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# Congressional Record

PROCEEDINGS AND DEBATES OF THE 91<sup>st</sup> CONGRESS, SECOND SESSION

## SENATE—Friday, February 20, 1970

The Senate met at 10 o'clock 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:

O Thou who art from everlasting to everlasting, who hast given us a nation of honor, prestige, and power, we humble ourselves to remember that for all this we shall be brought to judgment; and that when much is given, much shall be expected in return. Thy providence plays no favorites. So we ask Thee to give us wisdom that we may rightly use all our natural and human resources. Cleanse the roots of our national life and our own lives that we may be loyal to the founding principles, steadfast in the faith of our fathers, great in morality and virtue that this Nation may become a bastion of spiritual power for all mankind.

In the Redeemer's name. Amen.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, informed the Senate that pursuant to the provisions of section 1, Public Law 86-42, the Speaker had appointed Mr. TAFT, of Ohio, as a member of the U.S. delegation of the Canada-United States Interparliamentary Group, on the part of the House, to fill the existing vacancy thereon, vice Mr. BROOMFIELD.

The message announced that the House had passed the bill (S. 2701) to establish a Commission on Population Growth and the American Future, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 14464) to amend the act of August 12, 1968, to insure that certain facilities constructed under authority of Federal law are designed and constructed to be accessible to the physically handicapped.

The message further announced that the House had passed a bill (H.R. 14810) to amend section 602(3) and section 603c(6)(1) of the Agricultural Marketing Agreement Act of 1937, as amended, so as to authorize production research under marketing agreement and order programs, in which it requested the concurrence of the Senate.

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### HOUSE BILL REFERRED

The bill (H.R. 14810) to amend section 603(3) and section 603c(6)(1) of the Agricultural Marketing Agreement Act of 1937, as amended, so as to authorize production research under marketing agreement and order programs, was read twice by its title and referred to the Committee on Agriculture and Forestry.

### THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, February 19, 1970, be dispensed with.

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

### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I have discussed this request with the distinguished Senator from Wyoming (Mr. HANSEN) who was to be recognized at this time. Accordingly, I ask unanimous consent that I may proceed for not to exceed 10 minutes at this time, and that then the Senator from Wyoming will take up the full allotment of his time.

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

### THE CONDITION OF OUR NATION'S CAPITAL

Mr. MANSFIELD. Mr. President, District of Columbia residents do not need to be reminded of what has happened to this city. They know only too well, and I do, too, because in this city two Montanans, a second lieutenant in the Marine Corps, Thad Lesnik, of Fishtail, Mont., was murdered—gunned down 2 years ago. This year, Harry Gelsing, a research man, a friend, from Helena, Mont., died. He was murdered—also gunned down in the street. Just yesterday a cattleman friend of mine from Montana told me that his son, who had just finished school at the Marine Corps base at Quantico, had, with a companion, been held up. A gun had been pressed against his temple for 15 minutes, and he expected to be killed at any moment. He and his companion were robbed of their watches and their money, but, fortunately, so far as they were personally concerned, nothing else happened to them.

However—and what I have just said serves to highlight this—the citizens of the rest of the Nation also have a stake here. I would hope that they would not hesitate to express to the administration and to the Congress, a bona fide indignation at the sorry state of the Nation's Capital.

In a very real sense, the District of Columbia is our common national glory or our common national shame. I need not point out to Senators who live and work in the area which is which at this moment. A few years ago there was hope of a capital fit to symbolize a confident, capable, compassionate, and cultured country. People were attracted and drawn here by that hope. They came in ever-increasing numbers from all over the country and the world.

Where is that hope now? What has happened to that dream? To be sure, from time to time, the words about a great capital still go out, from the White House or Capitol Hill. But they have a hollow sound. The truth is that we do not have a capital fit for a great nation. There is reasonable doubt even about Washington's fitness for the decent survival of its citizens. It is a capital blanketed in fear. Fear stalks the streets. It seeps into office and home. It afflicts rich and poor. It is in Northeast, Northwest, Southeast, and Southwest. It spreads and will continue to spread into what was supposed to be the "safe" suburbs.

We have seen at firsthand in this city, Mr. President, the consequences of national neglect and indifference. We have seen it lead to a corrosive crime, compounded by the spread of terror. People flee the streets at dark and, more and more, even in daylight. They board up their shops. They bolt, rebolt, and bolt again their doors and bar their windows. We begin to resemble the cities of the Middle Ages with brightly lit shrines scattered in a fear-laden darkness. Who is to blame the inhabitants for taking personal precautions which sometimes become even more hazardous than the danger? Who is to say where the real risk ends and hysteria begins?

I do not know the answers. I do know that a basic requirement for any decent civic survival is that the streets—not the streets in one section of town but in all sections of town—be reasonably safe. The words "reasonably safe" are stressed because there can be no perfect security anywhere.

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Nevertheless, in my judgment, the safety of the street is the critical factor. The streets are the avenues of human contact. Unless they can be so used, they will revert inevitably to the jungle. The streets must be open to the use of all. They must be made safe for citizens waiting for a bus, for citizens getting out of a car, or for citizens who just want to get there on foot, as was the case with Harry Gelsing.

What is or should be sought is not security. It is not the security which some believe may be obtained by cowering behind locked doors. It is, I reiterate, "reasonable security" befitting a free society and, in my judgment, a 50-percent drop in street crimes would go a long way in bringing to an end the present reign of terror.

At some point soon, I would hope that the Government and the police of this city will be able to provide a full blueprint of what is still required, in their best judgment, to bring about that reasonable degree of safety in the next 2 or 3 years. May I say that the Senate has heretofore responded promptly with legislation for police needs. We have passed a full complement of five bills sent up by the administration covering the District of Columbia. Last month, we passed both the crime control bill and the drug control bill; so, the Senate has done its share so far as legislation is concerned. We have increased the force in numbers and raised the pay of its members.

We have given just about whatever in the way of legislation the President has sought to fight crime. We have backed the Mayor. We have backed the Police Chief. We are even about to consider in the Senate the President's request for a special White House Police contingent to provide complete security for the foreign embassies in this city even though our own citizens do not yet have it.

Notwithstanding this effort, I regret to say that so far as I am aware the situation has shown no real signs of improvement.

I do not know what more can be done by the Senate at this point. If there is something further needed, I hope the President will point it out without delay. I hope the House of Representatives will flag it for the attention of the Senate. Any such initiatives will be welcomed by the joint Senate leadership.

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

Mr. MANSFIELD. I will be glad to yield.

Mr. GRIFFIN. I wish to join the distinguished majority leader in his expressions of concern about the situation in the District of Columbia. I understand and share his concern about the situations involving citizens of Montana.

Representing the leadership on this side, I wish to join in paying tribute to the majority leader and to the Senate as a whole for the quick attention it has paid and devoted to the President's request for legislation to deal with the problem of crime. But it is a fact—and I think the distinguished majority

leader, of course, indicated it—that the passage of legislation by the Senate does not make it law. And the President still does not have the legislation on his desk, so that he can sign it.

I join in the hope that the other body will turn its attention to some of these measures. And I particularly want to commend the distinguished majority leader for his indication that the Senate will soon consider the special security legislation which the administration now has pending.

Mr. MANSFIELD. Mr. President, I thank the distinguished acting minority leader. I knew before I started that the subject would have bipartisan support.

I emphasize that so far as the Senate is concerned, we have done our share in facing up to the legislative proposals designed to combat crime and drugs in the District of Columbia, and in the Nation as a whole. If anything further is needed, the Senate stands ready to face up to the problem and cope with it.

For something must be done to cope with the problem of crime which is spiraling upward all the time. If not, the Republic will be in a very sorry state, a very dangerous state.

I ask unanimous consent to have printed in the RECORD an article dealing with this problem, published in the Wall Street Journal of February 11, 1970.

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

LIVING SCARED: SURGING CRIME FORCES WASHINGTON RESIDENTS TO CHANGE WAY OF LIFE—CABBIES, MERCHANTS STRIVE TO FOIL ROBBERS—SECURITY BOLSTERED FOR APARTMENTS—A STIMULUS TO NATIONAL ACTION  
(By Monroe W. Karmin)

WASHINGTON.—John D. Holland is afraid. For 40 years he has been selling packaged liquor at his Maryland Beverage Mart in this city's southeast sector. Four years ago he installed a burglar alarm system. Three years ago he put iron bars on his windows. Two years ago he began arming. Now on his desk on a platform overlooking the sales floor are a black Italian-made pistol, a silver German-made pistol, a Winchester rifle and an L. C. Smith shotgun. "I've never been held up," Mr. Holland declares, "and I don't intend to be." Since mid-1967, intruders have murdered seven local liquor dealers in the course of an estimated 700 robberies of such stores.

Leroy R. Bailey Jr. is afraid. He drives a taxi. Last year he paid \$20 to install an emergency flasher in his cab. If he's threatened, Mr. Bailey steps on a button that sets off a flashing signal for police aid in his front grille and rear bumper. At night, he says, "nine out of 10 cabs won't pick up a man alone." The number of Washington cab drivers has dropped to about 11,000 from 13,000 two years ago. Says James E. Jewell, president of the Independent Taxi Owners Association: "This is a very dangerous town to drive in. Many men won't work after the sun goes down."

The people at the Mexican embassy are afraid.

Last September, during an independence day celebration, two guests were robbed. Female employees have been accosted. Vandals have struck repeatedly. Now all embassy doors are kept locked. A fence has been erected around the property, located two miles north of the White House. "We live in fear," says a spokesman. So does much of the

crime-plagued diplomatic community. President Nixon is asking Congress to expand the 250-man White House police force to offer additional protection for Embassy Row.

#### THE NO. 1 ISSUE

Most of Washington is afraid of crime. Fear has changed the way of life of residents of the nation's capital and its environs, affecting everyone from cab-driver to Senator. It has also changed the way institutions, from schools to embassies, operate. While race relations continue to be a major problem for this city, whose 850,000 residents are more than 70% black, there is no doubt that today's No. 1 public concern is personal safety.

"A couple of years ago the city's tension was seen in terms of white police versus the natives," says an aide to Mayor Walter Washington. "Now it's seen as criminals versus victims. It's more crime and less racial."

Mayor Washington, himself a Negro, says that black as well as white neighborhoods are demanding more foot patrolmen, even though the cop on the beat was viewed as "a Gestapo agent" by many blacks not long ago. The mayor finds ground for optimism in the change. "Never before have I seen such an attitude on the part of the people of the city, both black and white, to work together on a problem," he says.

#### A TRAGIC EXAMPLE

The nation's capital is by no means alone in its fear of crime; rather as Mr. Nixon pointed out in his State of the Union Message, it is a "tragic example" of the way crime and violence "increasingly threaten our cities, our homes and our lives." But Washington is suffering more than most cities. In the nine months through September, according to District of Columbia Police Chief Jerry Wilson, reported crime in Washington jumped 26% over a year earlier, compared with an average national increase of 11%. Cleveland, San Francisco and Baltimore also topped the national average.

Chief Wilson, who was appointed last summer, hopes to come to grips with the rising crime rate here, if he gets enough help. President Nixon has proposed a new \$12.4 million crime-fighting package for the district to supplement the city's regular budget, which emphasizes public safety measures, and Congress is at work on other anticrime legislation for Washington.

This war on crime focuses on several trouble spots. It aims to break the local court bottleneck (it now takes an average of nine months for a criminal case to go to trial and some wait as long as 20 months); to curb the freedom of those awaiting trial through a controversial preventive detention measure (an estimated 35% of those arrested for armed robbery and released on bail commit another crime before they come to trial); and to crack down on drug traffic and use (50% of those arrested here are drug addicts).

#### EXPANDING THE POLICE FORCE

But this year's main thrust, Mayor Washington says, is to put more policemen on the streets. The mayor hopes to beef up the force to 5,100 men by June 30 from 3,868 on Jan. 1. Also planned are expanded criminal rehabilitation and social-welfare programs that the mayor hopes can be meshed into a comprehensive criminal justice system.

Because Washington is the seat of the Federal Government, the crime surge here is an important stimulus to action on both district and national anticrime legislation. Among the victims of local crime have been Sen. Frank Church of Idaho, White House Press Secretary Ronald Ziegler, Mr. Nixon's personal secretary, Rose Mary Woods and Deputy Defense Secretary David Packard, to

name just a few. Political partisanship is diminishing as liberal Democrats feel the impact of crime and join the President in his anticrime crusade.

Senate Majority Leader Mike Mansfield recently expressed outrage over the "senseless" slaying of a fellow-Montanian and friend in the streets of Washington. He took the Senate floor to demand "new and better ways to fight crime, to cut down the inordinate rate of violence." Another liberal Democrat, Rep. Frank Thompson Jr. of New Jersey, warned the other day that "things may get worse if the Administration and Congress do not put crime control on the front burner."

But until this campaign begins to make headway, life in the District of Columbia will reflect fear, especially after dark.

Cruise through downtown Washington in a police car on a Saturday night and the mood can be felt. On F Street, the main downtown shopping street, merchants lock their doors at 6 p.m. Many put up iron grillwork nightly to protect their windows. Shoppers and employees hurry to the bus stops. Many employees who fear the lonely walk at the end of the bus ride wait in the stores until their spouses drive by to take them home. At 7 p.m. F Street is almost deserted.

The relatively small number of people out for an evening of entertainment arrive a bit later. Some go to the National Theater, which now raises its curtain at 7:30 p.m. instead of 8:30 so patrons can get home early. Some head for downtown movie theaters. The servicemen's crowd patronizes the rock joints along 14th Street. Fashionable Georgetown, more than a mile from downtown, is still lively, as are some of the posh restaurants and clubs. But that's about it. Much of Washington is dark, and scared.

"Watch the people," advises a seasoned policeman. "See how they walk quickly and with a purpose. There's no casual strolling. People don't come into this town at night unless they have a specific destination in mind. They go straight to it and then go home as fast as possible."

#### RESTAURANTS CLOSE

The effects are evident. The Ceres restaurant next to the National Theater is closed, nearby Caruso's restaurant is gone and neighboring Bassin's has lost 50 percent of its night business. The Commerce Department, a block away, was robbed recently. Fumes Bassin's angry manager, Ed Hodges:

"There isn't a waitress, cashier, busboy or anyone who works here who hasn't been robbed, mugged or attacked in some way. And there isn't a place in this block that hasn't been robbed, and most have been hit more than once."

A few blocks away, on 9th Street, the Gaiety Theater is showing "Man and Wife," an intimate film "for adults over 21." Even an attraction of this nature fails to draw the audience it once did. "Business is very bad, way off," says Robert Morris, the ticket seller. "People are afraid to come downtown. We've had lots of purse-snatchings, pockets cut out and all sorts of other things."

Fear inhibits daytime activity as well. A survey taken last summer by the Metropolitan Washington Council of Governments discovered that 65 percent of the city's largely white suburban residents visit the downtown area less than once a month, and 15 percent come downtown less than once a year. Asked their chief worry, the large majority of those surveyed responded: "Crime."

Actually, crime is spreading in the suburbs as well as in the city. Three brutal slayings of young women, one in Alexan-

dria, Va., and two in Bethesda, Md., have occurred within the past few weeks. With these crimes unsolved, many suburbanites tend to view crime in their neighborhoods as a spillover from the city, and they still feel downtown is more dangerous.

Crime continues to speed the flight of Washingtonians to the suburbs. Though many single people and childless couples remain in the city, Joseph Murray of the big Shannon & Luchs real estate firm reports: "Families are leaving at an accelerated rate; this includes both black and white." (In neighboring Prince Georges County, Md., Negro arrivals have recently outnumbered white newcomers.)

#### NO CASH

Sales of downtown department stores dropped by 4% in the first 11 months of last year from a year earlier, while sales throughout the metropolitan area, including those of suburban stores, were rising 8%. A recent Commerce Department survey of 10 central-city areas showed that the District of Columbia suffered the steepest loss of business of all. Shoppers who do venture downtown are continually reminded of the risk. D.C. Transit bus drivers use scrip instead of cash to make change. Delivery trucks bear signs proclaiming, "This Vehicle Carries No Cash."

There are bright spots. New office buildings are sprouting in some parts of town. Convention business continues to grow and tourists arrive in record throngs. Lane Bryant has opened a new store on F Street, and the downtown Woodward & Lothrop department store is remodeling. But the merchants know safety must be assured before enough suburban shoppers will come downtown again to make business snap back.

The big department stores are bolstering their protection. Harold Melnicove, an executive of Hecht's, says his organization now has a security force "big enough to protect some small cities"; he won't give details.

Smaller stores do the best they can. Frank Rich, president of both Rich's shoe stores and the D.C. Urban Coalition, is a downtown optimist. But in his F Street store he no longer displays shoes in pairs, just singles; all display cases are locked; key employees carry electronic devices in their pockets to summon help in the event of danger.

High's dairy stores, which stay open nights and Sundays, have been robbed so many times, says General Manager William Darnell, "we don't like to talk about it." The chain's 37 D.C. stores were held up "hundreds of times" last year, Mr. Darnell sighs, and several had to be closed. Money in all stores is kept to a minimum by frequent armored car pickups.

#### GETTING OUT

A survey by the mayor's Economic Development Committee of small businessmen found that one out of seven contacted "wanted to close down, relocate or simply stop doing business in the city."

One who wants to get out is E. N. Hampton, president of the Hampton Maintenance Engineering Co. His firm has been robbed, his trucks have been vandalized and his employees have been threatened. "It's disgusting," Mr. Hampton snarls. "Now we ride armed guard in the trucks with shotguns. As soon as I can find somebody to buy this I'm getting out."

Nor is black business immune. Berkeley Burrell's four dry cleaning stores have suffered 17 holdups in 10 months. Now the front door of each is locked; a customer can't get in "without a ticket or pair of pants in his hand," says Mr. Burrell. Employees are armed, and the proprietor is trying to replace females with males. "I may sound like Barry Goldwater," he says, "but we've got to get

the community back to where it's safe to live in."

Banks have been a favorite target for bandits. Though these attacks have slackened lately, Francis Addison, president of the D.C. Bankers Association, says a "very high percentage" of local banks are robbed every year. The National Bank of Washington recently closed one branch because of the danger. All banks have tightened security, but the most extreme case is a Security Bank branch in the northeast section.

In 1968 the branch was held up three times within 55 days. Now the bank has put all employees behind plexiglass.

Tellers receive any payout money through scoops beneath the plexiglass. "The personnel were all shook up and couldn't work," President Frank A. Gunther says, "so we bullet-proofed the whole place." The bank has not been held up since.

#### INSURANCE HARD TO GET

Faced with the cost of crime in Washington, insurance companies have turned cautious. "Lots of companies have stopped writing fire and casualty insurance," says Thornton W. Owen, president of the Perpetual Building Association, the city's biggest savings and loan outfit. "And lots of investors will abandon properties rather than maintain them." Hilliard Schulberg of the local liquor dealers association says that for his members "the cost of crime insurance is extremely high, and many companies won't write it." Proposed legislation would permit the Government to offer crime insurance where private insurers won't.

Office building managers, both Government and private, are attempting to cope with the danger. James Sykes, manager of the William J. Burns Detective Agency here, reports many buildings have posted guards at their front doors and says, "We're providing lots more escort service for female employees working late at night." The local chapter of the American Federation of Government Employees has advised its members to buy, at \$5 apiece, antimugger aerosol spray devices.

Security is a prime concern of apartment dwellers. The 670-unit Marberry Plaza, open three years ago in southeast Washington, exemplifies what a new building must offer to reassure nervous tenants. On weekends the project is patrolled by four armed guards with two dogs. All exterior doors are locked. A tenant who has invited a guest for dinner must present an "admit slip" with the guest's name to the desk clerk during the day. When the guest arrives, he must identify himself to the clerk and sign the register. "All of this is at the request of the tenants," says Sidney Glassman of the Charles E. Smith Property management company.

#### SCHOOL VIOLENCE

In some neighborhoods, newsboys no longer collect for their papers for fear of being robbed; subscribers must mail in payments. One cable drives with self-addressed envelopes; whenever he accumulates \$10 he mails it home. Some maids require their employers to drive them home. An outbreak of violence including the shooting of a junior high school student has prompted Mayor Washington to post policemen throughout the city school system. Many schools have stopped dealing in cash, requiring students to pay for supplies and other items costing more than a dollar by check or money order.

"It used to be that holdup students would use their fists; then came knives; now it's guns," says George Rhodes, a member of the D.C. school board. "Not that there have been that many incidents, but it's the fear that parents and teachers must live under that is most troublesome."

School principals, anxious to protect the reputations of their institutions, tend to

minimize the problem. William J. Saunders, principal at Eastern High School (2,400 students including just three whites), says violence is "not a major problem" in the school. Yet several thousand dollars worth of football equipment has been stolen, and police officer Sherman Smart says there have been three alleged rapes in and around the school since September. As Officer Smart talks to a reporter, a photographer's agent joins in to complain that he has visited the school twice to take orders for class pictures and has been robbed of his receipts both times.

Not even the churches are spared. At the Vermont Avenue Baptist Church, the collection plate was stolen by intruders in full view of the parishioners. Says Charles Warren, executive director of the Greater Washington Council of Churches:

"Some churches have begun to lock their doors at 11 a.m. on Sundays for the worship service. Some have policemen at the service during the offering. Some have canceled evening activities or rescheduled them for the afternoons."

The National Presbyterian Church has moved from its 60-year location about half a mile from the White House to a new site three miles farther out. The Rev. Edward L. R. Elson calls the new location "the quietest zone in Washington," but vandalism is as bad at the new church as at the old one. According to Mr. Elson, the vandalism has included "obscurity on chapel pillars, destruction in the church hall and lights pilfered and broken."

#### ORDER OF BUSINESS

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

The PRESIDING OFFICER (Mr. Moss in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HANSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### OIL-IMPORT POLICY

The PRESIDING OFFICER. Under the previous order, the Senator from Wyoming is recognized for 30 minutes.

Mr. HANSEN. Mr. President, during the current controversy over U.S. oil-import policy, the distinguished Senator from New Hampshire (Mr. McINTYRE) and I have expressed some differing views and opinions in remarks here and in a letter to me in which he asked a number of questions.

I replied to his letter, which was printed in the RECORD, and said I believed that most of his questions would be answered in a series of speeches I have delivered here on the Senate floor.

I would like, however, to now itemize my replies to the questions as Senator McINTYRE asked them so that my answers will appear in the same sequence as his questions. His first question was divided into nine separate questions:

1. (a) Do you believe Government programs which establish a floor on prices to be Government control of prices?

(b) If the Government can take action to establish a floor on prices, why can't it take action to adjust that floor, up or down?

(c) Am I correct in assuming that you are against any regulation by the Government of the prices of commodities?

(d) If this is true, what do you conceive to be the purpose and effect of the Oil Import Program?

(i) Doesn't any import quota system have an effect on prices?

My response is that the purpose of the oil-import quota is to enhance our national security. Since oil is clearly of vital importance to our industrial complex, to essential consumer needs and to military operations, it is necessary to provide for assured sources of supply. When it was apparent that the United States was about to become overly dependent on new, flush oil fields in the Middle East, where oil supply currently is cheap but insecure, the Government decided that a certain proportion of our total supply should come from domestic production. This was accomplished by setting import quotas as a percentage of production.

Thus the purpose of the program is to encourage the finding and development of oil in the United States so that a reasonable portion of our essential needs could be met from our own domestic resources if major foreign supplies were cut off—as they have been from time to time.

I believe that the program has achieved its objectives in a satisfactory manner, although certainly some improvements can be made. Even though the difficulty and expense of finding oil in the United States has increased over the years, the level of reserves has been maintained while larger and larger volumes have been produced. At the same time, the domestic oil industry has maintained a surplus productive capacity—at industry expense—which provides a measure of security for times of emergency.

Although most import quota systems affect prices, in the oil-import program the price influence is incidental to the main goal of national security. The limited imports of foreign oil become a part of the total United States supply. Total supply—domestic production and imports—together with the domestic demand, determine the domestic price of crude oil. Thus prices vary in accordance with total supply and demand conditions and are not subject to any specific "ceiling" or "floor."

You have asked if I oppose "any regulations by the Government of the prices of commodities." Since this question would include regulation of utilities and monopolies in general, wartime emergency measures, and a variety of other governmental policies, it cannot be answered categorically. As a rule, I would favor a minimum of Government regulation, especially in situations where competitive market forces can perform the regulating function adequately. Free domestic markets usually serve the consumer best, although in some instances the domestic market should be protected against foreign dumping.

The Senator from New Hampshire further asks:

(e) What do you believe to be the purpose and effect of the State market prorationing system, which is tied to demand?

My response is that the oil prorationing system was instituted by various oil-producing States in order to prevent the waste of oil and gas, conserve the natural resources of those States and to protect the correlative property rights of each owner of interests in common oil and gas reservoirs. This system has accomplished these goals and in doing so provided a stable economic environment for the domestic oil and gas industry, encouraged further exploration for oil and gas reserves, led to the expansion of these reserves and very directly promoted the national security.

I would like to share with you some of the background information that we in the West and Southwest have grown up with concerning the nature and history of the oil business which has provided the basis for the present State prorationing system. As you know, the legal system in the United States has recognized the ownership of private property. Flowing from these concepts has been the rule that the owner of a tract of land had the absolute right to drill and produce as much oil or gas as he could from any well that he drilled. This right included the right to produce as much oil as he could even though it might have migrated from adjoining tracts. Thus, the owner of the adjoining tract, in order to prevent drainage of the oil under his tract, also had to drill a well and produce as much of it as he could as fast as he could in order to protect his property rights. Until about 1930, there was little regulation of oil production; at which time the great east Texas field, the Oklahoma City, and the Seminole fields were discovered. These discoveries set off the wildest, most irresponsible and wasteful binge the oil industry had ever seen. Local law enforcement broke down, martial law was declared, and troops had to be sent into the area to restore order. Each property owner had been trying to drill as many wells and produce as much oil as he could. Oil was stored in ponds on the surface of the ground. Great quantities of natural gas were flared and wasted. There was great physical waste of the natural resources of our country.

As a result of these and other huge oil discoveries, regulatory statutes were adopted which provided for agencies to enforce conservation regulations. One of the basics of such regulations under our concepts of individual property rights necessarily is the requirement to protect an individual from a neighbor's unrestricted exercise of the right to drill and produce. As a result, among other rules, market demand prorationing was instituted as a conservation tool to protect correlative rights of individuals and as a means of preventing physical waste of oil and gas resources.

Prorationing has provided a climate under which additions to recoverable oil reserves in Texas alone over a 10-year period have exceeded the equivalent of 11 billion barrels. This figure includes 15 trillion cubic feet of casing head gas, so vitally needed now, which would otherwise have been vented and wasted to the atmosphere. During the same period, 4

billion barrels of additional oil were recovered from stripper wells and secondary recovery projects which would not have been in operation if they had not been assured access to a market by reason of market demand prorationing.

This last statement is true because the market demand prorationing system in each State in which it applied allocates the demand for oil in that State to all of the operators having producible wells so that each operator is guaranteed a place in the market for his production. This allows a small independent producer who does not own his own refinery a market for his production.

The Senator from New Hampshire continues:

(f) Does the import program or the prorationing system have any effect on prices?

My response is that the prorationing system is designed to prevent the physical waste of oil and gas resources and to protect the correlative property rights of the various owners and operators in a particular field. Any effect on prices is incidental. This conclusion has been approved by judgment of various courts so that this principle is well established. All of the court decisions sustaining conservation legislation have consistently refuted the claim that the conservation program of the States is designed primarily for economic and profit motives rather than to prevent waste of a natural resource or protect correlative rights. The decisions make it clear that the prevention of waste or protection of correlative rights is the principal objective and that economic considerations, if any, are but a means to that end or are incidental.

The Senator from New Hampshire asks:

(g) Assuming that all analysts are correct in saying that the purpose of State prorationing is to set prices, shouldn't this job be done by the Federal Government, rather than only two states, Texas and Louisiana?

I reject the assumption that "all analysts say that the purpose of prorationing is to set prices." The method used by the State agencies that regulate oil production is to allow the wells in that State to produce the amount of oil which can be used by the oil purchasers in that State. The price of oil is not considered by the agency. Their determination rests upon evidence of the amount of oil in storage and the estimates of the next months' "demand" for oil as reflected in the amounts "nominated" by the oil purchasers. The courts have consistently denied that the purpose of these laws is to set prices. To my knowledge, there was only one instance when a State was even asked to set the price of crude oil. That was in 1916 when the attorney general of Oklahoma asked the regulatory agency of that State to fix the price of oil. That agency refused to do so saying that the fixing of the price of crude oil "is absolutely impossible and impractical." Also many analysts do not believe that prorationing is a price-fixing mechanism. For example, Prof. Erich Zimmermann in his book "Conservation in the Production of Petroleum" has stated:

It is folly to judge the achievements of modern industry solely by short-run bene-

fits to consumers in terms of lower prices, though the petroleum industry is proud of its record on that score, too. These achievements must be appraised in the light of history—in the glory of pioneering in new fields of endeavor, in the contributions to science, to knowledge, to the soundness of the economy, and to the security of the nation. Judged in that light, the state system of conservation (including proration) of petroleum as it has developed in this country is not a price-fixing scheme, but a policy necessary to prevent physical waste and to achieve equity among producers.

It is my firm belief that the States of Texas and Louisiana do not "set prices" for oil, and that the Federal Government should not do this job either.

The Senator from New Hampshire continues:

(h) Do you agree with the position taken by Assistant Attorney General McLaren in a letter of December 31, 1969, to Senator Proxmire that there is no competition in setting oil prices because of state market prorationing systems and the posted price system of the major oil companies?

My response is that I do not agree with Assistant Attorney General McLaren that there is no competition in the setting of oil prices. On the contrary, in my opinion, oil prices are responsive to changing supply-demand factors operating in a free market environment characterized by intense and vigorous competition. Crude oil price postings which are contrary to the basic economic conditions in the industry will not stick. This conclusion is supported by abundant historic evidence. Postings have frequently varied up or down to reflect competitive response to changing conditions.

Similarly, as I have said before, neither are oil prices fixed or set by the oil prorationing system. Reports prepared by other Attorney Generals point out their belief that the prorationing system is not a price-fixing scheme. The 1959 report of Attorney General William P. Rogers prepared with reference to congressional approval of the interstate compact to conserve oil and gas stated:

No "shortage" of oil created by State action could be held responsible for any price movement. Considering the complex and varying bases of decision faced by each of the State agencies, and the constant pressure of local producers to be allowed the fullest share of production, the task of prorationing to achieve a desired price level would be virtually impossible.

In the report of the Attorney General of the United States, Robert F. Kennedy, dated May 15, 1963, pursuant to section 2 of the joint resolution of August 7, 1959, consenting to an interstate compact to conserve oil and gas, reference is made, page 14 of the typed report, to MER's and ratable take—purchasing. This was said:

Like the MER concept, rules requiring ratable take within a reservoir seem beyond question essential to end gross waste in oil production which evoked the need for conservation. And, while both MER and "ratable take" requirements do level out the flow from individual fields and thus diminish the "boom or bust" cycles, they leave national and regional supply and price generally responsive to competitive market conditions. (Emphasis added.)

The 1963 report further went on to say:

Clearly this market demand control was not a surreptitious or illegal affair, aimed at "fixing" prices at a particular level.

Senator McIntyre continues:

2. You report that "oil product prices have remained remarkably stable during the inflation of recent years and now average less at \$3.88 per barrel than the 1957-59 weighted wholesale average of \$3.99 for the four principal products—gasoline, home heating oil, kerosene and residual."

My understanding is, however, that oil prices were at abnormally high levels during the 1957-59 period due to the Suez crisis of 1956. Therefore, I have measured the changes in oil prices over the past five years, years when the inflation in our country has become more intense. It would be helpful to me if you could provide information as you see it, on:

(a) The domestic price of crude oil in each of the years 1965-69 with a comparison of those prices with world crude oil prices;

(b) The wholesale and retail prices of the four principal products you outlined above—gasoline, home heating oil, kerosene and residual—for each product in each of the years 1965-69.

My response is:

You question the validity of the claim that oil product prices have remained remarkably stable during the inflation of recent years, pointing out that during the base period used for the price comparison, 1957 to 1959, oil prices were abnormally high as a result of the Suez crisis of 1956.

The 1957-59 base period was used because the Bureau of Labor Statistics has adopted these years as the base for its wholesale and consumer price indices. It is true that 1957 was an abnormal year for petroleum prices. The years 1958-59, however, showed prices more normally in line with those in the pre-Suez crisis years and can be legitimately used as a basis for comparison. Accordingly, the price comparisons which follow are based on averages for the 2 years 1958-59. They provide more acceptable indices than the period 1965-69 suggested by you. As previously mentioned, they are based on selected Government years for measuring price changes and a 10-year period minimizes the effect of random, year-to-year fluctuations and those of intermediate term, both of which tend to distort the more basic, long term picture.

#### CRUDE OIL PRICES

Table 1 shows the recent historical trend in annual average crude oil price at the wellhead in the United States compared with the wholesale price index of the Bureau of Labor Statistics for industrial commodities. While 1969 crude oil price has risen only 3.6 percent above the 1958-59 average, the wholesale price index for industrial commodities had risen by 12.3 percent.

As to comparison with so-called world prices to which you refer, I am not aware of any publicly available data on actual world crude oil prices for deliveries to the United States or elsewhere. While posted prices for foreign crudes have not changed since about 1960, they have been subject to widely varying negotiated discounts, credits, freight and other private terms which

naturally do not appear in any available record.

Admittedly, foreign crude prices are less than domestic prices. Two considerations, however, should be borne in mind:

First, the difference between these prices would decrease if the United States were to import large volumes of foreign oil and thus become dependent on foreign producers for its supplies.

Second, a valid comparison of domestic and imported fuel costs would have to take account of the price of natural gas. An eminent petroleum economist has pointed out that, whereas the average price for crude oil at the point of production is about \$3 a barrel, the price for the equivalent energy as natural gas is less than \$1.20. The average cost of

domestic petroleum energy equivalent to a barrel of crude oil is, therefore, about \$2.10, one-half of the sum of these two figures since the domestic industry supplies as much energy in the form of natural gas as in the form of crude oil. He concludes this is about as cheap as foreign crude can be delivered to U.S. ports.

#### PRODUCT PRICES

Both wholesale and consumer prices for U.S. petroleum products have risen far less since 1958-59 than the corresponding price indices of the Bureau of Labor Statistics. The following table shows highlights of annual average wholesale prices at terminals and refineries for the four principal products to which you refer. Details are given in the attached table 2:

WHOLESALE PRICES, CENTS PER GALLON

	Regular gasoline	Kerosene	Distillates	Residual fuel oil	Wholesale price index 1957-59=100
Average 1958-59.....	11.69	11.11	9.35	4.805	100.4
1969.....	11.80	11.98	10.06	4.20	112.7
Percentage increase 1969 over 1958-59.....	.9	7.8	7.6	-12.6	12.3

Note that wholesale price for regular gasoline in 1969 was less than 1 percent above the average of 1958-59, despite the fact that during this period the performance quality was advanced by two to three octane numbers. Comparison with the 12.3 percent rise shown by the Bureau of Labor Statistics Wholesale Price Index over the same period justifies my claim for price stability, especially for gasoline, the largest volume petroleum product consumed in the United States.

The table shows further that wholesale prices for kerosene increased by 7.8 percent compared to the average of 1958-59, distillates increased 7.6 percent, and residual fuel actually declined in price by 12.6 percent.

Key points in the consumer price history for the two petroleum products most directly affecting private consumers, regular gasoline and distillates, are given in the table below. The details appear in the attached table 3.

CONSUMER PRICES, CENTS PER GALLON

	Regular gasoline (excludes taxes)	Distillates	Consumer price index 1957-59=100
Average 1958-59.....	21.325	15.18	101.1
1969.....	23.85	17.81	127.7
Percentage increase 1969 over 1958-59.....	11.85	17.3	26.3

The data shows that, excluding excise taxes, the service station price for regular gasoline obtained by averaging data for more than 50 U.S. cities, had by 1969

gone up only 11.9 percent over the 1958-59 average. Distillates at the consumer level had increased only 17.3 percent over the same period. The Bureau of Labor Statistics Consumer Price Index had risen 26.3 percent.

Senator McINTYRE continues:

3. You and I share a deep concern about prices, and because of this how do you view the impact on our economy of a one cent increase in the retail price of gasoline? A one cent increase in the retail price of home heating (No. 2 fuel) oil?

My response is:

While agreeing with you that price inflation is one of our most serious concerns, I do not understand the point of your question No. 3 regarding the impact on our economy of a 1-cent increase in the retail price of gasoline and of home heating oil. The foregoing discussion has demonstrated how oil product prices have contributed major resistance to price inflation in recent years. Further than this fact, I can only reply to your question in terms of the price increases which have actually occurred in the past.

To a considerable extent the consumer price rises which have taken place for gasoline and distillates reflect increases in dealer and distributor margins, which must cover their costs of doing business. The following table shows this effect; the attached table 4 gives details. Note that the data for distillates in these tables is a 21-city average from the trade publication, "Fuel Oil and Oil Heat," rather than from Platt's and the Bureau of Labor Statistics, as these latter price series do not cover margins:

	Regular gasoline, cents per gallon			Distillates, cents per gallon		
	Price to dealer	Price to consumer	Station dealer margin	Price to retailer	Price to consumer	Retailer margin
Average 1958-59.....	16.155	21.325	5.17	10.8	14.65	3.85
1969.....	17.11	23.85	6.74	11.2	16.4	5.2
Increase:						
1969 over 1958-59.....	.955	2.525	1.57	0.4	1.75	1.35
Margin increase percent of consumer increase.....			62			77

According to these data, out of the 2.525 cents per gallon average increase in service station price for gasoline from 1958-59 to 1969, 1.57 per gallon, or 62 percent, appears as increased dealer margin. Similarly, out of the 1.75-cent-per-gallon rise from 1958-59 to 1969 in consumer distillate price, 1.35 cent per gallon, or 77 percent went to retailers.

Any share of the consumer price increases retained by the oil producing and refining industry was largely reinvested in the U.S. economy.

Senator McINTYRE continued:

4. You say that "4 out of 10 barrels" of New England oil products are imported now. My understanding is that the 40% figure applies to the entire East Coast and not New England. Your figures may also include a decontrolled product, residual fuel oil. I wonder if you have figures for controlled products for New England alone.

My response is that the Senator's understanding that the 40-percent figure applies to the entire east coast is correct, as the following table shows:

PRODUCT SUPPLY TO DISTRICT I, EASTERN DISTRICT (1969 PRELIMINARY)

(Million barrels per day)	Total	Imports
Domestic products from other districts.....	2.7	
Imported residual fuel oil.....	1.3	1.3
Imported light products.....	.2	.2
Refined from domestic crude.....	.5	
Refined from imported crude.....	.8	.8
Total.....	5.5	2.3

Imports equal 42 percent of total product supply. I have no reason to believe that the percentage for New England would differ substantially from that for the whole district.

On the question of the total controlled products—that is, excluding residual fuel—imported into New England, statistics are available on the port of entry of both imported crude and products. To my knowledge, however, no precise records are kept of the distribution of product made from imported crude, and therefore it is impossible to determine how much imported crude eventually finds its way into New England in the form of product.

I should point out that almost all crude and residual fuel imported east of the Rockies goes to the east coast. The consumers on the east coast, including New England, are among the beneficiaries of the lower costs of these imported oils.

Senator McINTYRE continues:

5. I note from the recent study of the Office of Emergency Preparedness that in 1969 the people of Wyoming bore the highest per capita burden of any State in added expenses due to the Oil Import Program—\$62.00. The people of my State paid a per capita burden of \$42.09 and nationwide the per capita burden was \$26.16.

(a) Do you believe that these burdens are justified?

(b) Do you believe that petroleum imports from secure sources such as Canada, which would not affect our security and would certainly lower costs in your State, should be allowed free access to our markets?

(c) If such imports would lower prices to consumers, help in the fight against inflation, and not affect security, would you object?

My response, Mr. President, is that the conclusions reached by the Office of Emergency Preparedness appear to be at best questionable in respect to both their estimated total cost of oil import controls, and the validity of their per capita allocation of these costs. It should be kept in mind that the Deputy Director of the Office of Emergency Preparedness in transmitting this paper pointed out that it was an Office of Emergency Preparedness staff item and did not necessarily reflect the views of the Director of the Office of Emergency Preparedness nor of the Office itself.

The OEP estimates the "consumer" cost of oil import controls to have been \$5.3 billion in 1969 rising to \$7.3 billion by 1975. The OEP mentions, without estimating their magnitude, factors, for example, current under utilization of oil, which they say will change the cost of the program, generally upward. However, no account is taken of such offsetting factors as loss of revenue to local and Federal Governments, or of the economic disruption of the domestic oil and gas industries, particularly in the producing sectors. The consumer benefits of low gas prices are mentioned but not calculated. Interestingly enough, in reporting its estimate, OEP attached an analysis from the Department of the Interior's submission of July 15, 1969, to the task force showing a consumer cost of \$2.2 billion in 1975, but left unanswered major questions as to the difference between its estimate and that of Interior which are widely disparate. While estimates by others of the cost of controls also vary greatly depending on the assumptions used, there is agreement among many experts that the net cost to the country is low. Prof. E. A. Thompson testified in May 1969 before the Senate Subcommittee on Antitrust and Monopoly that his analysis showed a net benefit to the Nation of \$25 million per year.

Apart from any inaccuracies in OEP's base figures, prorating this total per capita cost of the present oil import program by States without reference to its broad national security implications is a meaningless exercise. The program was specifically designed to preserve a healthy domestic petroleum industry in the national interest, and the whole Nation shares equally in the benefits from the security provided. Such security obviously costs something, in the same way that the maintenance of our Armed Forces costs something. Yet, I am sure no one has seriously suggested that we should prorate the cost of the Armed Forces among the States.

On the question of Canadian imports, I believe the present arrangements have served our national security interests well in the past. These arrangements which give us the advantage of overland imports subject to informal Government restraints should be continued in the future.

The PRESIDING OFFICER. The Senator's 30 minutes have expired.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the able Senator from Wyoming be permitted to proceed for an additional 5 minutes.

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

Mr. HANSEN. Mr. President, I thank the distinguished acting majority leader.

Finally, on the question of oil prices, I am sure we would agree that the interests of the U.S. consumer should be protected. As I have stated, our national security can only be purchased at a price. Nevertheless, I should point out that, besides contributing to national security, the domestic oil industry already has an enviable record in combating inflation. While the overall Bureau of Labor Statistics Consumer Price Index has risen by 25.8 percent since 1959 when the mandatory oil import program was adopted, the retail prices of gasoline and home heating oil have increased only 12.6 and 16.5 percent, respectively. The consumer has constantly been the beneficiary of new technology and economies of scale that have enabled the oil industry to provide an improving product while maintaining prices that have actually decreased in the past decade in terms of constant dollars.

And again I might ask, if the Senator from New Hampshire (Mr. McINTYRE) favors the use of imported oil as a means of forcing a price reduction in oil products, would he also favor massive imports of any commodity or product—textiles, steel, dairy products, shoes, automobiles, electronics—so long as lower consumer prices resulted?

I ask unanimous consent to have printed in the RECORD a table showing a history of U.S. crude oil prices since 1957, a table showing a history of U.S. bulk product prices since 1957, a table showing a history of U.S. consumer prices since 1957, and a table entitled "History of Dealer Margins," beginning with the year 1958.

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

TABLE 1.—U.S. CRUDE OIL PRICE HISTORY

	Crude oil price <sup>1</sup> dollars per barrel	Wholesale price index <sup>2</sup> (1957-59=100)
(1957).....	(3.09)	(99.2)
1958.....	3.01	99.5
1959.....	2.90	101.3
Average 1958-59.....	2.955	100.4
1960.....	2.88	101.3
1961.....	2.89	100.8
1962.....	2.90	100.8
1963.....	2.89	100.7
1964.....	2.88	101.2
1965.....	2.85	102.5
1966.....	2.88	104.7
1967.....	2.92	106.3
1968.....	2.94	109.0
1969.....	3.06	112.7
Increase: 1969 over 1958-69 average (percent).....	3.6	12.3

<sup>1</sup> U.S. Bureau of Mines annual weighted average price at the wellhead.  
<sup>2</sup> Bureau of Labor Statistics, Industrial Commodities Index.

TABLE 2.—U.S. BULK PRODUCT PRICE HISTORY

	Wholesale product prices, cents per gallon <sup>1</sup>				Wholesale price index <sup>2</sup> (1957-59=100)
	Regular gasoline	Kerosene	Distillates	Residual fuel oil	
(1957).....	(12.34)	(11.54)	(10.05)	(6.15)	(99.2)
1958.....	11.74	10.96	9.39	4.92	99.5
1959.....	11.64	11.26	9.31	4.79	101.3
Average 1958-59.....	11.69	11.11	9.35	4.805	100.4
1960.....	11.61	11.17	8.79	4.88	101.3
1961.....	11.62	11.49	9.10	4.85	100.8
1962.....	11.52	11.42	9.11	4.78	100.8
1963.....	11.35	11.51	9.18	4.61	100.7
1964.....	11.27	10.93	8.65	4.50	101.2
1965.....	11.52	11.28	9.04	4.81	102.5
1966.....	11.59	11.49	9.09	4.73	104.7
1967.....	11.84	11.96	9.71	4.53	106.3
1968.....	11.55	12.03	9.84	4.30	109.0
1969.....	11.80	11.98	10.06	4.20	112.7
Increase: 1969 over 1958-59 average (percent).....	.9	7.8	7.6	-12.6	12.3

<sup>1</sup> Annual averages of Platt's Price Service quotations at refineries and terminals.  
<sup>2</sup> Bureau of Labor Statistics, Industrial Commodities Index.

TABLE 4.—HISTORY OF DEALER MARGINS

	Regular gasoline, cents per gallon			Distillates, cents per gallon			Consumer Price index (°) (1957-59=100)
	Price to dealer (°)	Price to consumer (°)	Station dealer margin	Price to retailer (°)	Price to consumer (°)	Retailer margin	
1958.....	16.22	21.47	5.25	10.7	14.4	3.7	100.7
1959.....	16.09	21.18	5.09	10.9	14.9	4.0	101.5
Average 1958-59.....	16.155	21.325	5.17	10.8	14.65	3.85	101.1
1960.....	16.08	20.99	4.91	10.5	14.4	3.9	103.1
1961.....	15.80	20.53	4.73	10.8	15.2	4.4	104.2
1962.....	15.45	20.36	4.91	10.7	15.3	4.6	105.4
1963.....	15.22	20.11	4.89	10.4	15.3	4.9	106.7
1964.....	14.82	19.98	5.16	9.9	15.1	5.2	108.1
1965.....	15.38	20.70	5.32	10.2	15.4	5.2	109.9
1966.....	15.83	21.57	5.74	10.4	15.6	5.2	113.1
1967.....	16.31	22.55	6.24	10.9	16.0	5.1	116.3
1968.....	16.51	22.93	6.42	11.2	16.4	5.2	121.2
1969.....	17.11	23.85	6.74				127.7
Increase:							
1968 over 1958-59.....				.4	1.75	1.35	
1969 over 1958-59.....	.955	2.525	1.57				
Margin increase, percent of total consumer increase:							
1968 over 1958-59.....						77	
1969 over 1958-59.....							62

<sup>1</sup> Annual average of Platt's price service quotations of dealer tank wagon prices for 50 to 55 cities.  
<sup>2</sup> Annual average of Platt's price service quotations of service station prices, except excise taxes, for 50-55 cities.  
<sup>3</sup> Fuel oil and oil heat annual averages of tank car price quotations to retailers.  
<sup>4</sup> Fuel oil and oil heat annual averages of tank wagon price quotations to consumers, except taxes.  
<sup>5</sup> Bureau of Labor Statistics, Consumer Price Index.

TABLE 3.—U.S. CONSUMER PRICE HISTORY

	Consumer prices, cents per gallon		Consumer price index <sup>3</sup> (1957-59 =100)
	Regular gasoline <sup>1</sup>	Distillates <sup>2</sup>	
(1957).....	(22.11)	(15.99)	(98.0)
1958.....	21.47	15.07	100.7
1959.....	21.18	15.29	101.5
Average 1958-59.....	21.325	15.18	101.1
1960.....	20.99	15.02	103.1
1961.....	20.53	15.62	104.2
1962.....	20.36	15.62	105.4
1963.....	20.11	15.97	106.7
1964.....	19.98	15.71	108.1
1965.....	20.70	16.04	109.9
1966.....	21.57	16.43	113.1
1967.....	22.55	16.91	116.3
1968.....	22.93	17.41	121.2
1969.....	23.85	17.81	127.7
Increase: 1969 over 1958-59 average (percent).....	11.9	17.3	26.3

<sup>1</sup> Annual averages of Platt's Price Service quotations of service station prices, ex taxes in 50-55 cities.

