total tax |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | | | | | | | | | $948,000 | $948,000 |
| 2 | | | | | | | | | | 972,000 | 972,000 |
| 3 | | | | | | | | | | 1,037,000 | 1,037,000 |
| 4 | $6,160,000 | ---------- | $13,840,000 | $2,076,000 | $11,764,000 | $912,000 | $1,038,000 | $1,924,000 | $486,000 | 1,171,000 | 2,095,000 |
| 5 | 9,512,000 | $2,076,000 | 9,588,000 | 1,438,000 | 8,150,000 | [1] 1,281,000 | 719,000 | 2,562,000 | 614,000 | 1,190,000 | 2,420,000 |
| 6 | 13,273,000 | 3,514,000 | 3,213,000 | 482,000 | 2,731,000 | ---------- | [1] 241,000 | 3,518,000 | 1,689,000 | 1,755,000 | 3,444,000 |
| 7 | 14,647,000 | 3,996,000 | 1,357,000 | 204,000 | 1,153,000 | ---------- | ---------- | 3,796,000 | 1,822,000 | 2,443,000 | 4,265,000 |
| 8 | | 4,200,000 | 1,153,000 | 173,000 | 980,000 | ---------- | ---------- | 3,827,000 | 1,837,000 | 2,472,000 | 4,309,000 |
| 9 | | 4,373,000 | 980,000 | 147,000 | 833,000 | ---------- | ---------- | 3,853,000 | 1,849,000 | 2,496,000 | 4,345,000 |
| 10 | | 4,520,000 | 833,000 | 125,000 | 708,000 | ---------- | ---------- | 3,875,000 | 1,860,000 | 2,515,000 | 4,375,000 |
| 11 | | 4,625,000 | 708,000 | 106,000 | 602,000 | ---------- | ---------- | 3,894,000 | 1,869,000 | 2,534,000 | 4,403,000 |
| 12 | | 4,751,000 | 602,000 | 90,000 | 512,000 | ---------- | ---------- | 3,910,000 | 1,877,000 | 2,554,000 | 4,431,000 |
| 13 | | 4,841,000 | 512,000 | 77,000 | 435,000 | ---------- | ---------- | 3,923,000 | 1,883,000 | 2,568,000 | 4,451,000 |
| 14 | | 4,918,000 | 435,000 | 65,000 | 370,000 | ---------- | ---------- | 3,935,000 | 1,889,000 | 2,582,000 | 4,471,000 |
| 15 | | 4,983,000 | 370,000 | 56,000 | 314,000 | ---------- | ---------- | 3,944,000 | 1,893,000 | 2,597,000 | 4,490,000 |
| 16 | | 5,039,000 | 314,000 | 47,000 | 267,000 | ---------- | ---------- | 3,953,000 | 1,897,000 | 2,606,000 | 4,503,000 |
| 17 | | 5,086,000 | 267,000 | 40,000 | 227,000 | ---------- | ---------- | 3,960,000 | 1,900,000 | 2,621,000 | 4,521,000 |
| 18 | | 5,126,000 | 227,000 | 34,000 | 193,000 | ---------- | ---------- | 3,966,000 | 1,904,000 | 2,635,000 | 4,539,000 |

[1] Reserve fund terminates.

Note: Assumptions: Acquisition price $20,000,000; annual earnings before depreciation $4,000,000; depreciation 15 percent per annum on the declining balance method.

TABLE 4.—CONSTRUCTION RESERVE FUND STUDY—COMPARISON OF TAX RETURN TO GOVERNMENT

| Year | Tax on basic fleet without addition of new vessel | Tax on fleet expanded by addition of 1 vessel as result of construction reserve fund |
|---|---|---|
| 1 | $1,896,000 | $948,000 |
| 2 | 1,944,000 | 972,000 |
| 3 | 2,074,000 | 1,037,000 |
| 4 vessel operating | 2,342,000 | 1,657,000 |
| 5 | 2,381,000 | 1,804,000 |
| 6 | 2,414,000 | 3,444,000 |
| 7 | 2,443,000 | 4,265,000 |
| 8 | 2,472,000 | 4,309,000 |
| Subtotal | 17,966,000 | 18,436,000 |
| 9 | 2,496,000 | 4,345,000 |
| Subtotal | 20,462,000 | 22,871,000 |
| 10 | 2,515,000 | 4,375,000 |
| 11 | 2,534,000 | 4,403,000 |
| 12 | 2,554,000 | 4,431,000 |
| 13 | 2,568,000 | 4,451,000 |
| 14 | 2,582,000 | 4,471,000 |
| 15 | 2,597,000 | 4,490,000 |
| 16 | 2,606,000 | 4,503,000 |
| 17 | 2,621,000 | 4,521,000 |
| 18 | 2,626,000 | 4,530,000 |
| Subtotal | 43,665,000 | 63,046,000 |
| 19 | 2,635,000 | 4,550,000 |
| 20 | 2,645,000 | 4,560,000 |
| 21 | 2,650,000 | 4,565,000 |
| 22 | 2,657,000 | 4,572,000 |
| 23 | 2,662,000 | 4,577,000 |
| 24 | 2,666,000 | 4,581,000 |
| 25 | 2,671,600 | 4,586,000 |
| 26 | 2,676,000 | 4,591,000 |
| 27 | 2,678,000 | 4,593,000 |
| 28 | 2,681,000 | 4,596,000 |
| 29 | 2,686,000 | 4,601,000 |
| 30 | 2,688,000 | 4,603,000 |
| Total | 75,660,000 | 118,021,000 |

Mr. LONG. Mr. President, just to sum up, for I know Senators are ready to vote, but I ask unanimous consent that there be 3 minutes allowed to both sides, with 3 minutes to be allocated to the manager of the bill and 3 minutes to the Senator from Delaware, in order to sum up their arguments.

Mr. WILLIAMS of Delaware. The Senator can take all the time he wants. I am ready to vote.

Mr. LONG. Mr. President, I will only say that I take issue with the Senator's eloquent argument. I shall mention only two points. One, he stated that the administration favored the amendment. The administration favored the amendment only insofar as it applies to the Great Lakes, to Alaska, and to Hawaii.

The administration does not favor the Senator's amendment because of the big

damage it would do to the bill, that is, by striking out the tax deferment feature to the bulk cargo and unsubsidized carriers under our flag. On that point the administration, I am sure, would agree that the Senator's amendment would do grievous injury. What the administration is seeking to accomplish, as I am sure everyone will agree, is for this bill to be enacted into law. The Senator's amendment would do untold damage to the bill.

When the Senator talks about the difference in cost of a ship built in Germany compared to the ship built in the United States, he should keep in mind that Hawaii does not enjoy the benefit of any subsidy, that Hawaii has to pay full price. They have to pay a tremendous price which can be, and often is, twice as much as the cost of a ship built elsewhere. All we are asking is that the citizens of Hawaii get the benefit of a tax deferral feature to help modernize the ships that are serving them.

Thus, I hope that the amendment of the Senator from Delaware is rejected.