<sup>2</sup> Bureau of Labor Statistics dealer price to consumers, including sales taxes, in 21 cities.

<sup>3</sup> Bureau of Labor Statistics.

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

Mr. HANSEN. I am happy to yield to the Senator from Alaska.

Mr. STEVENS. As the Senator from Wyoming knows, I made comments yesterday about a bill I have introduced pertaining to the oil import situation, and I again join the Senator in his efforts to highlight the problem.

I ask the Senator if he is aware that the President is to make an announcement, I believe at about 11:30 a.m. today, concerning his request to the current task force on oil imports. It is my understanding that the President will announce that the matter will be subject to further scrutiny from the point of view, particularly, of national security.

Mr. HANSEN. I am aware, Mr. President, to the extent that I have read the news release, that the President will be making some observations. I am delighted to hear from the Senator from Alaska that he likewise will recommend further scrutiny. I think we have heard largely from the wrong people up to date. We have heard only from those who seek to find fault with a great industry that has served this country very well and has assured our national security, and I think we ought to hear both sides of that story. So I am delighted to hear the Senator's statement.

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

Mr. HANSEN. I am delighted to yield.

Mr. TOWER. I thank my distinguished Senator from Wyoming for his very knowledgeable and well-informed presentation. The Senator from Wyoming has always been a great champion of the preservation of one of our most important domestic industries—indeed, it could be said to be the most important, because a supply of energy is of vital importance to every endeavor in the United States, industrial or otherwise.

So I associate myself with the remarks of the Senator from Wyoming, and again offer my commendation to him.

Mr. HANSEN. Mr. President, I am grateful indeed to my two distinguished friends, who represent the largest and the next to the largest States. I shall not try to resolve that controversy at

this moment; I will say, however, that if Wyoming were flattened out, we think we might have a much larger State, also.

Mr. TOWER. I might inform the Senator from Wyoming that when the ice melts from Alaska, Texas will still be the largest State.

Mr. HANSEN. I thank my colleagues. I pay my respects to them for the great job they have done in bringing into an accurate and more nearly objective focus a problem that is of such great concern and moment to all of the more than 200 million people of this country.

Mr. STEVENS. Will the Senator yield further at that point?

Mr. HANSEN. I yield.

Mr. STEVENS. I have listened to the Senator's comments concerning the New England situation, and I would urge him to examine the suggestion that the Senator from Oklahoma and I have made concerning alleviating the immediate problems in the New England area, with the hope that if those immediate problems could be met under the existing oil import quota program, they would appreciate the viewpoint of those of us who support them in their desire to protect their industries, such as the shoe industry and the other New England industries, from the ravaging effects of very cheap foreign imports dumped into this country; and they perhaps could see that the effect of what they suggest, to emasculate the oil import program, would be even worse in the 31 oil-producing States, where it would destroy the whole program, just in the attempt to meet their immediate needs.

I think we have another suggestion that could meet their immediate needs, if they would just listen to us as we try to preserve the protection the oil industry has had, which really led, as I have stated, to the development of the oil industry in my State.

Mr. HANSEN. Mr. President, I could not agree more with my distinguished colleague.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois is recognized for 1 hour.

#### THE U.S. COMMITMENT TO NATO

Mr. PERCY. Mr. President, the time has come for a tough reassessment of the U.S. commitment to NATO—both the level of that commitment and the costs associated with that commitment.

Today, 25 years after the end of World War II, 1.2 million American troops are overseas—310,000, or more than 25 percent, are in Europe. Of the troops in Europe, about 220,000 are in West Germany. Along with our troops in Europe are 235,000 dependents and 14,000 U.S. civilian employees—a total of 569,000 Americans in Western Europe. This represents a larger U.S. military presence than the United States currently has in Vietnam where an actual war is going on.

To support this military presence in Europe, a tremendous drain is placed on the U.S. budget. It costs \$14 billion annually to support our troops in NATO. In addition, associated with the military

commitment, is a \$1.5 billion balance-of-payments deficit—a \$1 billion deficit in Germany alone. The United States can no longer afford this commitment of men and money, considering our pressing domestic needs.

The Eisenhower Commission on the Causes and Prevention of Violence had this to say about nation building at home:

When in man's long history other great civilizations fell, it was less often from external assault than from internal decay. Our own civilization has shown a remarkable capacity for responding to crises and for emerging to higher pinnacles of power and achievement. But our most serious challenges to date have been external—the kind this strong and resourceful country could unite against. While serious external dangers remain, the graver threats today are internal: haphazard urbanization, racial discrimination, disfiguring of the environment, unprecedented interdependence, the dislocation of human identity and motivation created by an affluent society—all resulting in a rising tide of individual and group violence.

The greatness and durability of most civilizations has been finally determined by how they have responded to these challenges from within. Ours will be no exception.

Mr. President, yesterday I reported to the Senate that we have reached a food crisis in many urban areas, including the city of Chicago. We simply have inadequate sources of food in major cities—Chicago not excepted—to feed malnourished and hungry children. I mentioned that a doctor had brought six children to my office. They were malnourished and hungry—and there was no public source available in the city of Chicago to obtain food for them.

I report today to the Senate that we have a crisis in caring for the ill in Chicago. As of yesterday, Cook County Hospital, the largest in the world, has notified all poor people in Chicago, "Don't come to Cook County Hospital unless you are on your death bed or have a critical emergency." For years now, ill people have gone to Cook County Hospital, taken several hours to get there, taken off from work, which they can ill afford, stood in lines and waited, sometimes for half a day, and three out of four have always been turned down because they are not bed cases. Today there are not even beds for those who really need help.

Today we have a crisis, and certainly tomorrow we will have an increasing crisis, in environmental control; one crisis after another arises. Yet, we are spending today \$14 billion in our budget to support U.S. troop forces in Europe.

The time has come for the Europeans to do more in their own defense. I foresee a grave threat to the U.S. commitment to NATO unless the whole structure of NATO is reassessed and Europeans make a greater commitment to their own common defense.

President Nixon fully realizes the need to reassess the U.S. role in world affairs, including Europe. He spoke eloquently on this subject in his state of the Union message on January 22. In commenting on foreign policy, the President said:

Today, let me describe the directions of our new policies.

We have based our policies on an evalua-

tion of the world as it is, rather than as it was twenty-five years ago at the end of World War II. Many of the policies which were necessary and right then are obsolete today.

Then, because of America's overwhelming military and economic strength, the weakness of other major free world powers and the inability of scores of newly independent nations to defend—let alone govern—themselves, America had to assume the major burden for the defense of freedom in the world.

In two wars, first in Korea and then in Vietnam, we furnished most of the money, most of the arms and most of the men to help others defend their freedom.

Today the great industrial nations of Europe, as well as Japan, have regained their economic strength, and the nations of Latin America—and many of the nations that acquired their freedom from colonialism after World War II in Asia and Africa—have a new sense of pride and dignity, and a determination to assume the responsibility for their own defense.

That is the basis of the doctrine I announced at Guam.

The President further said:

Neither the defense nor the development of other nations can be exclusively or primarily an American undertaking;

The nations of each part of the world should assume the primary responsibility for their own well-being; and they themselves should determine the terms of that well-being.

To insist that other nations play a role is not a retreat from responsibility, but a sharing of responsibility.

We shall be faithful to our treaty commitments, but we shall reduce our involvement and our presence in other nations' affairs.

The President clearly states that the nations of the world must assume primary responsibility for their own well-being and that the United States will reduce its involvement in the affairs of other nations.

In his state of the world message to Congress just this week, the President called for a readjustment in the balance of "burdens and responsibilities" between the United States and our NATO allies.

Vice President AGNEW has also stated that the Guam doctrine should be applied to all parts of the world, not just Asia.

No one is saying that the United States should not fulfill its treaty commitments. The President has made that clear. What he is saying is that the United States has been doing a disproportionate share of NATO's job and that our allies should do more. This position was reiterated this week by Secretary of the Treasury Kennedy, Director of the Budget Mayo, and Chairman of the Federal Reserve Board Arthur Burns in testimony before the Joint Economic Committee.

The United States can literally no longer afford to do as much as it has been doing. There are serious problems in this country which will take a massive commitment of national resources to correct. But just last month, because of inflation and budget strain, the President had to veto the HEW appropriation bill as he felt—desirable as the purposes of the bill were—that the budget could not afford the extra \$1.2 billion level of spending called for in the bill. Yet, the United

States continues to spend \$14 billion annually to protect Europe.

In the past attempts have been made to alleviate the balance-of-payments drain of NATO by offset arrangements. In the early 1960's these offset arrangements took the form of military purchases by European countries in the United States. In recent years however these purchases have declined as European armies equipped themselves. Thus, beginning in 1967, Germany started offsetting part of the U.S. balance-of-payments cost in Germany through the use of loans to the U.S. Treasury. But a loan in no sense can be considered a true offset. Loans have to be repaid—and in the case of these offset loans—with interest. Payment of interest to Germany means to many Americans that the United States is paying Germany money for the privilege of defending Germany. The current offset arrangement with West Germany is totally unsatisfactory. Current financial arrangements run through June 30, 1971, and call for an offset of \$1.52 billion—equivalent to 80 percent of the U.S. balance-of-payments costs in Germany. Sixty-one percent of the offset will be in the form of purchases in the United States—\$925 million. Thus, of total U.S. balance-of-payments loss in Germany, only 48.8 percent is in the form of purchases—61 percent of an offset of 80 percent.

Thirty-nine percent of the offset is in the form of other financial transactions—\$595 million. The largest single item is a German loan to the U.S. Treasury of \$250 million on which the United States pays interest—10 year maturity, 3½-percent interest.

The only good thing that can be said about this loan is that the interest rate is lower and the maturity longer than such loans negotiated in the previous administration which were at market rates of interest and 4½ year maturity.

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

Mr. PERCY. I am delighted to yield to the distinguished majority leader.

Mr. MANSFIELD. I would like to ask, most respectfully, what is good about a loan or an extended period of time at a reduced rate of interest, when in the long run this Government has to pay Germany for maintaining its troops on German soil?

I think that this is one of the most unusual arrangements—and I am speaking conservatively—I have ever heard of, in considering this as an offset balance for compensation for American troops and dependents stationed in West Germany and Europe. We have approximately 600,000 servicemen and dependents there.

Unfortunately, I had to leave the Chamber for a few minutes, but I would like to ask the distinguished Senator from Illinois, who has been in Germany recently and who has shown an added interest in this subject so far as NATO is concerned and our participation in it: Just what does it cost this Government every year to maintain 600,000 troops and dependents in Western Europe?

Mr. PERCY. The distinguished majority leader has asked a question which is

difficult to determine because the question turns upon what proportion of the Defense Establishment in Washington should be charged to the NATO defense.

However, the best figure I can get, one which I have enunciated publicly a number of times, without correction by the State Department, Department of Defense, White House, the Bureau of the Budget, or anyone in Europe, is \$14 billion to \$15 billion.

Mr. MANSFIELD. A year?

Mr. PERCY. The number of people we support in Europe is 569,000—

Mr. MANSFIELD. A year?

Mr. PERCY. A year. Yes, it costs that much each year.

Mr. MANSFIELD. \$15 billion a year?

Mr. PERCY. \$14 billion to \$15 billion a year.

Mr. MANSFIELD. It costs the United States that much?

Mr. PERCY. It costs the United States that much to support 310,000 troops and a total number of 569,000 Americans, including dependents—which is more Americans than we have in the defense of Vietnam.

We can put it in no other terms than to say that these Americans are hostages in Europe for the purpose of insuring the credibility of our deterrent, should Europe be attacked.

I say that the cost to this Government is absolutely outrageous, considering the prosperity Europe is enjoying.

The taxpayers of this country, as they learn about this—and they are not now aware of it—it is our job to inform them publicly—will also be outraged at the disproportionate share of the burden we are bearing.

Mr. MANSFIELD. Mr. President, will the Senator from Illinois yield further?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Illinois yield to the Senator from Montana?

Mr. PERCY. I am happy to yield.

Mr. MANSFIELD. I agree with the distinguished Senator when he says that, in effect, the United States is being held hostage so that we would be sure to honor our NATO commitments in case of a showdown.

I would think that if we had just one regimental combat team in Berlin, that would be an earnest to indicate that when we signed up with the North Atlantic Treaty Organization and that we intended to fulfill our commitments in deeds as well as in words. I am not advocating at this time that we should reduce our commitments down to a regimental combat team in Berlin, but it is my belief that many eminent military authorities in the past—General Eisenhower, later President Eisenhower, among them—thought that we were too heavily committed, too overly committed, in stationing so much manpower in Germany and Western Europe.

While I cannot recall his exact words, I am positive in my mind that President Eisenhower, years ago, stated that there could be a diminution of United States forces in Germany without any loss in the strength of the North Atlantic Treaty Organization.

Mr. President, to me, it is odd that the only two countries which have fulfilled their commitments to NATO are Canada and the United States.

Canada is now showing some common-sense, under Prime Minister Pierre Elliott Trudeau, and they are going to reduce their forces by 60 percent.

I would hope that we would follow the lead of Canada and reduce our forces substantially, in line with the resolution which now has a majority of Senators cosponsoring it, seeking to give the President, or at least to bring to his attention, the need for a drastic change.

But of all the countries in NATO, only Canada and the United States have met their commitments fully, completely, down through the years.

Mr. President, Britain has done away entirely with conscription. In the Low Countries and Denmark they have reduced the conscription period. But in this country we have a 2-year draft policy. We make our commitments both in men and money through NATO.

I believe that a quarter of a century after the end of the Second World War it is time that this Nation changed its policy, recognizing that Europe is now fully rehabilitated and reconstructed and is quite capable of undertaking a greater share of its own defense, both in manpower and in cost, and that we should change with the times.

The old French saying, "The more things change the more they remain the same," just is not true in this age in which we live.

I have been interested in the shifts in policy so far announced and put into action by President Nixon. I am pleased that the Nixon doctrine, which many thought applied only to Asia, now applies to the whole world. I hope that, on the basis of the Nixon doctrine, there will be a substantial withdrawal of troops and dependents from Europe and that we will get away from this vested policy of a quarter of a century ago—this outmoded and invalid policy—and that we will recognize that we are, indeed, considered—as the Senator says—as hostages held for the security of some other country.

I firmly believe in NATO. But, not to the extent of 600,000 men and dependents, and not to the extent of \$14 billion to \$15 billion a year.

As the Senator from Illinois pointed out in his opening remarks, we have problems here at home for which that money could be spent more legitimately, more wisely, and more constructively. Perhaps, with some of that money and with what is being made available from a reduction of operations in Vietnam, we can face up to the problems at home of crime, corruption, drugs, pollution, the disfigurement of our environment, the ghettos, the health of our people—all of the things which have not yet been done.

We are not going to achieve the kind of security that many people think we have, just by spending billions and billions of dollars in stationing troops overseas, or in building missiles if, at the same time, we allow our domestic difficulties to go to pot.

It is not a case of priorities, one over the other. It is a case of balance between

the security of this Nation on the one hand and the security of its people internally and domestically on the other.

I have taken too much time. I thank the distinguished Senator.

Mr. PERCY. Mr. President, I welcome the comments, just as I have welcomed the resolution in the Senate introduced by the distinguished Senator, which has been so immensely helpful to me as I have waged what has so many times seemed to be a lonely battle.

When I go to Europe, it is always nice to be able to talk about our traditional ties and friendships, and all the things we have in common. But now, every single trip I have taken there, I have gone over simply reiterating that times have changed, that we cannot live as we have in the past.

It is unfair and ludicrous, that the Europeans do not pick up a greater share of the cost of their own defense. There has been no greater weapon that has helped me in these negotiations than the resolution introduced by the distinguished Senator.

I have not tried to get into the question as to exactly how many troops are required or needed. As I will comment later in my remarks, I think the best approach for me to take is merely to start a drive forward, to have an objective and a goal towards which we can work—an immediate goal, I would say, that we should take on in the next fiscal year.

Mr. President, I think that we should now consider reducing our NATO expenses by \$2 billion. The resolution of the distinguished Senator from Montana has never encompassed a precipitous, overnight, or any kind of sudden dangerous withdrawal. He has been very cautious and very careful in the way he has introduced the resolution. But I believe that \$2 billion is not too large a reduction to expect out of a \$14 billion figure. We have ourselves in Congress reduced the budget for our space program from \$6 billion down to \$3.6 billion. And we have done that over a period of a few years. We ought to be able to draw our expenses down for NATO. It can be done by some troop withdrawals or by Germany and other countries picking up immediately some of the expenses we are now bearing, such as payments to German nationals.

We are paying 70,000 of them one-quarter of a billion dollars. This is not hiring mercenary troops. This is to pay German citizens for providing services to the NATO forces. Germany should pick up and pay the costs of the buildings constructed in Germany. We are spending money for those buildings which will stay there. We should be paid for them. Certainly we should not pay taxes to the German Government. We do not pay taxes to our own States and communities where we have troops. We are paying millions of dollars in taxes to the German Government.

We certainly should not be paying for the cost of transporting our troops around Germany when the transportation means are owned by the Government. We should not be paying for power,

because the power companies are owned by the Government.

Germany is benefiting so much in an overall sense from the offset loans that the Senator mentioned. I did not want in any way to imply that these loans were good. I consider that it is a phony delay of the real costs we will have to pay.

I was very delighted to note that Chairman Burns of the Federal Reserve System and Secretary of the Treasury David Kennedy, and Robert Mayo, the Director of the Bureau of the Budget, all absolutely agreed that the loans are wrong, that they should not have been made.

They are not a real offset. The loans simply delay the agony and fracture our relationship when they are called, with no advance notice to us. The Bundesbank said, "We need the money. We want the money back." A half billion dollars of the loans have been called, and there is an indication that Germany will call the balance. This is a phony arrangement from the negotiations of the past administration.

But, further, even the previous loans are changed further due to the German revaluation of the mark. We do not have to pay back \$500 million. We have to pay back \$545 million. And because there is no provision in the offset arrangement for revaluation, we have to pay 9.3 percent more in repaying these loans.

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

Mr. PERCY. I yield.

Mr. MANSFIELD. Mr. President, I am glad the Senator emphasized the point that the Bundesbank called those loans in, so to speak, before the expiration of the agreement agreed to by the United States and the West German Government. But I hesitate to use an adjective which would describe my real feelings about this being an offset payment or a way of taking care of our needs, because it is true that all the Germans are doing is buying our bonds on which we pay interest. And at the end of a certain period under the agreement, we pay them the interest and the principal. But what the Bundesbank has done is to come in ahead of time to cash their bonds in because they need the money, they say.

But financially speaking they are in far better shape than we are. And all we have to do, unless things have changed drastically in the past 2 or 3 months, is to compare the mark and the dollar. And how much of a debt does the German Government have? Very little, I am sure.

Mr. PERCY. Nothing compared to ours.

Mr. MANSFIELD. No country has a debt that would compare to ours. But these countries have been rehabilitated. And they have had to do it themselves, and I honor them for it. They started from scratch, whereas our debt has been accumulating decade after decade and we have carried it. They are economically better off.

And if one raises the question about withdrawing a certain number of U.S. troops and dependents, even gradually, it seems that the German officials of West Germany seem to think the roof is going to fall in. But if this question of a resolution was not pending and being

given some publicity and attention, they would take the very opposite tack from what they are doing now. They would say they are getting along well with the rest of Eastern Europe, with the Soviet Union, and with China, because they have gone that far away to build a rolling mill in China. They have changed their thoughts with the times and the circumstances.

I have received a lot of criticism from time to time because of the resolution which I introduced. Every time I have been told it is the wrong time. Well, I think it is the right time, and I hope that if something is not done voluntarily by this administration in accord with the West German Government, in accord with the members of NATO then I think it is up to the Congress of the United States to make its views known and to do something about this great cost, this outflow of capital, this deficit in payments, and to face up to a policy which was good 25 years ago, was needed 25 years ago, was valid 25 years ago, but which has outlived its usefulness in its present form and has persisted past its time without adequate adjustments.

I thank the Senator.

Mr. PERCY. Mr. President, I thank the majority leader for his comments. I would like to repeat a quotation from the Eisenhower Commission on The Causes and Prevention of Violence. I read one short sentence:

When in man's long history, other great civilizations fell, it was less often from external assault than from internal decay.

I simply ask the question, how can this Nation stand up as a credible leader of the world? I have been in Europe when Europeans are watching on television American cities burning from riots and disorders.

We know that we have a great deal of rot and decay in the urban centers of this country. In a few years, 80 percent of the population of the country will live in the urban centers.

I think we have a crisis. I think we face emergency conditions.

I want to be as specific as I can to show that in the city of Chicago—which I know very well—how that city is failing to meet the needs of the hundreds of thousands of people who are bitter and frustrated and feel that the promise of the American dream is not for them.

How can we then continue to say that we have to have all of these armaments and all of the armies, that we have to provide billions of dollars for defense, that we have to have 41 nuclear submarines under the seas, hundreds of bombers, thousands of missiles, and then start to build new weapons on top of that, such as the ABM, which might run anywhere from \$6 billion or \$7 billion to \$50 billion, and once again get us committed to continue on the mad nuclear arms race in which the world is engaged.

I turn to problems inside the country, when I say that we cannot afford our NATO expenses. I am very glad that this is an entirely bipartisan approach, and that many of us feel very deeply and strongly about this on both sides of the aisle.

Mr. President, I am happy to report to the majority leader that in the conference I attended in Germany, where we had distinguished Americans, such as former Under Secretary of State George Ball, and John McCloy, former Ambassador George McGhee, and men of that caliber, that they sat through this entire meeting and they heard time after time, when I put the question to the Germans, and all three German parties were also represented, "We are not going to be able to afford it. We are going to have to draw down our troops. What is your reaction?"

The Germans thought it would be calamitous. They have always said that the United States must provide the troops and forces. It would be dangerous if the United States did not. But at the end of that meeting, there was the conclusion that the time has now come when Germans must bear more of the cost of that burden. I think they are becoming very realistic about it.

Mr. President, I would like to insert in the RECORD the details of the loan agreements which the distinguished majority leader mentioned.

Recent developments show the utter falsity of these loans as a true offset. In January, the German Federal Bank—Bundesbank—cashed in \$500 million worth of offset bonds 3 years ahead of time. These bonds were cashed and the proceeds put into a certificate of indebtedness—a liquid liability—with the same rate of interest as the old notes. This can be called at any time. There are indications that the German Government also wants to cash in the remaining \$500 million of offset bonds that it holds.

I am not at all unmindful of the fine relationship we have had with the Federal Republic of Germany in the postwar years. However, I find this action of the Bundesbank incredible. At a time when pressures are growing in this very body for withdrawal of substantial numbers of U.S. troops from NATO, Germany now is even unwilling to loan money to help the U.S. balance of payments. The German Central Bank evidently thinks that the American taxpayer will continue to pay and pay for the privilege of having American troops in Europe.

The mere fact of these redemptions shows that the current offset arrangement is unsatisfactory. But this is not the whole story. Because of provisions written into the agreements negotiated by the previous administration, the United States is liable for paying Germany not \$500 million, but \$545 million due to the 9.3 percent revaluation of the mark last October by Germany. Thus the American taxpayer gets stuck again.

This action was a serious miscalculation on the part of Germany, in my judgment. I recognize that Germany has some economic uncertainties since revaluation, but the United States has even worse economic problems, as the distinguished majority leader pointed out. I find it almost inconceivable that this action was taken by the Bundesbank without giving any thought to possible political repercussions. If ever proof was

needed that the current offset arrangement does not work, this latest action established it.

Since 1968 I have been working with the NATO North Atlantic Assembly to devise a better plan to handle military expenditures within NATO. I commented at length on this work within the Assembly on the Senate floor on October 29, 1969. To stress the highlights of this work, I presented a plan to all NATO governments this past October which had been worked out with the cooperation of the U.S. Treasury.

I am not wedded to the details of this plan and I have invited all NATO governments, in writing, to submit suggestions for an improved plan. This is just the best plan we have been able to develop to date. I ask unanimous consent that the main points of the plan be printed in the RECORD at this point.

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

The main points of the plan are that a clearinghouse be set up by NATO accurately to identify the balance-of-payments gains or losses to each NATO country as a result of its commitment to the common defense, and to provide the structure for adjustment of the balance-of-payments gains or losses; that this structure be set up and commence its work by July 1, 1970, so that balance-of-payments adjustments can automatically be made to begin on July 1, 1971, and in all succeeding years; that in the interim the existing bilateral arrangements between various NATO countries be continued until such time as the new adjustment mechanism takes effect; furthermore, that in computing military balance-of-payments gains or deficits of member countries, included shall be the full costs of official expenditures for goods and services within the host country's territory as well as spending by personnel—other than local nationals—and dependents for local goods and services and also official expenditures for goods, such as major equipment, for use outside the host country's territory; that official expenditures for goods and services within the host country's territory—including the pay of local national employees, construction, contractual services, and materials and supplies for official use within the country—shall be paid for as a budget expense by the host country; that spending by personnel and dependents for local goods and services and official expenditures for goods for use outside the host country's territory shall be paid for in blocked currency for military procurement or other purchases that clearly have an element of additionality.

This plan was unanimously approved by all the members of the Economic Committee. For the first time, other members of the NATO Alliance affirmed the principle that they must help support U.S. troops in Europe through direct budgetary contributions as well as help offset the balance of payments effects of our commitment in Europe.

Mr. PERCY. Mr. President, NATO member governments are now compiling pertinent data and information to ascertain what the total budget and balance-of-payments costs are of all countries within NATO. Many NATO countries have already supplied detailed figures on their military costs for NATO and the remaining countries have promised their figures soon. It is the Assembly's hope that using these figures a plan can be devised on a multilateral basis to automatically make financial adjustments

within NATO. Such a plan should be set up by the conclusion of existing bilateral arrangements between the United States, United Kingdom, and Germany on June 30, 1971.

Last month as I previously mentioned, I attended a German-American conference of legislators and other prominent Americans and Germans in Bad Godesberg, Germany. The Senator from Florida (Mr. GURNEY) and the Senator from Maryland (Mr. MATHIAS) were also present at that conference.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of both German and American representatives who attended the conference.

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

VI AMERICAN-GERMAN CONFERENCE, JANUARY 22-25, 1970, IN BAD GODESBERG

AMERICAN DELEGATION

Harry B. Anderson, President, Merrill Lynch, Pierce, Fenner & Smith International Ltd.

Dwayne Andreas, Chairman, First Inter-oceanic Cooperation.

George Ball, former Under Secretary of State; Partner, Lehman Bros.

Francis M. Bator, former Deputy Special Assistant for National Security Affairs to President Johnson; Professor of Political Economy, Harvard University.

Robert Bowie, former Counselor, State Department; Director, Center for International Affairs, Harvard University.

Ralph Brown, former Political Officer, U.S. Embassy, Bonn; Public Relations, Berlin.

Richard Cooper, Professor of Monetary Policy, Yale University.

John Diebold, President, The Diebold Group.

William Diebold, Senior Research Fellow, Council on Foreign Relations.

Klaus Dohrn, Representative of the publisher of Time-Life in Europe.

R. M. Dorman, Vice President, Bechtel International—Construction Engineers.

Christopher Emmet, Executive Vice President, American Council on Germany, Inc.

Philip Geyelin, Editor, Editorial Page, Washington Post.

Harry Gideonse, Chancellor, The New School, N.Y.C.

William Griffith, Professor, Center for International Studies, Massachusetts Institute of Technology.

Senator Edward J. Gurney (R., Fla.).

John Habberton, Director of the Business Council for International Understanding.

Professor Richard M. Hunt, Assistant Dean, Harvard Graduate School of Arts and Sciences.

Herman George Kaiser, Oil Producer.

Joseph Kaskell, Attorney.

Senator Charles Mathias (R., Md.)

Baldwin Maull, Vice Chairman of the Board, Marine Midland Banks, Inc.

John J. McCloy, former High Commissioner to Germany; Attorney, Milbank, Tweed, Hadley and McCloy.

George C. McGhee, former Ambassador of the United States to Germany; Spec. Rep., The Urban Coalition; Chairman, Business Council for International Understanding.

Horst Mendershausen, The Rand Corporation.

Dr. Norbert Mühlen, Journalist.

Vernon F. Neuhaus, Oil Producer.

Senator Charles Percy (R., Ill.).

Congressman Henry Reuss (D., Wis.).

Eugene Rostow, former Under Secretary of State for Political Affairs; Professor, Yale Law School.

Harry Rowen, President, The Rand Corporation.

Joseph Slater, President, The Salk Institute.

Fritz Stern, Professor of History, Columbia University; Institute for Advanced Study, Princeton University.

Shepard Stone, President, International Association for Cultural Freedom, Paris.

Congressman James Symington (D., Mo.).

John W. Tuthill, Director General, The Atlantic Institute, Paris.

Gordon Tweedy, Chairman, C. V. Starr & Co.

Henry Wallich, Professor of Economics, Yale University, Senior Consultant to the Secretary of the Treasury.

Eric M. Warburg, President, E. M. Warburg & Co., Bankers.

Seymour Weiss, Member, Planning and Coordinating Committee, U.S. State Department.

Frederick S. Wyle, former Deputy Assistant Secretary of Defense for European and NATO Affairs; Vice President, Schroeder's, Inc.

OBSERVERS

William Bader, The Ford Foundation.

Dr. Walter Hahn, Institute of Defense Analysis.

Moselle Kimbler, The Ford Foundation.

Hilde Walter, Berlin Representative, American Council on Germany, Inc.

Mr. PERCY. Mr. President, all the legislators attended a dinner session hosted by Chancellor Willy Brandt and certain members of his Cabinet. Certain ministers of the German Government also joined the conference and we exchanged views at that time.

One of the main topics of discussion was the financial problem associated with the NATO defense. After prolonged discussion I saw an encouraging degree of consensus that the common defense problems of NATO urgently require a re-evaluation of how the United States and Europe share the financial burden of maintaining the common defense. I found the German participants aware of and sympathetic to the enormous U.S. problems of maintaining the present levels of U.S. forces in Europe. Germans and Americans alike agreed that a full range of new proposals—including a multilateral arrangement to adjust automatically the financial burden within the Alliance which I had been working on with the NATO North Atlantic Assembly—must be thoughtfully and thoroughly developed if a major U.S. force reduction is to be avoided, a reduction which President Nixon has made clear he wishes to avoid if at all possible.

Along with Senator GURNEY and Senator MATHIAS I tried to make it clear to the Germans that the majority of the Senate and the American people are dissatisfied with the present arrangement and that changes must be made in sharing the financial burden or substantial troop reductions will become inevitable.

We attempted to identify areas at the conference where Europeans could pick up the cost burden from the United States. I feel strongly that there are several areas of U.S. military activity in NATO that Europeans should pay for. U.S. operational expenses in Europe are about \$3 billion a year of which half, or \$1.5 billion, is a balance of payments drain.

These cost assumptions could come in the following areas:

First. Pay for local nationals employed by U.S. forces. These local nationals are

actually working for NATO and just happen to be servicing Americans. Why should not the local government not assume their costs?

Second. Construction costs. Buildings built in Europe for American troops certainly are not going to be brought back to the United States if American troops leave. They should be paid for by the host government.

Third. Material and supplies purchased in the local economy for use in that country.

Fourth. Transportation and various other services.

Fifth. Fuel and supplies.

Sixth. Major equipment purchases in the host country for use within the host country.

Seventh. NATO infrastructure expenses. Items such as runways and roads certainly cannot be brought back to this country either.

Just the items I have mentioned above, if picked up by European governments, would save the United States about a billion dollars in budgetary costs, about half of that in Germany alone.

There are certainly other specific areas that can be identified as areas where Europeans should assume the cost of the NATO commitment.

One scandalous area where U.S. expenditures should immediately be stopped is the payment by the United States of taxes to NATO governments for certain services received.

The General Accounting Office—GAO—released a report on January 20, 1970, detailing millions of dollars of tax payments by the U.S. Government to NATO partners for such items as leases of property, rentals of family housing, procurement in the country, and imports. These included real property taxes, local and municipal taxes, business and trade taxes, excise taxes, and import taxes.

GAO believes, and I thoroughly concur, that such tax payments are inappropriate. The United States spends billions to protect other countries and then winds up paying local, State, and national taxes. The U.S. Government does not pay taxes to our own State and local governments. This payment of taxes abroad is a particular problem in the United Kingdom and Germany but also exists in Italy and Belgium. The tax exemption status of U.S. military involvement in NATO certainly needs clarification and I fully support the GAO intention to press forward to eliminate this unfair burden on the United States. It is bad enough to pay interest on loans for NATO but to also pay taxes passes the point of credulity.

I am encouraged by the way the current administration has begun to take hold and approach this whole problem. I referred earlier to the President's desire to have our allies assume a larger share of the burden of common defense. This desire is beginning to be implemented in concrete terms by the formation of an interagency task force to work out a better method of handling NATO expenses. This task force has representatives of State, Treasury, Defense, and the NSC. The administration accepts the concept of Europeans sharing more of the costs of the NATO common defense

and is now trying to determine the best possible plan to share those costs.

Unless a more satisfactory arrangement can be found, I see no alternative to substantial troop withdrawals from Europe.

I personally believe that some American troops could be brought home from Europe without impairing the security of NATO and the United States. But this should be decided on military and strategic grounds. They should not be forced home because the United States cannot afford to keep them there—and yet this is the precise situation into which we are heading.

Adjustments have to be made in our foreign expenditures. It is my hope that these adjustments can be made with our allies participating in those decisions, but if these financial problems cannot be resolved satisfactorily on a joint basis, then the United States will have to act unilaterally and solve the financial problem by bringing troops home.

Mr. President, the question of our NATO involvement and associated costs is of great importance. I have spoken at length today because I feel that this question concerns all of us in the Congress as well as in this country. I intend to continue my interest and work in this area for I am convinced that unless permanent financial arrangements can be found to pay the cost of U.S. troops in Germany and in Europe, there is no alternative to substantial troop withdrawals from Germany and Europe.

Mr. President, I wish to conclude by stating that if we can Vietnamize the war in Southeast Asia we can Europeanize the defense of Europe. I think we will not get any place in this effort, however, without a definite goal. For purposes of discussion I would simply project the thought that I feel we should work toward a \$2 billion reduction in the present \$14 billion level of expenditures which is the U.S. cost of our contribution to NATO in the next fiscal year budget. I believe that we should work toward an additional \$2 billion reduction as soon thereafter as is possible.

I yield the floor.

#### DEATH OF FORMER SENATOR RALPH E. FLANDERS

Mr. PROUTY. Mr. President, it is my sad duty to inform my colleagues that my predecessor in the Senate, Ralph E. Flanders, died last night in Springfield, Vt.

Last night when I received word of his death I felt only sadness and loss. Then today as I began to recall Ralph Flanders' life I felt pride that I was able to share a small part in his abundant life. I felt humble that the people of Vermont thought me worthy to be his successor. I felt thankful that the example of his life is before all of us.

Senator Flanders exemplified the unique virtues of our New England. He was a practical and resourceful man. He left formal school at an early age, but never paused in his quest for knowledge. He was at once a scholar, statesman, en-

gineer, inventor, industrialist, economist; truly a "Renaissance man" in our time, whose presence endowed Vermont and New England and our Nation with significant progress and an unparalleled example of the complete life.

To recall the positions Ralph E. Flanders has held in his decades of public service is like looking at the surface of a deep lake. The currents that flow beneath are most important. In his full life he was:

A member of the Vermont Special Investigation Committee.

Member for Vermont of the Interstate Flood Commission.

Member of Vermont State Planning Board.

Vice chairman of the Business Advisory Council.

President of the New England Council.

President of the Federal Reserve Bank of Boston.

Member of the Economic Stabilization Board.

Chairman, research committee, Committee for Economic Development.

U.S. Senator from Vermont.

He brought to each task a zest for life and his enduring conviction that, in his words, "what is practically involved is that we must have respect for people—anywhere on the face of the earth."

He imparted this philosophy to Vermont, New England, the Nation, and the world by the written and spoken word. His speeches and writings are replete with timeless truths and insights. His actions showed remarkable foresight.

I would like briefly to call to your attention an often overlooked episode in Ralph E. Flanders' senatorial career. It is an episode which particularly today serves as a reminder of Ralph Flanders' foresight.

In 1958 Senator Flanders expressed alarm that the Defense Department, unlike other departments, was not required to receive congressional authorizations for specific and often immense expenditures. He sought an amendment requiring such authorizations. It was defeated at that time, but was enacted into law requiring the authorization for aircraft and missiles.

I trust you will agree that this is a most timely reminder of the wisdom and foresight of Ralph E. Flanders. If my or your time permitted, I could fill pages with similar examples of Ralph Flanders' inestimable contributions to our times and people. However, I think it best to close recalling the words of Vermont's immortal poet, Robert Frost, and say that Ralph E. Flanders "took the road less traveled and that has made all the difference" to all of us who have followed.

#### ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order of the Senate, morning business is now in order.

The Chair recognizes the Senator from South Dakota (Mr. McGOVERN).

#### COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

##### REPORT ON PROPOSED FACILITIES PROJECTS, AIR NATIONAL GUARD AND AIR FORCE RESERVE

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, a report on the location, nature and estimated cost of certain facilities projects proposed to be undertaken for the Air National Guard and the Air Force Reserve (with an accompanying report); to the Committee on Armed Services.

##### REPORT ON THE FEDERAL PLAN FOR METEOROLOGICAL SERVICES AND SUPPORTING RESEARCH

A letter from the Acting Deputy Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, a report on the Federal Plan for Meteorological Services and Supporting Research, for fiscal year 1971 (with an accompanying report); to the Committee on Commerce.

##### REPORT ON ACTIVITIES OF THE VETERANS' ADMINISTRATION

A letter from the Administrator, Veterans' Administration, transmitting, pursuant to law, a report of the activities of the Veterans' Administration for the fiscal year ended June 30, 1969 (with an accompanying report); to the Committee on Finance.

##### REPORT OF BONNEVILLE POWER ADMINISTRATION

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report of the Bonneville Power Administration for fiscal year 1969 (with an accompanying report); to the Committee on Interior and Insular Affairs.

##### THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATIONS FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classifications for certain aliens (with accompanying papers); to the Committee on the Judiciary.

#### PETITIONS AND A MEMORIAL

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

The petition, signed by citizens of the State of Georgia, members of the Hands Across Atlanta Group, Atlanta, Ga., praying for a formal hearing of their grievance in relation to recent court cases involving the State of Georgia and the city of Atlanta, in which the judicial branch allegedly exceeded its constitutional authority and unlawfully seized a legislative prerogative of the Congress when it established percentage quotas based upon race with regard to the composition of student bodies and teaching faculties of various public schools; which petition was referred to the Committee on the Judiciary.

The petition of John Meredith Taylor, of Chevy Chase, Md., praying for a redress of grievances; to the Committee on the Judiciary.

The petition of the New York State Labor Relations Board, New York, N.Y., in the matter of Cornell University and the Association of Cornell Employees-Libraries, et al.; to the Committee on Labor and Public Welfare.

A resolution adopted by the Robert A. Millikan Chapter of the California Junior Statesman of America, remonstrating against

games conducted by oil companies; to the Committee on the Judiciary.

#### EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mrs. SMITH of Maine. Mr. President, as in executive session, from the Committee on Armed Services I report favorably 102 flag and general officers in the Air Force, Marine Corps, and Navy. In addition I report favorably the appointment of four second lieutenants in the Marine Corps. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. The reports will be received and the names will be placed on the Executive Calendar, as requested by the Senator from Maine.

The nominations, ordered placed on the Executive Calendar, are as follows:

Lt. Gen. Herman Nickerson, Jr., U.S. Marine Corps, for appointment to the grade of lieutenant general on the retired list;

Maj. Gen. Robert L. Petit (brigadier general, Regular Air Force), U.S. Air Force, and sundry other officers, for appointment in the Regular Air Force, in the grade of majors general;

Brig. Gen. Jones E. Bolt (colonel, Regular Air Force), U.S. Air Force, and sundry other officers, for appointment in the Regular Air Force, in the grade of brigadiers general;

Brig. Gen. Maurice F. Casey (colonel, Regular Air Force), U.S. Air Force, and sundry other officers, for temporary appointment in the U.S. Air Force, in the grade of majors general;

Vice Adm. Lawson P. Ranage, U.S. Navy, for appointment to the grade of vice admiral, when retired;

Maj. Gen. Keith B. McCutcheon, U.S. Marine Corps, for commands and other duties determined by the President, for appointment to the grade of lieutenant general while so serving;

Lt. Gen. Henry W. Buse, Jr., Lt. Gen. Lewis J. Field, and Lt. Gen. Frank C. Tharin, U.S. Marine Corps, for appointment to the grade of lieutenant general on the retired list; and

Larry E. Beagley, Frank Fraun IV, Thomas L. Ekie, and Dwight R. Rickman (Naval Reserve Officers Training Corps), for permanent appointment to the grade of second lieutenant in the Marine Corps.

#### BILLS INTRODUCED

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

By Mr. PERCY:

S. 3485. A bill to provide for the designation of certain highways as part of the National System of Interstate and Defense Highways; to the Committee on Public Works.

(The remarks of Mr. Percy when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. BELLMON:

S. 3486. A bill to establish a Commission on Oil Imports as an independent agency of the Government, to authorize the Commission to impose quotas on imports of petroleum and petroleum products, and for other purposes; to the Committee on Finance.

(The remarks of Mr. Bellmon when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. CHURCH (for himself and Mr. JORDAN of Idaho):

S. 3487. A bill to authorize the sale and exchange of certain lands on the Coeur d'Alene Indian Reservation, and for other

purposes; to the Committee on Interior and Insular Affairs.

(The remarks of Mr. Church when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. WILLIAMS of New Jersey:

S. 3488. A bill to amend the Federal Water Pollution Act, as amended, and for other purposes; to the Committee on Public Works.

(The remarks of Mr. Williams of New Jersey when he introduced the bill appear later in the Record under the appropriate heading.)

By Mr. MAGNUSON (by request):

S. 3489. A bill to authorize appropriations for certain maritime programs of the Department of Commerce; to the Committee on Commerce.

(The remarks of Mr. Magnuson when he introduced the bill appear later in the Record under the appropriate heading.)

#### S. 3485—INTRODUCTION OF A BILL DESIGNATING CERTAIN HIGHWAYS AS PART OF THE NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

Mr. PERCY. Mr. President, today we are faced with a crisis in transportation. This statement is already well accepted because it is based on fact. It will only be a cliché until we take positive steps to meet and overcome the crisis.

In the past, our Nation has seen the challenge and has responded to it. In 1954, then Vice President Richard Nixon, on behalf of former President Eisenhower, presented to the Governor's Conference the basic plan for the completion of the Interstate Highway System. In 1956 and 1958, the Interstate Highway Acts were passed by Congress, and a trust fund was established from which funds could be taken to improve our Nation's interstate highways. These acts have provided answers to some of the transportation challenges with which we have been faced.

Now, however, the challenges still face us, and they demand an appropriate response. We have made a beginning, but it is our responsibility to build upon this basis in an effort to keep pace with the ever-increasing problems of transportation in this Nation. We must continue to search for ways in which we can ameliorate the conditions on our Nation's highways.

Mr. President, in terms of vehicle mileage, highway traffic is increasing at the rate of 4.5 percent per year. It is imperative that we provide measures that will meet this constant growth. One of these necessary measures is the continued inclusion of existing highways into the Interstate System.

I have been in contact with Mr. William F. Cellini, the very able director of the department of public works and buildings of the State of Illinois. He has made a formal request that the following segments of freeway be added to the Interstate System:

FA 61—Illinois 53—FAI 55 to FAI 80, 33 miles.

U.S. 20, Rockford to Dubuque, 93 miles. Cicero Avenue—Illinois 50—FAI 494 to FAI 80, 13 miles.

Illinois 29, Peoria to FAI 180, 43 miles.

U.S. 51, Rockford to FAI 80, 62 miles.

U.S. 51, FAI 80 to Decatur, 100 miles.

U.S. 51, Decatur to FAI 57 to Salem, 83 miles.

Central Illinois Expressway, Springfield to Quincy 99 miles.

U.S. 24, Quincy to Peoria, 130 miles.

Mr. President, by including these segments into the Interstate System, we will have taken a necessary step in meeting the highway needs with which we are faced. Today, I am introducing a bill which will provide for the inclusion of these segments. I feel that this is necessary not only for the State of Illinois, but also for the Interstate System as a whole because of the strategic location of Illinois in the transcontinental flow of traffic from east to west and from north to south.

It will be to the advantage of all of our citizens to have these extra miles of highway provided for under the Interstate System.

Mr. President, we are faced with a transportation crisis. This will be a continuing problem which we must continue to meet. The measures that I propose today are necessary if we are to keep pace in the heartland of America with the challenges of our Nation's highways.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3485) to provide for the designation of certain highways as part of the National System of Interstate and Defense Highways, introduced by Mr. Percy, was received, read twice by its title, and referred to the Committee on Public Works.

#### S. 3486—INTRODUCTION OF A BILL TO ESTABLISH A COMMISSION ON OIL IMPORTS

Mr. BELLMON. Mr. President, for the past several months, a great debate has been going on in this country regarding the oil-import program. Charges and counter charges regarding whether or not the program serves the welfare of American consumers and the defense needs of our Nation has been made. There is little point of my taking the time, of the Senate to review these issues, and I do not propose to do so. I firmly believe the oil-import program has served a vitally important function and that it must be preserved.

In addition, speaking as a representative of an oil-producing State, and a former Chairman of the Interstate Oil Compact Commission, I am convinced that the oil industry has met its responsibility to supply this Nation with a reliable supply of low-cost energy and that the industry deserves commendation, not condemnation. In addition, it is almost totally due to the technology and the resourcefulness of the American oil industry that petroleum developments in other parts of the world have been made possible.

Mr. President, I have before me several tables which sum up the record of the petroleum industry and I ask unanimous consent that they be printed in the Record.