The PRESIDING OFFICER (Mr. McINTYRE). The question is on agreeing to the amendment of the Senator from Delaware.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HANSEN (after having voted in the affirmative). The Senator from New York (Mr. GOODELL), were he present and voting, would vote "nay." I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. McCARTHY), the Senator from Arkansas (Mr. McCLELLAN), the Senator from Wyoming (Mr. McGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Maryland (Mr. TYDINGS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), and the Senator from Alaska (Mr. GRAVEL) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Hawaii (Mr. FONG), the Senator from New York (Mr. GOODELL), the Senator from Idaho (Mr. JORDAN), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) is absent on official business.

The Senator from Illinois (Mr. PERCY) is detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay."

On this vote, the Senator from Arizona (Mr. FANNIN) is paired with the Senator from California (Mr. MURPHY). If present and voting, the Senator from Arizona would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from South Dakota (Mr. MUNDT) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from South Dakota would vote "yea," and the Senator from Texas would vote "nay."

The result was announced—yeas 21, nays 45, as follows:

[No. 313 Leg.]

YEAS—21

| | | |
|---|---|---|
| Aiken | Cook | Packwood |
| Allen | Cooper | Pearson |
| Allott | Curtis | Prouty |
| Baker | Dole | Smith, Maine |
| Bennett | Dominick | Symington |
| Boggs | Hruska | Williams, Del. |
| Case | Miller | Young, N. Dak. |

NAYS—45

| | | |
|---|---|---|
| Anderson | Gurney | McIntyre |
| Bayh | Harris | Metcalf |
| Bellmon | Hart | Mondale |
| Bible | Hartke | Nelson |
| Brooke | Hatfield | Pastore |
| Burdick | Holland | Pell |
| Byrd, Va. | Hollings | Proxmire |
| Byrd, W. Va. | Hughes | Randolph |
| Church | Inouye | Saxbe |
| Cranston | Javits | Schweiker |
| Dodd | Jordan, N.C. | Sparkman |
| Ellender | Long | Spong |
| Ervin | Mansfield | Stevens |
| Gore | Mathias | Talmadge |
| Griffin | McGovern | Williams, N.J. |

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY ANNOUNCED—1

Hansen, for.

NOT VOTING—33

| | | |
|---|---|---|
| Cannon | Jordan, Idaho | Percy |
| Cotton | Kennedy | Ribicoff |
| Eagleton | Magnuson | Russell |
| Eastland | McCarthy | Scott |
| Fannin | McClellan | Smith, Ill. |
| Fong | McGee | Stennis |
| Fulbright | Montoya | Thurmond |
| Goldwater | Moss | Tower |
| Goodell | Mundt | Tydings |
| Gravel | Murphy | Yarborough |
| Jackson | Muskie | Young, Ohio |

So the amendment of Mr. WILLIAMS of Delaware was rejected.

Mr. LONG. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

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

The bill was read the third time.

Mr. COOK. Mr. President, I might say that this bill gives a long-awaited exemption to the sternwheel steamer *Delta Queen*. I have a number of letters that I ask unanimous consent be printed in the RECORD.

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

OFFICE OF THE GOVERNOR,
*Frankfort, Ky., June 10, 1970.*

Hon. MARLOW W. COOK,
*U.S. Senator, Old Senate Office Building, Washington, D.C.*

DEAR SENATOR COOK: In view of Kentucky's rich heritage involving the steamboat, I ask your support of legislation to preserve the *Delta Queen* as the last steamboat making overnight trips on America's rivers. The *Delta Queen* will be forced out of operation on November 2, 1970, because she has been inadvertently included in safety-at-sea legislation of the 89th Congress.

House Bill 16933 (Mrs. Sullivan, (D-Mo.) or any of the subsequent bills or resolutions (S–3756, S–3737, H.R.–17215) have the effect of excluding the *Delta Queen* from the earlier legislation which was specifically intended to protect American passengers aboard foreign vessels.

As the last river steamer of the floating palace class, the *Delta Queen's* partly wooden superstructure condemns her under the existing law. Yet it is this fine mahogany, teak, and iron-bark of her main salon that makes her a floating palace. Moreover, in her 44 years of operation, not a single passenger has ever been lost by accident.

If she is permitted to go out of operation, she will be gone forever. So great a tradition should not be allowed to die for lack of appropriate action.

Sincerely,

LOUIE B. NUNN, *Governor.*

LOUISVILLE AREA CHAMBER OF COMMERCE, INC.,
*Louisville, Ky., July 10, 1970.*

Recognizing that your time is valuable, we will attempt to be brief.

As a member of the Merchant Marine and Fisheries Committee, you are already familiar with the problems being encountered in including the river boat *Delta Queen* under the Maritime Law, which applies also to over-night, passenger-carrying, sea-going vessels. While the *Delta Queen* is a Cincinnati based boat, this community and the entire Ohio River Valley has a genuine desire to exempt the *Delta Queen* from the same safety regulations as ocean-going vessels if it can be accomplished in line with adequate safety to passengers.

It is the belief of the Louisville Area Chamber of Commerce that this can be done and at a meeting of the Board of Directors of this organization on July 9, a policy was adopted urging your taking any action within your power, particularly as a potential Conference Committee member of the Senate passed Maritime Bill, to exempt the *Delta Queen* from the Maritime Safety Regulations.

It is our sincere belief that the *Delta Queen*, because of her qualified sprinkler system, is actually superior for fire safety purposes to fire resistant construction. We also feel that there is a substantial distinction between ocean-going vessels and river boats because of the constant proximity of shore lines to the river boats. And finally one of the most frequent but older causes of river boat fires, namely the use of fire tubes in the boilers, is not a safety consideration with the *Delta Queen*. She has water tubes in the boilers and the boiler room is equipped for automatic release of carbon dioxide in the event of fire.

On behalf of our more than 2,600 members, we urge that you give these factors favorable consideration in any action you

may be able to take to exclude the *Delta Queen* from the Maritime Law requiring the same standards for river boats as ocean-going vessels if adequately equipped with other fire safety devices such as sprinkler systems.

Cordially,

LEWIS B. KERBERG,
*General Manager.*

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MARIETTA, OHIO, *July 23, 1970.*

Hon. MARLOW COOK,
*Senate Office Building,*
*Washington, D.C.*

DEAR SIR: As Mayor of the City of Marietta, Ohio, I am writing to you respectfully requesting your help in getting legislation passed through the Congress of the United States of America that would exempt the riverboat *Delta Queen* from Public Law No. 89–777. It is my feeling and the feeling of our citizens in Marietta, that it is in the best interests of history, our heritage and the preservation of the great American way of life that the *Delta Queen* should be exempt from said law.

The law should not apply to the *Delta Queen* because the real purpose and intent of the law was to set ship construction standards for ocean-going vessels. The law was needed and made good sense for ocean-going ships but should not be used for stopping the activities of the *Queen* here on the great Ohio, Mississippi and Tennessee Rivers.

I am sure you have many facts and I don't want to be repetitious, however, I do feel it does rate a reminder to you that the *Delta Queen* is never more than a few minutes from shore. It does not encounter heavy seas or the usual hazards of ocean-going vessels. The *Queen* only travels at ten miles per hour and has on her decks and in her halls and her staterooms all the latest safety devices and equipment. The superb management which overseas the operation of the *Queen* is very safety conscious and all possible safety precautions and equipment are utilized and continually updated. In her 42 years of operation she has never been in a serious accident. In fact, Greene Line Steamers, Inc. has operated 28 boats for eighty years and has never had a passenger fatality or significant accident or fire.

In closing, let me thank you for the opportunity to call this matter to your attention and urge that you do all in your power to bring about exemption of the *Delta Queen* from Public Law No. 89–777. The full resources of myself and my staff are at your disposal in any way that you feel we could be of service in this matter.

Sincerely,

JOHN A. BURNWORTH,
*Mayor.*

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FORT THOMAS, KY.,
*July 28, 1970.*

Senator MARLOWE COOK,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR COOK: I am writing you in regard to saving the S.S. *Delta Queen.* The *Delta Queen* has become a source of pride and pleasure to thousands in our area and we will deeply regret any Congressional and Governmental action that would cause her to cease operation.

It seems incomprehensible that the *Delta Queen* could be considered in the same category as ocean-going vessels, especially since the boat is rarely over 200 feet from shore. The *Delta Queen* has had an impeccable safety record and I would be the first one to desire that it be maintained, as I have been involved in disaster planning for a number of years on the state and national level and currently am a member of the Emergency Medical Services Committee of the Kentucky Department of Health.

Personally, I deeply believe that if we are going to fret about the safety of the *Delta Queen* it is misplaced. Such emphasis should be placed on the numerous factors involved in highway, rail, and aviation safety.

Thank you very much.

Sincerely yours,

JOHN D. HOYLE.

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FALLBROOK, CALIF.,
*August 5, 1970.*

DEAR SIR:

Please save the *Delta Queen!* My husband & I are unable this year to go back & enjoy a long anticipated journey on her but mean to next year.

I was reared in St. Louis & went on many a Sunday school picnic up the Mississippi to an island, on such a steamer & want so much to do it again. I lived in Louisville for ten years.

Everything we ever loved is disappearing—please save the *Delta Queen.*

Sincerely,

MARIE E. GEORGE.

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R. J. STEWART ASSOCIATES, INC.,
*Louisville, Ky., September 2, 1970.*

Senator MARLOW W. COOK,
*Old Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR COOK: I am very concerned about the possibility of the steamer *Delta Queen* not being able to continue in operation because of the 1966 Safety at Sea Law. I do not believe that the requirements for a vessel at sea should include the *Delta Queen* since I believe that she operates under entirely different circumstances.

Last year, I was fortunate enough to take a short trip on this vessel and I was perfectly delighted with my time on board. During my trip, I was impressed with the concern of the captain and crew for the safety of the passengers and the vessel. This was true not only in the public areas but also in areas such as the engine room which I made a point of inspecting. The engine room was as well maintained as the public areas. Because of my experience on the water, a vessel would have to be above average for me to commend her and I do commend the *Delta Queen* and will recommend her to anyone who wishes to relive a part of our history.

I have been fortunate enough to have owned a small power cruiser on the Ohio, to have taken several trips on the Ohio, Mississippi, and the Chicago River to Lake Michigan on friends' cruisers, to have taken trips under power and sail in the Bahamas and to have crossed the Atlantic from Gibraltar to Barbados aboard a 60-foot Ketch before my trip aboard the *Delta Queen* and I feel that I was fortunate to have been aboard her. I hope that she will be preserved for future generations of Americans to enjoy as I have done.

Very truly yours,

W. L. WEBER.

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WHALING CITY DREDGE & DOCK CORP.,
*Groton, Conn., August 12, 1970.*

Representative EDWARD A. GARMATZ,
*Chairman, House Merchant Marine Committee, House Office Building, Washington, D.C.*

DEAR MR. REPRESENTATIVE: I think the forced retirement of the *Delta Queen* is a tragic mistake. That vessel carries with it one of the last vistages of folklore and nostalgia of our Great Country.

Born in 1896 near the Ohio River and having supervised work near, in and over the rivers of the Eastern U.S.A. for some 50 years it seems that the swish of the paddle wheel, the echo in the valley of long gone musical instrument such as the steam calliope should be preserved along with other things such as we have in this area. The Old 1600 Water Wheel Grist Mill, Nathan Hale School, the Whaling Schooner *Morgan.*

As Mayor of this City I had the pleasure of turning on a permanent lighting system for the Groton Monument at Fort Griswold, that was a sad day for America when Benedict Arnold sacked and burned New London and Groton.

As president of this firm I started, seven years ago, a "See Submarines by Boat" Tour for our many thousands of citizens who visit from all over the U.S.A. to observe and understand past and present history. I can only say they love it.

We live with the U.S. Coast Guard and their regulations and live by and approve all matters pretaining to safety. I am positive with a little effort the *Delta Queen* need not be classified as an unsafe vessel.

Our modern methods of fire proofing, springler systems, life boats, etc, can be adjusted to work in a manner of how it can be done and not an attitude of acceptance of rules which apply to the wide open sea. My only interest is to suggest that your committee take an affirmative approach and not a negative one.

I would hope that a favorable decision be accomplished before it is too late for the grand old lady.

Very truly yours,

C. B. SHAIP, *President*

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ABEL CONTRACT FURNITURE & EQUIPMENT CO., INC.,
*Austin, Tex., August 31, 1970.*

Subject: H.R. 16933.

Senator MARLOW COOK,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR COOK: Although I write you from Texas, I am concerned about the *Delta Queen* and ask that you take action to exempt this fine ship from the provisions of the Public Law 89–777.

We have ridden the *Delta Queen* in the past, as we have other ships, and we surely feel safer on the *Delta Queen* than on ships at sea. Surely operating on the Mississippi, Ohio and Tennessee Rivers makes this vessel far safer than many of the ships that are licensed to operate at sea, where fire or any other disaster would cause much greater risk to anyone's life than on the *Delta Queen.*

This fine symbol of our heritage with the safety that it offers and the pleasure and recreation that this steamer provides its passengers in these frustrating times, should cause it to be exempt from the Safety-at-Sea Law.

It is believed that such a law was never made to apply to a river steamer which is always minutes from shore.

Congressman J. Pickle and Senator John Tower are also being urged to exempt the *Delta Queen* from the Safety-at-Sea Law. Your support to exempt the *Delta Queen* is urged.

Very truly yours,

J. D. ABEL, *President.*

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HAVRE DE GRACE, MD.,
*August 19, 1970.*

Senator MARLOW W. COOK,
*U.S. Senate Building,*
*Washington, D.C.*

DEAR SENATOR COOK: I am writing to you for myself and my husband and two sons, ages 10 and 12, concerning the future of the *Delta Queen,* midwestern river boat of the Ohio and Mississippi.

We planned for two years to make a trip on this paddlewheel steamer and the last weekend in July of this summer we finally embarked on a two-and-a-half-day cruise from Cincinnati to Louisville and back again aboard the *Delta Queen.* The trip far exceeded our most generous expectations and was the most treasured family vacation we have had in our fourteen married years.

We would do anything we could to see that the overnight cruises on the *Delta Queen* continue, so we thought that letting you know how we feel about this marvelous piece of Americana is one of the best ways.

As you know the *Delta Queen* is limited by

the safety-at-sea law P.L. 89–777 which was actually designed for ocean going vessels, and because of her wooden superstructure is facing a tragic termination of service November 2 of this year because of having been unnecessarily included under the above law.