There being no objection, the tables were ordered to be printed in the Record, as follows:

PRICES

Year	Crude oil at well (per barrel)		Natural gas at well (cents per Mcf)	Motor gasoline retail (cents per gallon)		
	Current dollars	Constant 1958 dollars		Excludes tax	Taxes	Total
1950	\$2.51	\$3.13	6.5	20.08	6.68	26.76
1951	2.53	2.96	7.3	20.31	6.84	27.15
1952	2.53	2.89	7.8	20.24	7.32	27.56
1953	2.68	3.04	9.2	21.28	7.41	28.69
1954	2.78	3.10	10.1	21.56	7.48	29.04
1955	2.77	3.05	10.4	21.42	7.65	29.07
1956	2.79	2.97	10.8	21.57	8.36	29.93
1957	3.09	3.17	11.3	22.11	8.85	30.96
1958	3.01	3.01	11.9	21.47	9.31	30.78
1959	2.90	2.85	12.9	21.18	9.31	30.49
1960	2.88	2.79	14.0	20.99	10.14	31.13
1961	2.89	2.76	15.1	20.53	10.23	30.76
1962	2.90	2.74	15.5	20.36	10.28	30.64
1963	2.89	2.70	15.8	20.11	10.31	30.42
1964	2.88	2.64	15.4	19.98	10.37	30.35
1965	2.86	2.58	15.6	20.71	10.46	31.17
1966	2.88	2.52	15.7	21.57	10.51	32.08
1967	2.91	2.49	16.0	22.55	10.60	33.15
1968	2.94	2.40	16.4	22.93	10.78	33.71
1969	3.06	2.35	16.9	23.85	10.99	34.84

CONSUMPTION

Year	Petroleum demand (thousand B/D)			Percent U.S. energy consumption		
	Domestic	Export	Total	Liquid petroleum	Natural gas (dry)	Total
1950	6,509	305	6,814	39.5	18.0	57.5
1951	7,060	422	7,482	40.3	19.6	59.9
1952	7,283	436	7,719	42.0	21.2	63.2
1953	7,624	401	8,025	42.7	21.6	64.3
1954	7,784	355	8,139	44.3	23.5	67.8
1955	8,493	368	8,861	43.8	23.1	66.9
1956	8,822	430	9,252	44.4	23.4	67.8
1957	8,860	568	9,428	44.4	24.8	69.2
1958	9,146	276	9,422	45.0	26.5	71.5
1959	9,494	255	9,749	45.3	27.6	72.9
1960	9,807	202	10,009	44.8	28.9	73.7
1961	9,985	174	10,159	44.9	29.0	73.9
1962	10,410	168	10,578	44.6	29.5	74.1
1963	10,753	208	10,961	44.2	29.8	74.0
1964	11,032	202	11,234	43.5	30.3	73.8
1965	11,523	187	11,710	43.4	29.8	73.2
1966	12,095	198	12,293	43.2	30.3	73.5
1967	12,569	307	12,876	43.1	31.1	74.2
1968	13,404	231	13,635	43.5	31.3	74.8
1969	14,140	235	14,375	43.5	31.8	75.3

DISCOVERIES (NEW RESERVES FOUND)

Year	Liquid hydrocarbons (million barrels)			Natural gas (trillion cubic feet)	Crude oil per new oil well (barrels)	Natural gas per new gas well (million cubic feet)
	Crude oil	Gas liquids	Total liquids			
1950	2,563	766	3,329	12.0	104,911	4,234
1951	4,414	724	5,318	16.1	188,206	5,313
1952	2,749	557	3,306	14.5	117,465	4,444
1953	3,296	744	4,040	20.9	127,940	5,480
1954	2,873	107	2,980	9.6	96,496	2,423
1955	2,871	515	3,386	22.0	90,949	6,085
1956	2,974	810	3,784	24.8	96,778	5,470
1957	2,425	137	2,562	20.2	84,755	4,364
1958	2,608	858	3,466	19.0	106,111	3,946
1959	3,667	703	4,370	20.8	142,131	4,132
1960	2,365	725	3,090	14.2	111,630	2,696
1961	2,658	695	3,353	17.3	125,965	3,059

Year	Liquid hydrocarbons (million barrels)			Natural gas (trillion cubic feet)	Crude oil per new oil well (barrels)	Natural gas per new gas well (million cubic feet)
	Crude oil	Gas liquids	Total liquids			
1962	2,181	733	2,914	19.6	102,640	3,359
1963	2,174	878	3,052	18.4	107,156	3,877
1964	2,665	609	3,274	20.4	129,243	4,212
1965	3,048	832	3,880	21.5	162,464	4,545
1966	2,964	894	3,858	20.4	176,638	4,650
1967	2,962	930	3,892	22.0	193,228	6,000
1968	2,455	686	3,141	13.8	171,306	3,998
Average 1950-68	2,837	679	3,516	18.3	128,194	4,331

PROVED RESERVES (LIQUID HYDROCARBONS AND NATURAL GAS)

Jan. 1	Liquid hydrocarbons (million barrels)			Natural gas (trillion cubic ft.)	Reserve/production ratio		
	Crude oil	Gas liquids	Total liquids		Crude oil	Total liquids	Natural gas
1950	26,650	3,729	30,379	179.4	13.6	14.1	28.9
1951	25,268	4,268	29,536	184.6	13.0	13.7	26.9
1952	27,468	4,725	32,193	192.8	12.4	13.1	24.3
1953	27,961	4,997	32,958	198.6	12.4	13.1	23.1
1954	28,945	5,438	34,383	210.3	12.5	13.2	22.9
1955	29,561	5,244	34,805	210.6	13.1	13.6	22.5
1956	30,012	5,439	35,451	222.5	12.4	12.8	22.1
1957	30,435	5,902	36,337	236.6	11.9	12.5	21.8
1958	30,300	5,687	35,987	245.2	11.8	12.4	21.4
1959	30,536	6,204	36,740	252.8	12.9	13.5	22.1
1960	31,719	6,522	38,241	261.2	12.8	13.2	21.1
1961	31,613	6,816	38,429	262.3	12.8	13.2	20.1
1962	31,786	7,049	38,835	266.3	12.6	13.0	19.9
1963	31,389	7,312	38,701	272.3	12.3	12.8	20.0
1964	30,970	7,674	38,644	276.2	11.9	12.4	19.0
1965	30,991	7,747	38,738	281.3	11.7	12.2	18.3
1966	31,352	8,024	39,376	286.5	11.7	12.1	17.6
1967	31,452	8,329	39,781	289.3	11.0	11.5	16.5
1968	31,377	8,614	39,991	292.9	10.3	10.9	15.9
1969	30,707	8,598	39,305	287.4	9.8	10.3	14.8

SUPPLY (DOMESTIC PRODUCTION AND TOTAL IMPORTS, THOUSAND BARRELS DAILY)

Year	Domestic production			Imports		
	Crude oil	N.G.L.	Total	Total	Percent of supply	Total supply
1950	5,407	499	5,906	850	13.1	6,758
1951	6,158	562	6,720	844	11.1	7,571
1952	6,256	612	6,868	952	12.2	7,827
1953	6,458	655	7,113	1,034	12.7	8,167
1954	6,343	692	7,035	1,052	13.0	8,110
1955	6,807	772	7,579	1,248	14.1	8,861
1956	7,151	801	7,952	1,436	15.2	9,431
1957	7,170	809	7,979	1,574	16.4	9,595
1958	6,710	808	7,518	1,700	18.3	9,282
1959	7,053	880	7,933	1,780	18.2	9,799
1960	7,035	930	7,965	1,815	18.3	9,926
1961	7,183	991	8,174	1,917	18.7	10,270
1962	7,332	1,021	8,353	2,082	19.6	10,610
1963	7,542	1,098	8,640	2,123	19.4	10,965
1964	7,614	1,155	8,769	2,258	20.1	11,244
1965	7,804	1,210	9,014	2,468	21.1	11,702
1966	8,295	1,284	9,579	2,573	20.8	12,397
1967	8,810	1,410	10,220	2,537	19.4	13,049
1968	9,096	1,503	10,599	2,840	20.6	13,787
1969	9,225	1,585	10,810	3,150	22.1	14,300

## PRODUCTIVE CAPACITY (CRUDE OIL AND NATURAL GAS LIQUIDS, THOUSAND BARRELS DAILY)

Jan. 1	Productive capacity			Crude oil capacity		Percent spare
	Crude oil	N.G.L.	Total	Yearly change	Spare	
1954	7,926	744	8,670		1,583	20.0
1955	8,442	778	9,220	+516	1,635	19.4
1956	8,929	825	9,754	+487	1,778	19.9
1957	9,250	850	10,100	+321	2,080	22.5
1958	9,493	880	10,373	+243	2,783	29.3
1959	9,656	930	10,586	+163	2,603	27.0
1960	9,708	967	10,675	+52	2,673	27.5
1961	9,892	1,041	10,993	+184	2,709	27.4
1962	10,081	1,049	11,130	+189	2,749	27.3
1963	10,169	1,090	11,259	+88	2,627	25.8
1964	10,286	1,177	11,463	+117	3,212	31.2
1965	10,534	1,222	11,756	+248	2,730	25.9
1966	10,743	1,281	12,024	+209	2,448	22.8
1967	11,050	1,405	12,455	+307	2,240	20.3
1968	11,218	1,488	12,706	+168	2,123	18.9
1969	11,137	1,586	12,723	-61	1,912	17.2

## TOTAL IMPORTS (THOUSAND BARRELS DAILY)

Year	Crude oil	Light products	Subtotal	Residual fuel	Total imports	Percent of
						total domestic production
1950	487	24	521	329	850	14.4
1951	491	27	518	326	844	12.6
1952	573	28	601	351	952	13.9
1953	648	26	674	360	1,034	14.5
1954	656	42	698	354	1,052	15.0
1955	782	49	831	417	1,248	16.5
1956	934	57	991	445	1,436	18.1
1957	1,023	76	1,099	475	1,574	19.7
1958	953	248	1,201	499	1,700	22.6
1959	966	204	1,170	610	1,780	22.3
1960	1,015	163	1,178	637	1,815	22.8
1961	1,045	206	1,251	666	1,917	23.5
1962	1,126	232	1,358	724	2,082	24.9
1963	1,131	245	1,376	747	2,123	24.6
1964	1,198	252	1,450	808	2,258	25.7
1965	1,238	286	1,524	944	2,468	27.4
1966	1,225	316	1,541	1,032	2,573	26.9
1967	1,128	324	1,452	1,085	2,537	24.8
1968	1,290	430	1,720	1,120	2,840	26.8
1969	1,410	495	1,905	1,245	3,150	29.1

Mr. BELLMON. Mr. President, summed up, they show that the oil industry in this country is now producing and selling a barrel of crude oil for 16 cents less in constant dollars than was the case 20 years ago. To my knowledge, there is no other major industry that can equal this record of holding down costs to consumers.

These charts also dramatically point up dangerous developments relating to this country's economic development and national security. They show that proven domestic reserves of petroleum have been reduced sharply during the last 20 years. Reserves of crude oil have varied from a 13.6 years' supply in 1950 to a 9.8 years' supply in 1969. Reserves of natural gas have been reduced from a 28.9 years' supply in 1950 to 14.8 years' supply in 1969. Reserves of both are still going down rapidly.

Recent changes in the tax laws of this country and the uncertainty of the oil import program have greatly demoralized the oil and gas industry. Exploration and development appropriations by major oil companies have been drastically reduced from the 1969 level. Independent oil operators who find most of the oil in the continental United States have already begun to follow this trend established by the majors in reducing exploration activities.

Mr. President, the shortage of petroleum reserves in this country was recently brought home to me in a dramatic way. When I visited the city of Akron, Ohio, last week, I found that during a

recent cold wave, many of the rubber factories in that city were forced to close because of a lack of natural gas. Also, I discovered that the efforts of electric generating companies in the Great Lakes region to reduce air pollution are being thwarted because no supply of low-sulfur natural gas is available to fuel existing or for planned new generating plants. Since the discovery and development of oil and gas are generally closely related, there is no practical way to increase supplies of natural gas unless economic incentives for overall petroleum exploration exist.

At the same time this serious decline in our Nation's oil and gas reserves is occurring, a concerted attack on the oil import program is underway. This program has operated without major changes during the terms of three Presidents—two Democrats and one Republican. It has served the best interests of this country through several crises and has helped assure consumers of reliable supplies of energy. Its continuation is not a partisan matter, but rather a matter of enormous national importance for both economic and national defense reasons.

Those who oppose the oil import program point to theoretical temporary savings to American consumers which might result if this Nation dismantled its petroleum-producing industry and permitted unlimited imports of crude oil from Middle East sources. They fail to point out that similar savings would theoretically temporarily result if this

Nation dismantled any of its other major industries and became dependent upon foreign sources of steel, textiles, dairy products, automobiles, or shoes, or other products from low-wage, low-income parts of the world.

Mr. President, in my opinion, the criticism which the oil import program now faces has been brought about largely because no procedure for public review exists. Public debate and disclosure of facts relating to oil import decisions would have produced a much greater understanding on the part of American consumers and on the part of Government officials who are charged with decisions relating to the welfare of our country. I believe that a regular public review of the energy needs of this Nation and the process whereby these needs are met by domestic and imported petroleum products will resolve much of the misunderstanding and confusion which presently surrounds the oil import program.

For these reasons, I am introducing a bill to establish a Commission on Oil Imports as an independent agency of the Government, to authorize the Commission to impose quotas on imports of petroleum and petroleum products, and for other purposes. The bill also establishes a joint congressional committee which is authorized to examine and exercise oversight on the entire question of imports.

Basically, this legislation is tailored after the statute which established the Atomic Energy Commission and the joint congressional committee which has oversight in the operation of that agency. In my discussion with individuals and companies which were active in atomic energy activities, I have become convinced that this Nation's success in meeting the challenges which the country faced in the atomic energy field has been greatly enhanced by the decision and direction inherent in the structure of the Atomic Energy Commission and to the congressional oversight which the Joint Committee on Atomic Energy provides. I strongly feel that a similar structure and a similar approach to the oil import program will succeed in clearing away much of the misunderstanding and confusion which now exists and in bringing the stability which this Nation's economic and national defense interests require.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3486) to establish a Commission on Oil Imports as an independent agency of the Government, to authorize the Commission to impose quotas on imports of petroleum and petroleum products, and for other purposes, introduced by Mr. BELLMON, was received, read twice by its title, and referred to the Committee on Finance.

## S. 3487—INTRODUCTION OF A BILL FOR COEUR D'ALENE INDIAN TRIBAL LAND CONSOLIDATION

Mr. CHURCH. Mr. President, on behalf of myself and my colleague from Idaho (Mr. JORDAN), I introduce for appropriate reference a bill to authorize

the sale and exchange of certain lands on the Coeur d'Alene Indian Reservation, and for other purposes.

This is a land consolidation bill which is introduced at the request of the tribe, and provides that the tribe, through action by or approval of the Secretary of the Interior, may sell, exchange, or mortgage tribal land. This authority, particularly to sell or exchange, is a necessity to a meaningful land consolidation program.

The tribe owns isolated tracts of land surrounded by non-Indian land, which may be of great value to adjacent owners, but because of their isolation is of little value to the tribe. Sale proceeds from such tracts can be used to acquire other tracts adjacent to or checkerboarded within tribal land holdings, making for more economical, manageable units. The tribe needs the right to sell or exchange also to assist tribal members in consolidating and unifying their individual interests.

Mr. President, I believe this bill to be essential for the welfare of the Coeur d'Alene Indian Tribe, and I hope it will receive early consideration.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3487) to authorize the sale and exchange of certain lands on the Coeur d'Alene Indian Reservation, and for other purposes, introduced by Mr. CHURCH, for himself and Mr. JORDAN of Idaho, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

#### S. 3488—INTRODUCTION OF THE NATIONAL MARINE WATERS POLLUTION CONTROL AND QUALITY ENHANCEMENT ACT OF 1970

Mr. WILLIAMS of New Jersey. Mr. President, the residents of New Jersey and I am sure, all the people of this country, are alarmed over reports made public last week indicating that millions of tons of sewage sludge and highly contaminated harbor dredging are being dumped annually into the Atlantic Ocean just 4 miles off the New Jersey coast. And this constitutes only a part of such dumping. New York City and other communities on the other side of the Hudson River dump at least twice as much sludge as from New Jersey. In addition similar waste discharges are made in the Delaware Bay affecting not only the Jersey coast but the shorelines of Pennsylvania, Delaware, and Maryland.

It shocks me that this dumping at sea has been going on for the past 40 years. Yet, we have ignored or minimized the consequences of such action.

Sludge from New York harbor has been found not to decompose because of the need for oxygen, the cold water temperatures, and indrifting back to our beaches.

A preliminary report on this subject by the Chief of the Branch of Fish Ecosystem Research of the U.S. Bureau of Sports Fisheries and Wildlife was published in the October 1969 issue of the SFI bulletin of the Sport Fishing Institute. It makes clear that the dumping of sewage sludge is having a tragic effect

on the marine environment and beach ecology—with particular reference to the sea off Sandy Hook. I ask unanimous consent, Mr. President, that the two reports of these investigations, which appeared in the SFI bulletin, be printed in the RECORD at this point.

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

#### REFUSE DISPOSAL AT SEA?

The August 1969 issue (No. 207) of the SFI Bulletin (Washington, D.C.) carried a preliminary summary of a five-year study by researchers at Harvard University's School of Public Health (HUSPH) and the University of Rhode Island's Graduate School of Oceanography (URIGSO) on the feasibility of high-seas incineration and dumping of garbage and other wastes. The HUSPH-URIGSO studies indicated that such a disposal procedure for urban domestic wastes, assuming effective incineration and dumping in depths between 100 and 200 feet, would not cause significant damage to fish, beaches, ships, or traffic.

Results of the studies indicated little or no toxicity to a series of representative marine organisms from expected incinerator residues or ash, and that beaches would not be fouled by residue drift. Dr. Melvin W. First (HUSPH) recently told the U.S. Senate Subcommittee on Air and Water Pollution (in part, emphasis added) that ". . . It appears practical, therefore, to utilize the vast assimilative capacity of ocean waters and the ocean atmosphere to solve a troublesome urban problem. Studies show this can be done without polluting the environment, decreasing the recreational use of the waters or interfering with commercial and sport fishing."

As a result of the preliminary summarization by the Sport Fishing Institute (SFI) of the HUSPH-URIGSO findings on its study of refuse disposal at sea, the Institute has been advised of another study of the effects of waste disposal on offshore marine environments in progress at the Sandy Hook (New Jersey) Marine Laboratory of the U.S. Bureau of Sport Fisheries and Wildlife (USBSFW). The research, being supported by the U.S. Army, Corps of Engineers, is centered on the sewage sludge and acid waste disposal areas in the New York Bight. In a summarization of progress to date, Mr. J. Bruce Kimsey, Chief of the Branch of Fish Ecosystem Research of the USBSFW (Washington, D.C.), reported to SFI that their "initial findings are not nearly so favorable as those reported by the Harvard group."

According to Mr. Kimsey's report to the Sport Fishing Institute, benthic collections made in the sewage disposal area of the New York Bight show that an area of 15 to 20 square miles is largely impoverished of normal benthic life. Samples taken during December, January and February, 1969, indicate that during winter storms sludge deposits moved one to two miles westward and sands to the east of the sludge deposit area were carried onto the sludge beds. Some animals living in these sands were moved with the sediments to the sludge beds. Recently dead shells and tubes suggest that these organisms are killed when they come in contact with the sludge deposits. Sections made through grab samples show a layering of sludges and clean sands; there is no evidence of normal burrowing or reworking activities in these stratified sediments.

Judging from sediment analysis and bathymetry, Kimsey advised the SFI, the sewage sludge deposit area before contamination with sludges almost certainly contained the same fauna as the more productive areas of the Hudson Canyon. As a consequence of the sludge this area has become almost sterile, he said. Three different benthic samples have

contained insect larvae which probably represent species indigenous to sewer processing sludge ponds. This, and numerous intact artifacts, suggest that at least on occasion sewer sludges are not completely processed before being carried to sea. It seems unlikely that the larvae could have any origin other than incompletely or untreated sludges.

During January, 1969, examination was made of returns of seabed drifters and drift bottles that had been released monthly at Ambrose Lightship and during Sandy Hook aerial surveys of the continental shelf from 1966 to 1967—where the aerial drops had been made about 10 miles to the east of the waste disposal area. The pattern of return, Kimsey noted, indicates a general movement of seabed drifters to the north and northeast during late fall to early spring and a movement to the northwest and west in late spring and summer. Since no surface drift bottles were recovered, these presumably had moved offshore in the winter and to the northeast in the spring and summer.

The returns from the bottom drifters and bottles distributed from October, 1968 to March, 1969, indicate a strong movement of bottom water from the waste disposal area to Long Island, N.Y. beaches. By May, 1969, 63 of 100 seabed drifters released on October 31, 1968, had been recovered between Rockaway and Fire Island, N.Y. Similar releases during November and December, 1968, had resulted in fewer but still significant returns from the same area. No bottles were recovered.

In February and March, 1969, the study area was expanded to include 19 stations covering an area of 450 square miles. Ten bottom drifters and 10 surface bottles were released and a temperature-salinity profile was recorded monthly. Seabed drifters released 2 miles off New Jersey in January and February moved in a northwest direction onto Sandy Hook beaches. Other drifters released 2 miles off Long Island were carried in a WNW direction onto Sandy Hook beaches.

Further evidence to support the results of the seabed drifter returns, Kimsey stated, is given by the pattern of temperature and salinity which indicates that during February bottom water in the Hudson Gorge was moving due north and onto the Long Island beaches.

Preliminary analysis of sediments for heavy metals indicates an unusually high content of iron and chromium in sediments from the sludge disposal area. Bottom water samples are collected at selected stations and sent to Cincinnati (FWPCA Water Quality Laboratory) to analyze for 19 trace elements using a distribution of these materials in relationship to the sludge and the industrial waste disposal areas.

The levels of phosphates and nitrates at 16 stations have been investigated. Phosphate levels have been consistent throughout the period January 1, 1969, to March 31, 1969, and are comparable to winter levels in other temperate marine environments. Nitrates have also been consistent from station to station through the same period. There do not appear to be any significant differences in levels of these nutrients between the sewage sludge disposal area, the acid grounds and apparently unpolluted areas.

Levels of particulate iron vary from station to station. High values were always associated with the center of acid dumping activity. Soluble iron forms about 10 per cent of the total iron in most samples.

The total number of dominant zooplankton organisms have averaged 30 per cent less in samples taken in the acid waste disposal area when compared with samples collected outside of the "acid grounds." Kimsey indicated that phytoplankton blooms have occurred during the past quarter (July-August, 1969), but no quantitative data are available.

The fish ecosystems research chief, J. Bruce Kimsey, summarized the import of these interim findings from the USBSFW study in these words: "It appears from these preliminary but substantial observations that the dumping of sewage sludge is in this instance detrimental to the marine environment and also of some danger to beach ecology and use. Dr. First's suggestion to utilize the vast assimilative capacity of ocean water and ocean atmosphere to solve a troublesome urban problem needs some further qualifying remarks. It also appears that some of this urban problem being deposited in the New York Bight is coming right back to the beaches of the same urban areas."

Mr. WILLIAMS of New Jersey. The interim progress report of the U.S. Marine Laboratory at Sandy Hook, N.J., has now been completed and its results made public only a few days ago. It points out, for example, that some currents move toward the shore and could take wastes discharged 20 miles out to sea back to the Jersey coast or the coasts of our sister States. The dumping ground has grown into a "dead sea" of about 20 square miles. The health, indeed the lives, of persons who eat fish from these waters and who swim off nearby beaches are needlessly endangered by such action. And this is not to mention the damage which is done to the ocean environment and our commercial fishing industry.

Mr. President, I have carefully reviewed existing and pending Federal legislation to determine whether it is adequate to deal with the problem of waste disposal at sea. I find it is not. Accordingly, I have prepared a bill which would amend the Federal Water Pollution Control Act, as amended, to cope with this problem on a nationwide basis.

The Water Quality Improvement Act passed by the Senate on October 8, 1969, provides very strong and effective measures to prevent, control, and clean up oil discharges into the navigable waters of the United States and the waters of the contiguous zone. I am pleased to read in the New York Times of February 17, 1969, that certain Members of the House, after viewing the effects of an oil spill in Tampa Bay, Fla., are now coming around to accepting the stiffer and more effective provisions of the Senate-passed bill developed by the bipartisan efforts of the Air and Water Pollution Subcommittee chaired by Senator MUSKIE. I hope that this change in position will lead to a quick conclusion of the conference and enactment of this vital bill which the President neglected to even mention in his environmental message. Possibly this is because the administration on April 3, 1969, in a letter signed by the Under Secretary of the Interior, indicated its approval and recommended passage of the proposed legislation in the House which contained less stringent requirements than those found in the Senate bill.

The bill which I have introduced today supplements the Water Quality Improvement Act to cover wastes of all other kinds or description.

My bill would:

Apply to the discharge of wastes not just off the coast of New Jersey, but those off the coasts of all States;

Permanently prohibit waste discharges into the waters of the contiguous zone—that 9-mile belt surrounding our territorial sea established by the United States under article 24 of the Convention of the Territorial Sea and the Contiguous Zone;

Prohibit waste discharges into or upon waters beyond the contiguous zone, except under the regulations promulgated by the Secretary or unless otherwise permitted under the act;

Provide for the issuance of regulations by the Secretary of the Interior governing the discharge of wastes into waters beyond the zone and for the designation of water areas where such controlled discharges are permitted;

Establish procedures, including public hearings, for the promulgation of such regulations which will give full consideration to all environmental needs and protect the quality of the waters;

Give the Governor of each State the right to halt the issuance of such regulations on the basis that they would permit discharges of wastes into waters beyond the contiguous zone which would adversely affect the public health or welfare of the waters, shorelines, or natural resources of that State;

Authorize the continuance of waste discharges now permitted under law pending issuance of such regulations, only if such discharges are made at least 100 or more nautical miles from the United States, and authorize grants to States and municipalities to cover increased costs incurred by this restriction;

Make available to the States and municipalities grants for the transporting and discharge of wastes beyond the contiguous zone so long as these wastes receive the most advanced treatment possible in order to prevent any damage to the ocean waters and the total environment;

Provide civil penalties against owners or operators who fail to comply with the requirements of this legislation to be enforced and assessments to be made by the Coast Guard;

Provide for the monitoring of waste discharges; and

Provide for the study, collection, evaluation, and periodic publication of waste discharges and other environmental data concerning these waters.

In 1965 the Environmental Pollution Panel of the President's Science Advisory Committee recommended that:

Issuance by the U.S. Army Corps of Engineers of permits for dredging and decisions concerning the Corps' own operations, be conditioned on the anticipated effects on other resources, both in the areas from which spoil is removed and in those where it is deposited.

The time has come to follow through on that recommendation.

Certain Members of the New Jersey delegation in the House have sponsored legislation which would prohibit the Corps of Engineers from granting licenses authorizing waste discharges into the waters of the New York Bight or within a 25 mile radius of the Ambrose

Lighthouse. Governor Cahill of New Jersey has called for prompt action to stop the dumping of sludge where it is likely to destroy the sea and its ecology. I applaud the forthright stand taken by those New Jersey public officials. The legislation which I have proposed today should accomplish those very purposes until we realize the ultimate goal of phasing out ocean dumping as a regularly accepted method of disposal of sewage sludge and other toxic materials.

Yesterday, the Army Corps of Engineers declared that it could not make any immediate decision requiring that sewage sludge and other industrial waste be discharged at least 100 miles out in the Atlantic. Corps officials stated that New Jersey and New York officials were living in "ivory towers" because they did not understand the enormous cost and logistical impossibility of dumping wastes further out to sea. The legislation which I offer today lends strong support to the efforts of Governor Cahill and New Jersey Congressmen to change the present situation. I cannot accept the arguments of the Corps of Engineers and the program established under my bill should make corps officials realize that we mean business.

Earlier this week I joined with several other of my colleagues to cosponsor the Coastal Zone Management Act of 1970, designed to fill the void of a national policy and planning mechanism to provide effective management, beneficial use, proper protection, and balanced development of the air, land, and marine resources of the Nation's coastal zone. My bill, the National Marine Waters Pollution Control and Quality Enhancement Act of 1970, will further that objective. I am hopeful that during the upcoming water pollution control hearings of the Air and Water Pollution Subcommittee, this legislative proposal will receive favorable consideration. Action must be taken now to preserve one of the truly great natural resources—our oceans.

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

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

The bill (S. 3488) to amend the Federal Water Pollution Act, as amended, and for other purposes, introduced by Mr. WILLIAMS of New Jersey, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 3488

*Be it enacted by the State and House of Representatives of the United of America in Congress assembled, That this Act may be cited as the "National Marine Waters Pollution Control and Quality Enhancement Act of 1970."*

SEC. 2. The Federal Water Pollution Control Act, as amended, is further amended by amending section 17 to read as follows:

"MARINE WATERS POLLUTION CONTROL AND QUALITY ENHANCEMENT

"SEC. 18. (a) The Congress finds and declares that

"(1) in the pursuit of solving significant problems involving the disposal of municipal,

industrial, and other wastes, man has turned to the sea;

"(2) man, realizing the potentially vast assimilative capacity of ocean waters, is disposing of treated, untreated, and inadequately treated wastes into the sea;

"(3) recent studies indicate that the largely uncontrolled discharge of wastes into the waters of the contiguous zone and the sea and beyond is degrading the quality of the marine environment and threatens to pollute the navigable waters of the United States and adjoining shorelines; and

"(4) it is therefore the purpose of this section to provide means and measures to control the discharge of wastes transported by any means from areas within the United States and to protect and enhance the quality of the marine environment.

"(b) For the purpose of this section, the term

"(1) 'wastes' means matter of any kind or in any form;

"(2) 'discharge' means any spilling, leaking, pumping, pouring, emitting, emptying, or dumping;

"(3) 'vessel' includes every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water;

"(4) 'onshore or offshore facility' means any facility of any kind and related appurtenances thereto located in, on, or under, the surface of any land, or permanently or temporarily affixed to any land, including lands beneath the navigable waters of the United States or lands of the outer continental shelf of the United States, which is used or capable of being used for the purpose of transporting or discharging wastes;

"(5) 'United States' and 'State' include a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Canal Zone, and the Trust Territory of the Pacific Islands;

"(6) 'owner or operator' means, as the context requires, any person, subject to the jurisdiction of the United States, owning, operating, or chartering by demise, a vessel, or owning or operating an onshore or offshore facility;

"(7) 'person' includes an individual, firm, corporation, partnership, association, State, municipality, and other political subdivision of a State; and

"(8) 'contiguous zone' means the entire zone established by the United States under article 24 of the Convention on the Territorial Sea and the Contiguous Zone.

"(c) (1). No owner or operator shall discharge or cause or contribute to the discharge of wastes from any vessel, except sewage discharged from marine sanitation devices, or from any onshore or offshore facility into or upon the waters of the contiguous zone.

"(2) No owner or operator shall discharge or cause or contribute to the discharge of wastes from any vessel, except sewage discharged from marine sanitation devices, or from any onshore or offshore facility into or upon waters beyond the contiguous zone, unless permitted by the Secretary, by regulations, promulgated under this section, or unless as permitted under this section.

"(3) Any owner or operator who violates paragraph (1) or (2) of this subsection or any regulation issued under this section shall be assessed a civil penalty of not more than \$10,000 for each violation. Each occurrence of a violation may constitute a separate offense. A civil penalty shall be assessed by the Secretary of the department in which the Coast Guard is operating only after the person charged with a violation under this section has been given an opportunity for a public hearing and such Secretary has determined, by decision incorporating his findings of fact therein, that a violation did occur, and the amount of the

penalty which is warranted, and incorporating, when appropriate, an order therein requiring that the penalty be paid. Any hearing under this section shall be of record and shall be subject to section 554 of title 5 of the United States Code.

"(4) If the person against whom a civil penalty is assessed fails to pay the penalty within the time prescribed in such order, such Secretary shall file a petition for enforcement of such order in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and thereupon such Secretary shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of such Secretary or it may remand the proceedings to such Secretary for such further action as it may direct. The court shall consider and determine de novo all relevant issues. On the basis of the jury's findings, the court shall determine the amount of the penalty to be imposed. Subject to the direction and control of the Attorney General, as provided in section 507(b) of title 28 of the United States Code, attorneys appointed by the Secretary may appear for and represent him in any action to enforce an order assessing civil penalties under this paragraph.

"(d) (1) Within one hundred and eighty days after the effective date of this section and from time to time thereafter, the Secretary shall, consistent with the purposes of this section and with maritime safety and marine and navigation laws, issue proposed regulations governing the discharge of wastes by any owner or operator of a vessel or onshore or offshore facility into or upon all or any portion or portions of the waters beyond the contiguous zone. Such regulations shall establish the quantities, times, locations, circumstances, and conditions of such discharges and shall designate the area of such waters where such discharges may be permitted. Such regulations shall be such as to protect the public health and welfare and enhance the quality of the waters and shall take into consideration the latest available scientific data, temperature and salinity of the waters, currents, type of wastes to be discharged, seasons of the year, and other environmental factors. Such regulations shall be consistent with maritime safety and with marine and navigation laws.

"(2) Such regulations shall be published in the Federal Register and shall afford interested persons a period of not less than thirty days thereafter to submit written data or comments. Except as provided in this subsection, the Secretary may, upon the expiration of such period and after consideration of all relevant matter presented, promulgate such regulations with such modifications as he deems appropriate.

"(3) On or before the last day of any period fixed for the submission of written data or comments under paragraph (2), any interested person may file with the Secretary written objections to a proposed regulation, stating the grounds therefor and requesting a public hearing on such objects. As soon as practicable after the period for filing such objections has expired, the Secretary shall publish in the Federal Register a notice specifying the proposed regulations to which such objections have been filed and hold a public hearing to receive relevant evidence. Within sixty days after completion of the hearings, the Secretary shall make findings of fact which shall be public. The Secretary may promulgate such regulations with such modifications as he deems appropriate. In the event the Secretary determines that

a proposed regulation should not be promulgated or should be modified, he shall within a reasonable time publish the reasons therefor.

"(4) The Secretary shall not promulgate any regulations or part thereof to which the Governor of any State has filed written objections on the basis that such regulations will permit discharges of wastes into or upon waters beyond the contiguous zone which will adversely affect the public health and welfare or the waters, shorelines, or natural resources of such State.

"(5) Whenever waste discharges under regulations issued under this subsection are permitted, such wastes and the effects on the environment shall be monitored for such periods as may be appropriate by the owner or operator permitted to make such discharges at his expense and the reports thereof shall be available to the public.

"(e) Pending the promulgation of regulations pursuant to subsection (d) of this section designating water areas beyond the contiguous zone where wastes may be discharged, any owner or operator of a vessel or onshore or offshore facility authorized under any other provision of law on the effective date of this section to discharge wastes into the waters beyond the contiguous zone may continue to discharge such wastes, except that such owner or operator shall not discharge such wastes within 100 nautical miles of the United States. The Secretary shall provide financial assistance in the form of grants to any municipality, State, or other political subdivision of a State to cover any actual increase in costs incurred by such municipality, State, or other political subdivision thereof in complying with the provisions of this subsection and the Secretary shall promptly act to establish reasonable procedures for determining such costs and providing such assistance.

"(f) In furtherance of the purpose of this Act, the Secretary shall from time to time study, collect, evaluate, and publish data on water temperatures and salinity, currents, waste discharges, the effects of such discharges on the environment, and such other information as he deems appropriate. The Secretary may enter into contracts with, and make grants to, public and private agencies and organizations and individuals in carrying out the provisions of this subsection. No research, demonstrations, studies, or experiments shall be carried out, contracted for, sponsored, cosponsored, or authorized under this Act, unless all information, uses, products, processes, patents, and other developments resulting therefrom, with such exception and limitation, if any, as the Secretary may find to be necessary in the public interest, be available to the general public.

"(g) The Secretary shall make grants available to any State, municipality, or other political subdivision of a State in the percentages specified in section 8 of this Act for the construction of treatment works annually to provide financial assistance to them for the costs of transporting on, and discharging from, vessels' wastes into or upon waters beyond the contiguous zone in accordance with applicable regulations issued under this section. The Secretary shall not provide any such financial assistance unless he determines that such wastes will receive in order to prevent any damage to such waters and the total environment, treatment before such discharge by means and measures that utilize the most advanced treatment technology available.

#### ADDITIONAL COSPONSORS OF BILLS

S. 1808

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at the next printing, the name of the

Senator from Montana (Mr. METCALF) be added as a cosponsor of S. 1808, to amend the Fair Labor Standards Act of 1938 to extend the child labor provisions thereof to certain children employed in agriculture.

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

S. 2193

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Michigan (Mr. HART) be added as a cosponsor of S. 2193, to provide a Federal occupational health and safety program for American working men and women.

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

S. 2513

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Oregon (Mr. PACKWOOD) I ask unanimous consent, that at the next printing, the names of the Senator from Alaska (Mr. STEVENS) and the Senator from Oklahoma (Mr. BELLMON) be added as cosponsors of S. 2513, to provide for the mailing of absentee voting matter free of postage.

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

S. 2802

Mr. MAGNUSON. Mr. President, I ask unanimous consent that, at the next printing, the name of the junior Senator from Virginia (Mr. SPONGE) be added as a cosponsor of S. 2802, to assist the States in establishing coastal zone management program.

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

S. 3074

Mr. MAGNUSON. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Indiana (Mr. HARTKE) be added as a cosponsor of S. 3074, the Consumer Products Guaranty Act.

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

S. 3223

Mr. MAGNUSON. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from Texas (Mr. TOWER) and the Senator from Nebraska (Mr. CURTIS), be added as cosponsors of S. 3223, to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission additional authority to alleviate freight car shortages and for other purposes.

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

S. 3464

Mr. BELLMON. Mr. President, I ask unanimous consent that, at the next printing, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from Tennessee (Mr. BAKER) be added as cosponsors of S. 3464, to redesignate the Senate Office Building and the additional Senate Office Building as the "Everett McKinley Dirksen Building" and the "Alben William Barkley Building," respectively.

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

#### ADDITIONAL COSPONSORS OF A RESOLUTION

S. RES. 313

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Oregon (Mr. PACKWOOD), I ask unanimous consent that, at the next printing, the names of the Senator from Maine (Mr. MUSKIE) and the Senator from Massachusetts (Mr. KENNEDY) be added as cosponsors of Senate Resolution 313, relating to the detoxification and destruction of chemical warfare weapons.

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

#### STRENGTHENING AND IMPROVEMENT OF FOOD SERVICE PROGRAMS FOR CHILDREN—AMENDMENTS

AMENDMENTS NOS. 508 AND 509

Mr. JAVITS (for himself, Mr. KENNEDY, Mr. MCGOVERN, Mr. HART, Mr. MONDALE, Mr. YARBOROUGH, Mr. PERCY, Mr. COOK, and Mr. PELL) submitted two amendments, intended to be proposed by them, jointly, to the bill (S. 2548) to amend the National School Lunch Act and the Child Nutrition Act of 1966 to strengthen and improve the food service programs provided for children under such acts, which were ordered to lie on the table and to be printed.

(The remarks of Mr. JAVITS when he submitted the amendments appear later in the RECORD under the appropriate heading.)

AMENDMENTS NOS. 510 THROUGH 512

Mr. MCGOVERN (for himself, Mr. HART, Mr. JAVITS, Mr. PERCY, Mr. YARBOROUGH, Mr. COOK, Mr. MONDALE, Mr. KENNEDY, and Mr. PELL) submitted three amendments, intended to be proposed by them, jointly, to Senate bill 2548, supra, which were ordered to lie on the table and to be printed.

(The remarks of Mr. MCGOVERN when he submitted the amendments appear later in the RECORD under the appropriate heading.)

#### NOTICE OF HEARINGS ON S. 2695, H.R. 4183 AND H.R. 4184

Mr. EAGLETON. Mr. President, as chairman of the Fiscal Affairs Subcommittee of the Senate Committee on the District of Columbia, I wish to give notice that the hearings on S. 2695, to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and of certain officers and members of the U.S. Secret Service, on H.R. 4183, to provide that the widow of a retired officer or member of the Metropolitan Police Department or the Fire Department of the District of Columbia who married such officer or member after his retirement may qualify for survivor benefits, and on H.R. 4184, to equalize the retirement benefits for officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia who are retired for permanent total disability, will be held on February 26, 1970. The hear-

ings will begin at 10 o'clock in the morning in room 6226 of the New Senate Office Building.

Persons wishing to testify on this legislation should notify Mrs. Edith Moore at the Senate District Committee in room 6218 of the New Senate Office Building.

#### POSTPONEMENT OF HEARINGS ON SANTA BARBARA OIL BILLS

Mr. MOSS. Mr. President, it is with regret that I announce the postponement of public hearings scheduled by the Subcommittee on Minerals, Materials, and Fuels of the Senate Interior and Insular Affairs Committee for February 24 and 25 on four bills growing out of the tragic oil leak last year on a Federal lease off Santa Barbara, Calif.

These bills are S. 1219, S. 2516, S. 3093, and S. 3351.

Next week's hearings have been postponed at the request of the Department of the Interior to enable the Department, with other agencies concerned, to work out its statement of policy and program for prevention of any recurrences of such misfortune as the Santa Barbara spill, and to ameliorate its effects if one should occur.

The field hearings in Santa Barbara on the four measures sponsored by the Senators from California will be held as scheduled; namely, March 13 and 14. After these field hearings we will reschedule the hearings in Washington which we are now postponing.

The PRESIDING OFFICER. Is there further morning business?

#### TEMPORARY EMERGENCY ASSISTANCE TO PROVIDE NUTRITIOUS MEALS TO NEEDY CHILDREN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 700, H.R. 11651.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 11651) to amend the National School Lunch Act, as amended, to provide funds and authorities to the Department of Agriculture for the purpose of providing free or reduced-price meals to needy children not now being reached.

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 Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That the National School Lunch Act (42 U.S.C. 1752) is amended by inserting after section 13 the following new section:

"TEMPORARY EMERGENCY ASSISTANCE TO PROVIDE NUTRITIOUS MEALS TO NEEDY CHILDREN IN SCHOOLS

"Sec. 13A. Notwithstanding any other provision of law, under such terms and conditions as he deems in the public interest, the Secretary of Agriculture is authorized to use an additional amount, not to exceed \$30,000,000, of funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to supplement funds heretofore made available to

carry out programs during the fiscal year 1970 to improve the nutrition of needy children in public and nonprofit private schools participating in the national school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.)."

Mr. MATHIAS. Mr. President, I wish to comment on the urgency which is involved in the passage of this measure. It is an emergency measure, urgently needed because in a number of localities around the country, and specifically in my own State of Maryland, an emergency situation has arisen.

I wish to thank the distinguished minority and majority leaders and the distinguished chairman of the Committee on Agriculture and Forestry (Mr. ELLENDER) for their prompt action in bringing H.R. 11651 to the floor.

This legislation is needed to assure that thousands of schoolchildren in Maryland and 33 other States will continue to receive nutritious school lunches daily.

Maryland expanded its effort to provide school lunches to needy children in the fall of 1969. By last October, Maryland schools served an average of 44,558 free lunches a day, compared to only 8,794 per day in October 1968. For many of the children, lunch is the only dependable, nutritious meal of the day.

Because of its expanded efforts, Maryland needs \$1,030,864 in additional Federal assistance to continue serving these lunches. H.R. 11651 would amend the National School Lunch Act and authorize the Secretary of Agriculture to transfer up to \$30 million of section 32 funds to allow Maryland and the other States to continue serving lunches for the remaining 4 months of the school year.

The Agriculture Department supports this legislation. In a letter to Chairman ELLENDER, Mr. J. Phil Campbell, Under Secretary of the Department, wrote:

In an earlier report we supported the objectives of this legislation but expressed our view that the level of funding contained in the Department's 1970 appropriation would be sufficient to carry out the objectives without further funding. It has now become apparent that some States are making even better progress than we had expected in providing free and reduced price lunches for needy children. Because the States' estimates of their needs for the balance of this year are based on their experience and progress in implementing this program, rather than their population, we recommend that the Secretary be given authority to allocate these additional funds on the basis of demonstrated performance.

The Bureau of the Budget agrees with the Department of Agriculture that the best vehicle for providing this money is by additional transfer authority provided in H.R. 11651.

The Committee on Agriculture and Forestry and our distinguished leadership have promptly responded to my pleas for fast action on this measure.

On Wednesday my senior colleague (Mr. TYDINGS) and I asked Senator ELLENDER for any assurance he could give to the people of Maryland that this bill would be reported out of the committee in sufficient time to secure Senate and final House agreement before the schools of Maryland run out of funds,

Today the bill is before us. I feel confident that my colleagues in this body share my concern that all America's children receive a nutritious lunch throughout the school year. I ask that this concern be demonstrated by approving H.R. 11651 and assuring continuance of the school lunch program in Maryland and the other States.

Mr. President, I have here the Department of Agriculture's compilation of State requests for additional funds to continue their school lunch programs for the remainder of the fiscal year. I ask unanimous consent that it be printed in the RECORD.

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

U.S. Department of Agriculture, Food and Nutrition Service—State agencies' requests for additional funds for free or reduced price lunches, as of Feb. 6, 1970, over amounts allocated for fiscal year 1970

Alabama	\$1,200,000
California	569,236
Colorado	37,607
Connecticut	25,352
Delaware	11,060
Florida	1,889,998
Georgia	2,685,829
Illinois	3,995,763
Indiana	112,067
Iowa	176,308
Kentucky	234,685
Maine	336,495
Maryland	1,030,864
Massachusetts	26,853
Michigan	24,366
Minnesota	80,132
Missouri	121,225
Montana	15,116
New Hampshire	11,492
New Jersey	301,872
New Mexico	78,800
New York	5,313,112
North Carolina	13,738
Oklahoma	1,100,538
Oregon	60,671
Pennsylvania	145,800
Rhode Island	34,433
South Carolina	612,228
Tennessee	263,180
Utah	59,251
Vermont	19,935
Virginia	948,408
Washington	292,780
West Virginia	1,764,981
Total	23,594,205

Mr. MANSFIELD. Mr. President, the Senior Senator from Texas, Senator YARBOROUGH, is necessarily absent today. However, he has a longstanding interest in the school lunch program and has a statement on this pending bill. I ask unanimous consent that Senator YARBOROUGH's statement and a letter therewith be printed in the RECORD at this point.

There being no objection, the statement by Senator YARBOROUGH and letter were ordered to be printed in the RECORD, as follows:

ADDITIONAL FUNDS NEEDED FOR SCHOOL LUNCH PROGRAMS

Mr. YARBOROUGH. Mr. President, on February 9, 1970, I received a letter from Mr. Charles M. Hicks, Director of the School Lunch Program in the State of Texas. This letter gives clear indication of why the Senate should pass the pending measure offered by the Senator from Maryland, Mr. MATHIAS.

The situation in Texas, I am sure, is similar to the situation in many states. The

School Lunch Program in Texas has been able to operate within its budget only by denying school lunches to some of the children who would be eligible under existing law. This is an intolerable situation and one which we should remedy immediately. I urge passage of this measure. And I commend the following letter from Mr. Hicks to the attention of the Senate.

TEXAS EDUCATION AGENCY,  
Austin, Tex., February 5, 1970.

HON. RALPH W. YARBOROUGH,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR YARBOROUGH: This is in reply to your telegram of February 4, 1970. We budgeted our funds for the National School Lunch and Child Nutrition Program in accordance with the amount of funds appropriated by Congress. We expect to have funds until the end of the year.

We can use additional funds for needy children especially in the cities. The schools have more requests for free lunches than funds are available. Additional funds should be made available as soon as possible in order to start feeding needy children at an early date. I estimate that Texas will need \$1,000,000 in additional Section 32 funds in order to supply all of the legitimate requests for free lunches.

Sincerely yours,  
CHAS. M. HICKS,  
Chief Consultant, School Lunch Program.

Mr. PERCY. Mr. President, I am exceedingly gratified that we are considering today legislation that will provide \$30 million in emergency funds for the continuation of the free and reduced price school lunch program. The Illinois program is in great jeopardy and would have to be greatly curtailed or eliminated if this bill were not enacted.

Illinois has done an excellent job in increasing participation in the free and reduced price school lunch program this year. Approximately 150,000 hungry children are now able to receive a nourishing meal at school. The city of Chicago alone provides a lunch for nearly 115,000 children and has applied for funds to feed another 8,000 to 9,000 in schools which have recently opened. For all too many of these children, the free lunch they receive at school is the only well balanced meal they eat all day.

But now, all this progress may be reversed. While Illinois still has some of the \$5 million the State legislature appropriated for the lunch program available to reimburse schools providing free meals, Federal money will be totally expended when the December claims are paid this month. To continue the program, the State requires an additional \$4.5 million in Federal funds.

The Illinois situation, while the most acute, is not unique. Some 35 to 40 States will require more money if they too are to continue their free and reduced price lunch program. The estimate of their dollar needs is between \$30 and \$34 million.

In an effort to alleviate the situation in Illinois and to help the remaining States, my staff and I spent many hours working with the Department of Agriculture and the White House. I also prepared an amendment to the National School Lunch Act and the Child Nutrition Act which will be debated by the Senate next week. This amendment sought to release the \$34 million in section 32 funds the States indicated they

required to operate their programs through June of this year. Because of the responsiveness of the administration and the Committee on Agriculture to this problem, my amendment will no longer be necessary. Passage of H.R. 11651 will solve the problem.

Mr. President, I commend Senator ELLENDER and the members of the Agriculture Committee for perceiving the need for the additional money for the school lunch program and for reporting out this bill. I also commend the Department of Agriculture and the White House for all their efforts to secure this money through the reallocation of currently available funds and the enactment of H.R. 11651.

President Nixon in December after the White House Conference on Food, Nutrition, and Health, committed the Government to providing free and reduced price lunches to 6.6 million poor and hungry children. His support for the legislation we are considering today and the assistance of the Department of Agriculture are indicative of his intention to maintain this commitment.

I now urge passage of this bill, rapid agreement in the conference committee, and immediate expenditure of all the money required to solve the school lunch crisis in Illinois and in the country.

THE NEED TO SAVE OUR SCHOOL LUNCH PROGRAM

Mr. TYDINGS. Mr. President, I wish to thank the distinguished chairman from Louisiana and the members of the Agriculture Committee for reporting out H.R. 11651 yesterday so that we might act on it in time to save many school lunch programs across the Nation.

The critical situation currently confronting the school lunch program in Maryland is representative of the situation threatening the survival of this program in 34 States. Under the expanded program to provide lunches for specially needy children, 35,800 Maryland children began receiving free school lunches for the first time this fall. In October of 1969, Maryland schools served an average of 44,558 free lunches a day, as compared to only 8,794 a day in October 1968.

The cost of running this greatly expanded lunch program in Maryland for the 1969-70 school year is \$1.8 million. However, only \$800,000 has been allocated for this purpose in fiscal year 1970. The result: existing funds will be depleted by the end of this month and this desperately needed program will have to be discontinued unless \$1 million can be found.

I cannot state too strongly the importance of this program to the health and education of the children involved.

For many of these children, the free lunches provided under this program are the only dependable nutritious meals they receive. If these lunches are discontinued, these children are confronted with the prospect of serious malnutrition and the deterioration of their health. In addition, as educators will attest, a hungry, undernourished child is in no position to learn.

Mr. President, the school lunch program is no frill or luxury. It is aimed at

the fundamental problem of hunger, malnutrition and retardation. It is an essential part of providing many poverty area children with the basic opportunity to learn and benefit from a public education.

None of us in this Chamber would let one of our own children go hungry; or for that matter, the child next door. How then, in good conscience, can we stand by and idly permit a child on the other side of town to go hungry when it is within our power to correct this shameful situation? The answer, we would all agree, is "We cannot."