We desire safety for ourselves and our children and all people as much as anyone else. However you can carry the safety issue to such extremes as to choke all the spontaneity out of living. We drove West from Havre De Grace, up the Pennsylvania turnpike and out through West Virginia to Cincinnati to board the *Delta Queen*. As far as sheer safety statistics are concerned, it was a far greater risk just driving to Cincinnati than it was traveling aboard the *Delta Queen*.

The boat is equipped with automatic sprinkling fire control devices, it is not overcrowded with passengers, and passage aboard her is booked on a completely voluntary basis. Also a crew member is continually on fire watch aboard the boat 24 hours a day. The itinerary brochures from Greene Line Steamers (owner of *Delta Queen*) in Cincinnati point out the risks involved and those who choose to make the cruises do so with complete awareness of what they are doing.

I will not repeat the various agruments on the subject which have been included in newspaper publicity on behalf of the *Queen* all summer, although we are in agreement with them, now that we have seen for ourselves that they are true.

I would like to add before closing this letter, however, that no accommodations we could have hoped for could have given us a greater sense of security. The staff and crew was more than adequate, the water was pure for drinking and our whole family agreed that we'd do it all over again even if we knew in advance that we might have to swim for shore on a moments notice. This is purely hypothetical, however, as the *Delta Queen* has a perfect safety record and has had it for its entire 80 years.

Please do all you can to help pass the Senate-amended Merchant Marine Bill which has approval of the House and which would permanently exempt the *Delta Queen* from the 1966 safety-at-sea law. Also the administration's $30 billion maritime bill with *Delta Queen* exemption amendment, which has been ordered out of the Senate's Commerce Committee.

It doesn't reflect the desires of thousands of United States citizens for such a bill to remain bottled up in a legislative committee. So we'd like to see it get on its way to the Senate-House conference committee and be settled once and for all.

Legislation must come by representation of the people and it's obvious by now that the people of this country want the *Delta Queen* to remain on overnight cruise status.

It is rather ironic that the Chairman of the House Merchant Marine and Fisheries Committee, Edward Garmatz of Baltimore, has prevented any previous *Delta Queen* bill from coming out of committee for a floor vote, yet has never been on the *Delta Queen*, nor has he accepted any of the repeated invitations to do so.

Thank you for whatever you can do to help.

Yours truly,

Mrs. Sue T. Bailey.
Robert J. Bailey, Sr.
Robert J. Bailey, Jr.
Daniel T. Bailey.

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Helsinki, Finland,
*September 2, 1970.*

Cabled To: Hon. Richard M. Nixon, President, Hon. John Volpe, Department of Transportation, Hon. Ed Garmatz, House Merchant Marine Committee.

Presented To: Hon. Walter J. Hickel, Department of the Interior.

The following is the text of a Resolution passed today, September 2, 1970 by the Society of American Travel Writers at its Annual Congress in Helsinki, Finland and dicted to your attention:

Resolution

Whereas the Steamboat *Delta Queen* is being forced out of overnight passenger service because she is primarily of wood construction and therefore does not comply with the federal safety at sea law of 1966 and

Whereas the *Delta Queen* meets all other safety and navigation regulations of the Federal Government as enforced by the United States Coast Guard and is inspected annually by the United States Coast Guard and

Whereas Greene line steamers, owner of the *Delta Queen*, has operated 28 steamboats on the nation's rivers for more than 80 years without a single passenger fatality and

Whereas the condition, maintenance and inspection system of the *Delta Queen* and the safety record of Green Line Steamers in comparison with airline, automobile and other records, indicates steamboat travel is one of the safest forms of transportation in existence today and

Whereas the *Delta Queen* is considered one of America's unique tourist attractions and

Whereas the American steamboat is close to the hearts and lives of millions of Americans who live along the nation's great rivers in 16 States served by the *Delta Queen* and stimulates joy and love of country wherever she sails and

Whereas America's steamboats and the experience they provide the traveling public are often imitated around the world, but the *Delta Queen* is the last remaining American steamboat in operation and the last place in the world where that experience may be had in its original form and

Whereas many thousands of U.S. citizens, through petitions, have all expressed their desire that the *Delta Queen* continue in overnight passenger service, and members of Congress have introduced at least 22 bills in both Houses to that effect, and

Whereas the Department of the Interior this year designated the *Delta Queen* as a national historic site and

Whereas the Society of American Travel Writers has long advocated the preservation of America's scenic and historic wonder for the bentfit of this and future generations of travelers,

Now therefore be it resolved this 2nd day of September, 1970, that the Society of American Travel Writers requests the President and Congress of the United States of America, the secretaries of Interior and Transportation and the chairman of the Merchant Marine Committee of the U.S. House of Representatives to grant a permanent exemption to the *Delta Queen* from the provisions of the federal safety at sea law of 1966 to the extent that she be allowed to continue overnight passenger service among American cities.

Proposed by David Hunter, travel editor, the Cincinnati Enquirer.

Seconded by A. Borcover, assistant travel editor, the Chicago Tribune.

Passed unanimously by the Society of American Travel Writers at its 15th annual meeting in Helsinki, Finland, September 2, 1970.

Signed:

Gerry Hall,
*Travel Editor, the Toronto Star; President, S.A.T.W.*

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Saratoga Springs, N.Y.,
*August 24, 1970.*

Senator Marlow Cook,
*Senate Office Building,*
*Washington, D.C.*

Dear Senator Cook: This is just a short note to let you know that I support your efforts to save the steamboat *Delta Queen*. I have been a passenger aboard her this year and feel that she is completely safe.

I would think that help from NASA safety officials that Greene Line is getting should provide even more reason for Congress to pass an exemption for the *Queen*.

Best of luck.

Sincerely,

Thomas G. Rhodes.

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Danville, Va.,
*June 7, 1970.*

Senator Marlow Cook,
*Senate Office Building,*
*Washington, D.C.*

Dear Senator Cook: Public Law 89–777 (The Safety-at-Sea Law) is one that goes a little too far when it comes to regulation of rivercraft. At this time I am thinking of the future of the *Delta Queen* which is operated by the Greene Lines.

This firm has not lost a life in an accident in 80 years of operation which is a record that no other transportation company can say that I know about. The *Delta Queen* does not travel the sea and does not travel far from land at any time. The most she gets away from land is 3 minutes.

It is my thinking that she should be allowed an exemption so she can sail. She is about the only contact we have left with our past and the things which made this United States great. She is a working symbol and not a museum piece just to look at. Let's keep her on the river where she belongs and let the people that wish to sail with her the chance to enjoy life as it once was.

I hope that you will use your influence to help keep the *Delta Queen* alive.

Sincerely,

Joseph E. Hile.

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Oxford, N.Y.,
*May 27, 1970.*

Senator Marlow Cook,
*Senate Office Building,*
*Washington, D.C.*

Dear Senator Cook: In an era when the importance of maintaining as much of our American heritage as possible is obvious, it is incomprehensible to me why there should be a dispute about the *Delta Queen* steamship. Therefore, I am writing to appeal that the *Delta Queen* be permanently exempt from Public Law 89–777 (The Safety-at-Sea law.)

Since Public Law 89–777 was enacted to set ship construction standards for ocean-going vessels, I can see no valid reason for its application to the *Delta Queen*. The *Queen* travels only on the inland waters of the Mississippi, Ohio, and Tennessee Rivers at a "speed" of 10 miles per hour. It obviously does not encounter the dangers and problems of the ocean-going vessel. The *Delta Queen* has never had a serious accident in 42 years of operation. How many of us can make a comparable statement?

I have informed my Senators and Congressman of my sentiment and all members of pertinent committees. A petition is circulating in Chenango County, New York State, which is receiving wide support. In all sincerity, I ask you to vote for H.R. 16933 which will exempt the *Delta Queen* from Public Law 89–777.

The *Delta Queen* is part of our American heritage. Now, more than ever, we need that heritage to stand as a symbol of what we have been and may become.

Thank you for your courtesy.

Respectfully,

Miss Lenora A. Snedeker.

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June 11, 1970.

Hon. Fred Schwengel,
*Rayburn Office Building,*
*Washington, D.C.*

Dear Fred: On Sunday May 24, I and C. W. Stoll of Louisville, Kentucky, were invited to participate in a program aboard the *Delta Queen* for the "Today" show which received nationwide coverage on June 10.

I have been very much concerned about

the *Delta Queen* being included in a bill—Public Law 89–777 which outlines the requirements for ocean-going or Great Lakes steamers. I'm glad that you and John Culver share my concern and have introduced separate bills that would exempt the *Delta Queen* from this measure.

The danger of fire is so remote, and the ease with which the boat could reach shore in less than a minute makes her inclusion both unfair, and in some respects absurd. I know the Iowa Congressional delegation is familiar with my writings on the Mississippi and steamboat over the past 43 years, hence they will understand my urging them to exempt the *Delta Queen* from the provisions of Public Law 89–777.

The following is, in substance, what I said on the "Today" show:

"The mighty Mississippi System, of which the Ohio River forms a significant part, was prior to the Civil War, constantly referred to as 'Western Waters.' It was not only the main highway of emigration into the Mississippi Valley (as witness how the census of 1820, 1830, and 1940, showed population clinging to the borders of the Ohio, Mississippi, and Missouri Rivers), but it also was the Highway of History, of Humor, and of grotesque Tall Tales. The Steamboat, rather than the Covered Wagon, therefore, should be the Symbol of the Westward Movement and the expansion of the American Frontier. There were more steamboats, and a greater tonnage on Western Waters in the 1840's than there were in the entire British Merchant Marine. And the *Delta Queen,* on which we have the privilege of riding today, is a Symbol of the pioneer steamboats—a living, pulsing, throbbing Museum of Transportation and Communication, if you please, that can carry the story of the expansion of the American frontier to a score of busy ports in America today."

The *Delta Queen,* and the 28 boats that have served under the Green Line Steamers flag for 80 years, have done so without a fatality. I think this can also be said of the Diamond Jo Line Steamers, about whom I have just completed a story for *The Palimpsest.* These are real records and worthy of consideration.

I am grateful that you and John Culver were quick to get bills in Congress to exempt the *Delta Queen* from Public Law 89–777. Few men realize more than you the loss to America should this floating museum of an almost forgotten year be forced to discontinue its service.

The fact that she travels over 4,000 miles of the rivers of America each year and thus can be seen by men, women and children in 17 states is highly significant. I wonder how many Congressmen realize that the *Delta Queen* is extremely expensive to operate and rarely breaks even. Her owners have not run to Uncle Sam for a subsidy but we can be thankful that two public-spirited men, one in New Jersey and one in California, have realized the difficulty of operating the *Delta Queen* and have personally made up the deficit in order that the *Delta Queen* would not pass into oblivion.

Fred, I'm sending a copy of this letter with an accompanying note to our Iowa delegation, and to chairmen of the respective Committees in the House and Senate. I hope they will all understand the limitations of time that make this necessary.

Faithfully,

WILLIAM J. PETERSEN,
*Superintendent.*

Mr. COOK. Mr. President, I would like, by way of reference, to make a change in the committee's report on page 64, under section 43, in that it refers to the fact that the *Delta Queen* travels the Mississippi, Ohio, Tennessee, and Cumberland Rivers. I might say that she is berthed in Cincinnati, Ohio, the home State of the distinguished Senators from Ohio, and I might read one comment from a letter I received from the Governor of my State, the Honorable Governor Nunn, in which he said:

As the last river steamer of the floating palace class, the Delta Queen's partly wooden superstructure condemns her under the existing law. Yet it is this fine mahogany, teak, and ironbark of her main salon that makes her a floating palace. Moreover, in her 44 years of operation, not a single passenger has ever been lost by accident.

I would hope that the conferees would understand and realize the significance to American history of a vessel that plies the river from Pittsburgh to St. Louis, to New Orleans, and up to Minneapolis and St. Paul.

I would only say to you in all fairness and all honesty that we have had a little problem with the attitude of the U.S. Coast Guard. Yet when one views the efforts of the Coast Guard to seek the safety of the American people, with which I agree, they have a beautiful and fabulous bark that they keep at New London, Conn., called the *Eagle.* The *Eagle* probably violates 100 safety-at-sea laws. She has wooden decks. She has wooden bulkheads. She has hammocks instead of bunks. She violates everything in the book, but because she is exempt, nobody really does anything about it. The 280 young seamen who have to go aboard it every year do not do it by choice; they do it only because they have to.

So I can only say to the members of the conference and to the Members of the House, I have submitted for the record letters from places as far apart as Groton, Conn.; Austin, Tex.; and Fallbrook, Calif.; which say she is a fabulous and beautiful part of history and that she ought to be kept.

Mr. HATFIELD. Mr. President, as we discuss this legislation, I wish to call attention to a related area, that of ship repair. In many areas of the country, private shipyards are in a time of serious decline. Some aspects of this were brought out in the discussions surrounding the amendment recently by the Senator from Maine (Mr. MUSKIE), relating to the destroyer construction under the military authorizations bill.

We must not let our ship repair yards wither and die, for they have made tremendous contributions to our economy, and provide many jobs for many Oregonians even today. Unless we in the Congress take some action, however, those of us representing States with private yards may very well face even tougher times in keeping our workingmen on the job.

I will not belabor this point, Mr. President, for this issue is not totally germane to the discussion on this bill. I do ask, however, that an article detailing the current slowdown in the Portland ship repair industry appear at this point in my remarks.

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

[From the Portland Oregonian, June 29, 1970]

ECONOMIC SLOWDOWN DEALS SHARP BLOW TO PORTLAND MARINE CONSTRUCTION

(By Blaine Schulz)

Portland ship repair and marine construction firms are suffering the worst economic blow in 10 years.

With income down 50 per cent in the four major Portland yards, and the work force down some 70 per cent of normal, the companies are hurt badly and the outlook in the months ahead is poor.

"It's very rough," said George W. Wintz, vice president and general manager of Willamette Iron & Steel's ship repair and shop divisions.

Operating with a skeleton organization of 60 men after being used to averages of 400 men and peaks of 700, Wisco wants business but hasn't been able to get it.