Therefore, Mr. President, I strongly urge Senate passage of H.R. 11651. This measure would make available \$30 million in transfer authority from section 32 of the National School Lunch Act, enough to insure the survival of the school lunch program in every State for the remainder of this school year. This legislation was passed by the House last summer, recently supported by both the Bureau of the Budget and the Department of Agriculture, and reported out favorably by the Senate Agriculture Committee yesterday.

I can find no compelling reason for not enacting this measure immediately. Thousands of children in the urban slums and rural shantytowns of America need our help, and they need it now.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

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

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to 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. ELLENDER subsequently said: Mr. President, my presence was required elsewhere during the transaction of routine morning business, but I understand that H.R. 11651, which was reported by me to the Senate yesterday in behalf of the Committee on Agriculture and Forestry, was passed as reported during the transaction of routine morning business today.

The PRESIDING OFFICER. The Senator is correct.

Mr. ELLENDER. I now move that the Senate insist on its amendments, and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to: and the Chair appointed Mr. ELLENDER, Mr. HOLLAND, Mr. TALMADGE, Mr. AIKEN, and Mr. YOUNG of North Dakota conferees on the part of the Senate.

STARTLING FACT

Mr. YOUNG of Ohio. Mr. President, American ground troops have been fighting in the civil war in Vietnam for about 7 years. More than 50,000 have been

killed in combat, and more than 267,000 American fighting men have been wounded in combat in that immoral, undeclared war. In addition many have been killed in what the Pentagon terms accidents and incidents. It is amazing, but it is a fact, that no President of South Vietnam and no chief of state of any of the regimes ruling in Saigon at any time during the administration of Presidents Eisenhower, Kennedy, and Johnson ever requested that U.S. combat troops be sent into Vietnam. Careful inquiry of top officials in the Department of State and Department of Defense and at the White House disclosed the startling fact that there was no request for American troops at any time. In January 1961, when President Eisenhower left the White House we had 685 military advisers in Vietnam. No combat troops. On November 22, 1963, the date President Kennedy was assassinated, we had 16,120 military advisers in Vietnam. No combat troops.

There never was any request by any government official of South Vietnam for the United States to send combat troops into Vietnam. President Thieu recently made this crystal clear in a political speech he made in Saigon. It is a fact that Prime Minister of the Saigon militarist regime, Dr. Phan Huy Quat, on March 7, 1965, asked for and obtained the agreement that two U.S. Marine battalions already in Vietnam be stationed on the defensive in the Danang area. Nothing more. Also, it is said he exacted and made the urgent request, or demand, that all VC, or soldiers of the National Liberation Front of South Vietnam, taken prisoner by Americans be turned over immediately to the "friendly forces of South Vietnam."

White House officials and State Department officials have confirmed the fact that no such request was made. Unfortunately, President Johnson invited in more than 2,100,000 American fighting men, more than 50,000 of whom made the supreme sacrifice and more than 267,000 of whom were wounded in combat, many maimed for life.

President Thieu on several occasions in political speeches he has been making said that neither he nor any of his predecessors ever asked the Americans to come in. He stated we can leave any time we want to; that they do not need American fightingmen in South Vietnam.

Then, that flamboyant Air Marshal Ky, who was born in Hanoi and proudly displays a French decoration awarded him in 1954 for fighting against his fellow countrymen seeking national liberation, added his voice making repeated statements saying the Americans came in on their own; were not invited in.

Here is an opportunity presented on a silver platter to President Nixon to end our involvement in that immortal, undeclared war. President Nixon does not even need to resort to his secret plan of October 1968, to end the war in Vietnam, a plan, incidentally, that is still his secret. Let him keep it. Just as the distinguished senior Senator from Vermont (Mr. AIKEN) stated some months ago, "President Nixon should declare, 'We have

won the war. I am bringing the boys home."

#### JAVITS SUPPORTS U.N. GENOCIDE CONVENTION

Mr. JAVITS. Mr. President, I commend the President of the United States for sending to the Senate for ratification the United Nations Convention on Genocide. President Nixon's decision to re-submit this convention to the Senate is an act of high statesmanship and reflects his and the Nation's dedication to basic human rights and humane values. I wish also to commend the Secretary of State for his role in bringing about the administration decision on this matter.

I must also congratulate the Senator from Wisconsin (Mr. PROXMIRE) who has waged such a stirring and relentless fight on behalf of this and the other human rights conventions. For the past 3 years, I believe, the Senator from Wisconsin has spoken daily on these matters and has thus acted as the guardian of the Senate's conscience and as the most articulate spokesman of the many private organizations which have worked for these many years on behalf of this convention.

I am particularly conscious of this aspect because many of the most active and dedicated private groups in this field are centered in New York. In commending President Nixon, Secretary Rogers, and my colleague Senator PROXMIRE, I am giving voice to the views of the many dedicated and concerned New Yorkers who have given so much of themselves to further this cause.

I wish also to record my personal tribute to the late Professor Lemkin of the Yale University law faculty. Professor Lemkin waged a virtual one-man battle on behalf of this convention at certain crucial stages and is the person who actually coined the phrase "genocide" which this convention carries as part of its identification. It is regrettable that Professor Lemkin did not live to witness this vindication of his work and views with regard to international legal action against the heinous crime of genocide. I hope that his family and friends will know how much we all are aware of our debt to professor Lemkin for his work.

Public sentiment was aroused in this effort by Professor Lemkin, Senator PROXMIRE, and others, and I think it is an altogether most splendid initiative by the President of the United States. As I am not always able to agree with my President, I want to take every opportunity I can to express my support when I do agree with him thoroughly, as I do in this case. I have supported this convention from its very inception and have worked for its resubmission and ratification for the past 2 years.

I am a member of the Committee on Foreign Relations. I shall make every effort to bring about the earliest possible consideration of this treaty. It is in keeping with the humane and just outlook of the United States which is so traditional with us as a people, without cupidity or designs upon others, but with a deep passion for humanity and justice in the world, I think it is a strange anomaly

that we have been among the last, rather than the first, to ratify this treaty. I hope we will repair that blemish and pay our debt to mankind at the earliest possible moment, now that the Genocide Convention has become an active subject of consideration again as a result of the Nixon administration's initiative.

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

Mr. JAVITS. I yield.

Mr. GRIFFIN. I commend the distinguished senior Senator from New York for focusing attention upon this recommendation and initiative by the administration. It is one that is long overdue, and I wish to associate myself with the remarks of the distinguished senior Senator from New York.

Mr. JAVITS. I thank the Senator very much.

Mr. GRIFFIN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article published in this morning's New York Times.

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

#### NIXON URGES SENATE TO RATIFY GENOCIDE PACT, STALLED SINCE 1950 (By James M. Naughton)

WASHINGTON, February 19—President Nixon urged the Senate today to ratify the 1949 United Nations agreement outlawing genocide.

Sources on the Senate Foreign Relations Committee, where the genocide agreement has languished about 21 years, expressed concern that a Senate vote could lead either to an embarrassing defeat or to only a narrow victory "unless the President is willing and able to twist arms."

In a message to the Senate, the President said, "We should delay no longer in taking the final convincing step which would reaffirm that the United States remains as strongly opposed to the crime of genocide as ever."

State Department officials said the issue was being raised now because the United States wished to join with other nations in identifying genocide as an international crime. They also indicated the timing was related to the ratification by Britain last week.

Some observers regard the genocide agreement as legally meaningless. Despite occasional accusations of genocide—including one leveled at the United States by North Vietnam last year—the State Department could not recall that any legal proceedings had been initiated under the agreement since it went into force in 1951.

Senator J. W. Fulbright, chairman of the Foreign Relations Committee, said he had no comment on the genocide agreement. "I haven't thought about it for months," he said.

There were no immediate indications whether Mr. Nixon would actively seek support for ratification of the agreement by states-rights advocates and Southern conservatives, who traditionally have been reluctant to grant their consent.

Mr. Nixon acted today on the advice of Secretary of State William P. Rogers, who said in a letter to the President Feb. 5 that it was "anomalous" for the United States to fail to ratify the agreement formally after having played a leading role in drafting it.

Officially called the Convention of the Prevention and Punishment of the Crime of Genocide, the agreement bans attempts to wipe out national, ethnic, racial or religious groups by killing their members, or deliberate attempts to cause "serious bodily or mental harm to large numbers of members of such groups."

SUBMITTED BY TRUMAN

The convention was submitted to the Senate in 1950 by President Harry S. Truman, but it never got beyond hearings of a foreign relations subcommittee.

In 1954, President Dwight D. Eisenhower's Secretary of State, John Foster Dulles, opposed seeking ratification of the agreement on the ground that it could conflict with state or Federal law. At the time, Mr. Rogers was a Deputy Attorney General.

Because international treaties normally supersede laws within a country, states-rights advocates have viewed the genocide convention as a threat to state jurisdiction over murder cases.

Mr. Nixon told the Senate that Attorney General John N. Mitchell "concurs in the Secretary of State's judgment that there are no constitutional obstacles to United States ratification."

Supporters of the convention in the Senate have feared that Southern conservatives would see racial undertones in it and would vote against it.

"It's possible a conservative President would be more likely to get it through the Senate," said one Congressional source today.

The United Nations agreement came into force, in the nations that had ratified it, on Jan. 12, 1951. It has now been ratified by 75 nations, including the Soviet Union, which acted in 1954.

Mr. Nixon's message said that he regretted "some of our detractors have sought to exploit our failure to ratify this convention to question our sincerity." Ratification at this time "would be in the national interest," he said.

North Vietnam accused the United States of genocide last November, after the charges of a massacre of South Vietnamese civilians by American troops at Songmy in March, 1968.

Mr. Rogers recommended that the President ask the Senate to make it clear the United States understood the prohibition against "mental harm" to mean "permanent impairment of mental faculties."

The American Bar Association has been opposed to approval of the convention for 20 years. Last December the association's section on individual rights and responsibilities urged reversal of the stand.

If the agreement was approved by the Senate, implementing legislation would have to be adopted to put it into effect. The President said he was not proposing any specific legislation "at this time," but said his Administration would be prepared to discuss the subject during Senate consideration of the convention.

#### ORDER OF BUSINESS

Mr. CHURCH. Mr. President, I ask unanimous consent that I may be permitted to proceed for the next 15 minutes.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. BYRD of West Virginia. Will the Senator ask unanimous consent that he may proceed for 15 minutes notwithstanding the unfinished business being laid down at 12 o'clock, so that he will not be interrupted?

Mr. CHURCH. I ask unanimous consent that that be done.

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

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The Senate will please be in order. The Chair would instruct the Sergeant at Arms to keep the Chamber clear and compel all attachés to be seated, and to make sure

that this order is enforced throughout the remainder of the day. Furthermore, when any attaché so ordered again offends the Sergeant at Arms' direction, that such attaché be removed altogether from the Chamber.

The Senator from Idaho may proceed.

#### THE ATOM: ITS DANGEROUS AFTERMATH

Mr. CHURCH. Mr. President, in recent months we have witnessed in the country a healthy awakening to the dangers inherent in environmental pollution. The crisis has been documented. It is obvious that we are severely degrading our very life support—the thin, fragile blanket of air, soil and water which surrounds the planet earth.

Like other Members of the Senate, I am deeply concerned about all aspects of pollution. I welcome the fact that at long last public attention is being focused on the problem and that we are beginning to grope for solutions.

In the midst of the environmental crisis which now confronts us, however, we must not overlook one major segment of the problem—a segment which may very well be of greater potential danger than the common forms of air and water pollution which now plague us. I speak of the emerging hazard of accumulated radioactive nuclear wastes.

In the past 25 years, utilization of the atom has grown from the wartime mission of mass destruction to peacetime uses which hold great promise for the future of man. These peacetime uses of nuclear energy are constantly expanding in new and hopeful directions. Already we use the atom to cure the sick, to desalinate ocean waters, to generate electric power. Within a few years, this source of energy may heat our homes and factories, preserve our food, power our public and private transportation and do countless other chores, thus helping to conserve our finite and rapidly diminishing supply of precious fossil fuels.

The question, however, is, At what price?

In the past, we have always purchased technological and scientific advances on credit. That is, in our headlong pursuit of material affluence, we have ignored longterm accounting, seizing immediate profits with little concern given to subsequent costs. The day of reckoning is now upon us. We are paying for the use of hard pesticides with the poisoning of many forms of life. The cost of careless, rampant industrialization is massive air and water pollution.

Thus, as we move into an age which will inevitably turn more and more toward nuclear energy, I am concerned that we reflect, while we still have time, on what the environmental cost of this latest scientific technology is going to be, and that we begin to do something about easing that cost now.

Pollution from nuclear waste is far different from pollution from ordinary fuels. You cannot see it, you cannot smell it. But it is potentially far more deadly.

At present, large amounts of high-yield, radioactive waste solutions are

generated and stored by Atomic Energy Commission installations throughout the United States. In all, over 80 million gallons of such wastes have already been produced and stored in the United States.

These are high-level wastes with extremely long lifespans. In some cases, such wastes will retain their radioactivity for 20,000 years—a time span six times longer than all recorded history.

No method has yet been devised for decontaminating these wastes. Like Humpty-Dumpty, the atom—once split—stays split. Currently, the wastes are stored in tanks or encased in cement or other containers, then buried underground, at sea or in salt formations. The trouble is that these methods of storage cannot be made totally safe. We are storing nuclear waste in conveniently remote places, knowing full well that we are passing on a lethal legacy to future generations.

Last year, the Atomic Energy Commission spent only two-tenths of 1 percent of its budget on research and development of nuclear waste disposal management. Over the past 25 years, the AEC has spent only \$50 million on disposal research. This figure comes to just 2½ percent of the cost of the \$2 billion Manhattan project which ushered in the nuclear era.

In my own State of Idaho, we have an example of the potential danger of current radioactive waste disposal methods. It has recently been disclosed that radioactive wastes from the National Reactor Testing Station in eastern Idaho, as well as wastes from the Rocky Flats Fuel Fabrication Facility in Colorado, are being buried above the Snake Plain Aquifer, a vast underground reservoir which feeds rivers and streams throughout southern Idaho and, ultimately, the Pacific Northwest.

In 1968, the Rocky Flats operation contributed 350,000 cubic feet of wastes to the storage facilities in Idaho. In 1969, the amount was 250,000 cubic feet. A severe fire at the Rocky Flats plant in 1969, however, is expected to drastically increase the amount of wastes to be buried in Idaho. The Atomic Energy Commission estimates that 200,000 cubic feet of wastes attributable to the Rocky Flats fire remain to be shipped to Idaho for burial in 1970 and 1971.

At present, these wastes are monitored to determine whether radioactive particles are escaping into the environment. But the question is whether present methods of storage are adequate for the contingencies of the future.

Last week, it was reported in the Washington Post that a group of Colorado scientists have claimed that—

Enough radioactive plutonium has leaked from the Atomic Energy Commission's plant at Rocky Flats, Colo. to contaminate the ground and water around it for a distance of seven miles.

Three days later, the Post reported in a second article that the AEC "acknowledged that radioactive plutonium leaked out of the agency's Rocky Flats, Colo., plant." The leakage, it was explained, could have resulted from the 1969 fire, from escape through smoke-

stacks, or from barrels of polluted machine oil.

I recommend a careful reading of these accounts in the Washington Post, and ask unanimous consent that they be inserted in the Record at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. CHURCH. Mr. President, in Idaho there have been no reports of radioactivity escaping from storage areas into the ground, water, or air. On the other hand, the Public Health Service has just completed a study, at my request, which recommends additional safety measures be undertaken.

Noting that the procedure employed in burying wastes at the Idaho site is to place the residue in trenches, cover them and then provide backfill, the PHS study reported:

From a public health and safety standpoint, the waste burial site must provide a protective barrier so that radioactivity will be confined to the waste burial pits. The control mechanism which limits any movement of radioactivity from the site is dependent upon such factors as solubility, permeability of the soil, ion exchange capacity, availability of water, and distance to the source of potable water. . . . Substantial thicknesses of continuous layers of alluvial soil beneath the burial ground would be expected to provide a barrier to migrating radionuclides through ion-exchange. However, there is a lack of data on geology and lithology beneath the burial site. The closest drill holes which have been logged are several miles away. It must, therefore, be considered conceivable that continuous cracked and/or channeled basalt [lava] formations could extend from the bottom of the burial pits and trenches to the aquifer. Until more information on subsurface geology at the burial ground becomes available, the separation distance to the aquifer cannot be considered as a protective barrier. It is therefore recommended that a minimum of two feet of alluvial soil be required beneath all buried wastes.

At the same time, the Public Health Service found that—

Snow melts have occurred in recent years which caused the flooding of trenches for periods as long as 30 days. . . . Flood control measures for the burial should, therefore, be taken to prevent any accumulation of water in the trenches and pits.

These recommendations are in line with the testimony several years ago of the U.S. Geological Survey before the Joint Committee on Atomic Energy. Water, the testimony noted:

Is a universal solvent, so fission products, whether solid or liquid, radioactive or stable, may be picked up by water and carried in solution. Solubility, moreover, is a relative term. Practically nothing is absolutely insoluble in water, and "insoluble" radioactive materials may be dissolved in sufficient quantity to make water highly dangerous.

In sum, Mr. President, the time has come to launch an adequate research program to develop safe and sure methods for the disposal of nuclear waste, not only in Idaho, but throughout the Nation. To further delay the undertaking is folly. We have been down that path before, and we have paid for the journey with the smog smothering our cities and the filth which fouls our rivers

and lakes. This time, we must not indulge ourselves in the lunacy of buying "progress" now for radioactive pollution later.

We must, at the very least, give urgent and increased attention to the whole range of problems involved in radioactive waste disposal. We must mount an effective, long-range program to find ways of insuring the permanent safe-keeping of radioactive residue.

As I have already pointed out, my own State of Idaho has a considerable interest in this matter because of the current practices at the National Reactor Testing Station. It is at this installation that some of the most dramatic advances in the field of atomic energy have taken place. The scientific talent at NRTS is very considerable, and the installation is fully capable of undertaking new research and development projects.

In view of these factors, coupled with the fact that so much nuclear waste is now buried in Idaho, it is logical that the ideal installation to undertake the expanded research I have called for in the field of nuclear waste disposal is the National Reactor Testing Station.

Unless we start this research in the very near future, the consequences are clear. They were spelled out in the Geological Survey testimony to which I just referred:

Precedents are hard to break, especially in large-scale operations. If disposal practices are allowed now that are found later to be unsafe, the unsafe practices are bound to continue long after their danger has been demonstrated.

We must not allow this to happen. We must learn the lesson of earlier experience with other forms of pollution and begin now to find the solutions we need in dealing with nuclear wastes.

#### EXHIBIT 1

[From the Washington Post, Feb. 11, 1970]  
RADIOACTIVE PLUTONIUM LEAK NOTED NEAR  
COLORADO AEC PLANT

(By Thomas O'Toole)

Enough radioactive plutonium has leaked from the Atomic Energy Commission's plant at Rocky Flats, Colo., to contaminate the ground and water around it for a distance of seven miles, a group of Colorado scientists reported last night.

"The amounts found are of debatable significance," said Dr. Edward A. Martell, a physicist for the National Center for Atmospheric Research and one of five members of the Colorado Committee for Environmental Information. "I think we have to do a lot more looking before we can say whether it is harmful or not."

While Dr. Martell did not disclose how much plutonium he and his four colleagues found near the Rocky Flats plant, one source said it was 500 times more than anybody would expect to find, even near an atomic factory like the Colorado plutonium works.

Operated for the AEC by Dow Chemical Co. for the past 17 years, the Rocky Flats plant is the largest of nine in the U.S. fabricating weapons grade plutonium for the nation's nuclear arsenal.

There have been a number of minor explosions and fires at Rocky Flats over the years, and last May 11 a fire inside two connecting buildings at the plant burned \$20 million worth of plutonium. When the smoke cleared, the AEC said it would take \$45 million to recover and reprocess the burned plutonium.

While the AEC admitted that some plutonium was blown outside the two buildings by the fire, it insisted "there was no evidence that plutonium was carried beyond the plant boundaries."

After the fire, the Public Health Service sampled the air 870 times at distances 30 miles from the plant and tested the water 94 times as far away as 10 miles.

"From all this sampling," the Public Health Service said, "there was no indication of any release of radioactivity from the fire."

Dr. Martell insists that the plutonium he found outside the plant could have come from the fire, from chronic carelessness over the 17 years the plant has been operated or both.

"We looked at the Public Health Service data," he said, "and we're convinced they looked at it the wrong way."

"Neither the Public Health Service nor Dow was making any plutonium measurements after the fire," Dr. Martell went on. "Besides, whatever plutonium was in the air by the time they made their measurements had already blown away."

With a half-life of 24,400 years, plutonium is one of the most enduring radioactive elements known to man. It is also one of the hardest to measure, and because of its long life is almost impossible to date.

"I don't think," one scientist said, "that anybody will ever be able to say whether any of this plutonium came from the fire or from leakage over 17 years of operations."

At least two scientists with the Atomic Energy Commission conceded that Dr. Mitchell might have found evidence of carelessness at Rocky Flats.

"If Ed Martell is trying to prove that the fire was dangerous or that the AEC lied about the fire, he's in trouble," one said. "On the other hand, if he's suggesting that a little bit of plutonium got outside the fence over the years then he might have something."

A second AEC scientist said that security might surely tighten up at Rocky Flats as a result of Dr. Martell's findings.

"I think," he said, "that all this will result in more precautions inside the plant and more careful monitoring outside it. It's expensive, but we'll have to do it."

AEC scientists insisted that the plutonium found outside the plant did not constitute a health hazard to people living near the plant, which is 24 miles from Denver.

While it lasts a long time, one AEC scientist said, plutonium emits only alpha radiation and is harmful only when taken in by the body.

One scientist outside the AEC pointed out that even the tiny amounts of plutonium found near the plant could be dangerous if taken in by plant and animal life. If that happened, he said, the people in the area might become unknowingly contaminated by eating food raised in the contaminated region.

[From the Washington Post, Feb. 14, 1970]

#### UNITED STATES ADMITS LEAKAGE OF PLUTONIUM

(By Thomas O'Toole)

The Atomic Energy Commission has acknowledged that radioactive plutonium leaked out of the agency's Rocky Flats, Colo., plant, but insists the amount was not enough to be a health hazard.

An AEC official who met with members of the Colorado Committee for Environmental Information said last week that AEC tests of the soil around Rocky Flats are in agreement with committee tests showing the soil contains far more plutonium than it should.

"But we're talking about very small amounts," the AEC official said. "We're talking about no more than a few grams (less than an ounce) of plutonium in almost 50 square miles of land."

The official said the AEC did not believe

this small amount of plutonium was a threat to health.

"The committee believes that the wind can carry this small amount of plutonium off the ground and into the air, where it can be breathed," the official said. "They believe this a lot more than we do."

While admitting that the AEC found plutonium in the soil around Rocky Flats, the official said that continuous sampling of the air in the area "never showed any plutonium."

The controversy erupted last Tuesday when the Colorado Committee disclosed that it had found plutonium in the soil as far as seven miles from the Rocky Flats plant. They branded the plant a radiation hazard and asked that the AEC move it to a more remote location.

The AEC does not know how even the small amounts of plutonium got out of the plant, but believes it could have escaped in three ways.

It could have left through the plant's smokestacks, despite elaborate filters. It might also have escaped after a major fire at the plant last May, though the AEC believes that no plutonium got further than the roof of the building where the fire broke out.

Finally, it could have leaked from barrels of machine oil placed in lots outside the plant gates. A while back, some of these barrels were found to contain tiny traces of plutonium, but the AEC says it cleaned up the area and did not believe that any plutonium escaped into the air.

#### SENATOR YARBOROUGH SUPPORTS PASSAGE OF H.R. 12535, EL PASO NORTH-SOUTH FREEWAY

Mr. MANSFIELD. Mr. President, yesterday the Senate passed H.R. 12535. By necessity the senior Senator from Texas (Mr. YARBOROUGH) was absent from the Senate at the time the bill was passed. He very much favored the enactment of the measure and issued a statement to that effect. I ask unanimous consent that that statement be printed in the RECORD.

There being no objection, the statement by Senator YARBOROUGH was ordered to be printed in the RECORD, as follows:

#### STATEMENT OF SENATOR YARBOROUGH

Mr. President, I am pleased that the Senate adopted H.R. 12535 because of the vital importance to the people of El Paso, Texas. This bill authorizes the Secretary of the Army to release the restrictions on a 6 acre tract of land conveyed by the Federal government to the State of Texas so this land can be used for the construction of the proposed North-South Freeway which would provide a vital traffic artery to the people of the area.

The land in question was part of a 24.25 acre tract which was conveyed by the United States to the State of Texas for the primary purpose of being a training area for the Texas National Guard. The deed conveying this property contained the restriction that should this property cease to be used as a National Guard Training area this land would revert to the United States.

As a result of the growth of the City of El Paso and El Paso County, it has become necessary to construct a new freeway which would run from the Mexican border, across Fort Bliss, and north to the City limits of El Paso. To complete this road, it is necessary that 6 acres of this 24 acre tract be used. H.R. 12535 would authorize and direct the Secretary of the Army to release or modify the restriction applicable to this 6 acre tract so that the State of Texas could convey it to the

city of El Paso for the construction of this road. Without this bill, the construction of this important project could not be completed.

This freeway is very important to the people of El Paso, and therefore, I am gratified that my colleagues gave this bill their full support.

#### A PRAYER FOR NEW JERSEY

Mr. CASE. Mr. President, several weeks ago the Very Reverend Francis B. Sayre, Jr., offered a prayer for New Jersey in Washington Cathedral. He expressed beautifully a feeling I deeply share.

I ask unanimous consent, Mr. President, to have the dean's prayer printed in the RECORD at this point.

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

#### A PRAYER FOR NEW JERSEY

(By the Very Reverend Francis B. Sayre, Jr.)

Grant, gracious Lord, that we may find grace ever to plant gardens alongside the busy marts of commerce: By the roadside, a window-box of beauty; at the door of a city, a fertile plot of nourishment and growing things; by the gate of a nation, a place of settlement and welcome and the roots of a new home. So, O Father, may blessing fall upon Thy people in New Jersey; and upon their coastlands and riverbanks and wooded hills; and upon their souls within. In their sowing let hope be never dim, and in their reaping no defilement, but rather thanksgiving for the bloom of glory which is Thine alone to give; through Jesus Christ our Lord. Amen.

#### FOREST TREE BREEDING RESEARCH AT MORGANTOWN, W. VA.

Mr. BYRD of West Virginia. Mr. President, as soon as the Federal budget permits, the U.S. Forest Service plans to begin an important research project at the Forestry Sciences Laboratory in Morgantown, W. Va. The project, with annual initial costs estimated at \$265,000, will be concerned with breeding high value hardwood trees for Appalachia.

I have long been interested in work conducted at the Forestry Sciences Laboratory. It was under my amendment that \$31,500 was added to the Forest Service budget in fiscal year 1964 for preliminary planning of the facility. And, as a member of the subcommittee which must approve Forest Service appropriations, I plan to do all that I can to assure that the necessary monies are provided to launch this vital genetic improvement project.

Mr. President, the forests of the Appalachian region contain some of the finest hardwoods in the world. Fifty-six percent of all select red oak growing stock, half of the basswood, 40 percent of the yellow-poplar and ash grow in the Appalachian region of the Northeast. However, the present forest stands also contain many inferior and defective trees, and the high value species, especially in the larger sizes that bring premium prices for fine furniture, panelling, and interior trim, are in short supply. These shortages will become even more critical under the impact of increased housing construction necessary to fulfill national housing programs.

One of the best ways to insure adequate future supplies of these high-value hardwoods is by breeding for improved trees. Within any group of hardwood trees, there is much variation in growth rate, form, branchiness, adaptability to growing conditions, and resistance to pests. Hence, a careful selection and breeding program offers a means to increase growth rates, improve straightness of bole, reduce limbiness, increase returns to landowners, and greatly improve the supply of high-value hardwoods with attendant increases in rural incomes and development. Genetic improvement can provide hardwood trees that are better adapted to difficult growing conditions, such as the extremes of temperatures and dryness common to urban and suburban plantings for environmental improvement. And breeding trees for resistance to insects and diseases can protect future supplies of these high-value hardwoods while eliminating or greatly reducing the need for hard pesticides.

The factors that determine quality and value of hardwood trees are generally known, and many of them are susceptible to control through selection and breeding programs. However, very little research in hardwood genetics has ever been done. The research is necessarily of a long-term nature and will involve complex problems, such as:

First. Variation and population studies of individual trees and species.

Second. Selection of trees superior in growth, form, pest resistance and adaptability to particular sites.

Third. Determination of heritability of specific characteristics.

Fourth. Development of breeding and propagation techniques for improved strains and hybrids.

Mr. President, there are many national, as well as regional benefits to be derived from this project. I am hopeful that the necessary funds will be approved, and that the project can begin as soon as possible.

#### POLLUTION CONTROL PROGRAM

Mr. GRIFFIN. Mr. President, as President Nixon has said, the rescue and restoration of our natural environment has become "an urgent common goal of all Americans," summoning "our energy, our ingenuity and our conscience in a cause as fundamental as life itself."

The President has proposed far-reaching new initiatives to clean up our environment—to conserve what we have and to restore what we have lost. Because water pollution and air pollution are the environmental problems that most directly affect the health and well-being of our people, the President has assigned the highest priority to cleaning up our waterways and our air.

Today, I want to speak briefly about a key part of the President's plan to halt the contamination of our rivers and lakes. This is the establishment of an Environmental Financing Authority which would help States and local communities provide their share of the funds for a new \$10 billion Federal-State-local construction program to clean up water pollution at the local level within 5 years.

Under the President's proposal, the Federal Government would allocate \$4 billion in grants to local communities over the next 4 years to help with the construction of waste treatment plants. As their share of the construction costs, the State and local governments would be required to provide \$6 billion.

Given the present tightness of the money markets, and especially the municipal bond market, it is quite possible that some communities would be unable to borrow the funds needed to participate in this urgently needed program. That is where the proposed Environmental Financing Authority or EFA enters the picture.

Where the Federal Government—and specifically the Department of the Interior—has agreed to help finance a new waste treatment plant for a community, but the State or local government cannot sell its waste plant construction bonds at a reasonable rate of interest, EFA would be available to purchase the bonds. To finance such purchases, EFA in turn would sell its own obligations in the capital market.

EFA would be, in effect, a bridge between the capital market and those communities that have difficulty obtaining financing for pollution control facilities on reasonable terms.

The Secretary of the Treasury would serve as Chairman of EFA's five-man Board of Directors, and the State directors would also be Federal employees who would not receive any additional compensation for their services. To get EFA underway, the Secretary would be authorized to provide up to \$100 million of initial capital. He would also be authorized to make annual payments to EFA covering the difference between the interest paid on its own obligations and the interest received on its purchases of State and local Government securities.

Although the Federal Government would provide the starting capital for EFA, it is designed to be self-sufficient. The fees charged for its financing commitments and other services would be sufficient to cover its expenses and provide for accumulation of contingency reserves.

I should also point out that EFA would pay interest on the starting capital advanced to it by the Treasury. Further, EFA's obligations would be taxable issues, so that the Treasury would probably recover in tax receipts roughly as much as the yearly interest differential payments to the Authority.

Municipal waste is one of the prime sources of the pollution of our rivers and lakes. We have the technology to end the pollution within five years. What we must do not is direct the needed financial resources to the job.

The Environmental Financing Authority can be a key element in marshaling the necessary State and local funds. By creating EFA, we will assure that no community that needs new waste treatment facilities will be prevented from participating in this vital program to restore the purity of our Nation's waters by its inability to raise funds in the capital market.

## NOMINATION OF JUDGE CARSWELL

Mr. INOUE. Mr. President, after carefully considering the proceedings of the Judiciary Committee's hearings on the elevation of Judge G. Harrold Carswell to the Supreme Court, I am ready to announce my decision on this nomination. I am ready to announce that I will vote against Judge Carswell's nomination to our Nation's Highest Court.

When our President indicated that his nominee to the Supreme Court would be a man of great judicial distinction as former Justices Oliver Holmes and Louis Brandeis, I expected Judge Carswell to be a man of great stature—a man who would stand as tall as his illustrious predecessors. Yet the hearings on his nomination have shown Judge Carswell to be a man lacking legal distinction. During these hearings, the foremost legal scholars in our Nation severely questioned his record on the bench. A case in point is the testimony of Dean Louis H. Pollak of the Yale Law School who stated that Judge Carswell was a man who "has not demonstrated the professional skills and the larger constitutional wisdom which fits a lawyer for elevation to our Highest Court," and concluded:

The nominee presents more slender credentials than any nominee for the Supreme Court put forth in this century.

To elevate to the bench of the Highest Court in our Nation a man whose judicial career has been described as one of consistent mediocrity, even by some who support his nomination, would serve only to deteriorate the credibility of the Supreme Court at a time when its very welfare and prestige hang in the balance. To support his nomination would be to violate my conscience and that of the American people.

Judge Carswell's lack of legal luster would alone be grounds enough for questioning his nomination. The Judiciary hearings have, however, revealed yet another area of concern. I speak here of his philosophy on one of the most critical issues facing our Nation today—civil rights.

While I admit that I would have expected a nominee to the Supreme Court to have shown by word and deed a deep commitment to the principle of equal opportunity for all citizens, so eloquently expressed in the 14th amendment of our Constitution, I do not base my opposition to Judge Carswell on the speech he delivered in 1948 expressing his vigorous belief in the "principles of white supremacy." I am, however, alarmed by the fact that since delivering this speech 22 years ago, Judge Carswell has done little to indicate by deed or decision that his views on civil rights have changed in any way.

The Senate Judiciary hearings have, in fact, revealed that between 1958 and 1969, 15 of Judge Carswell's decisions on civil rights and individual rights cases were unanimously reversed by the Fifth Circuit Court. Even those who support his nomination have admitted that his decisions in five cases "may fairly be described as anticivil rights." To support Judge Carswell's nomination in view of this record would serve only to further

polarize our Nation in opposing camps. This I cannot and will not do.

The hearings also pointed out that as recently as 4 years ago Judge Carswell sold property with a provision that ownership, occupancy, and use of the property would be restricted to members of the Caucasian race.

I was astounded that the White House reacted to this disclosure by stating that "this particular incident is not isolated at all." While I have no doubt that there are hundreds if not thousands of real estate deeds in this country which contain racial covenants, it is quite another matter to find such a covenant appearing in a deed held by a man who aspires for the High Bench. That Judge Carswell claims he was not aware of the covenant is hardly an excuse we can accept from a lawyer and judge.

If Judge Carswell had, in fact, renounced the doctrine of white supremacy enunciated in his 1948 speech, he should have shown a change of heart by deed rather than mere rhetoric. Opposition to the racial covenant covering the property he sold would have illustrated his belief by deed. Here was an opportunity he "missed."

To support Judge Carswell's nomination under these circumstances would cause a serious loss of faith on the part of the American people in our commitment to the principle that every citizen should have an equal opportunity to participate in the system and share its rewards. To support his nomination would undermine the prestige of the highest court in our Nation at a time when its very strength is being tested.

It is only because I do not think Judge Carswell meets the standards of the high bench that I have decided to vote against the confirmation of his nomination to the Supreme Court. It is my belief that the members of the highest court in our Nation must demand our complete confidence.

## APOLLO 12 EXHIBIT AND LECTURE

Mr. MANSFIELD. From 2 until about 3:30 p.m. today in the hearing room of the Senate Committee on Aeronautical and Space Sciences—room 235, Old Senate Office Building—there will be a display of material brought back by the Apollo 12 mission, including a lunar rock. There will also be examples of the effect of lunar soil on the growth of molds and plant life.

At 2 p.m. there will be a short lecture by an expert from NASA, after which the display will be available for inspection.

All Senators and staff members of the Senate are invited to attend.

## AN INTERVIEW WITH ALF LONDON

Mr. PEARSON. Mr. President, the State of Kansas has been the home of many fine men. And one of them is Alf Landon.

Remembered nationally, perhaps, only as the man who was defeated for the Presidency, Alf Landon is recognized in Kansas today as one of the country's

most progressive and discerning thinkers. This man is surprisingly contemporary. Yet this thought bear the unmistakable ring of history and clarity.

I invite the attention of the Senate, then, to the important ideas expressed by this friend of mine in a recent interview which appeared in the Kansas City Star magazine on January 18, 1970. I ask unanimous consent that the interview be printed in the RECORD.

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

## THE VIEW FROM TOPEKA: A CHAT WITH ALF LONDON

(By Ivan G. Goldman)

(Goldman, a STAR Magazine staff writer, taped the accompanying interview and sent a transcription of it to Landon. It was returned with the comment, "That's as good an interview as I've ever had.")

After being soundly trounced in his 1936 presidential bid, Alf Landon never again ran for public office. But the affable Kansan was not the man to sulk or fail to speak out, and from his Topeka home over the years he has kept a watchful eye on America and its place in the world, issuing statements from time to time on topics ranging from oil tariffs to disarmament.

Meanwhile, dignitaries throughout the years have streamed to Landon to pay homage, or, more often than not, to seek advice. Among them was George Romney, who came to regret his failure to heed Landon's words. In 1966 Landon told the presidential contender to avoid national exposure and concentrate on his Michigan gubernatorial duties until at least the fall of the following year. But Romney opted instead to grab an early lead in the national limelight—a strategy that proved unsuccessful.

Landon's adherence to Progressive Republicanism goes back more than a half-century; his has been a continuous effort to moderate the Grand Old Party. But Landon's policy statements have oftentimes been pointedly nonpartisan, placing praise or blame with regard to issues, not political affiliations. And this independence understandably engendered enmity from certain party stalwarts. At the 1948 National Republican convention, for example, his opposition to Gov. Thomas E. Dewey of New York caused such bitterness among the Kansas leadership that to this day it has not wholly subsided.

Landon is a man who denounced the Kansas Ku Klux Klan during its zenith in the '20s, when supposedly courageous politicians kept expediently quiet. He is an oilman who fought the big oil companies, and not long ago he publicly advocated a reduction in the oil depletion allowance. And Landon was a conservationist long before most individuals knew the word's definition.

But despite his achievements and abilities, Alfred M. Landon still is most widely known for the election of 1936, when he opposed the popular presidential incumbent, Franklin Roosevelt, and lost 27,476,673 to 16,679,583 in the popular vote. Until the Goldwater debacle of 1964, Landon lost the presidency by a greater margin than any man in history. He admitted afterward that he knew he would lose, although, of course, one would never have known it by watching his determined campaign.

It is almost certain that no Republican could have ousted Roosevelt that year, and Landon's campaign was in fact a sacrifice for the party good. The only Republican governor to win reelection in 1934, he became the leading G.O.P. contender two years before his bout with Roosevelt. Landon had won the governorship in 1932 in a tight 3-way race; he went on to inspire confidence in his fellow Kansans during those dark De-

pression days, and he even managed to balance the state budget. His state plurality in 1934 was a sound 60,000—in a year when Republican candidates across the land met disaster.

Landon was born September 9, 1887, in Middlesex, Pa., and he spent his boyhood in Marietta, O. In 1904 his father took a supervisory job in the Kansas oil fields, and Alf moved to the Sunflower State, which he soon came to love. He was graduated from the University of Kansas law school and, in 1908, entered the banking business in Independence, Kans. In 1911 he quit banking for the oil business, becoming a simultaneous success in bossing the tough field workers as he speculated in Kansas and Oklahoma oil properties.

These years saw Landon drilling his share of dry holes, to be sure, but he was sufficiently tenacious and skilled to have reached a net worth of several thousand dollars by the end of the '20s.

Landon took to oil as he took to Kansas politics, with relish, earning respect in both endeavors, although he never ran for office himself until his successful gubernatorial bid in 1932.

After the 1936 contest Landon returned to Kansas tending oil interests and other investments. At present he owns oil lands in Greenwood County and natural gas properties in Stevens County. He looks after his affairs from the office of WREN Radio, Topeka, which he acquired during the '50s. The Landon family also owns KSCB in Liberal and KEDD, Dodge City. In addition to these activities, the former governor holds the rank of distinguished professor in the political science department at Kansas State University, where he delivers periodic lectures.

Governor Landon not only graciously consented to an interview, but he offered to use the study in his Southern-style mansion for a meeting place. Arriving at the home we found the vigorous octogenarian riding his horse over the grounds, a daily habit of many years. He sat erect, and obviously was in good health. After seeing his mount to the stable, he ushered us across the lawn, through the house and into the study.

The Landon study obviously sees much use; several volumes of recent publication were placed about the room, each marked with a bookmark.

Landon proved to be neither evasive nor intimidated by questions, and his answers revealed a vast storehouse of knowledge coupled with the ability to know the meanings of facts and to proceed along a reasonable path of conclusions.

After the interview, the ex-governor treated us to an enjoyable luncheon at a Topeka restaurant, and he went on to do what he loves best—talk politics. He was a genuinely fascinating and engaging narrator. "I've got one more story to tell you before dessert," he'd say with eyes shining, and then he'd go on to tell you three or four more.

STAR.—Mr. Landon, first of all, are you a Republican right at this minute?

LONDON.—Yes. There's been no doubt about this in past years or any other time. Although I was a Bull Moose Progressive in 1912 and 1914, and I voted for Theodore Roosevelt, and I was a Progressive county chairman for the third party in 1914. I haven't always voted the straight Republican ticket, it's true.

STAR.—Is there a Democrat you would have supported against Mr. Nixon in the last election?

LONDON.—No.

STAR.—Had Robert Kennedy lived and received the Democratic nomination, might you have supported him?

LONDON.—Oh, that's going too far afield, I think. Kennedy didn't live. If he had, and if he'd been nominated . . . I don't know, really, his positions on great major issues.

STAR.—Mr. Landon, I know you've followed these events closely, and so I wonder if you think had R. F. K. not been assassinated, that the threat of his vote-getting power would have stimulated enough Republican delegates over to the Rockefeller side to nominate him? You were a Rockefeller man.

LONDON.—Yes, I was. Now you're talking about the threat of Kennedy's nomination.

STAR.—Yes, because the Democratic convention preceded the Republican.

LONDON.—Well, that's a speculative question, but I recognize that it might have made some difference. There's a lot of voodooism, they say, in politics. There's also a lot of logistics, and you're talking about logistics.

STAR.—How do you rate Mr. Nixon's performance as President so far?

LONDON.—I'm surprised at the good job he's doing. I think his somewhat quiet approach contrasts to the flamboyant rhetoric that we've been accustomed to from the White House. It's too early, of course, to tell how his policies are going to work out.

I think this criticism of Mr. Nixon today is entirely unwarranted, and not at all accurate, and not at all honest. I only know one thing to be sure—that Mr. Nixon undoubtedly intends to follow through to the end. Whatever that end result is, it will take us another year or so to know. There is an entire shift in governments all over the world, which is a very, very important factor. In fact, what you have is a caretaker government—by and large—in North Vietnam, in China, in Greece. New men are going to be coming into these and other governments, so Mr. Nixon has an opportunity in that regard. Now what he's going to do with it, I don't know.

STAR.—Mr. Landon, let's talk about you. Many experts say you really would have been a shoo-in for the U.S. Senate after your defeat in 1936. All these years you've kept a watch over Kansas, the nation and the world. Why didn't you try for a seat in the Senate, where you could have acted more on these matters?

LONDON.—Well, Mr. Goldman, you're right in your description. Pretty nearly everyone thought that.

If I had been going to go to the Senate, I would have gone back to Independence (Kansas), and I discussed this with Mrs. Landon after the election, and she said, "I want to do anything that you want to do; but what kind of an education would our two youngsters get if we're dragging them back and forth between Kansas and Washington?" Nancy was then going on 5, and Jack was 3. Peggy Anne, their oldest sister, was a sophomore down at Kansas university.

STAR.—So personal reasons kept you from going to the Senate?

LONDON.—We decided we preferred the comparatively simple but more intelligent life in Kansas. We'd rather live here than Washington.

STAR.—Do you regret the decision?

LONDON.—Oh, I've been asked that question a good many times, Mr. Goldman. Eric Sevareid, when he finished his interview here a couple of years ago, mentioned that as he was leaving, and I said, "Yes, sometimes I did, but I probably wouldn't be living if I had gone back there—in as good health as I am now." I made up my mind, too, that the Republican party needed at least one leader who wasn't a candidate for any office, so that my decisions have not been subject to personal motives or ambitions.

STAR.—You didn't come very close in that 1936 election. Do you regret having made that race?

LONDON.—Oh, no indeed. After all, that is an experience that comes to few men—to have 16 million people vote for me for President of the United States, and to have made the acquaintances of so many people, so

many friends that I'll treasure to my dying days—no indeed, I'm not sorry.

STAR.—I suppose you've thought a great deal about that campaign. If you had it to do over again, would you change it in any way? Would you do it differently?

LONDON.—I think I might have made more of a factor of Roosevelt's isolationist position. I was told by some in '36 that I was too much of an internationalist to suit them. That's contrary, of course, to what's generally believed now. For instance, you will find a paragraph in my Indianapolis speech in which I said that the neutrality acts were not a way of peace but a way to war, because they would make the aggressor think the American people would not fight under any circumstances, and that was not true. But my head speech-writer said, "The American people won't get it the way you've got it written. It won't be clear." I said, "I know they won't, but I can't run out on my party." Any national candidate, Mr. Goldman, is tied to the record his party makes in the Congress. Wilkie never say that. Neither did Governor Dewey. For that matter, Mr. Nixon has, pretty much.

I supported a reduction of our tariffs, so that we could reduce them right along with the E. E. C. (European Economic Community, or Common Market). So far it hasn't worked as effectively as I thought it would. But I've always believed that the marketplace is really the basis of where people get acquainted.

In memorial days tribes met and exchanged trade, and that's how they first got acquainted with each other. Uncovered several years ago in Portugal was an old marketplace in which they found some stones that had to come from mountains at least 2,000 miles away or more. They weren't precious stones either. Semiprecious. Just think how many hands and miles and years it took those stones to travel 2,000 miles in those days before the Roman Empire or the Grecian states.

But back to the question, the presidential candidates has got to bear in mind his fellow candidates on the ticket, and he's got to bear in mind the harmony if his party—and unity. And those are all factors that go to make up a successful administration, too, which is why I can't say anything too specific on Mr. Nixon at this time.

STAR.—But there is going to come a time when you will be ready to talk more about Mr. Nixon?

LONDON.—Yes.

STAR.—Mr. Landon, I think really what we're getting to here is the fact that you were a progressive candidate in a conservative party with a progressive wing, and the Republican party has been that way for a long time. Can you say why progressive Republicans stay alongside their conservative Republicans? Why don't they join the Democrats?—a liberal party with a conservative wing.

LONDON.—I've been asked before how I could stay in the Republican party. Well, for one reason, I might have agreed with the objectives of the Democratic party, but I didn't agree with the way they were being worked out.

For instance, look at foreign policy. We certainly haven't had an effective foreign policy under the last Democratic President, and the same thing is true of domestic policy. The war on poverty cannot be claimed a success by any means.

Furthermore, there is the issue of maintaining the democratic process. I think if we can maintain our democratic processes and keep this alive from the bottom to the top, we can eventually work out our problems.

STAR.—And you feel you can do this more effectively from within the Republican party?

LONDON.—Well, you've got to have the 2-party system, and maintain it, if you're going to have a democratic process. You've got to have a contest—competition.

STAR.—But when it came to internationalism, free trade and America's place in the world, you didn't agree with the mainstream of your party in 1936, did you?

LONDON.—No, I didn't. You're not the first newspaper fellow that's told me that over the years. But as I say, I'm more in agreement with the party now than I have been. But I voted the Republican ticket, although in answer to your question, I must say I sometimes voted it with considerable reservation. I've felt that by and large it would meet the problems of the time in the end, and at least it was important to have a 2-party system.

STAR.—Mr. Landon, you watched America weather the Great Depression, and you saw great "panics" before that. Right now we all know that America has never been so affluent. The gross national product is approaching a trillion dollars, but everyone seems to agree that there is a spiritual pessimism across the land. Do you think we can weather this spiritual crisis as you have seen us weather economic crises in years past?

LONDON.—Well, now, I'm not exactly sure about your use of the word spiritual crisis. How about emotional?

STAR.—Yes, that's a better word.

LONDON.—Well, leave me out of it. It's your word. Anyway, I don't think we can pinpoint this emotional crisis on any one factor alone. Now take the military. For several reasons it has about the lowest credibility that I can remember for some years.

STAR.—Would you say this reflects a lack of confidence in our leadership?

LONDON.—Yes, but when I think about my own lack of confidence I recall that Civil War editor that told young men to go west—Horace Greeley. Now Horace Greeley, of the New York Tribune, was calling for the impeachment of Abraham Lincoln before the Civil War was two years old. He was denouncing the conduct of the war as a failure. I'm not quite sure he used the word "impeachment," but he said the war was a failure and we should surrender—settle with the South. There was dissatisfaction in the North with Lincoln and with the conduct of the war. Democrats termed it a failure in 1864.