The ship repair business is "down to nothing" at both Wisco and Northwest Marine Iron Works.

Normally carrying up to 700 men, Northwest Marine is down to 400, saved by the $13.5 million Navy contract, one-third completed, on the fleet ballistic missile tracking ship Serbune at Berth 3, Swan Island.

"This is the worst it's been in 10 years," said Kenneth W. Galbraith, vice president in charge of sales at Gunderson Bros. Engineering Corp.

Gunderson Bros., while keeping pace in the railroad car manufacturing, has dropped to 125 men from a normal of 450 to 500 in the marine division and shop support sections.

WEST COAST HIT

Galbraith said this has resulted at Gunderson in a 75 per cent drop in manpower, and revenues are down 50 per cent in the marine work.

"The West Coast is desperate for business," Galbraith declared.

Albina Engine & Machine Works has seen its ship repair and new construction crews drop from 550 to 275, with revenues down 25 per cent.

"Some have gone to California and Alaska, but many haven't found work," said a spokesman for the boilermakers, most of whom are welders.

OTHERS FAVORITE

Companies which normally get a share of the Navy or Coast Guard repair work are bemoaning the lack of government contracts, at a time when Gulf Coast repair yards are full and Eastern yards doing well in new construction.

Top naval and Coast Guard officers, responding to congressmen and the press, contend they must send their repair jobs to "home ports" to keep the men happy and have work done properly on sophisticated systems aboard the vessels.

Arthur Farr, vice president and general manager of Northwest Marine Iron Works, doesn't buy that pitch. He calls the home port policy "a bunch of bunk," contending that half the crew doesn't live in the home port anyway, and half are training at various schools during the repair periods.

"Politics is stronger than reason," he told The Oregonian. He said there would be enough Navy and Coast Guard business if the two services cut work at Navy shipyards.

HATFIELD PROTESTS

Sen. Mark Hatfield has protested the recent use of a naval repair yard at Long Beach, Calif., for repair of the Coast Guard icebreaker Glacier.

With the Portland firms employing 500 to 560 men out of a normal force of 1,750 to 2,450 men, the Oregon Republican contends the Coast Guard's Glacier should have gone to a West Coast yard.

The Portland ship repair industry "de-

serves an explanation," Hatfield said, considering that Portland has a $20 million investment in the industry and the economic life of 2,000 men at stake.

Responded Admiral C. R. Bender, U.S. Coast Guard commandant: "Without this repair period in home port, there would have been almost no opportunity for these men to be with their families for more than a year."

He said the naval shipyard at Long Beach had a drydock and labor force available to meet Glacier's requirements.

Past policy and procedure of the Coast Guard has been to use private ship repair yards.

Northwest Marine's Farr contends the Navy is trying to keep up its work force in naval yards, "while the private industry is going down the drink."

Reps. Wendell Wyatt, R-Ore., and Edith Green, D-Ore., are flinging the brickbats, too, but Wintz, of Wisco, feels the Oregon barrage won't be enough—that political muscle will have to be mustered from all the Western states.

Wintz said the Rose Festival fleet pulled out of Portland praising the friendliness of the port, but he wondered if the friendliness is shared by the military.

Ship repair officials said the economic pinch has caused shipping companies to pull in their horns on new construction, "jumbolizing" and repairing. Wisco wanted the American Mail Line jumbolizing jobs badly but lost to Bethlehem yard in San Francisco. Also the Navy has been taking ships out of commission. And the two-year delay in the North Slope oil project in Alaska has hurt the contemplated tanker business.

All in all, said Wintz, "this is the driest it's been in many years."

Mr. GRIFFIN. Mr. President, on behalf of the Senator from New Hampshire (Mr. COTTON), who is not able to be here, I ask unanimous consent that a statement prepared by him in support of the bill be printed in the RECORD.

There being no objection, Senator COTTON's statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR COTTON

Mr. President, I, too, wish to express my support for the bill H.R. 15424 which, in effect, provides the legislative scheme for implementing President's Nixon's Maritime Program set forth in his message of October, 1969.

The problems confronting the American maritime industry have long persisted, save for cyclical upswings in time of global conflict, such as World Wars I and II. The Magna Carta, to meet these vexing problems, has been the Merchant Marine Act of 1936. This Act has been amended in part over the past 34 years to meet situations as they have arisen. None, however, have been as far-reaching and as comprehensive as those proposed in the bill now under consideration, which should serve to make a quantum jump to prepare American shipping for the decade of the 1970's and 1980's.

Generally speaking, H.R. 15424 is an omnibus bill comprised of 43 sections. The thrust of the provisions of H.R. 15424 may be summarized in the following ten points:

(1) Render eligible for government assistance bulk carriers heretofore not so considered, such as oil tankers and dry bulk cargo vessels (see for example sections 1, 3, 4, 5, 14, 15, 16, 19, 24, and 28);

(2) Provide a ten-year authorization of appropriations for ship construction and render eligible to establish reserve funds with tax-deferred earnings vessels not presently subsidized in the foreign trade, those in the noncontiguous trade, those in the Great Lakes, and fishing vessels, a privilege which heretofore has been restricted to only those vessels engaged in the foreign trade receiving operating differential subsidy (see sections 2 and 21);

(3) Streamline assistance in the form of construction-differential subsidy by making shipyards eligible to be applicants as well as ship operators, now provided under existing law, and provide a productivity incentive with a programmed decrease in the percentage of such government payments (see sections 6, 7, 8, 9, 10, 20, and 22);

(4) Update the currently antiquated operating-differential subsidy program so as to remove it from the morass of administrative red tape by tying it to a self-executing index system (see sections 16 and 17);

(5) Recognize by express statutory language the importance of our "Fourth Sea Coast"—the Great Lakes Seaway System (see for example sections 21 and 26);

(6) Provide uniform administration of our cargo preference laws by regulations to be issued by the Secretary of Commerce and thereby, hopefully, improve the efficiency and most equitable distribution of such government-impelled cargoes (see section 27);

(7) Extend and expand existing programs, such as War Risk Insurance (see section 34); and loan and mortgage insurance, plus render eligible oceanographic vessels (see sections 29–32);

(8) Save our sole remaining stern-wheel river passenger boat, The Delta Queen, a heritage of our past (see section 43);

(9) Make technical and conforming amendments to modernize the administration of the program under the 1936 Act (see for example sections 11–13, 18, 23, 25, 33–39, 41, and 42). These provisions, such as section 12, incorporate earlier Administration proposals, such as S. 1282 and S. 1171, which had been sent up separately prior to the submission of the program legislation; and

(10) In summary, the provisions of the bill H.R. 15424 represent a hopeful launching of a major effort to rebuild an improved American merchant marine which can sail confidently and effectively in the decades of the future.

I, therefore, urge all my colleagues to support the passage of the bill H.R. 15424.

Mr. STEVENS. Mr. President, I rise to make a brief statement in support of this legislation.

The people in the State of Alaska are dependent upon shipping for their existence and know that the Merchant Marine Act of 1936 must be updated. In fact, my predecessor in office, the late Senator Bartlett, was the one who initiated the movement to modernize the American merchant marine. The legislation will provide a long-range merchant shipping program of 300 ships over the next 10 years. It follows the President's proposal to lessen the dependence of shipping on subsidies. It gives an opportunity for the nonsubsidy lines upon which our State is primarily dependent to modernize their fleets without reliance upon grants in aid. As the President noted in his message of October 23, 1969, three-fourths of our merchant vessels are antiquated. These are basically the nonsubsidy fleet. This bill will give an opportunity for those fleets to be updated and be economically competitive.

The bill has been unanimously supported by all who appeared, both labor and management, both the unsubsidized fleet and subsidized fleet as well as the executive branch of the Government.

I feel the legislation will have a significant impact on the future and economy of Alaska and I strongly urge its passage.

Mr. GRIFFIN. Mr. President, I rise to express my support for H.R. 15424 which carries out President Nixon's legislative recommendations to rebuild our merchant marine. This is the first major revision of the maritime laws since enactment of the Merchant Marine Act of 1936. The bill was introduced in the House on December 23, 1969, and I trust it will pass the Senate today by an overwhelming vote.

At the close of World War II, the U.S. merchant fleet was composed of 3,696 ships and was the largest in the world. Since that time, the fleet has been reduced to 967 ships, only 650 of which are engaged in foreign trade. Our fleet now ranks fifth in the world on a tonnage basis. The present fleet of 967 ships will decline to 310 by 1980 if no new ships are built.

Approximately three-fourths of the 650 vessels in our foreign trade fleet are over 20 years of age. These 650 ships are the equivalent in carrying capacity to only 228 modern ships. If there is no new construction after 1970, this fleet will be reduced to 221 ships by 1980, which would be the equivalent of only 123 modern ships.

The United States is the world's greatest trading Nation. Our exports and imports constitute one-third of the world's trade. Yet our vessels carry only 6 percent of our trade by tonnage, and unless there is a shipbuilding program, we will carry only 3 percent by 1980. The continued growth of U.S. trade depends on efficient and reasonably priced transportation.

The bill provides a program for building 300 ships over the next 10 years. In this time of budget stringency it is critical that this program be implemented at the least possible cost to the Government. The bill provides for this. Assurance of a 300-ship program provides an incentive to shipbuilders to modernize their yards and thus reduce the cost of building ships. Under the present law, the ship operator is the applicant for construction-differential subsidy. This has resulted in the building of custom-made ships. These are more costly than standard ships would be. The bill provides that either the operator or the shipyard may apply for the subsidy. The purpose of this provision is to bring shipyards into the design work on the ships so that without reducing the quality of the ships the ships will be designed in such a way that they will be less costly to produce. The program contemplates the production of standard ships rather than custom-made ships, because standard ships are less costly to build.

The 55 percent maximum construction-differential subsidy rate expired on June 30 of this year and the maximum rate reverted to 50 percent at that time. The maximum rate will remain at this level. The bill, however, contains productivity goals. These are construction-differential subsidy rates of 45 percent in fiscal 1971, reduced by 2 percent per year until the rates reach 35 percent in fiscal 1976 and thereafter. If the lowest responsible bid for a ship during any fiscal year would yield a construction-differential subsidy in excess of the produc-

tivity goal for that year, the Secretary would be authorized to negotiate with any bidder for a lower price. In addition, the Secretary of Commerce would be authorized to accept, as a basis for construction-differential subsidy, a price negotiated between an operator and a shipyard if the price was within the productivity goal for that year and he determines the price is fair and reasonable. The public interest will be further protected by the Comptroller General's audit of the negotiated price contract and the work done under it.

The bill provides for fixing the construction-differential subsidy periodically by type of vessel rather than on an individual ship basis. This will enable the ship operator to know in advance the cost of the ship to him and will help the shipyards to aggressively promote their standard ships.

All of these provisions will result in the rebuilding of the fleet at the least cost to the Government and to the ship operator.

Turning now to the operating-differential subsidy, the amendments made by the bill provide an incentive to the operators to control their costs. Wages are the chief element of the operating subsidy. Under existing law, the Secretary of Commerce must find that the wages negotiated by industry and labor are fair and reasonable. This has involved the maritime industry and the Government in prolonged disputes as to whether the wages and manning agreed to in the collective bargaining agreements are fair and reasonable. As a substitute for this, the bill provides that in the future the Secretary of Commerce will determine prior to the time a ship is built whether the proposed manning of the ship contains officers or members of the crew that are unnecessary for the economical and efficient operation of the vessel. With regard to existing vessels, as the bill came to us from the House, it provided that any disallowances made by the Secretary of Commerce prior to enactment of the bill would not be included in the collective bargaining costs on which the subsidy is based. To give the Secretary of Commerce more adequate time to pass on these disallowances, the committee amendment would exclude disallowances made by the Secretary prior to 90 days after enactment of the bill. In addition to these disallowances, the bill would gear any increases in collective bargaining costs on which the subsidy is based to an index of increases or decreases in collective bargaining costs in other industries.

The bill contains one other very important innovation with regard to operating subsidy. The bill provides for payment of operating subsidy for the operation of bulk carriers. At the time the Merchant Marine Act, 1936, was enacted the United States was largely self-sufficient with respect to raw materials. This, of course, is not true at the present time. At the present time our liner trade consists of 46 million tons annually, but our bulk trade consists of 350 million tons. Our present bulk fleet which consists of inefficient World War II built vessels is sustained by aid cargoes under the Cargo Preference Act. It cannot compete for commercial cargoes because of its high costs resulting from the higher standard of living in the United States. To compete for commercial cargoes, it needs modern vessels and operating subsidy to make up the disadvantage American bulk carriers are in competition with their low cost foreign competitors. The bill provides for this subsidy. The United States cannot rely on foreign bulk carriers to furnish the raw materials we need for commerce and defense. And even if such carriers are available, they might only be available at inflated prices—witness the closing of the Suez Canal in 1956. The United States takes a long step forward under this bill which provides for the United States to have its own commercial bulk fleet.

The third step forward made by this bill is the extension of tax deferment privileges to all vessels in the foreign trade, to vessels in the noncontiguous domestic trade, to vessels in domestic trade, to vessels in domestic trade on the Great Lakes and to vessels operating in the fisheries.

Under existing law, tax deferment is extended only to vessels paid operating—differential subsidy which operate in the foreign trade. In the foreign trade, this is necessary to compensate for tax benefits which foreign competitors receive from their government. In the noncontiguous domestic trade, it is necessary to permit American products to compete, so far as transportation costs are concerned, with foreign products. In domestic trade on the Great Lakes and in the fisheries, it is necessary to permit replacement of obsolete fleets.

Recognition of the needs of vessels operating on the Great Lakes has been long in coming. The average age of the U.S. Great Lakes fleet is 40 years. It is time that this fleet be replaced. The provisions of the bill that will permit the replacement of this fleet and earnings on which the tax is deferred will give real impetus to the replacement of this fleet.

The bill recognizes the Great Lakes as the fourth seacoast of the United States and eliminates the prohibition on the subsidization of American-flag shipping operating between the United States and Canada. This recognition is long overdue. Thus, the bill should contribute to the promotion of commerce on the Great Lakes.