I guess I'm doing a lot of wandering trying to answer your question about the emotional state we seem to be in. But when I get disturbed about it, I think about the Democratic party in 1864, and I'm not singling them out, because Horace Greeley was a Republican. And I'm not trying to make any comparison to Vietnam. But I think about the times we've gone through, like in 1864, and then the period of adjustment after that war.

Now let's look at the Populist party, for instance. Now the Populist party platform and the planks they advocated have long been the law of the land, and yet the Populist party was hailed as the destruction of the country—of the government. The whole Populist idea was considered frightening then.

Now there is one major difference I'd make between the Populists and so-called Wallace third party. The Populist party was based on issues—basic issues. The Wallace party, I didn't think, had a basic issue on anything, except hate. You know, in 1912, T. R., the Bull Moose, was called a wild man. That was the party of youth—young people. And the ideas were good. So I've not been too concerned about the interest of youth in politics today. I am somewhat concerned about the way it is sometimes manifested. Again, just as there was a difference between Populist principles and Wallace principles, you've got an entirely different presentation of principles with the progressive Bull Moosers—the young fellows of those days—as opposed to those S. D. S. fellows today.

But the point I'm getting back to is that wars are always emotional. The Vietnam war is probably the most unpopular war we've ever been in, and then the way the draft has

been handled has been just too damn bad. Then along with this there's a general realization we've not been told the truth about the Vietnam war and the situation there. I remember the managing editor of the Associated Press was out here in 1964, and said that we weren't being told the truth about the Vietnam war—that the press wasn't being allowed to tell the truth.

STAR.—How was the press suppressed?

LONDON.—It was suppressed by the military over there. Well, Mr. Goldman, when the commanding general says we're winning the war, what reporter is going to say he isn't telling the truth?

STAR.—I've heard some experts say that for years the press reports coming out of Vietnam were much more accurate than the government operational reports.

LONDON.—Yes, I don't think there's any question about that. I mean, as far as the public is concerned, when the commanding general says there's victory, who's going to believe some reporter that says it isn't so?

Now we built up the Vietnam government ourselves. We kicked out Diem—permitted his murder to occur, I'd say. Now go back to all the hullabaloo we have had about a free election over there. I said then it was hogwash.

STAR.—Do you mean it's impossible to hold a free election in Vietnam?

LONDON.—Yes, for a fact. I think this is a very fundamental difference between Saigon and Korea. I think the Koreans had more confidence in their government than the South Vietnamese have confidence in their government. You see what I'm getting at? So again, I remember a speech I made out at Russell in '64, in which I said that all the South Vietnamese knew about government was that the less they had to do with it the better off they were. Living out in the jungle in those little hamlets, they didn't know anything about democratic processes or anything of that kind.

Again, I'm just trying to analyze these different factors that go to make up this emotional situation we have. Then we come to our economy—the increase in the cost of living. People are just emotional. They're unhappy and they're frustrated. And then there's trouble in the streets. I have no doubt that some of it, if it's not organized by the Communist party in America, is certainly organized by fellow travelers at least.

STAR.—You're talking about riots and demonstrations?

LONDON.—All of it.

STAR.—That includes Newark, Berkeley, Detroit, Chicago?

LONDON.—Yes, the whole shooting match. But it might be "no" in some places, and in others, "yes." I mean you can't attempt to separate them. Well, at least that's what the police say. I read where the chief of police at Berkeley said down in Miami that the Berkeley riots were organized.

STAR.—Do you think then, that's the answer to street disorder? It's organized?

LONDON.—No, I didn't say that. I just mentioned that as one of the factors that I've been analyzing for you about this emotional condition. It's a combination of a whole ball of wax—war, economy, academic grievances—all. But as I say, there's a definite factor of organization of these street riots. Anyone who studies communism knows they don't dominate. They don't want peace. They want disorder.

I'm just trying to add it all together, and I don't think you can put it on the military alone, I don't think you put it on youth alone, I don't think you can put it on the fiscal situation alone, or the Communists alone. It's a combination of unhappiness and frustration, and when people are unhappy and frustrated, they just want to kick something around.

STAR.—Do you think this will pass? Do you think we'll come out of this?

LONDON.—Sure, of course we will.

But let's look at this inflation for a minute. We're agreed it must be controlled, stopped and checked. Now there are ways to do this. We could have wage-price-profits control, but that would only be temporary. And that wouldn't have worked anyhow. Anyone that remembers wage and price controls from World War II knows what a mess—bureaucratic inefficiency and in some cases, downright corruption—resulted from that.

The second way present conditions could have been dealt with is the way Nixon is doing it, which is the traditional way: that is to check the national expenditure of money, and tight money—tight taxes. How he's going to do that without creating a depression is the big question, though. Meany has said Nixon's heading toward depression—great unemployment.

Meany wants wage and price and profit control. On the other hand, there are some big executives that want wage and price control, but they leave out profit. Do you see?

But Nixon has made up his mind. He's going to stop the course of inflation. But let's look at Keynesian economics. You know what that is, so I don't need to diagram it. I said when it was first proposed that it would be wonderful if it worked—disastrous if it didn't. Now it was working fine as long as we were in something of a depression cycle—to prime the pump.

When Mr. Johnson asked the Congress for the 7 per cent credit on capital investments and the reduction of taxes, he got it. But when he asked them for an increase in taxes, why he didn't get it. It works fine when you want to prime the economy—boost it with lower taxes and encourage spending.

STAR.—A lot of people say Keynesian principles would have worked well if they'd been applied—if there had been a tax increase two years before the surcharge was enacted.

LONDON.—I agree. That's what I'm talking about, too. I said the trouble with it is that we would always have the next election. I said that back in 1939. There will always be the next election, and who wants to vote increased taxes to cool the economy, and cut spending, which would cause unemployment, if there's an election coming up?

I'm not questioning the theory of the condition. I'm questioning the application of Keynesian economics in a political democracy. A dictator might not have that trouble. The very point you were making, that Johnson's recommendation for an increase in taxes didn't come soon enough, and that Congress didn't act soon enough, demonstrates my point.

So there are a lot of problems involved in this emotional crisis—the country's fiscal situation, the military, the war—the failure in our schools. I think the university management could stand some criticism, too.

Let's look at Clark Kerr. He was hailed as a great educator. Why? Because he had so many Nobel prizewinners on his faculty, and successful authors. His faculty at Berkeley was full of those kinds of chaps. But they didn't have enough contact with students. The students—the freshman—came in contact with assistants who were working on their graduate degrees.

STAR.—So in that way, do you think some of the student protest about the depersonalization of the system is valid?

LONDON.—Yes, and I think it was somewhat true all over the country. There was a lack of contact between the faculty and the students.

But in answer to your original question, I would say, yes, there is an emotional crisis, and these are some of the factors involved. It was all of this put together, but I'm sure we'll come out of it. Does that make sense to you?

STAR.—Yes, probably more sense than the question.

LONDON.—No, your question made sense.  
 STAR.—Mr. Landon, do you think the United States is overextended in its military commitments?

LONDON.—Yes, I sure do.

STAR.—All right, how do we draw the line? How do we know where to fight and where not to fight? What's the rule?

LONDON.—Again, here's where the President's policy and debate in Congress becomes so important. Right now I think the leaders of the Senate, many of them, believe they made a mistake in voting for the Gulf of Tonkin resolution. Now you say, "Where do we draw the line?" and I think there's a concrete illustration.

STAR.—Do you think we drew the line in the wrong place?

LONDON.—But I think we didn't draw any line. The Congress didn't. They voted for the Gulf of Tonkin resolution. And of course I think Senator Fulbright said it in a statement he made on the floor of the Senate—that the resolution was interpreted far beyond what he expected. But Nixon is trying to meet the Vietnam situation—with gradual withdrawal of our troops as they are replaced with South Vietnamese troops.

STAR.—But what will we do in Laos and Thailand? The same type of warfare already has begun there. How will we decide where to fight and where not to fight?

LONDON.—The President and the Congress make those decisions.

STAR.—But what criteria should they use?

LONDON.—What the facts are. I said during World War II that our greatest weakness internationally is in emotionalism. Reform the world in mass in our own image! I think there's been too much of that in our foreign aid program, for instance. Trying to establish in tribal Africa, for instance, or in Asia, the American form of government. They don't know anything about democratic processes. Where should we draw the line? We should draw it in keeping with a pragmatic, realistic international policy which does not involve us in trying to police the whole world.

STAR.—Are we going to have to get used to the fact that some nations are going to go Communist?

LONDON.—Probably. But look at Indonesia. It went Communist, and then kicked them out. And then there's Czechoslovakia. Of course, we didn't do anything about that, and I don't think we should have. But it's part of what I'm trying to point out.

STAR.—That we must learn to take our ups and downs?

LONDON.—Yes. And take the Middle East. There isn't any question but what Russia's influence has been enhanced considerably in the Middle East.

STAR.—Mr. Landon, there are thousands of nuclear-tipped missiles aimed in various places all around the world. Do you believe that with the existence of so many of these weapons it is possible to escape nuclear warfare unless there is disarmament in the future? Can we continue in this present situation?

LONDON.—I don't know. It's very questionable whether we can. On the other hand, I don't think there's going to be any disarmament at the present time. There again, we're not facing the facts.

How are you going to have an effective disarmament that means anything and leave out China? That's one fourth of the world's population. What would a disarmament agreement between Russia and America amount to with China out of it?

I think the great opportunity for negotiation, if negotiation is worth anything, was missed in October, 1964, when China exploded its first nuclear bomb. The next day Premier Chou En-lai and Chairman Mao Tse-tung proposed to Russia, France, England and America, a conference of the five powers preliminary to a conference of all the powers to

eliminate nuclear weapons—not bombs, but nuclear weapons. Our State department, without any consideration whatever, said it was pure propaganda. The Pentagon said their bomb was obsolete.

Immediately—within five days or so—after the explosion of the bomb, I urged in a speech at Columbus, O., that we accept China's proposals for the purposes of discussion. I said if it was propaganda, there was a good way to find out—start discussing it with them.

I said as far as the nuclear weapons, I did not think the Pentagon knew what they were talking about, or words to that effect. And I said such discussions would give the United Nations a needed shot in the arm. A settlement of that kind would have spread to other settlements. The Russians and French accepted it; we didn't. Now we're talking about eliminating nuclear weapons with just a conference between France, Russia and America. Does that make sense?

Some people are rather happy about the prospect of China and Russia in a war with each other. I know some well-posted men that think it would not last long—that Russia has the nuclear establishment of China pinpointed and they'd knock it out—that China wouldn't have any chance to use nuclear bombs, so there would be no fallout to speak of. Now that just doesn't make any sense to me. I can't see that China is stupid enough to have all their bombs in one spot.

STAR.—But couldn't it be true that they are pinpointed at this time? Although I doubt it would be true in 10 years.

LONDON.—Well, I don't think that's true now. That is really leading with your chin to have all your bombs in one place. I just don't think they're that stupid. I think if there's a war between China and Russia there will be enough of a war to cause a dangerous nuclear fallout—one that would affect us adversely. How much of a fallout can we stand? Beats me, and I wonder if anybody has an answer to that question.

STAR.—You have been advocating recognition of Red China more than 20 years, haven't you? Ever since the Communists took power over the entire mainland.

LONDON.—Yes. Incidentally, the next morning after my Columbus, O., talk, U Thant endorsed my remarks at a press conference. That was unprecedented. You asked if we're overextended, and if so, what to do about it. Well, one thing we've got to do is have more discussions.

STAR.—Do you think the world would be better off if we had recognized Red China in 1949? Do you think there would be less international tension?

LONDON.—I think so, but I can't prove it. But when you're talking you're not shooting.

STAR.—You said earlier that you prefer Kansas to Washington. I wonder if, besides thinking of the Senate, you ever thought of moving elsewhere?

LONDON.—No, I never have. I just like Kansas people and Kansas climate. I like my surroundings. And it's near my business. I'm still in the oil business. I have some wells out at Greenwood County.

STAR.—And radio stations here, too?

LONDON.—Yes.

STAR.—Do you think the cities can solve the urban crisis without massive federal help? Do you think they can do it by themselves?

LONDON.—No.

STAR.—Is the federal government, then, going to have to continue expanding its role?

LONDON.—Yes.

STAR.—Do you think today's young people are really much different from young people of other generations, say your own?

LONDON.—No.

STAR.—Do you worry about what's going to happen after you're gone?

LONDON. (laughs).—I've drilled too many dry holes to worry about that.

STAR.—Do you have any great regrets?

LONDON.—No. But I don't know anybody my age that didn't have some regrets.

STAR.—Do you think you'd do it pretty much the same way all over again?

LONDON.—No, I'm sure I wouldn't.

STAR.—What would you have done differently?

LONDON.—Well, I told you earlier about running that campaign differently.

STAR.—You might just regret not having run for the Senate?

LONDON.—No, I don't think I would do that if I had to do it over again. I'm enjoying myself in the role I picked, which was, after all, a way I could exercise my leadership in an objective way—in a discussion of these great problems confronting us then and now.

#### DEVELOPMENT OF OUR OCEAN RESOURCES

Mr. SPONG. Mr. President, programs related to the development of our ocean resources today are diffused among 22 separate Federal agencies and departments and more than 1,000 State, regional, and local jurisdictions. This fragmentation has been a major hindrance to developing the kind of concerted national effort that is needed to begin unlocking the sea's vast potential.

Under the leadership of its distinguished chairman, Senator MAGNUSON, the Senate Commerce Committee last year established a Special Subcommittee on Oceanography to consider ways of focusing national marine capabilities on this objective. The chairman of that subcommittee—the able junior Senator from South Carolina, Senator HOLLINGS—has scheduled a series of hearings this session, beginning with the consideration of a bill to establish a unified national agency to coordinate and integrate our farflung ocean programs.

I ask unanimous consent to insert in the RECORD at this time an editorial published in the Washington Post of February 20, 1970, which gives strong support to the concept of a consolidated national ocean agency.

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

#### LIVING BY THE SEA

Few things more typify this nation's lack of daring and imagination than the ease with we ignore the sea. Oceanographers are looked on by many as glorified frogmen; rich and beneficial underseascapes 50 feet down are still unprobed while rocks of dubious value are passionately sought from the moonscape 240,000 miles away; few colleges or universities offer any serious oceanographic programs. Yet, as Andrew E. Gibson, the Maritime Administrator, said this week at the Navy League's Oceanic-Maritime symposium in Washington: "It is the sea to which we must look in its shallows and its depths to feed a growing population. It is this sea from which we must harvest not only foodstuffs but its vast resources of minerals. It is the sea to which we must look by means of desalination for the very water necessary to sustain life in the future. . . . Put succinctly, as a nation and people . . . we will live or die by the sea."

Despite strong statements like that, the government is spending only \$500 million a year on sea water projects. With only a few pennies more, plus a little foresight, many useful research projects could easily be started. For example, maritime ships could be equipped with special devices to measure

the sea—such as taking water samples to determine the biological productivity of a given area, or measuring the input of energy from the sun as it varies from time to time and place to place. Unlike oceanographic ships, which are few and move slowly, maritime ships are many and move quickly. Thus, in only a short time, much of the sea's secrets could be learned.

Another research project awaiting money and talent is for a small area of the ocean to be analyzed closely. Dr. Eugene Wallen, the respected director of the Smithsonian's Office of Environmental Sciences, suggests the coral reef. "So far, what we know about coral reefs would fill only a small book. Yet over a thousand species live in or near them."

Basic to any progress in the seas and water is a merger of the nation's oceanic agencies. A National Oceanic and Atmospheric Agency would combine the Coast Guard, the Environmental Science Services Administration, the Bureau of Commercial Fisheries and other agencies. Predictably, resistance to this move comes from water-logged bureaucrats who enjoy the present separation of empires and from congressmen who relish their petty power over the diverse agencies. The new Senate subcommittee on oceanography is currently holding hearings on NOAA; the idea is not new, but perhaps this time around the good of the oceans will win out over the good of the paper-shufflers.

#### INTEGRATION AND EDUCATION

Mr. TALMADGE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled, "Concentration on Integration Is Doing Little for Education," written by William Raspberry and published in the Washington Post of February 20, 1970.

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

##### CONCENTRATION ON INTEGRATION IS DOING LITTLE FOR EDUCATION (By William Raspberry)

Racial segregation in public schools is both foolish and wrong, which has led a lot of us to suppose that school integration must, therefore, be wise and just.

It ain't necessarily so. It may be that one reason why the schools, particularly in Washington, are doing such a poor job of educating black children is that we have spent too much effort on integrating the schools and too little on improving them.

The preoccupation with racial integration follows in part from a misreading of what the suit that led to the 1954 desegregation decision was all about.

The suit was based (tacitly, at least) on what might be called the hostage theory. It was clear that black students were suffering under the dual school systems that were the rule in the South. It was also clear that only the "separate" part of the separate-but-equal doctrine was being enforced.

Civil rights leaders finally became convinced that the only way to ensure that their children would have equal education with white children was to make sure that they received the same education, in the same classrooms.

Nor would the education be merely equal, the theory went: It would be good. White people, who after all run things, are going to see to it that their children get a proper education. If ours are in the same classrooms, they'll get a proper education by osmosis.

That, at bottom, was the reasoning behind the suit, no matter that the legal arguments were largely sociological, among them, that segregated education is inherently unequal.

(Why it should be inherently more unequal for blacks than for whites wasn't made clear.)

In any case, the aim of the suit was not so much integration education but better education. Integration was simply a means to an end.

Much of the confusion today stems from the fact that the means has now become an end in itself. Suits are being brought for integration, boundaries are being redrawn, busing is being instituted—not to improve education but to integrate classrooms.

The results can sometimes be pathetic. In Washington, blacks send their children (or have them sent) across Rock Creek Park in pursuit of the dream of good education. But as the blacks come, the whites leave, and increasingly we find ourselves busing children from all-black neighborhoods all the way across town to schools that are rapidly becoming all-black.

The Tri-School setup in Southwest Washington is a case in point. Of the three elementary schools in the area, only one was considered a good school: Amidon, where the children of the black and white well-to-do attended. Bowen and Syphax, populated almost exclusively by poor kids from the projects, were rated lousy schools.

Then the hostage theory was applied. A plan was worked out whereby all first- and second-graders in the area would attend one school, all third- and fourth-graders a second, and all fifth- and sixth-graders the third.

The well-to-do parents would see to it that their children got a good education. All the poor parents had to do was see to it that their children were in the same classrooms.

That was the theory. What happened, of course, is that instead of sprinkling their children around three schools, the luxury high-rise dwellers, black and white, packed their youngsters off to private school. Now instead of one good and two bad schools, Southwest Washington has three bad ones.

After 16 years, we should have learned that the hostage theory doesn't work. This is not to suggest that integration is bad but that it must become a secondary consideration.

Busing makes some sense (as a temporary measure) when its purpose is to transport children from neighborhoods with overcrowded classrooms to schools where there is space to spare.

It works to a limited degree when it involves children whose parents want them bused across town for specific reasons.

But it has accomplished nothing useful when it has meant transporting large numbers of reluctant youngsters to schools they'd rather not attend.

The notion will win me the embarrassing support of segregationist bigots, but isn't it about time we started concentrating on educating children where they are?

#### U.S. FOREIGN POLICY IN THE 1970'S

Mr. GOLDWATER. Mr. President, yesterday the President of the United States, Richard Nixon, delivered a paper, "United States Foreign Policy for the 1970's." To my knowledge, this is the first time that a President has discussed with the American people the broad program of foreign policy which his administration has embarked upon. Contrary to this, the whole general subject of foreign policy and its relationship to our military posture has been kept more away from the people than exposed to the people.

While the entire contents of the paper are more impressive to me, I was particularly glad to see the President spell out in part III, "America's Strength," which includes the shaping of our military posture, the process of defense planning, strategic policy and general pur-

pose forces. To me, the most succinct paragraph is the one that reads:

We aim for a world in which the importance of power is reduced; where peace is secure because the principal countries wish to maintain it. But this era is not yet here. We cannot entrust our future entirely to the self-restraint of countries that have not hesitated to use their power even against their allies. With respect to national defense, any President has two principal obligations: to be certain that our military preparations do not provide an incentive for aggression but in such a way that they do not provoke an arms race which might threaten the very security we seek to protect.

It is particularly important that the President made this particular statement because there are many people, including colleagues of mine in the Congress, who seem to believe that if the United States weakens itself militarily and refuses to honor its commitments around the globe, that we will be making a major contribution to peace. To those of us who feel opposite to those two positions, it is reassuring to be reminded that the President is depending upon the lessons of history which have shown throughout the entire time of man's life on earth that weakness has caused wars and strength has prevented them.

If this same broad, honest, and open approach to the interrelated problems of foreign policy and military strength had been adopted following the end of World War II, we would not have been engaged in the war in Korea or in the war in Vietnam.

I congratulate the President for his statement and I feel that this is the first major step in establishing an understandable and workable and respectable foreign policy for our country for the years ahead.

#### AMERICA'S FINEST ARE DYING FOR THIS

Mr. YOUNG of Ohio. Mr. President, the militarist regime of Thieu and Ky, which we Americans are maintaining in power in Saigon, recently arrested 15 student leaders of Saigon University and closed two Saigon newspapers.

The students were accused of singing antiwar songs. Also, they held a meeting without a permit from the police chief of Saigon. They were jailed without bail pending trial. The crime of the newspaper editors was that they were advocating neutralism instead of supporting President Thieu and Vice President Ky.

Americans should know that the Saigon regime of General Thieu and Air Marshal Ky has either closed down altogether or suspended for specific periods of weeks or months 39 daily newspapers in South Vietnam. The majority of these newspapers had been published in Saigon.

Also, Nguyen Duy Trinh, who was Foreign Minister of South Vietnam, is under house arrest and may face a jail sentence for advocating a coalition government in Saigon. Truong Dinh Dzu, who was the runner-up in the election against Thieu and Ky in 1967, is still in jail. His trial for disloyalty to the militarist regime lasted 3 hours. His imprisonment has lasted 13 months. He was the peace candidate for President. Sai-

gon Daily News, the English-language newspaper which supported him was put out of business by Thieu and Ky. No wonder a majority of the people of South Vietnam are aligned with and supporting the National Liberation Front, or VC.

#### U.S. INVOLVEMENT IN LAOS

Mr. FULBRIGHT. Mr. President, our involvement in Laos continues to be hidden from the American people.

Although President Nixon has referred to his 119-page report on "United States Foreign Policy for the 1970's" as "the most comprehensive statement on foreign and defense policy ever made in this country" it contains no mention whatsoever of Laos.

The newspapers of February 19 which carried articles on President Nixon's report also included a story about American B-52's bombing the Plain des Jarres in Laos.

The American people should not be treated in this manner. Once again the President has failed to inform the public about our activities in Laos. Once more the policy of secrecy is preventing the public from being informed about a war that is slowly but steadily escalating.

A recent editorial in the *Paragould, Ark., Daily Press* opposes the "secrecy" policy. The editorialist writes:

Won't we ever learn?

The U.S. got involved in the tragedy that is Vietnam because of failure to hold open debates in Congress on our involvement there, and partly through entanglements brought on by the operations of the CIA.

We cannot afford to let Laos and/or Thailand become Vietnam all over again.

Mr. President, I ask unanimous consent that the editorial from the *Paragould Daily Press* of February 4, 1970, be printed in the RECORD.

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

#### NO SECRETS

Just before their Christmas break, the U.S. Senate held a secret session to talk about U.S. military involvement in Laos and Thailand.

Week before last, more than a month later, a heavily-censored report of that meeting was released. It told us little about the extent of our involvement, and nothing about our casualties.

Sen. J. W. Fulbright, chairman of the Foreign Relations Committee, did have a statement in the published excerpts—that "this is escalating into a major operation."

Fulbright's comment should be enough to scare anyone, even the hawks. Concerned senators pushed through an appropriations bill amendment to bar defense funds for U.S. ground combat troops in either Laos or Thailand.

That, however, is little comfort.

Everyone seems to know there is a strong U.S. "military presence" in Laos and Thailand. Anyone, at least who watches Bob Hope's annual Christmas show. In the 1969 version Hope, you will recall, commented on the "highly secret" mission of some units.

Many published reports, too, have told of U.S. air operations in support of Laotian troops. "Private" airlines, financed from CIA funds, reportedly supply arms, ammunition, and food to Royal Laotian troops.

U.S. Air Force bases in Thailand admittedly are used as operational points for raids on the Ho Chi Minh Trail in Laos.

There have also been substantial reports about U.S. personnel engaged in anti-guerrilla operations.

Won't we ever learn?

The U.S. got involved in the tragedy that is Vietnam because of failure to hold open debates in Congress on our involvement there, and partly through entanglements brought on by the operations of the CIA.

We cannot afford to let Laos and/or Thailand become Vietnam all over again!

#### REVOLUTION OF HOPE IN INDIA

Mr. EAGLETON. Mr. President, when, in this age of megatons and megawaste, technology produces some tangible and unmitigated human progress, we ought to pause and savor it.

The "Green Revolution" which has occurred during the last 3 years in India and other developing nations appears to be one of these rare and hopeful occurrences.

And, while most of the credit goes to the governments and people of the countries involved, Americans were there when it happened. We were there with nearly two decades of economic assistance. We were there with food in times of scarcity. We were there with the unrelenting work of private organizations like the Rockefeller Foundation, the Ford Foundation, and many of our great American universities, whose agronomists helped cause this revolution.

On February 6, the *St. Louis Post Dispatch* carried an editorial summarizing this historic event, and 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:

#### REVOLUTION OF HOPE IN INDIA

Without much fanfare except in the technical journals, a revolution of vast consequences has been occurring in India. For once it is peaceful and constructive, and it has certain counterparts throughout Asia. It is a revolution in the production of food grains which has brought India from the brink of starvation to a point of relative abundance in a few short years, and which has in the process revealed new facets of the Indian character.

As a detailed report of the Rockefeller Foundation makes clear, Indian subsistence farmers were supported to be "too sluggish, too unintelligent, too tradition-bound" to use new technologies even if handed them. But given something better to work with, these farmers "amazed not only their own government but the rest of the world." The speed with which they reacted, says the report, has never been duplicated on an equal scale anywhere else, including the agriculturally sophisticated United States.

The perceptive report was written by Carroll P. Streeter, for many years editor of the *Farm Journal*, who found that while India's approach to self-sufficiency in food is of key significance, "The real revolution is the one that has happened, not to farming but to farmers—the revolution of hope. It has meant a new concept of self, in which the farmer can believe he may fulfill his destiny as a liberated human being."

In the case of one crop wheat Mr. Streeter notes that the seasons of 1965-66 and 1966-67 saw the worst droughts in 40 years forcing India to import 10 million tons to avert

hunger and in some instances starvation. Yet today the Indus and Gangetic plains of northern India and of neighboring West Pakistan "are one vast carpet of beautiful wheat—short stiff-strawed thick in stand as level as though just mowed, heavy with big heads loaded with plump kernels . . . nothing less than miraculous."

The miracle was wrought by scientists who mixed wheat strains from various parts of the world to fit Indian growing conditions. And they have made similar progress in rice, corn, sorghum and millets. The Indians, along with wheat breeders in other countries, are working on a wheat-rye cross called "triticale," the first man-made species of grain with large commercial potential ever created.

Mr. Streeter credits four developments for the success of the revolution: New germ plasm which has given Indian plant breeders an abundance of material from which to breed more productive varieties of cereal grains; agricultural "inputs" such as irrigation water, fertilizer, pesticides and farmer credit; increased production of farm experts by state agricultural universities, and government-set price floors.

Having depicted the miracle, Mr. Streeter cautions against too much optimism as to the overall Indian economy, the reason being the birth rate. India's food supply is gaining at a rate of 4 per cent annually and has the capability of going to 5 per cent; about a million people a month are being added to the population, which now is estimated at 540,000,000.

What India has won is an important breathing spell and a period of a few years—perhaps as many as 10—in which to slow down the population growth while pushing food production ahead still faster. India has made small progress with birth control, but maybe, like the farmers and the new technology, the Indian people only need to be persuaded of its value. India cannot hope for long-range self-sufficiency in food until population growth is under control, and it is well that New Delhi is intensifying efforts along that line.

#### TAX RELIEF FOR THE ELDERLY UNDER THE TAX REFORM ACT

Mr. WILLIAMS of New Jersey. Mr. President, the Tax Reform Act of 1969, which was signed into law in December, was a significant step forward in providing more equitable tax treatment for individual taxpayers.

Several provisions in the new law, including a number of proposals which I have advanced, will also provide urgently needed relief for elderly taxpayers. This is especially gratifying to me, since tax relief for older Americans has been one of my major concerns.

In December, the Senate Committee on Aging, of which I am chairman, prepared a memorandum to assist elderly taxpayers in understanding the recent changes in the tax law which will be of particular benefits to them. This memorandum presents the information in a concise, readable fashion, and should be very helpful to older persons.

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

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

#### TAX REFORM AND SOCIAL SECURITY

The Senate and the House of Representatives adopted a compromise conference report on the tax reform bill by overwhelming votes on December 22, clearing the measure for the

White House. Although the increase in social security benefits will provide the most immediate relief for older Americans, several other provisions will provide significant tax relief for many elderly persons.

**Increase in personal exemption deduction:** The bill provides for a three step increase in the personal exemption deduction from \$600 to \$750 by 1973. Older Americans will benefit doubly from this increased deduction. Under existing law a person who is at least 65 years old is entitled to the regular personal exemption of \$600 plus an additional \$600 deduction for age—for a total of \$1,200. When this provision becomes fully effective, an elderly taxpayer would be entitled to a \$1,500 personal exemption deduction—\$300 more than under present law.

**Increase in standard deduction:** A three stage increase in the standard deduction will provide significant relief for moderate-income elderly taxpayers. The present 10 per cent standard deduction with a \$1000 ceiling will be increased to 15 percent with a \$2000 limitation by 1973.

**Low income allowance:** Older Americans will also benefit substantially from the new low income allowance (equivalent to the minimum standard deduction plus an additional amount which would equal \$1100), which will have the effect of removing more than 5 million tax returns from the tax rolls. The maximum \$1100 low income allowance would go into effect in 1970, but would be reduced in two steps to \$1000 by 1972 to correspond to the \$100 increase in the personal exemptions deduction for 1972. This low income allowance together with the personal exemption deduction would be almost equivalent to the poverty standard, and would remove virtually all persons in the poverty category from the tax rolls.

**Revision in tax rates for single individuals:** The new revised tax structure for single persons who do not support a household in which a dependent lives will benefit many elderly widows and widowers. (Approximately 3.6 million elderly women are widows and live alone.)

Under present law the tax rate for a single individual is substantially higher than for a married couple filing a joint return with the same taxable income. In some instances a single taxpayer will pay 41 percent more in taxes than a married couple filing jointly. The new rate structure in the tax reform bill will help to relieve this inequity by providing a tax for single persons which will not be more than 20 percent of the tax paid on a joint return with comparable taxable income.

#### GSA APPOINTS ROBERT T. HANDREN TO PUBLIC ADVISORY COUNCIL

Mr. JAVITS. Mr. President, on September 5, 1969, Robert L. Kunzig, Administrator of General Services, announced the formation of a National General Services Public Advisory Council. The purpose of this Council is to create a formal channel of communications between the public and policymaking officials in GSA. Composed of 16 members selected from many sectors of the business community, the Council is chaired by Robert A. Forsythe, a Minneapolis attorney and former Assistant Secretary of Health, Education, and Welfare.

I am pleased to report that New York is represented by Mr. Robert T. Handren, senior partner with the architectural-engineering firm of Handren, Sharp & Associates of New York City.

Mr. Handren graduated magna cum laude from the New York University School of Architecture and Allied Arts,

and the recipient of the American Institute of Architects Scholarship Award and received the Morse and Delevie Prizes.

Mr. Handren is a member of many professional groups and is a former member of industry committees that worked with the War Production Board, the Office of Price Administration, the Office of Price Stabilization, the Department of Agriculture, the Defense Supplies Corporation, and the President's Food Committee. Mr. Handren has representative works on modern architecture in the Museum of Modern Art and many publications to his credit and has won three of eight Army-Navy "E" awards given to the industry.

The Administrator of GSA has indeed obtained the service of an outstanding citizen on the Public Advisory Council at GSA.

#### THE REA TELEPHONE PROGRAM IN ALABAMA

Mr. ALLEN. Mr. President, in describing what the REA telephone program has meant for the people of the State of Alabama, I would first like to inject a historical note. The first REA telephone loan approved in the entire history of this excellent program, was on February 24, 1950, to the Florala Telephone Co., Inc., Florala, Ala. Since that historic occasion of 20 years ago, over 106,000 rural subscribers have received modern telephone service in the State of Alabama under the REA program. It is most significant that over 81,000 of these subscribers were provided service for the first time.

From the time of the program's inception, until July 1, 1969, REA had approved loans to 26 borrowers in Alabama, totaling \$63,609,236. These loans were made to 23 commercial companies and three cooperative associations.

We in Alabama are proud of the repayment record of these REA borrowers. Payments have been made on schedule and no borrower is overdue in his payment.

At the inception of this program in 1949, only 8.2 percent of the farms in Alabama had telephones. Today, 64 percent of the State's 92,500 farms, as well as many rural homes and businesses, have telephones.

#### ENVIRONMENTAL POLLUTION

Mr. FONG. Mr. President, on February 18, 1970, the honorable Senator from Pennsylvania (Mr. SCOTT) introduced seven bills to fight the pollution of our environment. I was one of 33 Members of this Senate who cosponsored those bills.

As a U.S. Senator from the beautiful State of Hawaii, I am most concerned with the pollution problem.

Like so many of our States, the State of Hawaii is beginning to feel the threat against the environment.

Mr. Sanford Zalburg, the city editor of the Honolulu Advertiser, wrote for his newspaper's Progress edition what I feel may be a unique critique of the island of Oahu and it tells in most graphic, easy-to-read style, the great changes which

have occurred since he arrived in Honolulu 21 years ago. The changes he talks of apply to Hawaii, but I feel his article tells only too well of the enormity of the pollution problem which we in the U.S. Congress must pledge to fight. For this reason, I ask unanimous consent that the article by Sanford Zalburg which appeared in the February 17, 1970, editions of the Honolulu Advertiser, be printed in the RECORD.

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

FOR HAWAII 1970: HERE'S A HOPE AND A PRAYER  
(By Sanford Zalburg)

I'm going to write a new kind of introduction to a Progress Edition. Maybe people will even read it.

The standard introduction is a rambling chronicle of vast sweeping and self-importance. In contrast, this will be fairly short and impudent, more like a hope and a prayer than a prognostication, which after all is just a big word for day-dreaming.

Some background is necessary; that it, a quick look at the "good, old days."

I well remember the first day I got here. It was in July, 1949, and the shipping strike was on. The plane dropped low over Maui, I think it was, and we passed over a pineapple field and a workman looked up, shaded his eyes with his hands, and waved.

I thought: What a lovely place.

Then we approached Oahu and I saw the jade water lapping the shore and I thought: My God, it's beautiful!

We arrived at the airport and a cab driver took me to the Moana Hotel. To my amazement, they greeted me as though I were the Maharajah of Inzor. (For good reason: I don't think they had a dozen guests that day in the hotel.) They gave me a lovely room for \$9 looking out onto an uncluttered Diamond Head. I said, nine dollars.

Next morning I walked around. You may not believe it, but there were just four major hotels in Waikiki in those days—the Moana, the Royal, the Halekulani and the old Niunalu, may its soul rest in peace.

I walked around Waikiki. No traffic; no crowds. The benign sun; the sparkling ocean. All's right with the world, I thought.

Shortly thereafter I spent a morning on Kuhio Beach. On that stretch of beach there were just two of us taking our leisure: Tarzan White, the ex-football player-wrestler from Alabama and me. I said to him, "Doesn't this beat your old hometown (Atmore, Ala.) all hollow?" He agreed that it did.

Where has it all fled? Has it all gone with the tradewind? Not quite, but 20 years later we are in trouble and worried about what's happening now and what's going to happen in the next 10 years.

Lord knows, the problems ARE enormous, and they are growing. I will not try to downgrade them. We are getting bigger all the time, and more people are pouring into this blessed island. How are you going to stop them? And where will they stay? In the coconut trees?

Many mornings when I look out the apartment window, I can see the smog coming in on little cat's feet onto the floor of the valley below the Waianae. (Burning cane out Ewa way isn't helping any, by the way.)

I know all about the maddening traffic. In silent protest, I often leave my car at home and walk to work and I wish to hell other people who also have two good legs would do the same.

I read that every day 48,000 vehicles pass the corner where I live (Ala Moana and Piikoi). I believe it. I hear them. They're churning past me, day and night. And how come someone doesn't order those big, lumbering trucks to carry a muffler that works?

Already the air of Paradise is noxious. I defy you to breathe in comfort in the lower level of Ala Moana Center under that blanket of cement.

And noise! When the wind is south-southwest, the planes zooming in to make that wide turn over the town almost drive me nuts.

I'm also aware of our concrete jungle. All I have to do is look walkiki from my abode and see the man-made walls blocking Diamond Head.

I know about our housing problem. I also know about litter and polluted seawater. Not long ago I surfaced after swimming underwater off Ala Moana Park and came up with a flattened cardboard milk carton draped in my hair. All hail, the slob who dropped that into the water.

I know all this is happening, and yet I retain a spark of optimism about our future. Shall I tell you why?

I'm optimistic, first of all, because it seems to me that everyone knows all about it, too. Not just Robert Wenkam. It's no secret. It's the talk of the town.

I'm optimistic, too, because of a little incident that happened not long ago. A 12-year-old schoolgirl called the City Desk to which I am chained. She said she and seven of her classmates were deeply disturbed by the litter scattered about town. So they made up little signs saying, "We care. Do you?" And they fastened the signs to their backs and went down to Kapiolani Park and the Zoo and began picking up trash and putting it into the receptacles where trash belongs.

A tiny gesture perhaps, but so shines a good deed in a naughty world.

I think we are lucky to have a generation of young people who care. They care about their environment. They care about the quality of life. Some of them even can pronounce the new in-word, ecology.

They don't want to live in an ugly, cluttered, noisy, malodorous world. If we care enough, they won't have to.

And, of course, I'm heartened by what's happening at the Legislature. This is the "better quality of life" Legislature. They sound as if they intend to do something about improving things. Look at the bills that have been introduced for that purpose.

Victor Hugo said that no army can withstand the strength of an idea whose time has come. The time has come for us to act, and I am optimistic enough to believe that we will.

We'll have to start moving against an oncoming tidal wave of trouble. We'll have to start building a fixed-rail mass transit system to take the offending automobile off the streets, and such a transportation system will cost jillions and take a decade to finish.

So, you say, what will keep cars from coming downtown anyway? Well, I think we will have to lay down some very harsh rules and regulations. Such as tossing people in jail for littering the landscape. They do that in Malaysia. It also may come to pass that we will have to prohibit people from driving their cars into the heart of Honolulu—the downtown area, Waikiki, etc. My, won't the screaming start then?

We will have to order truck owners to install proper mufflers on their shrieking beasts and order airplane drivers out to sea beyond the reef for takeoff and landing. I know. A reef runway will cost a pile.

But is a runway out to sea so extraordinary? They already have one at Kai Tok in Hong Kong and at Faaat at Papeete. Why not here?

At the opening of the Legislature a "futurist" professor from the University predicted what lies ahead if we fail to heed the shrill warning signals. He said it without mincing words, a sort of Doomsday prophet, and his words raised a few hackles. I prefer the short and simple and gummy peroration of

a homegrown Demosthenes; namely, Art Rutledge, labor leader.

Rutledge said:

"If the politicians are responsive to the needs of the people, instead of the fast buck, this will be a wonderful place. If not, some people will call it, 'Hell in Paradise.'"

So, that's my introduction to the Progress Edition. Remember, I said it was a hope and a prayer and an act of faith.

On days when I can't take it any longer, I pray for rain. It drives the tourists off the beach and then I go walking in Waikiki on the wet sand in my bare feet.

There's something oddly delicious about the feel of wet sand squishing between your toes. I tell you about this quirk simply to remind you that there's still great charm in the old place. I mean, try doing that barefoot bit in Keokuk, Iowa, in February.

And naturally, no one can ever take away the green cliffs that are called the Pali; nor the emerald surf as it creams onto the shore. And, like Wordsworth, my heart still leaps up when I behold a rainbow in the sky.

#### OIL IMPORT PROGRAM

Mr. DOLE. Mr. President, President Nixon should be commended for his statement today concerning the oil import program. It is particularly encouraging to note the President recognizes the fact that Congress has a vital and proper interest in the oil import program. Hopefully, hearings will be held in the near future on a proposal to be introduced soon by me and a number of my colleagues.

It is apparent to many of us that additional study will be helpful to the consumer, as well as the oil industry. Lower consumer prices is certainly an important and worthy objective, but a careful study should also be made of the economic impact changes in the oil import policy would have on the domestic oil industry.

As President Nixon indicates, there were a number of areas of agreement reached by the Cabinet task force, and certain positive steps can be taken immediately.

There is a need for a new management system to set policy, and the creation of a permanent Oil Policy Committee can be most helpful.

The interdepartmental panel, to be chaired by the Director of the Office of Emergency Preparedness, and including the Secretaries of State, Treasury, Defense, Commerce, the Attorney General, and the Chairman of the Economic Advisors, can provide the coordination needed in considering interim and long-term adjustments.

In the "Summary Guide to Task Force Report on Oil Import Control," also released by the White House today, there was a clear recognition by the Cabinet task force that substantially lowering the domestic price levels for crude oil would severely affect the domestic oil industry and would also weaken the national economy.

Mr. President, those of us from oil-producing States are sympathetic with many of the views expressed, and the interest of consumers, but we must not lose sight of the security implications of the oil import program, nor underestimate the dangers of foreign oil interruption,

or above all, destroy our domestic industry.

The present program is far from perfect. There have been abuses and mistakes in its administration, and unquestionably a number of changes can or should be made. Again, as President Nixon stated today, Congress can play a very vital role in recommending changes in the present program.

#### THE PROBLEMS AT COOK COUNTY HOSPITAL

Mr. PERCY. Mr. President, yesterday I told the Senate about the breakdown in food serving the hungry and malnourished in Chicago. Today, I have to report another breakdown that affects these same people in an equally adverse way—the breakdown in health services. Cook County Hospital, the largest hospital serving the medically indigent, has just announced that it cannot admit any more patients except the most critically ill.

The problem which precipitated the crisis is the increase in cases of flu, pneumonia, and frost bite in the Chicago area which has increased the number of inpatients normally served by the hospital from 1,800 to as high as 2,150. But the trouble at Cook County Hospital goes beyond just the simple increase in winter illness. It is a chronic problem that has been developing over a long period of time.

To begin with, Cook County General is approximately 50 percent understaffed. There simply are not enough nurses and technicians to meet the needs of the patients. Lack of facilities and funds have prevented the hospital from attracting the number of medical personnel needed to staff a hospital with 2,200 beds.

In addition, the bureaucratic redtape involved in administering the hospital and expending its funds has contributed to the breakdown.

Until the State, the county, and the governing commission of the hospital untangle the legal problems involved in the allocating of funds for the hospital, the crisis cannot be alleviated.

Finally, the number of outpatients that come to Cook County for care has also contributed to the severity of the problem. Because there are not other outpatient facilities to serve the medically indigent, Cook County must attempt to treat the hundreds of poor that travel as much as several hours to reach the hospital, and then must stand in line nearly half a day before they are treated.

Mr. President, the Cook County situation is not unique. It is indicative of the problem of providing adequate medical care for our poor. Perhaps one of the most promising ways of providing this care is the development of neighborhood health centers which would treat these people in their own neighborhoods and in many cases prevent the need for hospitalization.

Last year, I introduced the Neighborhood Health Center Act which amended Hill-Burton to provide funds for these centers. The Senate Labor and Public Welfare Committee has agreed to this amendment in part.

I feel, however, that a change should be made in the formula for distributing funds for the construction of the health centers. These centers are basically designed to insure the delivery of health care into areas where there are doctor shortages and many less advantaged people. Therefore, the formula for allocating funds should be based on the number of medically indigent within a State or given area.

I intend to vigorously pursue enactment of the amended Hill-Burton Act with the provision for neighborhood health centers.

#### EMPLOYER CONTRIBUTIONS FOR JOINT INDUSTRY PROMOTION OF PRODUCTS

The PRESIDING OFFICER. Two hours having elapsed, the Chair now lays before the Senate the unfinished business, which the clerk will state.

The legislative clerk read as follows:

H.R. 860, an act to amend sec. 302(c) of the Labor-Management Relations Act of 1947 to permit employer contributions for joint industry promotion of products in certain instances.

The Senate resumed consideration of the bill.

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

The PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, in view of the unusual circumstance which has just developed, and for which the distinguished Senator from Wisconsin (Mr. PROXMIER) is not to blame, and with the proviso that this is not to be considered a precedent, I ask unanimous consent that the distinguished Senator from Wisconsin may be allowed to proceed for 3 minutes.

Mr. BYRD of West Virginia. Objection.

The PRESIDING OFFICER. Objection is heard.

What is the will of the Senate?

Mr. WILLIAMS of New Jersey. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILLIAMS of New Jersey. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### MESSAGES FROM THE PRESIDENT

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

#### EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 15931) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1970, and for other purposes, in which it requested the concurrence of the Senate.

#### HOUSE BILL REFERRED

The bill (H.R. 15931) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1970, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

#### EMPLOYER CONTRIBUTIONS FOR JOINT INDUSTRY PROMOTION OF PRODUCTS

The Senate continued with the consideration of the bill (H.R. 860) an act to amend section 302(c) of the Labor-Management Relations Act of 1947 to permit employer contributions for joint industry promotion of products in certain instances.

#### PRIVILEGE OF THE FLOOR

Mr. WILLIAMS of New Jersey. Mr. President, I ask unanimous consent that during the debate on H.R. 860, the members of the staff of the Committee on Labor and Public Welfare be allowed floor privileges without the usual limitation as to number.

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

Mr. WILLIAMS of New Jersey. Mr. President, the bill H.R. 860 is a bill designed to amend section 302(c) of the Labor-Management Relations Act in order to permit employers to contribute to product promotion trust funds to be jointly administered by management and labor.

Under the law as it now stands, employers may contribute to trust funds administered by themselves for the purpose of product promotion; they may bargain with their employees over the establishment of such a trust fund; they may even agree with their employees to make the trust fund part of the collective bargaining agreement; however, employers may not contribute to trust funds which are to be jointly administered by management and labor.

Let me explain the legislative history leading to the need for this legislation.

In order to eliminate bribery, extortion, shakedowns, sweetheart contracts,

and other corrupt practices, as well as to protect the interests of beneficiaries of lawful employer-employee supported funds, Congress enacted section 302 of the Labor-Management Relations Act. This section prohibits all payments by an employer to the representatives of his employees for any purposes other than those specifically excluded in the act. Because of this method of drafting, for many years it was unlawful for employers to make contributions to jointly administered trust funds for purposes of pooled vacations, for holiday and severance pay, and training programs, as well as for the purpose of establishing child day-care centers and scholarships for employees and families of employees. Since the enactment of the basic statute, Congress has had to enact several amendments to permit labor and management to administer trust funds for such worthy purposes as those I have just enumerated. I believe there are seven such jointly administered trust funds. Indeed, Congress this year enacted an amendment to section 302(c) to permit the establishment of jointly administered trust funds for purposes of child day-care centers and scholarships. Today we have before us a similar amendment. Its purpose this time is to permit labor and management, where they choose, to establish jointly administered trust funds for the purposes of product promotion.

Lawful purposes to which funds can now be put are presently enumerated in section 302. They include funds for medical or hospital care, pensions for retirement or death of employees, compensation for injuries or illness resulting from occupational activity, unemployment benefits, life insurance, disability and sickness insurance, or similar benefits, and apprenticeship or other training programs. Recent court decisions, however, have held that employer contributions to product promotion programs administered jointly by trustees representing labor and management were not permitted under section 302 since they were not specifically mentioned in that section. This represents an incongruity, for it is clear that product promotion trust funds and collective bargaining about such trust funds are presently lawful. In fact, there are thousands of such funds in existence today. Many of these are incorporated into collective bargaining agreements. Many are even financed through the collective bargaining mechanism, pursuant to an agreement under which employers may contribute 1 or 2 cents per man per hour. Therefore, it is clear that such trust funds are not proscribed by public policy considerations. However, it is presently unlawful for labor and management to jointly administer such programs.

The bill, H.R. 860, would merely add another exception to those already existing in section 302. The bill would remove any possible Government interference with the free collective bargaining process, and would preclude the Government from saying to management and labor that they cannot establish programs which they deem to be to their mutual advantage. All the bill would do would

be to permit labor and management, where they so choose, to establish a jointly administered trust fund for purposes of product promotion.