There is one committee amendment that deserves special mention. That is the amendment of the cargo preference provision of the 1936 act to provide that agencies subject to that act shall operate under the act under uniform regulations issued by the Secretary of Commerce. The hoped-for end result is more efficient and more equitable administration of such Government-impelled cargoes.

As the bill came to us from the House, it would have granted to those operators who do not now receive Government assistance, 20 years in which to dispose of their foreign flag holdings and foreign flag agency operations if they become subsidized. The committee amendment would reduce this to 2 years for agency operations and it would exclude liner operators from 20-year "grandfather" rights. The committee felt that this was all that was necessary in view of the fact that most of the foreign operations are by bulk operators.

This legislation would not have been possible without the commitment of the President to a strong merchant marine, nor without the dedicated effort of the Secretary of Commerce, Maurice Stans, the Under Secretary, Rocco Siciliano, and the Maritime Administrator, Andrew Gibson, who guided the draft bill through executive department clearance. Also it would not be here without the stalwart leadership of our distinguished chairman, the Senator from Washington (Mr. MAGNUSON), our distinguished ranking minority member, the Senator from New Hampshire (Mr. COTTON), the distinguished chairman of our subcommittee, the Senator from Louisiana (Mr. LONG).

I urge that the Senate pass the bill.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Maryland (Mr. TYDINGS), and the Senator from Ohio (Mr. YOUNG) are absent on necessary business.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. JACKSON), the Senator from Washington (Mr. MAGNUSON), and the Senator from Maine (Mr. MUSKIE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. COTTON), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Hawaii (Mr. FONG), the Senator from New York (Mr. GOODELL), the Senator from Idaho (Mr. JORDAN), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) is absent on official business.

If present and voting, the Senator from Hawaii (Mr. FONG), the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Illinois (Mr. SMITH), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "yea."

On this vote, the Senator from New York (Mr. GOODELL) is paired with the Senator from Arizona (Mr. FANNIN). If present and voting, the Senator from New York would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 68, nays 1, as follows:

[No. 314 Leg.]

YEAS—68

| | | |
|---|---|---|
| Aiken | Ellender | Miller |
| Allen | Ervin | Mondale |
| Allott | Gore | Nelson |
| Anderson | Griffin | Packwood |
| Baker | Gurney | Pastore |
| Bayh | Hansen | Pearson |
| Bellmon | Harris | Pell |
| Bennett | Hart | Percy |
| Bible | Hartke | Prouty |
| Boggs | Hatfield | Proxmire |
| Brooke | Holland | Randolph |
| Burdick | Hollings | Saxbe |
| Byrd, Va. | Hruska | Schweiker |
| Byrd, W. Va. | Hughes | Smith, Maine |
| Case | Inouye | Sparkman |
| Church | Javits | Spong |
| Cook | Jordan, N.C. | Stevens |
| Cooper | Long | Symington |
| Cranston | Mansfield | Talmadge |
| Curtis | Mathias | Yarborough |
| Dodd | McGovern | Young, N. Dak. |
| Dole | McIntyre | Williams, N.J. |
| Dominick | Metcalf | |

NAYS—1

Williams, Del.

NOT VOTING—31

| | | |
|---|---|---|
| Cannon | Jordan, Idaho | Ribicoff |
| Cotton | Kennedy | Russell |
| Eagleton | Magnuson | Scott |
| Eastland | McCarthy | Smith, Ill. |
| Fannin | McClellan | Stennis |
| Fong | McGee | Thurmond |
| Fulbright | Montoya | Tower |
| Goldwater | Moss | Tydings |
| Goodell | Mundt | Young, Ohio |
| Gravel | Murphy | |
| Jackson | Muskie | |

So the bill (H.R. 15424) was passed.

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. INOUYE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I move that the Senate insist on its amendments, request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. LONG, Mr. PASTORE, Mr. COTTON, and Mr. GRIFFIN conferees on the part of the Senate.

Mr. INOUYE. Mr. President, I ask unanimous consent that the bill clerk be authorized to make certain technical corrections that may have occurred in printing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, the Senate is deeply grateful to the distinguished Senator from Louisiana (Mr. LONG). His leadership on this measure was outstanding. This Nation's maritime interests could not have been better served. With his strong and effective devotion this Nation's merchant marine has a fine advocate. The achievement this evening marks another splendid accomplishment in the already overabundant record of public service compiled by Senator LONG. Again, I express my gratitude and the gratitude of the entire Senate.

To the distinguished Senator from Michigan (Mr. GRIFFIN) goes equally high praise. As the ranking minority member of the merchant marine subcommittee he too has served well the maritime interests of this Nation. His cooperation and assistance was deeply appreciated.

## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon the disposition of the reading of the Journal on tomorrow and the disposition of unobjected to bills on the legislative calendar, there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SMALL BUSINESS AMENDMENTS ACT OF 1970

Mr. BYRD of West Virginia. Mr. President, now, for the purpose of laying before the Senate the business which will be the unfinished business except for Senate Joint Resolution 1, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1176. There will be no action on the bill this evening, however.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk stated the bill (S. 4316) by title, as follows: S. 4316, to clarify and extend the authority of the Small Business Administration, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill.

## PROGRAM

Mr. BYRD of West Virginia. Mr. President, I have been authorized by the distinguished majority leader to state that there will be rollcalls tomorrow.

It is anticipated that the Senate will complete action on the bill which has just been laid before the Senate, the bill to clarify the authority of the Small Business Administration.

It is also expected to take up a bill which was programed on the schedule which was mimeographed some few days ago, to amend the Federal Deposit Insurance Act.

And, beyond that, it is expected on tomorrow that we will complete action on the conference report on the Treasury-Post Office appropriation bill.

We have a considerable number of bills on the Consent Calendar for the first thing tomorrow.

As I have indicated, in addition thereto, we have at least two bills—the SBA bill and the FDIC bill—plus the conference report. So there will be plenty of action. There will be rollcalls. Senators are put on notice that we expect to complete action on those measures tomorrow, and we just hope we will not have the same problem that developed last Friday. We do not think we will.

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

Mr. BYRD of West Virginia. I yield.

Mr. ERVIN. Mr. President, as I construe the unanimous consent of the Senator from West Virginia, which has been granted, the bill relating to the Small Business Administration will be the pending business after the morning hour, rather than Senate Joint Resolution 1; is that correct?

Mr. BYRD of West Virginia. No, Mr. President, the able Senator misunderstood me, and for that I am sorry. The unfinished business is still Senate Joint Resolution 1. Until we reach tomorrow, we do not know just whether or not there will be lengthy discussion on Senate Joint Resolution 1 or not.

Mr. ERVIN. Let me assure the Senator that there will be if Senate Joint Resolution 1 remains the pending business, because I have a few laconic remarks I should like to make on the subject.

Mr. BYRD of West Virginia. Well, it may well be that we shall be able to proceed as we did today. I am sure that speeches on both sides of the question are available. But I trust, Mr. President, that we will not have much discussion, if any, on that resolution tomorrow, and that we can get on with the bills we have scheduled tonight.

Mr. ERVIN. I thank the Senator from West Virginia for his information.

Mr. BYRD of West Virginia. I am sorry I was not able to be more exact in my answer.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 55 minutes p.m.) the Senate adjourned until tomorrow, Friday, September 18, 1970, at 10 a.m.