In recognition of the fact that section 302 was designed to outlaw corrupt practices that conceivably could arise from payments by employers to representatives of employees, this bill contains numerous safeguards which are not applicable to unilaterally administered trust funds. For example, it provides that contributions must be made to a separate fund established to carry out the specifically authorized purpose. It also provides that no assets held by the fund may be used for any other purpose, nor may they be commingled with other funds. They may not be used to defray the costs of programs that are employer or labor organization functions. Furthermore, provisions of present laws that require reporting and disclosure of welfare and pension funds are made applicable to trust funds established under this section.

Additionally, no labor organization or employer can be required to bargain on the establishment of any such trust fund, and the refusal to bargain on such establishment will not constitute an unfair labor practice.

H.R. 860 is similar, indeed it is almost identical, to the child day-care bill enacted last session in that it permits, and I emphasize that, it permits bargaining on specified trust funds, and permits employer contributions to such funds.

Mr. President, in order to completely understand the need for this legislation, my colleagues should be aware of the principal proponents that came forward in support of this bill. The impetus for consideration of this legislation comes not just from the Building Trades Department of the AFL-CIO. It comes as well from several management groups in the building trades industry. Both labor and management have come to Congress, as indeed they must, in this situation, to request that Congress authorize those groups to enter into agreements to jointly administer product promotion trust funds.

If Congress does not enact this legislation those labor and management groups that wish to enter into such agreements will not be permitted to do so.

For these reasons, Mr. President, the bill that comes before the Senate today is a bill that has been under consideration for many years both in the Senate as well as in the other body. This is a bill that already has been voted on favorably this session in the other body.

I urge the passage of H.R. 860.

Mr. PROUTY. Mr. President, I rise in support of H.R. 860, a bill to permit employer contributions for joint industry promotion of products. This bill is identical to S. 1369, of which I am a cosponsor, which was reported to the Senate from the Committee on Labor and Public Welfare on January 28, 1970.

This bill amends section 302(c) of the National Labor Relations Act. Section 302(c), Mr. President, by way of background, presently enumerates seven specific areas where trust funds may be administered jointly by trustees representing both labor and management.

The proposed legislation before the Senate adds an eighth exception where this will be permitted; namely, where moneys are paid into trust funds jointly established and administered by representatives of labor and management for product promotion programs.

I emphasize the word "permit," Mr. President, as there is nothing in this bill which would require the employer to agree to joint trustees or which would prevent him from bargaining for a trust fund which would continue to be administered unilaterally by management representatives. It would merely authorize the joint administration of these funds in instances where a union and an employer in the construction industry reach accord on the desirability of following such procedure through the processes of free collective bargaining.

This subject, however, will be a permissive rather than mandatory bargaining subject under this amendment. Thus, no party can be required to bargain either over whether such a fund shall be established or over whether it shall be administered jointly or unilaterally, and a refusal to bargain on these subjects by either party can in no circumstances be found to constitute an unfair labor practice under the provisions of the National Labor Relations Act.

I ask unanimous consent to include at this point in the RECORD a letter which I have received from C. J. Haggerty, president of the Building and Construction Trades Department of the AFL-CIO, which I think is a very effective argument in support of the proposed legislation.

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

BUILDING AND CONSTRUCTION  
TRADES DEPARTMENT,  
Washington, D.C., February 13, 1970.

HON. WINSTON L. PROUTY,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR PROUTY: We strongly urge your support for S. 1369, which will soon be considered by the Senate. This is a very meritorious measure and would simply permit the joint administration by labor and management of trust funds for the promotion of products in the construction industry if both voluntarily agree.

On January 27, 1970 the House passed H.R. 860, a companion bill to S. 1369. This is the third time the House has passed this legislation, having approved a similar bill in 1965 and again in 1968. Each time, just prior to adjournment, the full Senate Labor Committee failed to get a quorum to report the bill. This year, however, the Senate Committee has reported S. 1369.

Jointly administered product promotion programs were tested for many years. They proved to be of great benefit, not only to employees and employers of the industries directly involved, but also to many segments of the community.

It should be emphasized that the programs encompassed by S. 1369 and H.R. 860 have not been proscribed as a matter of public policy, but rather by the nature of the drafting of section 302 of the Labor-Management Relations Act. The Ninth Circuit Court of Appeals stated in *Cement Masons v. Paramount Plastering* (310 F.2d 179):

"We do not quarrel in the slightest with the laudable objectives of the trust amicably created by labor and management in this case. We sympathize with the efforts of both labor and management to solve a vexing industry problem. \* \* \*

"But like so many of such present-day problems, our duty is to rule in accordance with that which the Congress in its wisdom has seen fit to enact. We cannot widen the door when the door sill has been carefully tailored by the representatives in Congress. The relief sought by the appellants herein must be found in congressional and not judicial action."

Administration of promotion programs in the construction industry is not solely a management prerogative when they are provided for in a collective bargaining agreement. It takes two parties to consummate an agreement. It is the responsibility of both labor and management to see that provisions of the agreement are carried out.

Monetary provisions in a collective bargaining agreement relating to promotion programs are considered by employees to be an integral part of their wages, the same as are similar fringe benefits for apprenticeship programs, health and welfare funds and other programs specifically authorized under section 302(c) of the Labor-Management Relations Act.

In fact, the one or two cents per man-hour which go into existing unilaterally administered promotion programs are reported to the Internal Revenue Service as a labor cost or business expense; this is the only reporting requirement under existing law for unilaterally administered programs.

Under S. 1369, jointly administered funds would have to report to the Department of Labor in accordance with the Welfare and Pension Plans Disclosure Act. Thus the bill provides a safeguard which insures that contributions to jointly administered programs will be spent for the purpose for which they were intended.

The issue is simply, should the Federal Government interfere with the free, private negotiations between labor and management to develop mutually beneficial joint programs which no public policy proscribes. With the abundance of safeguards provided in S. 1369 for the protection of such funds, the answer is clearly that the Congress should not say to labor and management that, in their wisdom, they cannot establish programs which they deem to be to their mutual advantage and which would be in the public interest.

The trust funds permitted by S. 1369 would be a permissive and not a mandatory subject of collective bargaining. If an employer or his employees don't wish to set up such a fund, they could simply refuse to bargain about the subject.

On behalf of our 17 affiliated national and international unions, and the over three and one-half million building tradesmen they represent, we urge your vote in favor of S. 1369.

Sincerely,

C. J. HAGGERTY,  
President.

Mr. GRIFFIN. Mr. President, I rise to voice my opposition to the pending legislation. This is the wrong bill at the wrong time, particularly because the Nation is deeply concerned about the rapidly rising costs in connection with the construction in general and low income housing in particular.

I wish to indicate to the Senate that at the appropriate time I intend to make a motion to recommit the bill to the Committee on Labor and Public Welfare, and I expect to ask for a vote at that time.

The pending bill would authorize unions in the building and construction industry to administer jointly funds set up for the promotion of products and uses of products in the construction industry.

Mr. WILLIAMS of New Jersey. Mr. President, I dislike to interrupt, but will the Senator yield? I thought I heard the Senator say the bill would require that.

Mr. GRIFFIN. No, it would permit or authorize. If I said "require," I will correct the record.

It would authorize unions to negotiate and, through collective bargaining, to gain joint control, in effect a veto power, over the use of promotion funds in the construction industry.

Mr. President, in a sense, this is about as logical as it would be to provide that management could have joint control over the expenditure of union dues. The expenditure of union dues is obviously a function of the representatives of organized labor, representing the rank and file union members.

There is, and always has been, an important separation of the functions of management and unions, and the integrity of the collective bargaining system involves a recognition of that separation.

Management should not be involved in decisions that are union decisions, and unions should not be involved in decisions that are the prerogative or responsibility of management.

Unions represent employees in collective bargaining with regard to their wages, hours, and working conditions. That is what the Taft-Hartley law appropriately provides.

When it comes to the way a company is going to advertise its product or pro-

mote its product, that is primarily, and always has been recognized as primarily, a management prerogative—not that workers are not affected by management decisions. Without doubt they are, just as management is affected by union decisions. But the integrity of the collective bargaining system requires an appropriate separation of the two functions.

The additional strength which this bill gives to the unions in the building and construction industry can be minimized, perhaps, but it is adding by law additional strength to unions in an industry where labor is not in need of such assistance.

Mr. President, last year there was a very disturbing and alarming round of wage increases in the construction industry; disturbing in the pattern that was set and what those wage increases meant in terms of the cost of housing.

I want to say for the record that I fully support the objectives of any union to bargain vigorously for, and to demand increases which keep its membership abreast of the cost of living and to provide for legitimate sharing in any increases in productivity. Any union which has the responsibility of representing workers and does not seek those objectives would not be performing its function. But, some unions in this industry have enforced demands upon contractors which go far beyond any legitimate demands based on productivity and the cost of living.

A national magazine, in September of 1969, in an editorial had this to say:

It is a matter of national concern that the settlements in construction, which represents 14 percent of the gross national product and employs 7½ percent of the work force, are forcing building costs up at a rate of 9 percent a year. And that in the thousands of contracts that will be negotiated this year there will be hardly a single concession that will lead to increased productivity. But, even more ominous, the construction contracts, won in special circumstances by murderous bargaining power, are generating pressures in the rank and file of the industrial unions for similar exorbitant increases.

The article goes on:

The inflationary settlements recently made in New York demonstrate that a handful of powerful business agents, representing a small number of workers, can set in motion a wage pattern for industries employing millions. When New York construction contracts expired this year, the unions picked off the employers' associations one by one. The sheet-metal workers, after a six-week strike, won a wage and fringe benefit contract that calls for a 50 percent increase over the next three years (up to \$11.72 an hour, or \$23.44 an hour for overtime). The carpenters got a 45 percent increase that will bring wage and benefit costs to \$11.08 an hour in 1971; after thirty-five hours, the overtime pay will be \$22.16 an hour.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD a table showing statistics concerning the major wage settlements in 1969, State by State, in the building and construction industry.

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

MAJOR WAGE SETTLEMENTS—1969

	Occupation	Days on strike	Current rate	Increases	Final rate	Annual percent increase
Arizona: Statewide	Plumbers		\$6.41	\$3.25/3 years	\$9.66	16.9
California:						
Los Angeles	Painters		4.155	3.15/5 years	7.305	15.1
San Diego	Sheet metal workers	47	6.62	3.00/3 years	9.62	15.1
Colorado:						
Denver	Bricklayers		5.25	4.00/3 years	9.25	25.3
Colorado Springs	do	25	5.17	2.90/3 years	8.07	18.6
Connecticut:						
Bridgeport	Carpenters	28	4.59	3.11/3 years	8.70	18.0
	Plumbers	70	5.95	3.40/3 years	9.35	19.0
Central	Painters	40	4.85	3.45/3 years	8.30	23.7
Hartford	Bricklayers		6.14	3.30/3 years	9.44	17.9
	Carpenters	24	5.59	3.08/3 years	8.67	18.0
	Roofers	29	5.57	3.05/3 years	8.62	18.0
New Britain	Bricklayers		6.14	3.30/3 years	9.44	17.9
	Carpenters	24	5.59	3.08/3 years	8.67	18.0
Southern	Roofers	11	6.04	3.30/3 years	9.34	18.2
Statewide	Iron workers	50	6.62	4.06/3 years	10.68	20.4
Willimantic	Carpenters	24	5.59	3.08/3 years	8.67	18.0
Delaware:						
Statewide	Tile setters	84	4.975	3.75/3 years	8.725	25.1
Wilmington	Bricklayers	67	5.70	3.75/3 years	9.45	21.9
	Carpenters	60	5.25	2.60/2 years	7.85	24.5
	Laborers		3.55	2.15/2 years	5.70	30.0
	Millwrights	45	5.625	2.90/2 years	8.325	25.7
	Painters	28	4.715	1.50/2 years	6.215	15.9
	Stone masons	75	5.70	3.75/3 years	9.45	21.9
District of Columbia:						
	Carpenters	42	5.18	2.75/3 years	7.93	17.0
	Cement masons	8	4.99	2.75/3 years	7.74	18.4
	Laborers		3.55	2.75/3 years	6.30	25.8
	Lathers	18	5.555	3.00/3 years	8.555	18.0
	Operating engineers		5.625	2.75/3 years	8.375	16.2
	Plasterers		5.495	3.00/3 years	8.495	18.1
Florida:						
Jacksonville	Operating engineers		4.88	2.25/3 years	7.13	15.4
Miami	Carpenters		5.62	2.85/3 years	8.47	16.9
	Iron Workers	5	5.83	3.00/3 years	8.83	17.1
	Laborers		3.65	2.50/3 years	6.15	22.8
	Operating Engineers		5.15	2.81+1/3 years	7.96	18.9
Tampa	Carpenters	21	4.375	2.25/3 years	6.625	17.1
	Laborers	20	2.80	2.00/3 years	4.80	23.6
West Palm Beach	Bricklayers		5.00	2.40/2 years	7.40	24.0
Georgia:						
Atlanta	Carpenters		5.215	1.80/2 years	7.015	17.2
	Sheet metal workers		5.40	2.80/3 years	8.20	17.2

## MAJOR WAGE SETTLEMENTS—1969—Continued

	Occupation	Days on strike	Current rate	Increases	Final rate	Annual percent increase
<b>Illinois:</b>						
East St. Louis	Laborers	12	\$4.60	\$3.25/4 years	\$7.85	17.6
	Iron workers	20	6.27	2.85/3 years	9.12	15.1
Joliet	Lathers		5.775	3.00/3 years	8.775	17.3
	Plasterers		5.775	3.00/3 years	8.775	17.3
	Bricklayers		6.10	3.05/2 years	9.15	24.9
	Cement masons		5.96	2.95/2 years	8.91	24.7
	Iron workers		6.80	2.75/2 years	9.55	20.1
Moline	Laborers		4.75	.72/1 year	5.47	15.1
North Central	do	62	3.78	1.73/2 years	5.51	22.5
Rock Island	do	17	4.255	2.10/3 years	6.355	16.4
	do	62	3.78	1.73/2 years	5.51	22.5
<b>Iowa:</b>						
Cedar Rapids	Sheet metal workers	59	5.20	2.40/3 years	7.60	15.3
Council Bluffs	Electricians		6.00	2.12/2 years	8.12	17.6
	Sheet metal workers	57	4.88	3.075/3 years	7.955	21.0
Davenport	Glaziers		4.96	2.50/3 years	7.46	16.7
Dubuque	Laborers	62	3.78	1.73/2 years	5.51	22.5
	Plumbers	60	5.05	1.84/2 years	6.89	18.9
Fort Dodge	Sheet metal workers		4.85	2.65/3 years	7.50	18.1
Iowa City	Laborers		2.65	.80/25 months	3.45	15.1
	Carpenters		4.475	1.40/2 years	5.875	15.6
Mason City	Painters		3.60	.60/1 year	4.20	16.6
Waterloo (outside Black Hawk Company)	Roofers		3.40	.70/1 year	4.10	20.6
	Laborers		1.75	1.35/3 years	3.10	25.7
Bettendorf	do	62	3.78	1.73/2 years	5.51	22.5
<b>Kansas:</b>						
Junction City	Carpenters		3.95	1.51/2 years	5.46	18.9
Manhattan	do		3.95	1.505/2 years	5.45	18.9
Salina	Laborers		2.20	.975/2 years	3.175	22.1
Topeka	Operating engineers		4.70	1.62/1 year	6.325	34.5
	Sheet metal workers		5.05	3.30/3 years	8.35	21.7
	Tile setters		4.25	2.55/3 years	6.80	20.0
Maryland: Baltimore	Iron Workers	25	5.60	2.55/3 years	8.15	15.1
<b>Massachusetts:</b>						
Boston	Electricians		5.67	3.25/3 years	9.92	16.2
	Carpenters	42	5.95	2.85/37 1/2 months	8.80	15.8
Eastern	Laborers		4.30	2.25/3 years	6.55	17.4
Fitchburg	Carpenters		5.30	3.50/3 years	8.80	22.0
Pittsfield	do	49	5.00	2.90/3 years	7.90	19.5
	Laborers	49	4.155	2.00/3 years	6.155	16.1
<b>Michigan:</b>						
Detroit	Iron workers		7.13	1.47/1 year	8.60	20.6
	Boilermakers	44	6.935	2.555/2 years	9.49	18.4
Grand Rapids	Floor layers		5.70	.97/1 year	6.67	17.0
Lansing	Laborers		4.01	1.00/1 year	5.01	24.9
Saginaw	do		4.38	1.00/1 year	5.38	22.8
<b>Minnesota:</b>						
Minneapolis-St. Paul	Carpenters		5.38	2.85/3 years	8.23	17.6
	Cement masons		5.35	2.85/3 years	8.20	17.5
	Ironworkers		5.60	2.85/3 years	8.45	17.0
	Laborers		4.40	2.60/3 years	7.00	19.5
	Operating engineers		5.60	2.85/3 years	8.45	17.0
Plumbers		5.86	1.00/1 year	6.86	17.0	
<b>Mississippi:</b>						
Gulfport	Laborers		2.60	1.25/3 years	3.85	16.0
Hattiesburg	do		2.10	1.55/3 years	3.65	24.5
<b>Missouri:</b>						
Kansas City	Iron workers	120	5.15	3.85/3 years	9.00	24.6
	Painters	105	4.74	3.18/3 years	7.92	22.3
	Sheet metal workers	55	5.495	3.95/3 years	9.445	23.8
<b>Nebraska:</b>						
Lincoln	Laborers		3.35	1.75/3 years	5.10	17.4
Omaha	Roofers	28	3.90	2.20/26 months	6.11	26.0
	Sheet metal workers		5.00	3.00/3 years	8.00	20.0
Nevada: Las Vegas	do	20	6.85	3.25/3 years	10.10	15.8
<b>New Hampshire:</b>						
Concord	Plumbers		4.65	1.75/1 year	6.40	37.8
Hanover	Laborers	30	3.20	1.55/3 years	4.75	16.0
<b>New Jersey:</b>						
Atlantic City	Carpenters		6.00	3.20/3 years	9.20	17.7
Atlantic-Camden	do		6.00	2.90/3 years	8.90	16.2
Bergen-Passaic	Bricklayers	49	6.50	3.20/3 years	9.70	16.4
Burlington	Carpenters		6.175	3.20/3 years	9.375	17.2
Camden	Cement finishers		5.90	2.80/3 years	8.70	15.8
	Laborers		4.45	2.25/3 years	6.70	16.9
Dover	Bricklayers	60	6.50	3.00/3 years	9.50	15.3
New Mexico: Eastern	do	36	4.88	1.80/2 years	6.68	18.2
<b>New York:</b>						
Binghamton	Carpenters		4.99	2.25/3 years	7.24	15.0
	Glaziers	17	3.85	2.25/3 years	6.10	19.4
	Painters	16	4.58	2.25/3 years	6.83	16.3
	Roofers	50	5.00	3.00/3 years	8.00	20.0
	Terrazzo workers		4.35	2.25/3 years	6.60	17.2
Buffalo	Bricklayers		6.32	3.35/3 years	9.67	17.0
	Carpenters		6.135	3.35/3 years	9.485	17.2
	Cement masons		5.96	3.35/3 years	9.31	18.0
	Electricians		6.51	3.40/3 years	9.91	17.3
	Iron workers		6.14	3.35/3 years	9.49	17.0
	Laborers		5.235	3.35/3 years	8.585	21.0
	Operating engineers	50	6.135	3.35/3 years	9.485	18.1
	Sheet metal workers	15	6.05	3.60/3 years	9.65	19.8
	Teamsters		5.045	3.35/3 years	8.395	23.0
	Carpenters		7.61	3.44/3 years	11.05	15.0
New York	Lathers		7.125	3.50/3 years	10.625	16.4
	Operating engineers		7.66	3.50/3 years	11.16	15.2
	Sheet metal workers	40	6.15	3.78/3 years	9.93	20.4
	Laborers	14	5.145	1.00/1 year	6.145	19.4
Niagara Falls	Asbestos workers		5.94	1.19/1 year	7.13	20.0
Rochester	Carpenters		5.66	1.00/1 year	6.66	17.6
	Laborers		3.15	1.05/2 years	4.20	16.6
<b>North Dakota: Fargo</b>						

	Occupation	Days on strike	Current rate	Increases	Final rate	Annual percent increase
Ohio: Cincinnati	Asbestos workers		\$5.595	\$2.16/18 months	\$7.755	26.0
	Glaziers	20	5.50	2.75/3 years	8.25	16.6
Pennsylvania:						
Altoona-Johnstown	Bricklayers		5.975	3.005/3 years	8.98	16.4
Johnstown	Cement finishers		4.60	2.35/3 years	6.95	17.0
Philadelphia	Carpenters		5.58	2.71/2 years	8.29	24.2
	Plumbers		6.515	3.35/3 years	9.865	17.1
	Steamfitters		6.515	3.35/3 years	9.865	17.1
State College-Altoona	Carpenters	16	5.35	2.99/3 years	8.34	18.5
York	Bricklayers		5.00	2.75/3 years	7.75	18.2
	Carpenters		4.29	1.90/2 years	6.19	22.2
	Cement Finishers		4.40	1.70/2 years	6.10	19.3
Texas:						
Abilene area	Iron Workers		4.40	1.375/2 years	5.775	15.6
Austin	Plumbers	10	4.75	2.25/3 years	7.00	15.7
Beaumont-Orange	Laborers	10	3.25	1.50/3 years	4.75	15.3
Houston	do.	8	3.20	1.65/3 years	4.85	17.1
Waco	Roofters		3.05	.95/18 months	4.00	20.6
Wichita Falls	Bricklayers		4.90	1.75/2 years	6.65	17.9
Utah: Statewide	Plasterers		5.20	2.35/3 years	7.55	15.0
	Cement masons		5.20	2.35/3 years	7.55	15.0
West Virginia:						
Charleston	Lathers		4.875	1.90/2 years	6.775	19.5
	Plasterers		4.75	2.00/2 years	6.75	21.0
Clarksburg	Electricians		5.00	2.00/2 years	7.00	20.0
Wisconsin:						
Eau Claire	Laborers	45	3.85	1.45/2 years	5.30	18.9
River Valley area	Carpenters	60	4.50	2.10/2 years	6.60	15.5
	Laborers	60	3.90	1.50/2 years	5.40	19.2
	Millwrights	60	4.75	2.10/2 years	6.85	22.2

Mr. GRIFFIN. Mr. President, I referred to an editorial which appeared in the September 1969 issue of Fortune. It concludes with this language:

No workingman, blue collar or white, gains anything at all from monopoly union practices in a key industry. These only rob him of his higher right to share in the growth of a productive and efficient economy.

I ask unanimous consent that the full text of the editorial be printed at this point in the RECORD.

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

**BREAKING UP A LABOR MONOPOLY**

The latest round of wage increases in the construction industry signals once again that something drastic must be done to bring this conglomeration of monopolies back to economic reality before it wrecks us all. It is a matter of national concern that the settlements in construction, which represents 14 percent of the gross national product and employs 7½ percent of the work force, are forcing building costs up at a rate of 9 percent a year. And that in the thousands of contracts that will be negotiated this year there will be hardly a single concession that will lead to increased productivity. But, even more ominous, the construction contracts, won in special circumstances by murderous bargaining power, are generating pressures in the rank and file of the industrial unions for similar exorbitant increases.

The inflationary settlements recently made in New York demonstrate that a handful of powerful business agents, representing a small number of workers, can set in motion a wage pattern for industries employing millions. When New York construction contracts expired this year, the unions picked off the employers' associations one by one. The sheet-metal workers, after a six-week strike, won a wage and fringe benefit contract that calls for a 50 percent increase over the next three years (up to \$11.72 an hour, or \$23.44 an hour for overtime). The carpenters got a 45 percent increase that will bring wage and benefit costs to \$11.08 an hour in 1971; after thirty-five hours, the overtime pay will be \$22.16 an hour.

While the skilled trades were negotiating, the teamsters were waiting in the wings with the most potent weapon of all. They represent

the drivers in the construction industry and can halt construction overnight by refusing to deliver mixed concrete. So the builders were forced to appease the teamsters with a 48 percent increase, which ultimately comes to \$112 a week after three years. In a candid comment, Joseph Trerotola, director of the Eastern Conference of Teamsters, said, "Most of labor will look with envy on this package and set their sights on getting the same."

It didn't take long for other officers of the teamsters to get the message; the union's airline division, which represents clerical workers, struck Pan American for four days and won a 37 percent increase over three years. Other unions in the transportation industry will now be forced to equal or better the teamsters' contract. Next year, the teamsters will bargain for some 450,000 over-the-road drivers, and they can hardly be expected to settle for less than the New York local's package.

**TIME FOR ANTITRUST**

The builders themselves can take much of the blame for the irrational bargaining system because they pursue a cost-plus approach that inevitably leads to exorbitant increases. As "The Big Boondoggle at Lordstown" shows they are often pressured by customers to finish a building on schedule at all costs. Only now is the industry banding together in regional units to present a united front to the unions. This is progress of a sort, but regional bargaining will never be effective until the unions agree to common expiration dates for all contracts—and it is not likely that they will readily offer up the whipsaw advantages of staggered contracts.

Three groups—the National Association of Manufacturers, the Chamber of Commerce, and a number of top corporation executives headed by former Chairman Roger Blough of U.S. Steel—are attempting to come up with some answers to the problems posed by the construction unions. Their recommendations include a revision of existing federal laws to prevent secondary boycotts and to protect management's right to introduce labor-saving methods and materials. They want the unions' medieval apprenticeship system changed to a realistic new job-training program that would allow minorities full participation in a growing industry. None of these recommendations is new, and all will be fought bitterly and powerfully by the Building Trades Department of the A.F.L.-C.I.O.

Perhaps it's time for the reform groups, and the construction industry itself, to press for action under the antitrust laws. The courts have tended to hold that unions are immune from antitrust regulation unless they conspire with employees to fix markets and prices. There is certainly an element of that in what is going on—enough to justify the Antitrust Division (so venturesome in other fields, see below) in bringing some suits. But beyond this there is need for amending or reinterpreting the law so that employers and/or government can resist what amounts to clear-cut union restraint of trade. In classic antitrust fashion, the construction unions interfere with price competition by setting wages while they prevent entry of new companies into construction by controlling the labor market.

There is no reason in the world for such a proposal to send the rest of labor into delirium tremens. The collective-bargaining rights of labor are well embedded in the law, and in the unwritten economic constitution of the land as well. No workingman, blue collar or white, gains anything at all from monopoly union practices in a key industry. These only rob him of his higher right to share in the growth of a productive and efficient economy.

Mr. GRIFFIN. Mr. President, by allowing unions in the construction industry to exercise joint control with management over the use of product promotion funds, without contributing any money to the funds, the efforts of industry to develop new technology and new techniques in the building and construction industry could be seriously retarded.

To indicate that this concern is not without substance, when hearings on similar legislation were held in 1968 before the House Committee on Labor, Mr. David Barr, general counsel of the Brotherhood of Painters, testified for the bill and voiced his concern about the development of new technology. His testimony includes this sentence:

Advances in prefabrication and technology have and will continue to have severe adverse impacts on this affiliate. We feel strongly that this threatened attrition can be warded off at least in part by an effective promotion program.

Obviously, unions and union members have a legitimate right to be concerned about their jobs and about work in their industry. But, at the same time, it has always been traditionally recognized as a function of management to provide for research and advances in technology and to promote the product as well as developing cheaper ways of producing the product. The union's responsibility and function have been in the area of negotiating for wages, hours, and working conditions.

This bill, Mr. President, takes a step backward at a time when we face, as a nation, a very serious economic situation. If anything, this Congress is not meeting its responsibilities by failing to consider legislation which would provide some remedies in a different direction.

I think, without question, that there are areas of our economy where there is no equality at the bargaining table, where the collective bargaining process is not meaningful. We know this. Indeed, in the building and construction industry I think we have an example where this is true. There are those who would advocate the application of antitrust principles to labor organizations. While I am the first to recognize, as a lawyer, that the Sherman antitrust law as written could not be appropriately applied to labor organizations, nevertheless, I believe that some of the principles which seek to restrain monopolistic business practices at least should be considered and perhaps applied to labor organizations. At present we have a situation in which Congress is not even considering this serious problem.

Aside from those concerns, I also am disturbed about the legislation because it does not provide adequate protection for the funds. It is true, as the Senator from New Jersey (Mr. WILLIAMS) has pointed out, that there is language in the bill that would provide for reporting under the Welfare and Pension Disclosures Act, insofar as the sums are concerned which would be set up and jointly administered. But there are no fiduciary responsibility provisions. There is no fiduciary law that would protect the funds. The only thing required is that the reports under the Welfare and Pension Disclosures Act would have to be filed, but if an unscrupulous labor leader set up such a fund by collective bargaining and put himself and his wife on the payroll at some exorbitant salary, there would be no violation of section 302.

Assistant Secretary of Labor Usery testified on the bill and expressed similar concerns. He recommended that the bill not be passed until adequate study was given to the various types of funds which are of joint concern to labor and management. He recommended that if Congress were to pass legislation along this line, there should be a provision for fiduciary safeguards on the operation of such funds, and that there should be established a meaningful reporting system for the funds, separate and apart from the requirements for welfare and pension funds under existing legislation.

Mr. President, at this point, I ask unanimous consent to have printed in the RECORD the statement submitted to the Committee on Labor and Public Wel-

fare by Assistant Secretary of Labor Usery.

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

STATEMENT OF HON. W. J. USERY, JR.

Mr. Chairman and Members of the Subcommittee:

I appreciate this opportunity to express the views of the Department of Labor on proposed amendments to section 302(c) of the Labor Management Relations Act.

The proposed amendments would:

(1) Permit contributions by employers in the construction industry to funds jointly administered by labor and management for (a) the promotion of the sale and use of products; or (b) the establishment of joint boards to interpret provisions of collective bargaining agreements;

(2) Specifically apply the provisions of section 302(c) (5) (B), and add other safeguards against the misuse of funds or abuse of trust.

Section 302 was enacted more than twenty years ago at a time when our experience with joint trust funds was extremely limited. The legislation was passed in response to a growing concern about the large sums being accumulated in labor management funds and the unusual power and potential abuse inherent in such arrangements.

Section 302 expressly prohibited any payments by employers to representatives of their employees for purposes other than those specified in section 302(c). The basic purposes of this section were to eliminate the possibility of certain corrupt practices and to protect the interests of beneficiaries of lawful employer-supported funds. By enacting a broad prohibition and setting forth specific exceptions Congress impliedly prohibited all other types of arrangements.

The exceptions provided in section 302 relates to medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illnesses resulting from occupational activity, or insurance to provide any of the foregoing, or unemployment benefits, or life insurance, disability or sickness insurance, or accident insurance.

The only changes made in section 302 since 1947 were approved by the Congress in 1959 when payments to trust funds for pooled vacation, holiday, severance or similar benefits, and for apprenticeship or other training programs were added to the list of exceptions. It seems fair to say that there are today many different kinds of funds prohibited by section 302 which would be beneficial to both labor and management and the public in general and to which contributions should be permitted.

The proposed legislation would permit contributions to industry promotion funds and funds to finance joint labor-management boards in the construction industry.

Funds of this nature have received support from labor and management. As the Court of Appeals for the 9th Circuit stated in *Cement Masons v. Paramount Plastering*, 310 F.2d 179 (1962):

We do not quarrel in the slightest with the laudable objectives of the trust amicably created by labor and management in this case. We sympathize with the efforts of both labor and management to solve a vexing industry problem. But like so many of such present-day problems, our duty is to rule in accordance with that which the Congress in its wisdom has seen fit to enact. We cannot widen the door when the door sill has been carefully tailored by the representatives in Congress. The relief sought by the appellants herein must be found in congressional and not judicial action.

The proposed legislation would grant the Congressional relief suggested by the court. In so doing, however, the legislation deals on

a piecemeal basis with a problem that the Congress may wish to consider resolving on a more general basis. The Congress, therefore, might consider a more general approach under which responsible parties would be permitted to make their own arrangements in this area with adequate safeguards for beneficiaries.

Although both of these bills have merit, they also raise serious questions as to the wisdom of a piecemeal approach to amending section 302(c). No broad study of the wide range of activities (other than welfare and pension plans) which are presently conducted jointly by employers and unions and financed in part by employers, has ever been made. We know little of the financing, administration, objectives, accounting and reporting practices, or size of such funds. Under these circumstances, we are unable to predict the likelihood of abuses or the additional protections which may be necessary.

Although industry promotion is clearly a laudable purpose, considerable opposition to joint management of such funds has been expressed primarily because of a fear that unions might prevent desirable improvements in construction methods and materials and that jurisdictional disputes would be increased. There has also been some objection raised to funding joint boards and committees because of a fear of increased expense of arbitration and more frequent work stoppages.

Accordingly, I propose that an in-depth study be undertaken of all types of funds which are of joint concern to management and labor. By studying such things as recreation centers, and promotion funds established pursuant to collective bargaining agreements, we may identify those characteristics typical of desirable funds and those characteristics requiring individual attention to assure proper handling.

We may find there is no potential for abuse or need for precautions. It is quite probable that the Government—so long as the rights and interests of beneficiaries and the public are protected—will not wish to substitute its judgment for that of the parties as to what joint projects or funds are permissible.

In sum, Congress may wish to avoid the need to predict the direction of future changes in fringe benefits by passing general legislation which would:

(1) Give broad approval to the establishment of jointly-administered funds for desirable purposes only generally identified, and

(2) Provide for fiduciary safeguards on the operation of such funds, and

(3) Establish a meaningful reporting system for these kinds of funds separate from that provided for welfare and pension funds by the WPPDA.

Accordingly, we believe that this study should be conducted and action on this legislation should be postponed pending its completion. However, if action is taken, I recommend that additional safeguards, including criminal sanctions for theft and embezzlement, and offering or accepting kickbacks, be added to the sanctions in the bill and that the Secretary of Labor be given specific authority to issue regulations as to what documents and reports must be published. Also, the bill should be amended to expressly authorize the Government to bring suits to enjoin violations. I should be glad to submit appropriate language to make these changes.

Thank you for this opportunity to discuss my views on this legislation.

Mr. GRIFFIN. Mr. President, I also ask unanimous consent to have printed in the RECORD an article which was published in the May 23, 1969, edition of Time magazine entitled "The Scandal of Building Costs," and that a number of other articles focusing on the tremendous, fantastic, and alarming increase in wage rates in this particular

industry, and what they mean in terms of the economy as a whole and the threat to inflation, also be printed in the RECORD.

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

#### THE SCANDAL OF BUILDING COSTS

Organized labor long ago acquired a stranglehold over the \$85 billion construction industry. That power has not only led to an astronomical rise in building wages but has also enabled unions to load the nation's largest industry with archaic and inefficient methods of operation. As a result, construction costs are climbing so swiftly that they are complicating Washington's struggles to increase the supply of housing and restrain inflation. Last week George Romney, Secretary of Housing and Urban Development, challenged construction-union leaders to adopt reforms. His candor was greeted with boos, jeers and catcalls.

"I want to help you see yourselves as others see you," Romney told 3,000 delegates at a Washington conference of the A.F.L.-C.I.O. Building Trades Department. Then he reeled off the statistics of construction wage settlements which jumped from an average raise of 12.4¢ per hour in 1962 to 49.6¢ per hour last year. The unionists cheered wildly. Next the Secretary admonished them to relax apprenticeship restrictions that deny jobs to Negroes. They booed. When he urged building workers to increase their productivity, they booed again. He advised the unionists to end other practices that raise building costs. More boos.

Reddening but unruffled, Romney continued: "There is nothing more vulnerable than entrenched success. The demand for reform is growing. People are already talking about compulsory arbitration in the building trades."

#### LAGGING OUTPUT

Some of the reasons for such talk are obvious. The cost of housing construction jumped by 10% last year, more than the increase in any other item of family living expenses. Home-building costs went up at an annual rate of 12% during March, the latest month for which statistics have been compiled. At the same time, U.S. housing output has fallen seriously behind the nation's needs. Last year the U.S. built just under eight houses and apartments for every 1,000 people compared with 16 per 1,000 during 1950, the peak year. On a per capita basis, U.S. housing output has fallen from world leadership to a level below Western Europe, Japan and Russia.

#### WIDENING GAP

Including fringe benefits, the average union construction worker now gets paid \$5.91 an hour; in big cities he makes more. Philadelphia carpenters recently won a 23% pay increase, to \$6.85 per hour, to be followed by a further 21% raise next year. Omaha roofers will get a 57% increase over the next two years, and Miami laborers will get a 70% boost over three years. The widening gap between wage rates in construction and manufacturing increases the chances of industrial strikes. Last year construction wage settlements were more than 3½ times higher than those in oil, trucking and rubber, and five times the increases won by auto and cannery workers.

In fully unionized "contract construction"—factories, stores, high-rise apartments and highways, which account for two-thirds of the nation's annual building bill—labor takes its biggest bite. Employers have small incentive to resist union demands because they expect to pass on the entire cost to clients. Even when they try to hold the line at the bargaining table, the nation's 870,000 contractors are no match for the power of 3,000,000 building-trade workers, who are

tightly organized into 10,000-odd locals by the A.F.L.-C.I.O.'s 18 craft unions. Most contractors are too small to operate efficiently and are so meagerly financed that a long strike can mean bankruptcy; striking workers merely move to high-paying jobs in other cities. Says Frank J. White Jr., executive vice president of the Associated General Contractors of Connecticut: "There is no collective bargaining in construction. They demand and we give."

#### CLOSED RANKS

Wages are high partly because of shortages of skilled craftsmen. Local unions deliberately restrict the number of their members. They keep tight control over apprenticeship programs (average length: four years) and force employers to recruit all their workers through union hiring halls. Unions defend their lofty pay and closed ranks by pointing to the seasonal nature of construction. Once convincing, such reasons are now losing their validity. In Chicago, for example, building-trades leaders admit that most of their members work at least 2,000 hours a year.

Another notorious source of needless construction costs is union opposition to prefabricated components. Contractors once thought that the 1959 Landrum-Griffin Act had barred such make-work practices as illegal boycotts of prefabricated parts. In a 1967 decision, however, the Supreme Court upheld a union's right to prevent the use of pre-fitted doors in order to preserve work traditionally done at the site. The ruling has caused wide repercussions. Plumbers refused to install prefabricated heating equipment at a Ford Motor Co. project until they first dismantled and reassembled all the piping at the plant site. A federal appeals court upheld the right of Manhattan sheet-metal workers to refuse to install an air-conditioning part purchased from a Milwaukee firm. The union insisted that the part be manufactured by its own members.

Although public construction constitutes one-third of the industry's total volume, Washington for years has exerted no pressure to keep labor's power from boosting the Government's building costs. The Nixon Administration recently acted to strengthen federal mediation machinery by centralizing efforts in Washington to solve construction disputes. But many contractors dismiss the move as trivial.

#### POOLED PROJECTS

In an interview last week with TIME Associate Editor Gurney Breckenfeld, Romney laid out the dimensions of the difficulties and proposed some remedies. Said Romney: "We have got to tackle housing's cost problems right across the board—labor, land, money and materials."

Romney has been striving to introduce reforms that will cut costs and stimulate efficiency. His most ambitious effort, started earlier this month, is an attempt to reorganize both the Government's housing program and the industry that serves it. He insists that his plan can add between 250,000 and 350,000 units a year to U.S. housing starts, which are limping along at an annual rate of 1,500,000 and have been declining for three months. Named Operation Breakthrough, the plan calls for states and cities to pool their separate, federally subsidized projects into large-scale "mass markets." The Secretary hopes to attract giant corporations into housing construction and to wring economies from volume production. Localities would have to remove building codes, zoning and other barriers that fragment today's housing market, inhibit innovations and raise prices.

A.F.L.-C.I.O. President George Meany derides "people who build houses with their mouths." "Romney," he says, "has a fixation in his mind that you can turn out houses off a factory line like you can turn out cars." But factory production of houses and room-sized components is an increasingly successful way to offset rising costs—in areas

where unions and local laws allow such industrial methods to be used. U.S. Steel, Boise Cascade, National Homes, Guerdon Industries, Crane Co., Borg-Warner and many other firms have entered the field with ready-to-use rooms, baths or entire house sections.

#### OPENING UP

A considerable overhaul of labor policies molded by the Depression of the '30s is plainly in order. The most urgent need is for the building trades to open ranks and find room for more qualified young men, particularly Negro ghetto dwellers. Toward that end, union hiring halls might be abolished by law and discriminatory apprenticeship requirements sharply reduced. Regional bargaining, such as Ohio contractors have begun, should replace local negotiating.

In many ways, labor's naked show of arrogance toward George Romney reflects a confidence that there is no limit to a contractor's ability to pass on to consumers the soaring costs of construction. Sooner rather than later, the unions may find that they are on a collision course with an aroused public.

[From the Washington Star, July 9, 1969]  
STRIKE IN CALIFORNIA—PLUMBERS ASKING \$21,500

LOS ANGELES.—The man in the overalls who crawls around unstopping the sinks of Southern California says he deserves \$21,500 a year.

That is what a journeyman plumber would make at \$11.48 an hour—including fringe benefits—for a 36-hour week as demanded by the AFL-CIO Plumbers Union, on strike for the last week.

The union is also asking for a 4½-day work week beginning in the third year of a three-year contract.

Plumbers now receive \$5.79 an hour, plus \$2.32 in fringe benefits for a total package of \$8.11. The proposed increase to \$8.20 in wages and \$3.28 in benefits after three years represents an increase in base pay of more than 40 percent.

Management—the Plumbing, Heating and Piping Employers Council—has offered a three-year wage package of \$10.92 an hour for a five-day, 35-hour week.

The union claims new piping methods plus the advent of plastic piping, is putting some plumbers out of work and reducing the work hours of others. Management claims most plumbers are fully employed.

Don Steele of the employers council concedes that plastic plumbing is a legitimate issue.

"Plastic piping can be placed in residences at lower cost than present piping because it's lighter and takes less time to install," he said. "But if it becomes favorably accepted by the construction industry, it'll mean reduced building costs and consequently more construction, which would make more work for the plumbers."

Ray Buckley of the Associated Plumbing Heating and Cooling Contractors, commented:

"New construction is going to be greatly curtailed if this strike continues, even for a short while."

THE WAGES OF BUILDING ZOOM; MUSHROOMING OVERTIME AND RECORD CONTRACT SETTLEMENTS JUMP INDUSTRY COSTS; LABOR SHORTAGE WILL BE AROUND A WHILE

Labor costs in the construction industry are shooting up: Contract settlements have been high all over the country (they'll add an estimated \$6,500 a year to wages of skilled craftsmen in two years), and as a result of the tight labor market overtime work has added heavy extra costs.

Government figures for 1968 show average weekly earnings in construction reached a high \$164.56, as compared with \$122.51 in manufacturing; hourly pay averaged \$4.40 in the building trades, \$3.01 in factories.

But preliminary figures for this June, the latest available, show that average weekly earnings in construction have risen to \$180.18, while the manufacturing average has gone to \$129.65. The \$42.05 gap in weekly earnings between construction and manufacturing in 1968 had thus widened in six months to \$50.53. In part this could be seasonal: June is a busy building month. But it reflects conditions that make construction labor costs a critical problem to Nixon Administration task forces in a fight against inflation.

#### HIGHER LEVELS

The results of negotiations so far have brought a spate of warnings of disaster. Carl M. Halvorson, president of Associated General Contractors of America, cited AGC survey figures showing that in the first wave of 1969 negotiations, wage-fringe increases averaged 13.7% a year, or about 68¢ an hour annually—a rate about double that in 1967 and "substantially higher" than the figure for 1968.

Since then settlements have tended to move progressively to even higher levels, despite pleas for restraint from Labor Secretary George P. Shultz and others in the Nixon Administration. One survey by a contractors group has estimated three-year deals now average about \$3.25 an hour in wages over the contract period—on a basis of 2,000 hours a year of work, that would mean \$6,500 a year more pay in the third year of new contracts.

Typically, midyear settlements have run as high as \$3.40 an hour over three years for electricians in the Buffalo area, \$3.25 over three years (to \$9 an hour) for plumbers in Philadelphia, and \$3.08 to \$3.11 over the same period for carpenters in Connecticut—for the latter, a 20% increase the first year and 55% over the contract period. A spokesman for Associated General Contractors of Connecticut called the carpenters pact in that state "the beginning of a new era of wage and price inflation and economic dislocation in the Northeast, far beyond anything experienced since before wage and price controls were put into effect during the Korean conflict."

#### NATIONAL PATTERN

Bargaining is now at about its peak season for this year. The biggest negotiations of all, in New York City, involving 23 unions and contractors with considerably more than a billion dollars in construction work, erupted recently in a four-union strike after about a dozen unions settled with the Building Trades Employers Assn. for basic gains of about 35% over three years. In the past 12 years, according to BTEA figures, increases in hourly wages of the city's 100,000 building trades workers have been in a range between 68.8% for glaziers and 117% for excavating laborers in New York.

In Atlanta, increases of from 7% to 10% a year ("except for last year, by far the largest we have given," according to AGC of Atlanta) are blamed on the need to keep up with the high level of national settlements, some shortages of workers, and, according to the local AGC director, the determination of unions to get wages up as high as possible in anticipation of wage freezes.

City by city, the picture is about the same. After a 79-day strike by ironworkers and stoppages by painters and laborers, settlements in Houston have ranged from \$1.15 an hour in pay plus fringes over two years for painters or \$1.65 an hour over three years for laborers to a \$2 package for ironworkers over a three-year contract. In Eastern and Central Massachusetts, three-year deals have ranged from 36% for bricklayers to 52% for laborers.

In a number of other cities, Milwaukee and Dallas among them, this is an off-year for construction bargaining. A Milwaukee contractor said builders there are still try-

ing to catch breaths after raises of about 60¢ an hour annually over two years, negotiated in late 1968.

#### SEEKING SOLUTIONS

The problems of big construction settlements are by no means new. The Johnson Administration tried to find solutions for "inflationary" building trades contracts. Now that the Nixon Administration has inherited the problems, it is similarly trying to devise some way—short of controls—of coping with them.

The U.S. Chamber of Commerce has had a task force studying the construction labor cost problem and plans to release findings about Aug. 1, to include proposals for improved bargaining techniques, the end of restrictive practices by unions, and substantial increases in building trades manpower.

The National Assn. of Manufacturers, meanwhile, has released a study on "the chaos in the construction industry." It lists as factors contributing to construction industry problems: "the improper administration of labor agreements and construction work at project sites, the nonavailability of enough skilled craftsmen, and the loss by many contractors of the responsibility for hiring, training, and assigning employees."

The NAM suggests as remedies "strengthening the contractors' bargaining position; increased cooperation among project owners, developers, and contractors; revisions in the National Labor Relations Act and other federal and local laws; and increased teamwork among industry and government at all levels to solve labor problems."

#### CONTRACTORS VULNERABLE

The industry's fractionalized character makes it easy prey for bargaining raids. Most negotiations are local and often employer ranks are far from unified. AGC nationally or its state or local affiliates may have a policy against surrender to "irresponsible wage demands which are not in line with productivity gains and individual output," but most places this is a paper policy only. Individual contractors are highly vulnerable to strikes because of the seasonal nature of work and the need to meet tight performance schedules to avoid heavy penalties: Given the choice between settling (often they can pass along additional costs to builders) and a possible interminable strike, they settle—regardless of AGC, White House or any other urgings to stand firm.

The union with the greatest bargaining power settles; others cash in. Then other settlements elsewhere build up higher.

To the AGC, the solution is wider-based bargaining—regional negotiations to replace local bargaining, perhaps eventually national "pattern" bargaining. But it hasn't been able to muster sufficient grass-roots support for this.

The AGC also has set up a strike insurance program that it hopes will enable contractors to fight off union whipsaw or leapfrog strategies.

#### POWER OF LOCALS

Meanwhile, efforts by the government or AGC to persuade national leader of the building trades unions to exercise more bargaining restraint have run afoul of another local problem—the autonomy allowed construction locals—and the high degree of independence they assume. Building trades demands aren't passed down to be sought uniformly in all bargaining, but are formulated and struck for locally.

Those for whom buildings are being erected are a problem, too, contractors say. In Ohio, a major manufacturer set such a fast, tight construction schedule that contractors and subcontractors found it necessary to hire at premium rates and with big overtime guarantees—passing the higher costs along to the manufacturer. "It was a one-shot deal for him," a contractor said. "He didn't give a damn about the extra costs if it meant get-

ting his buildings quick. But the wage structure and overtime guarantees affected everybody else. Labor costs were pushed up."

In another and current situation, a contractor with a tight schedule and the ability to pass costs along is scheduling 70-hour weeks—loaded with as much overtime as a worker wants. To dam a drain of their skilled workers, others also have had to schedule overtime—whether they can avoid it or not and whether or not they can pass on the costs.

#### RELIEF YEARS AWAY

Ordinarily, labor cost is a reflection of wages and fringes, but in this tight labor market overtime work is swelling the cost figure: the contract might show a \$6-an-hour rate but substantial overtime at \$9 or \$12-an-hour (weekends) can boost the hourly earnings figure to \$10 an hour or more. A \$100-a-week regular rate can be boosted by overtime to \$300 or more.

In New York last year, sheet metal workers put in 250,000 hours of overtime. BTEA wants 1,500 to 2,500 more journeymen to ease this high-cost problem—but unionists oppose "dilution" of their ranks.

Sometimes overtime is considered a necessary evil. In Atlanta, where electricians are scarce, they usually are guaranteed at least two hours a day of overtime to boost pay and "keep our fellows from wandering off," a contractor said. In other places where craftsmen are in short supply, Milwaukee among them, contractors offer "five 10s or six 8s" to get workers—five 10-hour days or six 8-hour days, topheavy with overtime.

For the most part, however, a Business Week survey has found that shortages that lead to employment "piracy" are uncommon outside New York, Chicago, Boston, and a few other cities. In others there are only scattered openings that can't be filled—but also few jobless. Big contractors say that the high cost of mortgages has cut home-building sharply and freed many craftsmen for major commercial jobs.

To increase the labor supply and fill future needs, training programs are expanding—but slowly. And relief is still years away: The expansion of apprenticeship programs is largely through recruits from ghettos, and no short cuts are likely to get most of them into journeymen ranks in less than the usual four or five years, although some crafts in Atlanta and elsewhere are beginning to let apprentices move up by merit—not by fixed time.

#### UNION BUILDING TRADES WAGE SCALES RISE 5 PERCENT DURING THE SECOND QUARTER OF 1969

Hourly wage scales of union building trades workers averaged \$5.59 on July 1, 1969, according to the Labor Department's Bureau of Labor Statistics.

The all-trades average rose by 5 percent in the second quarter of 1969, the largest increase since reporting of quarterly data began in 1948. For the year since July 1, 1968, the increase was 8.8 percent, raising the Bureau's index of union building trades scales to 167.6 (1957-59=100).

When employer payments to insurance (health and welfare), pension, and/or vacation plans are added to the scales, the increase in the average in the second quarter was 5.6 percent and amounted to 9.9 percent on a year-to-year basis. These advances compared with increases of 4.7 percent and 6.6 percent, respectively, for the year ending July 1, 1968.

The second-quarter 1969 survey of 7 major building trades in 100 cities showed scale advances in three-fifths of the 700 bargaining units studied, reflecting the traditional spring bargaining pattern of the industry. About 2 of every 3 workers covered received a scale raise, which averaged 39 cents an hour. Newly negotiated and deferred wage

increases resulted in adjustments ranging from less than 10 cents to more than \$1.00 an hour. Of the adjustments reported, an eighth were for 50 cents, a tenth were for 25 cents, and approximately a tenth for 20, 30, or 40 cents. Another fifth of the adjustments exceeded 50 cents an hour.

Since July 1, 1968, the level of hourly wage scales advanced 8.8 percent or 44 cents an hour. Increases ranged from 7.7 percent for plasterers and building laborers to 9.6 percent for plumbers.

Plumbers had the highest average hourly scale among the six journeymen crafts, \$6.29

an hour. For the other journeymen trades, average hourly scales varied from \$5.40 for painters to \$6.14 for bricklayers. Building laborers' scales averaged \$4.26 an hour.

Quarterly and annual changes in union scales and the rate level on July 1, 1969, are shown below:

CHANGE IN AVERAGE UNION SCALES

Trade	Apr. 1, to July 1, 1969		July 1, 1968 to July 1, 1969		Rate levels, July 1, 1969	
	Percent	Cents	Percent	Cents	Average	Range
Bricklayers	4.7	27.4	9.0	50.1	\$6.14	\$4.40-\$7.16
Carpenters	5.2	28.1	9.1	47.8	5.84	3.80-7.20
Electricians	4.6	26.5	9.3	52.0	6.10	4.30-7.35
Painters	4.3	21.9	7.8	38.5	5.40	3.25-6.41
Plasterers	4.9	26.5	7.7	41.1	5.75	4.00-7.00
Plumbers	6.3	36.4	9.6	54.3	6.29	4.60-8.57
Building laborers	5.1	20.4	7.7	30.1	4.26	2.07-5.62
All trades	5.0	26.1	8.8	43.9	5.59	

UNION HOURLY WAGE SCALES AND EMPLOYER INSURANCE, PENSION, VACATION, AND OTHER FUND PAYMENTS FOR SELECTED BUILDING TRADES IN 100 CITIES, JULY 18, 1969

City	Bricklayers					Carpenters					Electricians				
	Employer contribution to fund					Employer contribution to fund					Employer contribution to fund				
	Basic scale 1	Insur- ance 2	Pension	Vacation pay	Other 3	Basic scale 1	Insur- ance 2	Pension	Vacation pay	Other 3	Basic scale 1	Insur- ance 2	Pension	Vacation pay	Other 3
Albuquerque, N. Mex.	\$5.130	15¢				\$4.950	19¢	22¢			\$5.600	15¢	1%		
Atlanta, Ga.	5.250	15¢	*20¢	*25¢		5.300	*20¢	15¢			5.700	3%	6%		
Baltimore, Md.	5.150	10¢	30¢			4.980	14¢	10¢		*15¢	5.650	15¢	1%		*1/4%
Birmingham, Ala.	5.150		25¢			4.600	15¢				5.700	15¢	1%	15¢	
Boise City, Idaho	5.250	120¢	*15¢			5.000		*15¢			*5.720	18¢	1%		
Boston, Mass.	6.350	25¢	25¢			6.150	20¢	20¢		2¢	6.200	20¢	1%+25¢		
Buffalo, N.Y.	6.220		*55¢		*30¢	5.165	15¢	40¢		42¢	6.110	20¢	1%+20¢		
Burlington, Vt.	6.000	20¢	20¢			4.800	15¢	15¢			4.750				
Butte, Mont.	4.875					4.725	*20¢		*25¢		4.750	25¢	1%		
Charleston, S.C.	4.400					3.800					4.800	15¢	1%		
Charleston, W. Va.	6.000	15¢				5.850	20¢	25¢		*2¢	5.500	15¢	1%+7¢	*10¢	*2¢
Charlotte, N.C.	4.800	15¢				4.150	15¢				4.600	15¢	1%		*3¢
Chattanooga, Tenn.	5.400	*35¢	( )			4.690					5.250		1%		
Cheyenne, Wyo.	5.500					4.350	15¢				5.450		1%		
Chicago, Ill.	6.550	*25¢	*25¢			6.050	*19¢	*33¢			6.700	3 1/2%	4%		
Cincinnati, Ohio	6.510	15¢			*4 1/2¢	6.450	20¢	25¢		*2 1/2¢	6.750	15¢	1%+15¢		
Cleveland, Ohio	7.160	35¢	45¢	50¢		7.200	*25¢	*45¢			7.350	*30¢	1%+26¢		
Columbia, S.C.	( )	( )	( )	( )	( )	( )	( )	( )	( )	( )	4.400		1%	10¢	
Columbus, Ohio	6.100	20¢	15¢			5.660	20¢	15¢			6.580	13¢	1%+20¢		
Dallas, Tex.	6.150	12 1/2¢	12 1/2¢			5.125					5.725	12 1/2¢	1%		
Dayton, Ohio	6.850	20¢	*25¢			6.120	*22¢	*40¢			6.840	25¢	1%+30¢	7%	
Denver, Colo.	5.700	25¢	*25¢			5.265	*20¢	*20¢	20¢		5.670	22¢	1%		
Des Moines, Iowa	6.000	20¢				5.125	20¢	15¢			6.150	15¢	1%		*1%
Detroit, Mich.	6.600	*30¢	*40¢	40¢		6.670	*40¢	6%	6%	15¢	7.010	*5%	*6%	*10%	*1%
Duluth, Minn.	5.220	15¢		30¢		4.745	15¢				5.250	3%	3 1/2%	7%	
El Paso, Tex.	4.450					4.350					5.100	15¢	1%		
Erie, Pa.	7.000	20¢			*2¢	5.965	20¢			*3¢	6.100	3%	1%		
Evansville, Ind.	5.950					5.050	20¢	*15¢			5.510	2 1/2%	1%		
Fargo, N. Dak.	5.950					4.700					4.950	20¢	1%	1%	
Grand Rapids, Mich.	6.000	20¢	25¢	25¢		5.650	25¢	20¢	20¢		6.020	20¢	1%		
Hartford, Conn.	6.350	*17¢	15¢			5.800	*17¢	*20¢	20¢		6.150	10¢	1%+20¢		
Houston, Tex.	5.500	17 1/2¢	20¢			5.100	20¢	*12¢			5.660	*25¢	1%+15¢	22 1/2¢	
Indianapolis, Ind.	6.700		20¢			5.875	20¢	20¢			6.100	2%	1%+10¢		
Jackson, Miss.	4.750					4.550					5.500		1%		
Jacksonville, Fla.	4.700	15¢				4.500	*17¢	15¢	*10¢		5.150	15¢	1%		
Kansas City, Mo.	5.475	10¢				5.000	23¢	15¢			5.800	*20¢	1%+20¢	15¢	
Knoxville, Tenn.	5.670				*2¢	4.850					5.150		1%		
Lansing, Mich.	7.100	20¢	20¢			6.640	25¢	20¢	30¢		6.950	15¢	1%+15¢	10 25¢	
Las Vegas, Nev.	6.070	20¢		70¢		5.510	*30¢	*40¢	60¢		7.100	18¢	1%		
Little Rock, Ark.	4.850					4.450	20¢	20¢			5.250		1%		
Los Angeles, Calif.	5.300	29¢	*17¢	20¢	20¢	5.680	*41¢	*55¢	35¢		6.400	25¢	1%+35¢		
Louisville, Ky.	6.435	14 1/2¢	*25¢		*4¢	5.520	15¢	15¢		2¢	5.700	13¢	1%		
Madison, Wis.	6.050	15¢				5.200	15¢	15¢			6.640		1%		
Manchester, N.H.	5.375	17 1/2¢	*20¢			4.650		*20¢			5.300	15¢	1%		
Memphis, Tenn.	5.800	20¢	15¢			4.650					5.280	15¢	1%		
Miami, Fla.	5.570	20¢	20¢			5.450	20¢	10¢			5.600	2 1/2%	1%+20¢	3%	
Milwaukee, Wis.	6.190	35¢	15¢	35¢		5.710	30¢	*25¢	25¢		5.870	22¢	1%+10¢	41 1/2¢	
Minneapolis, Minn.	5.600	22 1/2¢	15¢	25¢		5.330	20¢	15¢	20¢		5.900	4%	1%+10¢	7 1/2%	1 1/2%
Mobile, Ala.	5.910		53¢			5.440	18¢	15¢			6.400	15¢	1%	12 1/2¢	
Montgomery, Ala.	4.700					4.200					4.300		1%		
Nashville, Tenn.	5.400					4.700	15¢				5.120	11¢	1%		
Newark, N.J.	6.750	20¢	25¢			6.710	6%	6%			6.750	4%	15%	*10%	
New Haven, Conn.	5.950	14¢	15¢			5.650	*17¢	*20¢			5.950	*20¢	1%+20¢		
New Orleans, La.	5.330	*15¢	15¢			5.320	20¢	10¢			5.800	10¢	1%+7 1/2¢	15¢	
New York, N.Y.	6.450	5%+10¢	*1.65	30¢		6.400	37¢	65¢	19¢		5.670	3%	1%+80¢	4%	
Norfolk, Va.	5.000	10¢	20¢			4.250				3¢	5.150	15¢	1%		
Oakland, Calif.	5.820	30¢	30¢	40¢	*10¢	6.210	*35¢	*45¢	15¢	*36¢	6.900	2 1/2%	4%	*110%	
Oklahoma City, Okla.	4.875		20¢			4.550					4.940	15¢	1%+10¢	14%	
Omaha, Nebr.	5.850	12 1/2¢	10¢			5.325	12 1/2¢	10¢			6.550	*22¢	*1%+3¢		
Peoria, Ill.	5.850	22 1/2¢	30¢			5.035	15¢	15¢			5.925	20¢	1%		
Philadelphia, Pa.	6.700	32¢	25¢			5.550	53¢	20¢		*12¢	6.325	3%	*3.37%		*1%
Phoenix, Ariz.	5.805	25¢	20¢		16 1/2¢	5.310	*20¢	20¢			6.350	20¢	1%		
Pittsburgh, Pa.	6.925	25¢	20¢			6.450	3 1/2%	4%		1%	6.200	30¢	1%+20¢	50¢	2¢
Portland, Maine	5.500	20¢	15¢			4.650	15¢				4.900	20¢	1%		
Portland, Ore.	6.250	25¢	*30¢			5.580	25¢	*25¢	10*20¢		6.200	15¢	1%		*2¢
Providence, R. I.	6.075	15¢	20¢		1 1/2¢	5.100	12 1/2¢	15¢			5.650	10¢	1%		
Raleigh, N.C.	4.750					4.150	20¢				4.600	15¢	1%		
Reading, Pa.	6.150	20¢	40¢			4.850	15¢				5.690	18¢	1%		
Richmond, Va.	5.250		20¢			4.250				*3¢	5.200	5%	1%		*1/4%
Rochester, N.Y.	6.635	*25¢	25¢			6.110	*20¢	*20¢		*19¢	6.550	20¢	1%+20¢		
Rock Island, Ill.	5.180	15¢				5.330	15¢	1%	2%		5.860	17¢	1%		
St. Louis, Mo.	5.750	42¢	50¢	5%		5.960	20¢	*30¢		*3¢	6.120	*4%	1%+30¢	6 1/4%	4%+5¢
St. Paul, Minn.	5.600	22 1/2¢	15¢	25¢		5.330	20¢	15¢	20¢		6.000	3.01%	2.9%	5.74%	

Footnotes at end of table.

UNION HOURLY WAGE SCALES AND EMPLOYER INSURANCE, PENSION, VACATION, AND OTHER FUND PAYMENTS FOR SELECTED BUILDING TRADES IN 100 CITIES, JULY 18, 1969—Continued

City	Bricklayers					Carpenters					Electricians				
	Employer contribution to fund					Employer contribution to fund					Employer contribution to fund				
	Basic scale <sup>1</sup>	Insurance <sup>2</sup>	Pension	Vacation pay	Other <sup>3</sup>	Basic scale <sup>1</sup>	Insurance <sup>2</sup>	Pension	Vacation pay	Other <sup>3</sup>	Basic scale <sup>1</sup>	Insurance <sup>2</sup>	Pension	Vacation pay	Other <sup>3</sup>
Salt Lake City, Utah	\$5.435	*21¢	15¢			\$4.900	15¢	20¢	13¢		\$5.700	18¢	1%		
San Antonio, Tex.	*5.000	*20¢	10¢			*4.775	21¢	*20¢			*5.320	15¢	1%		25¢
San Diego, Calif.	*5.500	*26¢	*40¢		15¢	*5.910	*36¢	*45¢	*25¢		6.750	20¢	1%	23¢	2¢
San Francisco, Calif.	6.250	43¢	58¢	45¢		*6.210	*35¢	*45¢	15¢	*36¢	*6.772	*38½¢	*1%+25¢	10 4%	*8%+10¢
Santa Fe, N. Mex.	5.130	15¢				4.950	19¢	22¢			5.600	15¢	1%		
Savannah, Ga.	4.800					*4.600					4.950		1%		
Schenectady, N.Y.	*5.700	*25¢	*20¢			*5.500	15¢	10¢			*5.800	20¢	1%+20¢	11 15¢	
Scranton Pa.	*5.275	25¢	50¢			*4.600	17½¢	*35¢		*3½¢	*5.075	17½¢	1%+50¢		*10¢
Seattle, Wash.	*6.500	*25¢	*20¢	10 *25¢		*5.700	20¢	*25¢			*6.245	14¢	1%		
Shreveport, La.	5.500					*4.900					*5.500	17½¢	1%		
Sioux Falls, S. Dak.	*5.250					*4.300					*5.150	20¢	1%		
South Bend, Ind.	6.150	15¢	20¢			5.350	15¢	20¢			5.700	30¢	1%		
Spokane, Wash.	16.010	20¢				*5.580	*30¢	25¢		11¢	*5.574	20¢	1%	10 8%	
Springfield, Mass.	5.700	15¢	15¢			5.310	20¢	20¢			*5.700	20¢	1%+15¢		
Syracuse, N.Y.	*6.090	*36¢	*20¢			*5.660	20¢	15¢			*6.460	29¢	1%+15¢		130¢
Tampa, Fla.	4.700	15¢	15¢			*4.500	15¢			*2½¢	4.800	15¢	1%	30¢	
Toledo, Ohio	*6.805	25¢	25¢			*6.245	25¢	20¢			*7.100	15¢	1%+55¢		
Trenton, N.J.	5.950	25¢	20¢			5.800	20¢	20¢			6.250	15¢	1%+20¢		
Tulsa, Okla.	*5.500	32¢	13¢	5%		*4.900	15¢	16¢			*5.150	4%	1%+10¢		
Washington, D.C.	5.255	25¢		10¢		4.950					*6.150	15¢	1%+20¢		
Wichita, Kans.	5.250	30¢	15¢			4.850	25¢	15¢			5.700	30¢	4%		
Wilmington, Del.	*6.050	30¢	20¢			*6.150	20¢	20¢			*5.800	*30¢	1%+15¢		
Worcester, Mass.	*5.100	15¢				*4.790	10¢	11¢			*5.450	18¢	1%+10¢		
York, Pa.	*6.200	20¢	15¢			*6.110	20¢	36¢			*6.280	20¢	1%	8%	

UNION HOURLY WAGE SCALES AND EMPLOYER INSURANCE, PENSION, VACATION, AND OTHER FUND PAYMENTS FOR SELECTED BUILDING TRADES IN 100 CITIES, JULY 18, 1969

City	Painters					Plasterers				
	Employer contribution to fund					Employer contribution to fund				
	Basic scale <sup>1</sup>	Insurance <sup>1</sup>	Pension	Vacation pay	Other <sup>2</sup>	Basic scale <sup>1</sup>	Insurance <sup>1</sup>	Pension	Vacation pay	Other <sup>2</sup>
Albuquerque, N. Mex.	\$4.170					\$4.680	20¢			
Atlanta, Ga.	5.300					*5.120	20¢			
Baltimore, Md.	14.820	7½¢	*20¢		7¢	5.100	20¢			
Birmingham, Ala.	4.800					14.570				
Boise City, Idaho	*4.900	*16¢				4.500				
Boston, Mass.	5.150	17¢	12½¢			*5.500	25¢	( )		( )
Buffalo, N.Y.	*5.125	27½¢	30¢		*50¢	*6.810				
Burlington, Vt.	3.400	( )	( )	( )	( )	*6.000	20¢	20¢		
Butte, Mont.	4.440	13¢				4.770	23¢			
Charleston, S.C.	*3.600					*4.100				
Charleston, W. Va.	4.500					4.750				*1¢
Charlotte, N.C.	*3.600					4.000				
Chattanooga, Tenn.	*4.450					*4.750				
Cheyenne, Wyo.	3.500					5.150				
Chicago, Ill.	5.650	17½¢	20¢			*6.000	29¢	6¢		
Cincinnati, Ohio	5.230	*15¢	15¢			*5.625	20¢	30¢		*10¢
Cleveland, Ohio	*6.410	28¢	23¢			*6.460			1.25	
Columbia, S.C.	*3.600					( )	( )	( )	( )	( )
Columbus, Ohio	*4.550	15¢	15¢			*5.750	20¢	10¢		( )
Dallas, Tex.	*5.275	13¢				14.693	120¢		40¢	
Dayton, Ohio	*5.670	24¢	20¢			*5.950				
Denver, Colo.	4.875	15¢	*15¢		*1¢	*5.600				10¢
Des Moines, Iowa	*4.920			*25¢		*5.375				
Detroit, Mich.	*6.250	*30¢	*40¢	*45¢		6.070	34¢	34¢		
Duluth, Minn.	4.700	15¢		10¢		4.975	15¢		10¢	
El Paso, Tex.	3.630					4.615				
Erie, Pa.	*5.300				*2¢	*6.050	20¢			*3¢
Evansville, Ind.	*4.950	20¢				5.700				
Fargo, N. Dak.	*4.200					4.550				
Grand Rapids, Mich.	*5.300	15¢	*20¢	†		*5.770	22¢	15¢		
Hartford, Conn.	*5.200	*20¢	*20¢			*6.350	*17¢	15¢		
Houston, Tex.	*4.935	12½¢	15¢	10¢		5.125	*17¢			
Indianapolis, Ind.	5.150				*5¢	*5.950	15¢			
Jackson, Miss.	3.850	10 *15¢				*4.500				
Jacksonville, Fla.	4.200					4.400				*5¢
Kansas City, Mo.	*5.440	15¢	15¢	*25¢		5.275	15¢			110¢
Knoxville, Tenn.	*4.450	*15¢	*15¢			*4.900				
Lansing, Mich.	*6.330	15¢	10¢	10 40¢		5.250	15¢	12¢	10 50¢	
Las Vegas, Nev.	5.370	*17¢		*77¢		5.700	25¢		25¢	
Little Rock, Ark.	3.850		120¢			4.440			25¢	
Los Angeles, Calif.	*5.800	25½¢	*25¢	*15¢	14¢	*5.845	*33¢	*45¢	35¢	15¢
Louisville, Ky.	4.440	15¢	10¢		3¢	*5.270				
Madison, Wis.	4.580	20¢	10¢	15¢		5.400	15¢			
Manchester, N.H.	3.700	17½¢				5.375	17½¢	*20¢		
Memphis, Tenn.	*4.800		*15¢			*4.800				13¢
Miami, Fla.	4.750	20¢	20¢			*5.570	20¢	20¢		
Milwaukee, Wis.	5.460	30¢	*25¢	25¢		*5.320	30¢	15¢	40¢	
Minneapolis, Minn.	*5.400	15¢			*5¢	*5.050	20¢	*20¢	40¢	
Mobile, Ala.	5.335		20¢			5.760	18¢	15¢		
Montgomery, Ala.	4.000					*4.100				
Nashville, Tenn.	4.550					*4.700	20¢	10¢		
Newark, N.J.	5.600	32¢	33¢	5¢		*6.750	20¢	25¢		
New Haven, Conn.	4.950	*17¢	25¢			5.950	14¢			
New Orleans, La.	4.000	12½¢				*4.700	15¢	10¢		3¢
New York, N.Y.	5.200	6%	4%	3%		*6.250	*80¢	*80¢		
Norfolk, Va.	*4.100					4.850				
Oakland, Calif.	*6.070	39¢	*35¢	40¢		*5.440	*47½¢	*35¢	*50¢	*10¢
Oklahoma City, Okla.	*4.550					4.975				
Omaha, Nebr.	*4.850					*5.475	12½¢	10¢		*10¢
Peoria, Ill.	*5.300	15¢	15¢			5.225	20¢	25¢		

Footnotes at end of table.

City	Painters					Plasterers				
	Employer contribution to fund					Employer contribution to fund				
	Basic scale <sup>1</sup>	Insurance <sup>1</sup>	Pension	Vacation pay	Other <sup>2</sup>	Basic scale <sup>1</sup>	Insurance <sup>1</sup>	Pension	Vacation pay	Other
Philadelphia, Pa.	*\$4.915	22½¢	*15¢	*10¢	*2¢	*\$5.785	*35¢			*3¢
Phoenix, Ariz.	*4.850	22½¢	*20¢	15¢	*10¢	*5.620	*20¢			
Pittsburgh, Pa.	*5.875	27½¢	20¢		*2½¢	*6.480	30¢	10¢		10¢
Portland, Maine	3.250					*5.000	15¢			
Portland, Oreg.	*5.080	15¢	15¢	10¢	16¢	*5.600	20¢	20¢		10¢
Providence, R.I.	4.350	15¢				5.300	15¢			
Raleigh, N.C.	*3.700					*3.925				
Reading, Pa.	3.700	23¢	12¢			5.125				
Richmond, Va.	3.400					*4.450				
Rochester, N.Y.	*5.850		15¢			*6.635	*25¢	25¢		
Rock Island, Ill. <sup>11</sup>	*4.970	15¢	15¢			*5.000			20¢	
St. Louis, Mo.	*5.620	12¢	*25¢	21¢		*6.400	*22½¢			
St. Paul, Minn.	*5.140	*25¢		15¢	†	*4.850	25¢		55¢	*5¢
Salt Lake City, Utah	4.620	17¢	5¢			5.240	20¢	20¢		
San Antonio, Tex.	4.300		20¢			*5.625				
San Diego, Calif.	*5.790	*34¢	25¢	20¢		*6.450	*30¢	*25¢		13¢
San Francisco, Calif.	*6.070	39¢	*35¢	40¢		*7.000	27¢	21¢	83¢	
Santa Fe, N. Mex.	4.000					14.500	120¢			
Savannah, Ga.	*4.000					4.000				
Schenectady, N.Y.	*5.000	15¢	10¢			*5.700	*25¢	*20¢		
Scranton, Pa.	*4.000					*5.150	20¢	*40¢		
Seattle, Wash.	*5.700	17¢	15¢			*5.480	*30¢	25¢	10¢	*40¢
Shreveport, La.	*4.750					*4.875				
Sioux Falls, S. Dak.	4.150					4.900				
South Bend, Ind.	4.500		20¢			5.375	15¢	20¢		
Spokane, Wash.	*5.640	16¢	*25¢		†10¢	5.770	20¢		10¢	122¢
Springfield, Mass.	14.825	25¢	15¢			5.700	15¢	15¢		
Syracuse, N.Y.	*5.200	*30¢	*35¢			*5.975	15¢	10¢		
Tampa, Fla.	*3.900					14.750	15¢	20¢		*12½¢
Toledo, Ohio	*5.870	15¢	15¢			*6.650	*25¢	20¢		
Trenton, N.J.	5.075	25¢				5.950	25¢	20¢		
Tulsa, Okla.	*4.750					4.750				
Washington, D.C.	*5.480	24¢	15¢		*1¢	5.070	27½¢	15¢		*1¢
Wichita, Kans.	*4.350		*10¢			4.500				
Wilmington, Del.	*4.640	25¢				*5.100	25¢			
Worcester, Mass.	*5.200	(C)	25¢		†(C)	*6.050	30¢	20¢		
York, Pa.	3.750	10¢				*5.000	10¢	10¢		*25¢
Youngstown, Ohio	*5.965	20¢	20¢			*6.150	20¢			

UNION HOURLY WAGE SCALES AND EMPLOYER INSURANCE, PENSION, VACATION, AND OTHER FUND PAYMENTS FOR SELECTED BUILDING TRADES IN 100 CITIES, JULY 18, 1969

City	Plumbers					Building laborers				
	Employer contribution to fund					Employer contribution to fund				
	Basic scale <sup>1</sup>	Insurance <sup>1</sup>	Pension	Vacation pay	Other <sup>1</sup>	Basic scale <sup>1</sup>	Insurance <sup>2</sup>	Pension	Vacation pay	Other <sup>2</sup>
Albuquerque, N. Mex.	\$5.515	20¢	13½¢			\$3.430	20¢	15¢		
Atlanta, Ga.	*5.850	*20¢	*25¢		*2¢	*3.150	10¢			
Baltimore, Md.	15.410	*25¢	*25¢		*6¢	3.150	*10¢	12½¢		*½¢
Birmingham, Ala.	5.450	15¢	20¢			3.000	15¢			
Boise, City, Idaho	*5.400	20¢	20¢		*8¢	3.800		15¢		
Boston, Mass.	6.300	25¢	30¢		4¢	4.650	*20¢	*25¢		5¢
Buffalo, N. Y.	*6.430	20¢	15¢		35¢	4.285	25¢	25¢		*25¢
Burlington, Vt.	*5.350	25¢	*10¢			3.450	*20¢			
Butte, Mont.	5.250	20¢	10¢			3.670	15¢	15¢	15¢	
Charleston, S.C.	4.650	15¢	15¢			(C)	(C)	(C)	(C)	(C)
Charleston, W. Va.	*5.270	20¢	15¢	50¢	*3¢	3.350	10¢	10¢	(C)	(C)
Charlotte, N.C.	*4.800	*17¢				*2.500	10¢			
Chattanooga, Tenn.	*5.500	*20¢	20¢		*5¢	*3.200				
Cheyenne, Wyo.	5.100			30¢		3.200				
Chicago, Ill.	*6.200	25¢	25¢			*4.750	12¢	*35¢		
Cincinnati, Ohio	*7.305	18¢	25¢		*6¢	*5.200	10¢			
Cleveland, Ohio	*7.210	20¢	*40¢			*5.620	*30¢	*30¢	*35¢	
Columbia, S.C.	*4.750	*20¢				(C)	(C)	(C)	(C)	(C)
Columbus, Ohio	*7.775	*19¢	*20¢			*4.360	15¢	10¢		
Dallas, Tex.	*5.670	20¢	20¢			*3.440	12½¢	10¢		
Dayton, Ohio	*6.600	25¢	45¢			*4.690	*20¢	*15¢		
Denver, Colo.	*5.510	*25¢	15¢	24¢	*15¢	*3.750	*20¢			*8¢
Des Moines, Iowa	*5.750	*30¢	12½¢	10¢	40¢	*3.960	10¢			
Detroit, Mich.	*6.550	*31½¢	28½¢	84½¢		*5.050	30¢	14¢	20¢	
Duluth, Minn.	5.250	15¢	25¢	4%		3.950	15¢		10¢	
El Paso, Tex.	5.000					2.330	15¢			
Erie, Pa.	*6.270	20¢	13¢			*4.880	20¢	20¢		*3¢
Evansville, Ind.	*5.630	*20¢	*30¢			4.025	10¢	20¢		
Fargo, N. Dak.	*5.070	*20¢				*3.350				
Grand Rapids, Mich.	*7.090	23¢	25¢	†		*4.460	15¢	10¢	†	
Hartford, Conn.	*6.650	5%	5%			4.200	15¢	15¢		
Houston, Tex.	*5.050	20¢	29¢	40¢		3.100	10¢			
Indianapolis, Ind.	*6.000	*20¢	15¢		*4¢	*4.000	13¢	20¢		2¢
Jackson, Miss.	*5.650					*2.450				
Jacksonville, Fla.	5.250	15¢	25¢			*2.500				
Kansas City, Mo.	6.250	22½¢	25¢			3.710	15¢	15¢		
Knoxville, Tenn.	4.700	15¢	15¢	15¢	*5¢	*3.250				
Lansing, Mich.	6.260	25¢	25¢			*5.010	15¢	15¢	10¢	
Las Vegas, Nev.	*7.270	30¢	38¢	\$1.00		*4.500	10¢	10¢	*45¢	
Little Rock, Ark.	*5.140			35¢		2.850				
Los Angeles, Calif.	*6.600	10%	16%	13%	*5½¢	*4.145	*25¢	*35¢	25¢	
Louisville, Ky.	15.630	20¢	25¢	40¢		*4.150	15¢			2¢
Madison, Wis.	6.270	10¢	20¢			4.500	15¢	15¢		
Manchester, N.H.	*5.520	15¢	15¢			*3.850	15¢	15¢		
Memphis, Tenn.	5.540	5¢	15¢			2.575				
Miami, Fla.	*5.675	25¢	40¢	10¢	30¢	*4.000	*15¢			
Milwaukee, Wis.	*6.270	30¢	*25¢	35¢		*4.930		*25¢	25¢	
Minneapolis, Minn.	*5.740	23¢	20¢	*45¢	3¢	*4.250	*30¢	15¢	10¢	
Mobile, Ala.	6.500	20¢	15¢			3.520	18¢	15¢		
Montgomery, Ala.	*5.500	15¢				2.065	15¢			
Nashville, Tenn.	*5.550	15¢		25¢		2.850				
Newark, N.J.	*6.450	*5%	*6%	10%		*5.000	*40¢	20¢		
New Haven, Conn.	5.950	20¢	20¢			4.300	15¢	15¢		
New Orleans, La.	*5.580	20¢	25¢	25¢		*3.460	10¢	10¢		

Footnotes at end of table.

UNION HOURLY WAGE SCALES AND EMPLOYER INSURANCE, PENSION, VACATION, AND OTHER FUND PAYMENTS FOR SELECTED BUILDING TRADES IN 100 CITIES, JULY 18, 1969—Continued

City	Plumbers					Building laborers				
	Employer contribution to fund					Employer contribution to fund				
	Basic scale <sup>1</sup>	Insurance <sup>1</sup>	Pension	Vacation pay	Other <sup>1</sup>	Basic scale <sup>1</sup>	Insurance <sup>2</sup>	Pension	Vacation pay	Other <sup>3</sup>
New York, N.Y.	\$5.850	\$1.60	(14)	(10)	28¢	\$5.450	*67¢	*37¢		
Norfolk, Va.	14.600	25¢				2.100	10¢			
Oakland, Calif.	*8.570	35¢	50¢		†12¢	*4.675	30¢	40¢	*40¢	†
Oklahoma City, Okla.	*5.700	20¢	*25¢	*25¢		*3.180				
Omaha, Nebr.	*5.450	15¢	20¢	10 *24¢	*2¢	*4.200	12½¢	10¢		
Peoria, Ill.	5.045	17¢	45¢			4.650				
Philadelphia, Pa.	*6.725	*35¢	*27½¢		*6½¢	*4.050	10¢	10¢		5¢
Phoenix, Ariz.	*6.250	22½¢	121½¢	22¢	10¢	*3.930	*20¢	20¢		
Pittsburgh, Pa.	*6.385	*35¢	*45¢		*19½¢	*4.700	20¢			2½¢
Portland, Maine	*5.150	15¢	15¢			*3.500	15¢	*15¢		
Portland, Ore.	6.050	37¢	37¢	10 25¢		*4.500	*35¢	*35¢		
Providence, R.I.	*6.200	20¢	20¢			*4.100	15¢	15¢		
Raleigh, N.C.	*4.800	15¢				*2.500	10¢			
Reading, Pa.	*6.550	11¢	11¢			3.660	5¢	10¢		
Richmond, Va.	4.800	15¢	10¢			2.100	10¢			
Rochester, N.Y.	*6.560	20¢	32¢		*6¢	*4.830	15¢	20¢	20¢	*30¢
Rock Island, Ill. <sup>14</sup>	*6.040	15¢	25¢			3.660	12¢			
St. Louis, Mo.	*6.505	125¢	125¢	40¢	40¢	*5.225	*20¢	20¢	20¢	1¢
St. Paul, Minn.	*5.800	23¢	20¢	39¢		4.250	*30¢	*10¢	*15¢	
Salt Lake City, Utah	5.750	16¢	20¢			*4.055	15¢	*20¢		
San Antonio, Tex.	*5.260	*15¢	*25¢	34¢		*3.030	10¢			
San Diego, Calif.	*6.600	10%	16%	13%	†	4.430	25¢	25¢	25¢	
San Francisco, Calif.	7.300	\$1.09	50½¢	30½¢	\$1.02	*4.675	30¢	40¢	*40¢	
Santa Fe, N. Mex.	5.515	20¢	13½¢			3.430	20¢	15¢		
Savannah, Ga.	4.950	12¢				2.400				
Schenectady, N.Y.	*5.550	30¢	25¢	2%		*4.450	*25¢	*25¢		
Scranton, Pa.	*5.390	15¢	30¢		*6¢	*4.100	17½¢			
Seattle, Wash.	5.900	*22¢	*30¢		16¢	4.600	130¢	†30¢		
Shreveport, La.	*5.560			33¢		2.600				
Sioux Falls, S. Dak.	*5.480	7½¢	5¢	3½¢		*3.250				
South Bend, Ind.	5.995	20¢	30¢			4.000	10¢	15¢		
Spokane, Wash.	5.700	21¢	30¢	35¢		4.150	25¢	25¢		2¢
Springfield, Mass.	*5.950	31¢	35¢			3.850	15¢	15¢		
Syracuse, N.Y.	*5.400	27¢	*21¢	50¢		*4.800	*40¢	*30¢		
Tampa, Fla.	4.900	25¢	30¢	10¢		*2.975	*12½¢	†		*2½¢
Toledo, Ohio	*7.585	*25¢	*30¢			*4.840	*25¢	10¢		
Trenton, N.J.	6.050	20¢	40¢	35¢		*4.850	15¢	20¢		
Tulsa, Okla.	*5.500	25¢				*3.700	10¢			
Washington, D.C.	5.810	17½¢				*3.735	12½¢	10¢		
Wichita, Kans.	6.100	33¢	25¢			3.300	25¢			
Wilmington, Del.	*5.800	27¢	30¢	*7%		*3.800		15¢		
Worcester, Mass.	*6.425	*35¢	20¢			*4.650	*20¢	*25¢		5¢
York, Pa.	*5.950	15¢	15¢			*3.150	10¢	15¢		
Youngstown, Ohio	*5.760	*25¢	*40¢	*90¢		*4.650	*20¢	*15¢		

<sup>1</sup> These scales represent the minimum wage rates (excluding holiday and vacation payments regularly made or credited to the worker each pay period) agreed upon through collective bargaining between employers and trade unions.

<sup>2</sup> Includes life insurance, hospitalization, and other types of health and welfare benefits; excludes payments into holiday, vacation, and unemployment funds when such programs have been negotiated.

<sup>3</sup> Includes all other nonlegally required employer contributions, except those for apprenticeship fund payments, as indicated in individual agreements.

<sup>4</sup> Includes contribution for pension; separate data not available.

<sup>5</sup> No union scale in effect on survey date.

<sup>6</sup> Includes contribution for vacation and holidays; separate data not available.

<sup>7</sup> Contract provides for this benefit; amount of payment not reported separately.

<sup>8</sup> Data not available.

<sup>9</sup> Part of the negotiated scale; not included in basic scale shown; includes contribution for vacation and sick benefit, separate data not available.

<sup>10</sup> Part of the negotiated scale; not included in basic scale shown.

<sup>11</sup> To worker each pay period in addition to the negotiated scale.

<sup>12</sup> Scale includes 2 cents tool allowance.

<sup>13</sup> Decrease between April 1, 1969, and July 1, 1969.

<sup>14</sup> Includes Rock Island and Moline, Ill., and Davenport, Iowa.

<sup>15</sup> Includes contribution for insurance, pension, and vacation; separate data not available.

<sup>16</sup> Following data applicable to Davenport, Iowa; basic scale, \$5.675; insurance, 15 cents; pension, 15 cents; and other, 7 cents.

<sup>17</sup> Represents an increase between April 1, 1969, and July 1, 1969.

<sup>18</sup> Data for previous quarter have been corrected.

Note: Information on employer contributions to insurance (welfare), pension funds, vacation pay, and other fund payments, as provided in labor-management contracts, is presented as cents-per-hour or as percent of basic scale; in actual practice, however, some employer payments are calculated on the basis of total hours worked or gross payroll. These variations in the method of computations are not indicated in the above tabulation. Payments directly to worker each pay period for, or in lieu of, benefits are footnoted.

Some contracts also provide for employer contributions to an apprenticeship fund. Information on payments to this fund was not collected.

In computing the changes in rates, the increases in each trade were averaged among all workers in the trade, whether they received raises or not. Data for the separate crafts, by city are shown in the attached tabulation.

The basic scale, plus contract-stipulated employer payments to insurance (health and welfare), pension and/or vacation funds, averaged \$6.24 an hour for all building trades workers. This was an increase of 5.6

percent since April 1969 and 9.9 percent since July 1968.

Estimated changes in basic hourly scales plus specified employer payments over the quarter and the year and their level on July 1, 1969, are shown below:

CHANGE IN AVERAGE SCALE PLUS SPECIFIED EMPLOYER PAYMENTS

Trade	Apr. 1 to July 1, 1969		July 1, 1968 to July 1, 1969		Average scale plus employer payments July 1, 1969 average
	Percent	Cents	Percent	Cents	
Bricklayers	5.2	33.7	9.4	59.1	\$6.91
Carpenters	5.9	35.7	10.7	61.9	6.55
Electricians	4.8	30.8	9.4	57.2	6.68
Painters	4.7	26.9	8.4	44.7	5.88
Plasterers	6.2	37.5	9.2	54.4	6.46
Plumbers	6.7	45.4	11.1	72.7	7.39
Building laborers	5.3	23.7	8.7	37.7	4.75
All trades	5.6	32.1	9.9	54.5	6.24

Union scales are the minimum wage rates (excluding holiday and vacation payments made directly to the worker each pay period) agreed upon through collective bargaining and reported to the Bureau by local respon-

ents. The scales do not reflect rates for apprentices or for premium work. Overtime beyond established maximum daily and weekly hours is excluded.

Information on employer contributions to

insurance (welfare), pension, and vacation funds, as provided in labor-management contracts, is presented for the various trades. These contributions are expressed in cents per hour or percent of basic scale. Payments

to other funds, such as those for holidays and supplementary unemployment benefits are also indicated in the attached tabulation.

[From the New Orleans (La.) Times-Picayune, May 5, 1969]

**GROAN AT CRAFT UNION SCALES: CONTRACTORS FIGHT \$8 TO \$10 AN HOUR WAGE DEMANDS**  
(By Victor Riesel)

WASHINGTON.—The other day one weary wit, shutting his government office at midnight, suggested that SDS should stand for Slow Down Swiftly—because the building and construction trades unions are restructuring society at their own pace and pay, now within a few pennies of \$10 an hour in many areas.

At this rate, the cost of even a lean-to will be so prohibitive the nation had better not work itself into a depression which would create a demand for 1930 vintage shantytowns.

This is renewal time for 550 major contracts—and the union demands are awesome. In Kansas City, the ironworkers union has been demanding a one-year wage increase of \$4 an hour, or, on a 40-hour basis, \$160 a week hike per man.

In Buffalo, N.Y., where the state and the community have been planning a \$1.8 billion project, the city has been stirred by demands for a 56.9 per cent construction trades hike over a three-year period.

After a 26-day strike in Miami, the bricklayers won a \$2.85-an-hour increase (or \$114 a week), bringing the average pay to \$8.37 an hour in 1971. The laborers won a \$100-a-week per man increase—jumping from \$3.65 to \$6.15 an hour.

Thirty and forty per cent wage increases above the current \$5- and \$6-an-hour base are common as Molotov cocktails these days. And government officials expect that construction strikes in the next four or five weeks will be as ubiquitous as college seizures. No hysterical outlook, this. There were 977 construction strikes in 1968.

Facts covering 400,000 skilled craftsmen expire in May and June. If the past is prelude, judge for yourself: in the past weeks, some \$2.5 billion worth of road, school, housing, and commercial building have been paralyzed by walkouts of 100,000 craftsmen.

So, leaders of the Associated General Contractors are jetting over to England. There on May 12, they'll sit with the wizards of Lloyd's of London to wrap up a strike insurance policy.

It won't take effect this year. But arrangements will be made to stand off the 1970 assault. Contractors will be able to insure themselves for anywhere from \$1,000 daily to \$100,000 a day for a maximum of 60 days. Premiums will run from \$3,000 to \$360,000.

According to the Will Rogersish executive director of the AGC, William Dunn, the formal strike insurance policy will be tailored to the needs of contractors big and small, depending on the overhead and size of the business.

They point to what their fellow contractor Red Blount said just before President Nixon named him Postmaster General: "... settlements have been reached in city after city of 30 to 40 percent per year. This sounds like some of the inflation-generating increases in some of the Latin-American countries."

Contractors, who never "poormouth" it, are horrified by the wage charts. And they warn that the public should be, too.

Carl M. Halvorson, president of the Associated General Contractors, has charged the building trades with being an "elite corps" doing damage to the rest of the labor movement and the working public. The building unions insist on wages that are out

of line with what other workers get for the same skills.

"Thus school teachers, auto workers, policemen must all work longer hours to be able to pay for the increased cost of housing and schools and hospitals that result from construction workers' higher labor costs," says Halvorson.

Privately other labor leaders cuss out the local construction union officials who set wage standards which can't be met, or paid, in the rest of industry. The rank and file storms into union halls bearing tales of what some brother-in-law or neighbor gets as an increase in his local bricklaying, masonry, carpentry or steamfitting (\$10.45 an hour in St. Louis) fields. Who in the soft goods, or mass production, or service trades can match a \$100-a-week raise or a \$10-an-hour cost package?

So the construction contractors have decided to fight back. Not only have they worked up the strike insurance policy for next year, but they have wired President Nixon urging him to mobilize the cabinet for a series of meetings with the construction union presidents. They want help now.

[From the Washington (D.C.) Evening Star, July 26, 1969]

**BUILDING TRADES WAGES SOARING, SHULTZ WARNS**

(By Richard Critchfield)

Wage increases in the construction industry have been averaging an annual rate of 15 percent during the first six months of 1969, Labor Secretary George P. Shultz has reported in an appeal for opening up the building trades unions to better jobs for Negroes.

Shultz told a press conference yesterday "the very high" wage settlements won by the building trades unions, which is double the national average for contracts negotiated for 1.4 million workers since January, were chiefly responsible for a national average rise of 7.2 percent as compared with 1968's 6.6 percent rise in wages.

Shultz warned the construction unions that their two-to-three-year settlements, which projected high wages increases into the future, could mean they would "price themselves out of the labor market" once the administration's anti-inflationary policies begin to take effect.

Shultz also cited the high settlements as additional evidence of the national stake in getting the building trades unions opened up to Negroes and other minorities.

#### STEP CITED

As a first step in this direction a new Labor Department regulation took effect in Philadelphia a week ago Friday to force contractors to specify in their bids for federally assisted construction contracts of more than \$500,000 how many Negroes they would hire.

Shultz said yesterday he preferred "conferences to clubs" and hoped to work out with the unions and contractors in Philadelphia a way to open up the construction industry to Negroes.

Labor Department sources said earlier the new regulation would be applied the first week of August on a \$2.5 million contract for a new food and drug laboratory and that four other contracts totalling more than \$80 million dollars would be effected during bidding in August.

Shultz directly tied the rise in wage settlements during the first half of 1969 to the Philadelphia plan, which will later be applied in all major American cities, including Washington.

#### JOB OPENINGS

"We think the Philadelphia Plan represents an important way of opening up jobs

in the construction business for minority workers and opens up labor in an industry where there is a great shortage of skilled workers. We think everyone has a great stake in getting it opened up."

Shultz explained what he described as the basic thrust of the administration's anti-inflationary policy by tightening the money supply. "The realistic way to control inflation is to lessen the pressures from demand and the supply side, build up both the quantity and quality of production."

Shultz said that though considerable pressures were still rising, there has been a decline in the rate of growth of the gross national product. While it may be some time until "all the key variables start moving in the same direction at once," he said, there is some ground for hoping inflation is beginning to be effected by the administration's fiscal and monetary policies.

For this reason, Shultz said, if the construction industry continues to make 15 percent settlements that extend for two or three years the unions will find themselves making "grossly erroneous projections" in which they would price themselves out of the labor market. He said the high settlements themselves were "a reflection of the fact that the demand for building is just extraordinary" and that the apprenticeship programs are numbers in the building trades lagging far behind.

He said that a third of the \$80 billion construction per year in the U.S. is federally involved and that the federal government, as "the biggest buyer," was in a good position to force the construction unions to accept more Negroes.

[From Business Week, May 10, 1969]

**BUILDING TRADES PUSH FOR MORE—WAGE HIKES ALREADY TOP THOSE IN OTHER INDUSTRIES, WITH NO RESPIRE IN VIEW**

Construction labor costs are being pushed up in hard bargaining at a rate that "signals the beginning of a new era of wage and price inflation and economic dislocation," contractors in widely separated parts of the country warned this week. They reported wage-fringe increases of about \$3 an hour over three-year contract periods. One said: "The alternative is interminable strikes."

The building trades raises—an estimated 55% over three years—are outstepping those in other industries. Two sets of statistics, out last week, reported:

Wage gains in all industries in the first quarter were at a median 19.8¢ an hour, according to the Bureau of National Affairs, Inc.

Settlements in the first quarter averaged out at 6.3% a year over a three-year period, according to Bureau of Labor Statistics figures. Wages alone averaged 5.5% a year over the contract term.

#### HEATING UP

However, with construction bargaining just settling into a hot summer grind and strikes spreading, builders' wage-fringe increases are soaring above the all-industry figures.

Contractors in three Connecticut areas have just settled with locals of 4,000 carpenters for \$3.08 or more an hour over three years, to boost wages from \$5.59 an hour to \$8.67 in the third year.

In South Florida, two unions have just hacked out their fattest settlements ever after 25-day strikes: Bricklayers will get \$2.85 an hour more in wages, plus fringe gains, over three years, to boost pay from \$5.52 to \$8.37 in the last year of a new contract—when their annual earning potential will be about \$17,400. Common laborers

won a \$2.50 an hour-plus-fringes increase, from \$3.65 to \$6.15, or a potential \$13,000 a year after 1971. Carpenters' pay will go up to match the bricklayers'.

Generally, contractors blame "irrational" settlements on employer weakness in bargaining with strong craft unions. With 400,000 building tradesmen covered by negotiations in 1969, they warn that settlements could get even more out of hand if the government doesn't step in. Long-term efforts to settle bargaining problems in construction are under study, but there is little likelihood that anything now contemplated would help in 1969 negotiations.

[From U.S. News & World Report,  
May 5, 1969]

#### MORE PRESSURE TO CURB WAGE COSTS IN BUILDING

(NOTE.—Record pay demands, backed up by strikes, are being pushed by plumbers, carpenters, masons, other unionized workers in the construction industry.)

(Builders say it's time to call a halt. One plan: Let arbitrators fix the size of wage increases.)

Could 1969 be the year when something is done to halt big wage increases in the construction industry?

With pay of plumbers going as high as \$10.65 an hour—more than \$21,000 a year—employers think the time has come to slow up the spiral.

One idea is proposed: Unions should ban strikes over wage demands. They and the contractors should let an arbitrator decide on the size of the raises.

Odds now appear to be against any solution of that sort, but employers in and out of the construction industry are urging that this upward trend on building-trades wages be halted, or at least slowed a bit.

Every spring, a wave of strikes hits the building industry. This year, however, the contractors say that demands and settlements are breaking records.

#### HARD-LINE DEMANDS

With 1969 talks just beginning, this is the trend reported by employers:

A "hard-line national pattern" of demands is evident, with unions seeking raises of 20 to 30 per cent a year in wage and "fringe" increases.

Some 24 major strikes were reported under way in 12 States, involving 110,000 workers, with demands running from 20 per cent to more than 50 per cent a year. Including smaller walkouts, employers estimated that 2 or 3 billion dollars in construction are tied up.

In 50 settlements reached so far, the average pay boost is 13.7 per cent annually—around 67 cents an hour.

A new contract will give Philadelphia plumbers more than \$19,000 a year by May, 1971—at \$9.76 per hour. And a San Francisco plumber is due to get \$10.65 an hour by 1972, or more than \$21,000 a year.

Government figures indicate that construction wage rates average \$5.27 an hour plus 58 cents in "fringes," or a gross of \$5.85 per hour.

That picture was presented by Carl M. Halvorson, president of the Associated General Contractors of America, on April 21. Wage settlements, he said, are substantially above the 1968 level and almost twice the 1967 figure.

The accompanying table shows some of the larger work stoppages cited by the association. As an example, gross pay will rise to \$9.30 per hour for carpenters in Bridgeport, Conn., if the union demands are granted. Numerous examples of completed settlements also were offered by the association. They included:

Increases of \$3.35 an hour over three years

for Buffalo bricklayers, giving \$9.67 an hour in 1972.

A boost of \$1.45 per hour over three years for cement masons in Denver, who have been earning \$5. And \$1.50 an hour in three years for operating engineers in Colorado, on top of their \$5 rate.

As for demands still in negotiation, the contractors reported that operating engineers want a boost of 100 per cent in Peoria, Ill.

Other requests listed included: a raise of \$5.65 an hour over three years for carpenters in North Adams, Mass.; \$3.50 an hour more in one year for ironworkers of Kansas City; \$3.65 an hour over two years for Philadelphia carpenters.

In Michigan, officials said, Flint laborers want an increase of \$1.70 an hour in a single year; painters in Traverse City ask for \$3.15 in two years; Lansing laborers seek \$4 an hour in two years.

#### RELIEF SOUGHT

Because of such demands, the contractors have decided that drastic remedies are needed, immediately. The Associated General Contractors, Mr. Halvorson said, suggested to President Nixon and to the unions these actions:

1. Unions and employers should sign a "national stabilization agreement" barring strikes or lockouts in construction and providing for binding arbitration of all wage disputes.

2. All construction contracts issued by the Government should contain clauses for binding arbitration of wage disputes in their parts of the industry.

3. Skilled manpower should be used only for skilled work. It was estimated this alone would bring a rise of 20 per cent in available skilled labor by relieving skilled workers from unskilled tasks.

4. Government policies and laws "which are geared to unemployment" periods and recessions should be revoked or revamped.

5. Labor Department "restrictions" on apprentice training should be relaxed.

No replies had been received from the Government or labor, Mr. Halvorson said.

#### CHAOS IN CONSTRUCTION

Another industry group on April 15 issued its recommendations on ending the "chaos in the construction industry." A report appealing for a curb on building-trades wages came from the industrial-relations committee of the National Association of Manufacturers. One of its proposals urged industrial firms to back up contractors' associations that resist the demands for big raises.

Another committee, set up by the Chamber of Commerce of the United States, is also seeking to slow up the wage spiral in building.

Whether any of the employer moves will succeed remains in doubt. The unions are

out to get all the money they can while skilled craftsmen are in short supply and demand is high.

[From U.S. News & World Report,  
May 5, 1969]

#### TRENDS IN LABOR

##### EMPLOYE LISTS

Unions won Supreme Court backing assuring them that they will get lists of employees' names and home addresses for use in mailing out propaganda prior to bargaining elections. The Court on April 23 upheld a decision of the National Labor Relations Board on this controversial issue, but ruled that NLRB must act on the question on a case-by-case basis. The Court found the Board had failed to follow the Administrative Procedure Act when it adopted a general rule on the lists.

##### CANADIAN STRIKE

The Machinists Union, demanding a pay raise of 20 per cent, struck Air Canada on April 20. It was the second Machinists' strike against the Government-owned line in three years. All operations were halted. The mechanics and maintenance workers sought to catch up with pay on U.S. airlines. Air Canada offered raises of 23 per cent spread over three years.

##### UNION SEGREGATION

The Department of Justice filed suit in federal court seeking to force the International Longshoremen's Association to integrate two local unions in Baltimore. The Department said one local union is "99 per cent Negro" the other "99 per cent white," and that each usually sends out work gangs of only one race. The suit charged that Negro longshoremen get less work than whites.

##### FACTORY WAGES

Production workers in manufacturing averaged \$3 an hour in straight-time pay in March—15 cents above a year ago. For hard-goods plants, the average now is \$3.18; for soft-goods, \$2.74, according to the Labor Department.

##### CHANGE IN PROCEDURES

A trucking firm which made changes in the manner of handling freight at a terminal said the changes were prompted by a desire to increase efficiency, but NLRB said the company should have conferred with the union. Now a U.S. court of appeals has upheld the company and refused to enforce NLRB's order. The court said the changes involved ordinary operating procedures, not wages or conditions of employment.

##### IF STRIKERS WIN DEMANDS—HOW CONSTRUCTION PAY WILL JUMP

Strikers' demands in work stoppages typical of those tying up \$2 billion to \$3 billion in construction projects around the nation:

Area, unions on strike	Before strike		Hourly raise demanded	New pay per hour if demands are met
	pay per hour including fringe benefits			
Kansas City, Mo.: Ironworkers	\$5.17	\$3.50 in 1 year		\$8.67
Bridgeport, Conn.: Carpenters	5.59	\$3.71 in 3 years		9.30
Miami, Fla.:				
Bricklayers	5.52	\$3 in 3 years		8.52
Laborers	3.65	\$2.50 in 3 years		6.15
Tampa, Fla.: Carpenters	4.35	\$2.40 in 3 years		6.75
Houston, Tex.:				
Ironworkers	5.26	\$1.50 in 2 years		6.76
Roofers	4.46	\$2.25 in 3 years		6.71
Springfield, Mass.: Operating engineers	5.95	\$2.25 in 3 years		8.20
Pittsfield, Mass.: Laborers	4.16	\$2.30 in 3 years		6.46
Lincoln, Neb.:				
Bricklayers	4.93	\$2.05 in 3 years		6.98
Ironworkers	4.55	\$1.98 in 3 years		6.53
Monroe, La.: Bricklayers	5.00	\$1.65 in 2 years		6.65
Detroit, Mich.: Laborers	4.88	\$1.15 in 1 year		6.03

Source: Associated General Contractors of America.

[From U.S. News & World Report, July 28, 1969]

#### RECORD RAISES OF 1969: WHO'S GETTING THEM

Higher living costs and a shortage of skilled workers are chief factors in organized labor's drive for big wage boosts this year—even at the cost of long strikes.

The strategy seems to be paying off. Typical cash raise so far in 1969 is about \$8.64 a week.

A strategy of "get it while you can" is guiding union wage negotiators in 1969—and so far it has won record-breaking settlements.

The typical wage boost has been 21.6 cents an hour for industry generally, during the first half of 1969. This new high is 5.2 cents more than in the first six months of last year. Fringe increases are not included.

Thus, the typical raise is running at about \$8.64 per week. In May, the average worker off the farm earned nearly \$114 weekly. That amounts to some \$5,900 a year.

Construction workers are doing much better, however. Here the typical boost has been 69.5 cents an hour this year, pushing weekly pay up to nearly \$196. In 50 weeks, the annual rate would be around \$9,800.

Higher brackets. Many in the construction field will get more. Including "fringes" and cash pay, a few recent agreements will bring a worker as much as \$21,000 or \$22,000 a year.

A steamfitter in New York, as an example, is to get approximately \$22,000 a year by 1970, assuming he works 50 weeks annually. His gross wage under a new agreement will rise to \$11.10 an hour, including "fringes."

After a 15-day strike, the steamfitters won increases of \$3.25 an hour in pay and benefits over three years.

At Los Angeles, the Plumbers Union, which struck July 1, reduced its demands to a request for \$3.51 an hour over three years. That would boost the gross rate to \$11.62 an hour.

For 50 weeks a year, this construction plumber would be getting \$20,900 by 1971. The contractors' latest offer would give him \$19,296.

Steady rise. The "typical" increases cited for the first-half settlements are from a survey by the Bureau of National Affairs, Inc. They represent the median raises in cash wages—half of the agreements granted larger boosts and half gave smaller amounts.

Since 1964, the median wage increase for industry generally has been getting larger each year. It was 7.6 cents an hour back in 1964.

The BNA survey checked 1,322 wage settlements for the first half of 1969.

In winning these agreements, union leaders admit that their bargaining strategy has been to push for the largest possible raise, even at the cost of long strikes.

Often they insisted on putting all of this year's boost into cash wages rather than using some for "fringes."

*Basis of union strategy.* Labor leaders gave these reasons for their "now's the time" tactics:

Union members are demanding big cash increases because of the fast-rising cost of living—up more than 5 per cent since a year ago. Earlier pay raises have been eaten up—and more—by household expenses.

Bargaining power of unions now is strong. Skilled craftsmen are in short supply in many industries. Employers are willing to bid up the price of labor to get or to hold workers.

If it comes to a strike, many union members can get temporary jobs to tide them over. Building contractors report their craftsmen who strike immediately find well-paid work in nearby areas. The same often is true for factory hands.

Some pressure for larger increases seems to be prompted by union fears that wage controls may be imposed by law before the next contract is negotiated. The idea is to "get all we can before the Government blows the whistle."

The low rate of unemployment tends to make it easier to strike. There are fewer pools of idle workers available to break a strike. Union members often are more willing to walk out because they have been working steadily and do not fear they will be replaced by new employees.

If unemployment should rise next year as part of the battle against inflation, unions probably will find it harder to strike. Employers, if production slows down, will feel they cannot afford large increases in labor costs. This may be the last year to force through big pay raises, for some time.

Union officials said, too, that they sometimes have trouble with younger members of their organizations who insist on big settlements. The newer workers vote to reject agreements that have been negotiated by the leaders.

One union leader put it this way: "We no longer can point to Government guidelines restricting the size of the settlements. While union officials complained publicly about those guidelines of the Kennedy and Johnson years, it was handy at times to point to them in trying to hold down our members' big ideas on wage increases."

*This year's record.* The chart on page 69 shows what has been happening in 1969 negotiations up to now, as compared with other half-year periods.

In manufacturing, the median wage increase—excluding "fringes"—this year is 19.4 cents an hour. Construction workers' increase of 69.5 cents compares with 38.3 cents last year.

For nonmanufacturing, excluding construction, the median is 24.5 cents per hour. The figures are for 1969's boosts, not the total for several years under long-term agreements.

The BNA survey also listed the median wage increases for each major industry. In the manufacturing field, these raises ranged from 25.5 cents an hour for cement makers to 14.8 cents an hour in furniture making.

Outside of manufacturing industries, construction was not the only generous negotiator. Settlements in maritime shipping and longshoring gave a median boost of 38 cents an hour. The median rise was 24.7 cents for public utilities; 24.5 cents for service industries.

#### TRENDS IN LABOR

Snag in grape talks. Eleven growers of table grapes in California said their contract talks with the AFL-CIO's United Farm Workers Organizing Committee were deadlocked. They suggested that President Nixon name a fact-finding committee to recommend terms of a settlement. Negotiations have reached an impasse, growers reported, chiefly over the union's wage demands.

Spot check on wages. A sample of what's happening to pay for skilled workmen: Wage increases for such workers in the Philadelphia area averaged 5.7 per cent in the year ended last November, according to the U.S. Labor Department. The rise was almost double the advance of 3 per cent in the previous year. New rates include \$4.01 an hour for toolmakers, \$3.85 for machinists and pipefitters, \$3.65 for auto mechanics.

Closing of cafeteria. NLRB members decided that a cafeteria chain had closed one of its units permanently to avoid bargaining with a union. However, the Board ruled there was no violation of the Taft-Hartley Act because there was no proof the closing was designed to "chill unionism" at other cafeterias of the company.

A union's duty. When a union asks for

bargaining recognition but does not reveal to the employer the size of its claimed majority or offer to show authorization cards, the employer may be justified in asking for an employee vote. So saying, a U.S. court of appeals sent a case back to NLRB for further proof.

Co-ordinated bargaining. The Steelworkers Union and allied unions were found in violation of the Taft-Hartley Act because the coalition sought to force Phelps Dodge Corporation to bargain on a companywide basis in an eight-month strike that ended in early 1968. This ruling by a trial examiner of the National Labor Relations Board was similar to an earlier finding upheld by the Board in connection with a walkout at Kennecott Copper Corporation, but the new ruling found additional evidence of violations.

[From U.S. News & World Report, Aug. 11, 1969]

#### INDUSTRY'S PLAN TO HALT SOARING COSTS OF BUILDING

Chaos in the construction field reflects a failure of collective bargaining, says an industry task force. It urges builders and their clients to join in an effort to halt the upward spiral of wages and prices through closer co-operation at the bargaining table.

An alliance between building contractors and their clients is being proposed as a means of offsetting the power of construction unions to bid up wage rates year after year.

The proposal comes from a task force set up last November by the National Conference on Construction Problems. The conference and the task force were sponsored by the Chamber of Commerce of the United States.

In essence, the group calls for closer co-operation between building contractors and those who contract for their services, including federal, State and city governments, hospitals, schools and government-sponsored projects such as urban renewal. It is suggested that this combination could offset the current bargaining power of the labor unions.

Aim of the plan is to brake the wage-price spiral in the construction industry.

To reach this goal, the task force urges:

1. A national organization of the major sponsors of construction projects—governments, large-scale developers.

2. Another national organization of contractors to co-operate with the group that lets the contracts.

A call for buyer support. The report declares: "Throughout the deliberations of the task force and throughout every other discussion of methods of improving collective bargaining in the industry, one basic fact of life stands out: The contractors cannot improve their collective bargaining without the full support of the purchasers of construction services."

Under present practices in the industry, the task force found that contractors and their clients often work at cross purposes, to the advantage of unions. For example, "the purchaser-client, for reasons of expediency, has sometimes required contractors to submit to unreasonable labor-relations and project practices, as well as unreasonable demands."

Contractors, on the other hand, are criticized for permitting unions to handle most labor-relations functions that in other industries are carried out by personnel departments.

Such practices, says the task force, are to blame for most of the industry's troubles, including:

Shortages of skilled craftsmen, "artificially created and maintained" by union-imposed limitations on trainees.

"Extravagant" wage increases without any increases in productivity.

"Restrictive work practices which further

limit productivity" and block the use of new and better methods.

Suggested changes. The task force asks clients to give the contractors a free hand to negotiate and administer their own wages, hours and working conditions, as the first step.

They are urged, also, to try to time and schedule their building projects so as not to overtax the supply of construction labor, and to refrain from proposing or condoning "unreasonable" use of overtime.

The task-force report suggests, in addition, that:

A nationwide inventory of construction manpower be taken, with the help of the Government and the unions, if they will agree.

Because of the certainty that there will be a vast increase in the need for building workers, contractors must start recruiting and training new employees on their own.

Future labor contracts should provide for a fixed ratio of apprentices to journeymen on each job, and contractors should agree not to lay off apprentices because of lack of work without first notifying an office set up to administer the training program.

Contractors' associations should see to it that construction-labor contracts have common expiration dates, and thus "prevent the whipsawing effect of negotiations which follow each other."

Contractors operating outside their home areas should support local labor agreements and practices.

Sharper, more experienced negotiators should be found for the contractors' side of the table.

There should be some intensive lobbying for legislation to speed the Labor Board's handling of violations of the labor laws.

Legislation also should be sought to "overcome certain interpretations of the National Labor Relations Act" which "encourage restrictive work practices, product and secondary boycotts and restrict the use of more-efficient materials and methods."

*Commission proposed.* The task force also proposes that builders and their clients put together a commission composed of persons widely known for their "wisdom, stature and impartiality" to do three things:

1. Lay down clear "craft-jurisdiction lines applicable to specific kinds of construction."
2. Set up machinery for a new board to handle jurisdictional disputes and make awards on the basis of the craft-jurisdiction guidelines laid down by the commission. It would also make changes in the guidelines where needed.
3. Specify proper sanctions for failure to abide by the board's decisions.

The task force urges contractors to stand firm against any written agreements or unwritten on-site practices, traditions or customs which limit productivity or which boost building costs out of proportion to the value added to the project.

A spokesman for the task force noted that the construction industry has "moved so fast in new techniques and new equipment" that "jobs once logically part of one craft are now logically part of another, and there ought to be some way to place them in the right craft."

The group's report pressed for more "winterizing" of construction work and called on the Government to change arbitrary and outmoded regulations which unreasonably prevent work in cold weather.

The idea of expanding the scope of construction-industry bargaining groups geographically—negotiating contracts by whole regions rather than locally—was not taken up in the report. The task force said that this matter needs additional study.

*Bias denied.* The report insists that there is nothing antiunion about the proposals, although few of them can be adopted without union agreement. Said the task force:

"At the foundation of sound collective bargaining between parties lies the requirement that they be relatively equal in strength, that they possess the skills of negotiation and that the resulting agreements be implemented in good faith.

"The present situation in the industry reflects a failure of collective bargaining mainly because of the imbalance of power."

#### TRENDS IN LABOR

An umpire for the pros? The increasing economic importance of professional sports calls for the National Labor Relations Board to exercise its jurisdiction over disputes between team owners and their employees, the AFL-CIO says in a brief to the Board. The labor federation threw its support behind a petition for an election, among American League umpires.

Wage gains still rising. In the first 30 weeks of 1969 the median negotiated wage gain for the country as a whole was 21.8 cents an hour, up 4.3 cents or almost 20 per cent over the same period of 1968, according to a survey made by the Bureau of National Affairs, Inc.

UAW talks in Britain. American and British auto-union leaders are trying to find ways to counter the international strength of the big car makers by internationalizing unionism in the auto industry. They aim at co-ordinating wage negotiations and contract-renewal dates and standardizing union procedures in the U.S. and British auto industries. American-owned companies now produce 48 per cent of all cars sold in Britain. A British-U.S. auto-union meeting is set for 1970 in the U.S.

Steelworkers' pay goes up. Substantial wage increases and a pension boost took effect for members of the Steelworkers Union August 1, the beginning of the second year of the newest three-year contract. One brand-new feature also became effective—a pension for the surviving spouse of a steelworker who has 15 years or more of service at the time of death.

Coal chaos predicted. The National Coal Association has warned Congress that many coal mines may be forced to close and that there may be a shortage of electricity as a result, if health and safety bills for the mines, being considered by the House and Senate, become law. The association claims that technology is not available to meet proposed dust standards; insists that respirators would protect the health of miners effectively.

#### THE BIG BOONDOGGLE AT LORDSTOWN

(When General Motors embarked on a whirlwind expansion program to produce a new car, the Ohio construction industry was sucked into a dizzy bout of inflation.)

(By Don Sider)

The explosive inflationary pressures generated by labor conditions in the \$90-billion construction industry pose a dramatic threat to the national economy. In the past year, construction costs have increased by 9 per cent. Most of the wage settlements won by the building-trades unions in the first six months of 1969 call for annual wage increases of between 15 and 22 percent. These contracts, totally unrelated to productivity, reflect the unchallenged power of the building-trades unions at the bargaining table. (See "The Unchecked Power of the Building Trades," *Fortune*, December, 1968.) And that alarming spiral will continue. A Ford Motor Co. executive has warned his colleagues that they can expect plant-construction costs to increase by 53 percent over the next five years.

The sharp impact of wage-price developments in construction is spreading throughout the rest of the economy. As costs rise elsewhere, industrial unions are using settlements in the construction industry as their

initial demands at the bargaining table. Gradually, housing, if not subsidized, is being priced out of the reach of a large section of the population. Essential public services, such as hospitals and transportation, are being delayed or abandoned because of the unconscionable rise in labor costs. This unchecked inflation presents the business community with what is probably its most serious and urgent problem. Some industrialists are groping for a way to put a stop to it. But most of them, while admitting the existence of the crisis, contribute directly to it by rationalizing the toll of construction costs as "one shot" expenditures essential to the conduct of their normal businesses.

A case in point is the decision by General Motors to build a \$75-million plant in Lordstown, Ohio. In the fall of 1968 the company announced plans to build a new car, the XP 887, that would compete in price and performance with the most popular imports. Since G.M. was faced with steadily increasing labor and material costs, the design and location of the new plant were of paramount importance. Moreover, in order to keep the costs of the compact to a minimum, G.M. wanted a new plant so that it could introduce the most sophisticated automated assembly techniques with a minimum of interference.

After a comprehensive study, G.M. decided to locate a 2,300,000-square-foot stamping plant at Lordstown, Ohio, next to an assembly plant that was turning out Chevrolets. The new stamping plant will produce the small-car bodies, and the existing assembly lines will be converted for the production of the XP 887, which is expected to be on the market by mid-1970. At the same time, G.M. is building a 700,000-square-foot assembly plant for the Chevrolet truck division.

Of G.M.'s 110 building projects, completion of the Lordstown plant is being given top priority. Days after Chairman James Roche announced that the XP 887 was on the planning boards, engineers were surveying the wooded 1,100-acre site in the rolling farmland of the Mahoning Valley. With frantic haste, contractors began to assemble a labor force. Says Frank Riley, G.M.'s vice president of manufacturing, "When we get the first press in there and get the die in, we'll make our first stamping. And no matter when it is, some people here will think it's too late."

The crash program at Lordstown has led General Motors to accept with equanimity skyrocketing overtime and boondoggling work practices that it would consider intolerable in any Fisher-body plant. Yet, with its gaping press pits empty and most of the floor space still open to the sky, the plant at mid-August was six weeks behind schedule. In the first nine months of construction, workers earned over \$2 million in overtime. Eighteen regular days of production were lost because of seven wildcat strikes. A contractor has sued the unions involved for over \$190,000 in damages. And the construction industry in northern Ohio is suffering a severe manpower shortage and spiraling costs as a result of G.M.'s urgency.

#### LAWSUITS AND LOGROLLING

When construction workers heard about the big new rush job in northern Ohio, they flocked from as far away as California and Louisiana to try to get in on what they knew would be easy pickings. In November heavy-equipment operators were working up to seventy hours per week—known in the trade as "seven tens." At one time or another since then, most of the crafts have worked a seventy-hour week. The overtime pay varied as the project progressed—most trades were working sixty hours in March; in June they worked an average of fifty-three hours. Consider the weekly wages at the seventy-hour pace; \$563.50 for a laborer, \$661 for a carpenter, and \$668.50 for an operating engineer.

G.M. officials refuse to say how much total overtime was built into the critical-path program, but agreements signed with individual subcontractors indicate that forty-eight-hour and fifty-hour weeks will be usual through February, when the bulk of construction is to be completed. The critical path for the stamping plant—with installation of the first pilot line of presses scheduled for December 1 and production by May 1—was created by a computer, based on experience at G.M. Kalamazoo stamping plant, which was built in 1964-65 and is the same size as the one at Lordstown. The schedule, called unrealistic by critics of G.M.'s overtime policy, is defended by corporation officials as tight but necessary, and practical. G.M. evidently built in all the overtime not so much to get the job done but to ensure that contractors could recruit an ample supply of workers. Built-in overtime on such construction projects is known to be counterproductive. According to a study made by the management-methods committee of the Mechanical Contractors Association of America, a man will do less work in ten hours than he would in his normal eight.

The main contractor, Huber, Hunt & Nichols in Indianapolis, has worked on many G.M. projects. In this instance it has been hurt by an unusual number of costly strikes. During one six-week period, March 13 to April 25, there were just thirteen working days without at least part of the work force being absent. As usual, most of the disputes have been over jurisdiction. On February 24, the teamsters walked off in an argument with the operating engineers over the manning of equipment and 566 men struck for one day. On March 13, the ironworkers left because of an argument over who would hoist roof decking. They were followed by all crafts but the sheet-metal workers, with the result that 593 men struck for three days. On March 25, the operating engineers and surveyors walked off after the operating engineers lost their bid to represent the surveyors. That resulted in the absence of 690 men for most of a week. Then the laborers struck in a dispute with the security guards. In April the carpenters argued with the laborers over who was to move forms and 617 men struck for three days. Finally, seventy laborers disappeared for no apparent reason at all, returning two days later.

At this point, Huber, Hunt & Nichols laid down the law to the unions. The contractor banned Saturday work during any week in which an unauthorized strike occurred. "We thought it was the only way we could handle the situation," says Paul Muehlenbein, vice president of Huber, Hunt & Nichols. Earlier, the company had sued Local 66 of the International Brotherhood of Operating Engineers for more than \$62,000 for losses sustained as a result of their walkout. Just after issuing the overtime ban, the contractor sued Local 1438 of the United Brotherhood of Carpenters and Joiners for nearly \$72,000 and Local 935 of the Laborers' International Union for close to \$63,000 because of losses involved in jurisdiction disputes. Despite the threat of further lawsuits, there was another walkout on July 16, when the teamsters picketed the site and put more than 500 men out of work for two days.

#### BOONDOGGING AS A WAY OF LIFE

Such disruptions are not usual on big jobs owned and built by out-of-town firms and attracting a measure of out-of-town labor (see "The Big Shakedown in Baton Rouge," *FORTUNE*, August). "I think the idea is to establish a precedent as far as jurisdiction is concerned for the long haul," says Muehlenbein. Moreover, the work practices tolerated during a crash building program tend to become institutionalized. Typical is the case of subcontractor Don Woodward, a sheet-metal subcontractor from Warren, Ohio, whose firm is installing vents on the roof. Woodward has used a cherry-picker

crane to raise his material from ground to roof and, by accepted practice, hired teamsters to drive them to the site and operating engineers to run them on the site. As a make-work practice, the operating engineers at Lordstown insisted that he also hire oilers to stand by the machines. At that point, says Woodward, he gave up the cherry pickers and went to traditional pulleys: "I backed off. Until we find where we stand, we'll do it the hard way."

Depending on the source, boondoggling at Lordstown has been anything from a minor annoyance to a way of life. "There were some minor situations in which the contractors agreed to featherbedding to keep the job going," admits G.M.'s Frank Riley. "But we feel we're getting pretty good productivity now." In the early months, men had the habit of leaving the job long before their shifts ended. "Some of that went on," grants Muehlenbein, "but we're trying to control that the best we can. When they leave the gate early, they're docked." Union representatives, on the assurance that they will not be quoted by name, admit that there is less hustle on this job than elsewhere. "I'm not going to admit that. Hell, I got to live here," answers one grizzled union boss. Then he adds softly, "It's the same as during the war. Remember all those cost-plus jobs? It took a while for them to get used to working again." Says Joe Vaughn, the project foreman, "We've still got problems, but it's better than it was." Despite the overtime guarantees, the project is behind schedule, and the contractors are now racing to get the huge building closed in and heated before cold weather hits in the fall.

#### THE COST OF A GRAND RUSH

These aggravations should be solely the builder's and his client's but they are not. They have become the concern of every contractor and professional in the building business in the Mahoning Valley. Some 282 contractors in adjacent Mahoning and Trumbull counties complain that G.M. upset a delicately balanced labor market, drove up prices with lavish overtime, promoted bad work habits with an easygoing attitude toward labor, and created a climate of unreasonable demands by labor. "Maybe this is good business for them," says contractor Woodward, "but it isn't for me." Adds another builder: "The unions have the contractors by the fig newtons, so they gouge." Says a foreman on another job: "They shove a lot of things down your throat under these conditions that you should not have to take."

Some of the local contractors complain that G.M.'s overtime has ballooned the cost of all construction in northern Ohio. Costs have increased by 1 percent per month in the state for the past three years, according to Arthur F. Sidells, a Warren architect. The rise in Mahoning and Trumbull counties in the same period has been 55 percent. Sidells designed the new Trumbull branch of Kent State University, a project not dissimilar from eighteen other new State University branches in Ohio's current building program, where the average bid is \$25.76 per square foot. But for the Trumbull branch it exceeds \$30. Bids for a lodge and cabins at Ohio's new Salt Fork State Park at Cambridge, about a hundred miles from Lordstown, came in at \$1,600,000 more than the \$6,981,353 estimate prepared by Michael F. Kenny, a Michigan building estimator. Kenny says the high cost results at least in part from the spillover effect of overtime paid at Lordstown. J. Warren Finch, construction manager for Edward J. De Bartolo Co., headquartered in Youngstown, believes Lordstown has raised building costs in the area 8 to 10 percent. One Warren contractor now feeds into his bids fourteen hours per man per week in overtime: "You have to figure you're not going to get men at less than fifty-four hours."

There is no doubt that the G.M. Lordstown project has become a mecca for construc-

tion workers in the region. Don Matthews, regional coordinator of the 700-member Regional Congress of Construction Employers, based in Pittsburgh, says. "The big problem is that we have almost all the other workmen in the area threatening to go to Lordstown." John Logue, a labor specialist in the Builders Association of Mahoning Valley argues: "If 10 percent of the guys [the percentage G.M. claims it is drawing from the local labor force] are getting overtime, others will quit their jobs and go over there to get it." Architect Art Sidells tells of a firm building a hospital at Warren. They started with twelve plumbers and lost all but four to Lordstown; then the four went to their foreman and demanded overtime to stay on the job—and they got it. Sidells says, "Labor's attitude is, Don't look cross-eyed at me, brother, or I'll go to Lordstown!"

Almost every contractor can top the sad story of his competitors. One of the hardest hit has been J. S. Fraysier, a general contractor in Warren. Fraysier is building a ten-story, 152-apartment addition to the federally funded low-rent Riverview Apartments for the aged at Warren. "I refuse to go to overtime," he says. "We can't afford to. Furthermore, overtime only produces featherbedding." Fraysier's project is six months behind schedule, because of seven strikes and labor shortages. For example, he needed fifteen to twenty plasterers, but never could attract more than seven and has had as few as two on the job. Plastering, which started in May, should have ended by the first of July, but still continues. "It's killed me," Fraysier laments. "A job that looked good when I started went sour."

While there is little argument that massive overtime on one well-publicized project creates a demand for overtime and other concessions on most other jobs, G.M. strongly rebuts the builders' charge that it has stripped their labor market. In a letter to the contractors, G.M. cited a manpower survey conducted in June. It said that "there are over 11,000 skilled tradesmen registered in the Youngstown and Warren local unions. Of the 1,500 workers now employed on the job site, 989, or 8.6 percent, have been drawn from this local area. This percentage does not constitute an unreasonable drain on the available skilled trade categories."

#### THE INADEQUATE LABOR POOL

But local experts disagree. An informal survey of license plates at the site's parking lot found only 30 to 40 percent of the workers were from outside the Ohio area. "A business agent isn't going to sign on a man who just came into town for an overtime job before the men who elected him," says one contractor. James Matteo, secretary of the Trumbull County Building Trades Council and business agent for the bricklayers, is in the same position as most business agents. "G.M. wants twenty-five to thirty bricklayers on the Lordstown project," says Matteo. "I don't have twenty-five to thirty. Maybe I can give them fifteen, but I'll have to take them from other jobs."

If G.M. is to complete the Lordstown plant on schedule, the labor shortage will become even more intense. Using G.M.'s own figures, there are 600 ironworkers registered locally, and during the peak of June 29 to July 15, Lordstown required 534. There are 311 local electrical workers, and during the peak of November 3 to December 1, Lordstown will require 418. Of 350 local sheet-metal workers, Lordstown will require 224 during the peak of August 4 to September 1. Giving G.M. the benefit of the doubt—i.e., that only half of the men on the job are locals during these times—the company will use more than one-third of the ironworkers, more than two-thirds of the electricians, and nearly one-third of the sheet-metal workers on local rolls.

G.M. contends that the local labor shortage results from the failure of the local building industry to train sufficient men—and indeed this is the case in many areas of the construction industry. Here, though, as J. Warren Finch says, "In general the labor market has always been very good. The tradesmen have been good. Labor relations have been good." Should the Mahoning Valley have had a pool waiting for the advent of a Lordstown project? "Craftsmen," answers Clarence Hanna, executive vice president of the Builders Association of Mahoning Valley, "are like any of us. They can't be put in a deep freeze until needed."

#### "THE GAME IS TO GET AS MUCH AS YOU CAN"

The local builders believe that G.M. should have given them fair warning. But G.M.'s own contractor knew of the project only after G.M. Board Chairman James Roche announced the new car. Clarence Hanna says, "They [G.M.] told us in subsequent meetings they needed three years' lead time to get a new car on the road. They gave us zero lead time to recruit and train personnel." G.M.'s Frank Riley defends his corporation with a statement that indicates that the whole small-car phenomenon sneaked up on G.M. too: "As soon as we knew it would be there, we announced it."

The first G.M. Lordstown project—the Chevrolet Fisher Body assembly plant—began in 1964, brought with it a gravy train of overtime. Because there was an ample labor pool at the time, local builders were hardly affected. But they claim now that after that project was completed it took two years to get their workers used to doing a day's work for a day's pay—a charge the unions vigorously deny.

The unions' argument implies that they are trying to make up for some bad days in the recent past. "Let's talk about the fact that five-six years ago we had a slowdown here that equaled the depression," says the Carpenters' Mike Beckus. "During that period, I didn't see one of these contractors offer to help our people." But the building boom of recent years has enabled the unions to take advantage of the tight labor market with a vengeance. Today, at Lordstown, laborers earn \$5.74 an hour, carpenters \$6.61, electricians \$7.05, plumbers and steamfitters \$7.33, structural ironworkers \$7.32, sheet-metal workers \$6.87, and operating engineers \$6.75½. After forty hours, most of these rates double.

But not all union leaders are happy with present conditions. "G.M. is the best thing that ever happened to this area," says Mike Beckus. "It's been good for the craftsmen," admits Jim Matteo, "but we don't care for all this turmoil." One union officer takes an unusually statesmanlike view: "It hurts the economy. Here's a job; everyone wants to go out there; the poor stiff who wants to build a home can't get it."

For their part, the builders, led by Clarence Hanna, have been after General Motors like a colony of hornets whose nest has been tipped. They have written letters to Chairman Roche and President Edward Cole that resulted in three meetings with G.M. officials. "All we got," says Hanna, "was tea and sympathy." He told his story at the Washington Convention of the Associated General Contractors last March, and was mustering a boycott by some of 3,500 delegates and their wives of a party being staged by G.M.'s TEREX Division, which makes earth-moving and road-building equipment, when a hurried bulletin informed the builders that Cole was even then studying the Mahoning Valley delegation's plight with a sympathetic eye. But there is a fatalistic air about the contractors when they discuss their attempt to get cooperation from G.M.; they know the company will build its plant on schedule irrespective of their protests.

#### GET THE PLANT UP AT ALL COSTS

Should G.M. have predicted the need for the XP 887, and reacted sooner? The chief of construction for a Detroit competitor thinks not: "It's a lot more complicated than saying some executive at G.M. decided too late. The marketplace is a crazy, fickle thing." G.M.'s Riley adds, "The automobile business is not only seasonal but cyclical. The market changes rapidly. When we reach that stage when we have the vehicle that will be ripe, you've got to move very fast to get that car out. We can't sit down now and decide what kind of car we'll build in ten years."

Once the decision was made to build the XP 887, the entire G.M. organization moved with alacrity. Lordstown is just one part of a systematized massive deployment of men and machines, which in another city would have won plaudits for its precision. Says an executive of another auto maker: "The logistics problem is horrendous. Once a decision is made, everything must function like clockwork." Even if it were possible to slow the pipeline, it would be costly and impractical. Ford has a fourteen-month lead on G.M. with its Maverick. The payoff for G.M., if it has guessed right on the XP 887, can make the millions it is overspending a very worthwhile investment "People in this company want that car," says a G.M. executive, "and they're willing to pay, no matter what it costs."

"Our problem," says a Ford executive speaking "or the industry, "is the marketplace. The construction industry is in bad shape to meet the demand of a big client like G.M. We have two marketplace elements that come into conflict: The supply of cars and the supply of labor." G.M.'s Riley concurs: "I doubt that there would be any local area that could absorb a job of this size without interruptions."

#### AN ALLIANCE OF SYMPATHY

Could General Motors, the world's greatest industrial corporation—spending \$1.1 billion annually in new plants, equipment, and modernization—devise a way to hold down construction costs? The steamrollered builders and their clients in the Mahoning Valley think so. Some of their suggestions are novel. For example, G.M. could, through the Argonaut Realty Division, buy up one or more construction companies and go into business for itself. But in the auto industry it is an accepted maxim that you get into trouble when you get into another man's business. It could demand a nonunion or open shop on its jobs, but for a company and an industry which is so thoroughly unionized that could be disastrous. It could hire its own labor force, and shift them from job to job, working independently of the local pool; but that would build in inefficiencies that are repugnant to the cost-conscious executives of G.M. It could build its cars overseas, but G.M.'s own sense of national responsibility, not to mention its fear of government disapproval, would prevent that extreme move.

Rather than lead the anti-inflation battle itself, General Motors has chosen to join a group of other major corporations whose aim is to support a tough stand by contractor's associations at the bargaining table. Led by Roger Blough, former chairman of the board of U.S. Steel, the group, which includes such corporations as General Electric, Standard Oil Co. (N.J.), and Consumers Power Co. will monitor all settlements in the construction industry and may chastise any company that forces a contractor to capitulate to the extreme demands of the building trades' unions. While this expression of support is welcomed by builders, it remains to be seen whether this alliance of sympathy is sufficient to correct the imbalance of union power at collective-bargaining sessions.

There is still a feeling at G.M., though, that the contribution of construction costs to the spiral of inflation is the other fellow's problem. "We agree that inflation in construction costs is serious," says Frank Riley. "We see that building costs are skyrocketing. It should be a matter of concern to us, and it is. We've said that we'll support any reasonable proposal." But G.M. still feels its main job is building cars. Says Riley, "We're a customer of the building industry. We don't expect our customers to solve our problems."

#### PICTURE CAPTIONS

\$11.13

Laborer Vernold Leonard has good reason to smile. He belongs to the construction crew now building a \$75-million project for General Motors at Lordstown, Ohio. Because of built-in overtime, Leonard and his fellow workers are among the highest-paid men in the construction industry. Leonard's base pay is \$5.39 an hour and he gets 35 cents in fringes; after forty hours he earns \$11.13 an hour.

\$13.21

Operating engineer Peter Roman, from Poland, Ohio, belongs to a craft that is in continuing jurisdictional disputes with the Teamsters union. Some operating engineers have worked a seventy-hour week, grossing \$666.50. Roman makes \$13.21 an hour in overtime pay.

\$13.22

Carpenter Mario Panissidi was drawn from the local labor pool, which supplies about half the work force. Carpenters make \$6.11 an hour straight time and 50 cents an hour in fringes. After forty hours, pay and fringes double, so that the overtime rate soars to \$13.22 an hour. Panissidi left a job on a local shopping mall to work at Lordstown.

\$13.35

Bricklayer Rudolph Bryan commutes a half-hour each way every day from his home in Bessemer, Pennsylvania. The drive is well worth while. Bryan makes \$6.50 an hour in straight time, and 35 cents in fringes. For a regular forty-hour week, Bryan earns \$274, and his overtime pay runs to \$13.35 an hour.

\$13.39

Sheet-metal worker William Boyd is from Negley, Ohio. He makes \$6.52-an-hour base pay and 35 cents in fringe benefits. Most sheet-metal work at Lordstown is running fifty-four hours now. So workers like Boyd make \$274.80 for a forty-hour week and \$13.39 an hour for overtime.

\$10.58

Electrician James Stevenson of Shelbyville, Tennessee, belongs to a craft that makes only time and a half instead of double time after forty hours. Electricians are paid \$6.52-an-hour base pay and 53 cents an hour in fringe benefits. Overtime is paid at the rate of \$10.58 an hour. Of all the crafts, electricians are most in demand in the Mahoning Valley.

\$14.34

Structural ironworker E. S. Bates came all the way from San Diego, California, to share in the overtime boom at Lordstown. His base hourly pay, \$7.02, is the highest of all the crafts shown here, and doubles after forty hours, but the fringes, worth 30 cents an hour, remain constant. Bates can make \$292.80 for a regular work week and \$14.34 an hour for overtime.

\$14.76

Plumber Martin D. O'Connell is one of the highest-paid men at Lordstown when the job is running at full blast. His base pay of \$6.91 an hour, and his fringe benefits, 47 cents, double after forty hours. The Girard, Ohio, worker makes \$295.20 a week, and

\$14.76 an hour for overtime, which is one reason why plumbers are rather choosy about making house calls.

Mr. GURNEY. Mr. President, I take this opportunity to second what the distinguished Senator from Michigan has just said. It does seem as though the main thrust of what we have before us is a bill which has to do with its industry promotion fund, but affects only a small part of the whole labor management field.

It seems that if we are going to make this exception to the Taft-Hartley Act, we should do it by studying the whole field of these funds not only as to the construction industry but as to many other industries as well. So that, indeed, if we come up here with legislation we can do it and look at the whole of the problem before us, instead of zeroing in on just one industry. We can come up with a bill that will encompass the whole problem.

Thus, I certainly support what the distinguished Senator from Michigan has said, and would hope that we can put this back in committee where, then, we can study the whole picture and come out with a piece of legislation that can handle the whole problem.

Mr. GRIFFIN. Mr. President, the material I have just placed in the RECORD relates to the round of wage increases in the building and construction industry for 1969.

We should be aware of the fact that, in most instances, those settlements were for only one year and negotiations are coming up again in my State of Michigan as well as other States. They will be coming up in advance of the negotiations in such industries as the automobile industry. The UAW and the automobile companies will begin their bargaining after the building trades begin a new round of wage negotiations.

We are also confronted with some rather large wage demands that have been presented by the Teamsters Union. Of course, that is a very important industry, but there is no industry which is more important than the building and construction industry. In a sense, I think it would be unfortunate if the Senate were to pass this bill today and, in effect, to indicate approval of what has taken place with respect to the negotiations, insofar as the wage structure in the industry is concerned.

It would, in effect, be encouraging even more exorbitant demands in the round of negotiations which is about to take place.

Mr. JAVITS. Mr. President, I see no reason to prohibit joint administration of product promotion funds in the construction industry where employers have voluntarily agreed to such joint administration. Hence, I am a cosponsor of and I support H.R. 860 and S. 1369, its identical Senate counterpart.

This legislation is necessary only because of the manner in which section 302 of the Taft-Hartley Act is phrased. That section prohibits all payments by employers to representatives of employees, with the only exceptions being those specified in subsection 302(c). The original purpose of section 302 was to

outlaw bribery of union officials by unscrupulous employers interested in obtaining "sweetheart" contracts. It was also intended to prohibit employers from paying money directly into union treasuries, with no further control over the purposes for which the money could be spent.

Unfortunately, section 302, in its original form, was phrased in extremely broad terms, and the specific exceptions listed in section 302(c) did not cover several unquestionably legitimate activities which could be pursued jointly by unions and employers. Congress has already recognized this fact on at least two previous occasions. Thus, in 1959, even as the provisions of section 302(a) were strengthened to prohibit loans as well as outright payments and to bring so-called agents of employers within its terms, an additional exception was also provided in section 302(c) (5) to permit payments to jointly administered trust funds used to finance apprenticeship or training programs. Similarly, last year, S. 2068, permitting payments by employers to jointly administered trust funds used to finance day care centers and educational scholarships, was passed and signed into law.

The present bill merely provides another exception permitting employer payments to jointly administered funds used for product promotion in the construction industry. Clearly, in permitting such payments, the bill does not frustrate any of the purposes underlying section 302, particularly since the bill makes it absolutely clear that joint administration of such funds is a voluntary subject of bargaining.

It should be borne in mind that there is nothing illegal per se about industry product promotion funds, and there is nothing in present law which prohibits employer payments to such funds if they are unilaterally administered by employers. Many such funds exist and in many cases in the construction industry, for convenience, the employer's obligation to contribute to such funds is spelled out in the collective bargaining agreement itself. Frequently, the amount of the contribution is stated in terms of so much per man-hour worked. The funds themselves are used to help promote the sale of a particular product, for research and to promote good will.

Building trades unions naturally have an interest in the economic health of the industry or subindustry in which they are employed and for this reason, as well as the fact that contributions to the fund are collected through the collective bargaining agreement, have a legitimate interest in participating in the administration of such funds. A number of employers in the construction industry, although perhaps not a majority, have agreed to recognize this union interest and permit the unions to participate in the management of certain funds. No valid reason has been suggested, Mr. President, why, given this agreement of employers, joint administration of such funds should be a Federal crime.

The bill makes it clear that, given employer agreement in the case of a prod-

uct promotion fund, such joint administration will not be a Federal crime. The bill does not force any employer to establish a fund; it does not force any employer to contribute to a fund, and it does not force any employer to agree to joint administration of a fund. No employer need even discuss a fund if he does not wish to do so, and any union which insists to the point of impasse on joint administration of such a fund would be guilty of an unfair labor practice in so doing.

It has been claimed by some opponents of this bill that making joint administration of product promotion funds a voluntary subject of bargaining will not, in fact, preclude a union from striking to enforce its demands for joint administration. It is said that sophisticated union negotiators could easily pretend to strike or threaten to strike over a mandatory subject of bargaining, such as wages, while at the same time making it clear "off the record" that the union's real objective was joint administration. Without denying that such a situation is theoretically possible, I fail to see any real danger of this occurring. In the first place, I would doubt very much whether joint administration could ever assume the importance of a strike issue. Secondly, employer negotiators are just as sophisticated as union negotiators and could usually take effective counter steps to expose any such conduct.

It is also claimed by some employers that permitting union participation in the management of these funds will inhibit efforts of employers, through use of such funds, to recruit minority group employees and break down the discriminatory practices which still, unfortunately, exist in some segments of this industry. The short answer to this claim is that as the bill itself and the committee report make clear, if any fund is used for the purpose of recruiting or training manpower, it is not a product promotion fund as defined in the bill. This bill does not cover any fund used for "any purpose other than for product and product application research and development, product and product application market development, promotion of product and product application with architects, engineers, and Government contracting officials, product and product application public relations, publication of product and product application technical information and data."

It should also be noted in this connection that joint administration of separate funds used for defraying the cost of apprenticeship or other training programs is already authorized under section 302 (c) (6), and bargaining over such funds is mandatory, not just voluntary. Hence, nothing in the bill could possibly affect recruitment or training programs.

Nor is there any warrant for assuming that permitting joint administration of product promotion funds will somehow aggravate jurisdictional disputes. Nothing in the bill affects the provisions of section 8(b) (4) (D) of the National Labor Relations Act or any private dispute settling arrangement. Of course, these funds are used to promote competition between different kinds of products, but no one

has satisfactorily explained to me how such a fund could, merely by virtue of its being jointly administered, have any effect—one way or another—on jurisdictional disputes, or even if it could, why the provisions of section 8(b)(4)(D) would not be effective to stop any unlawful strike or picketing.

The objections which have been voiced by some employers to this bill are thus without merit.

Furthermore, there are certain very definite advantages to be gained from permitting these funds to be jointly administered. For example, whereas unilaterally administered funds are not now subject to any reporting or disclosure requirements under any Federal law, a jointly administered product promotion fund would be subject to the reporting and disclosure requirements of the Welfare and Pension Plan Disclosure Act. Similarly, nothing in present law requires any unilaterally administered fund to be established pursuant to a separate trust agreement or prevents the moneys in such a fund from being commingled with other moneys. These requirements would apply under the bill to jointly administered product promotion funds.

Mr. President, it should be made clear that nothing in the bill legitimizes any activity of any promotion fund if its activities would otherwise be unlawful. Thus, if a fund is engaged in activity which would otherwise violate the antitrust laws, the mere fact that it is jointly administered would not exonerate the fund or anyone administering or contributing to it from antitrust liability. Nor does anything in the bill permit any union to agree with one employer or group of employers to require any other employer to make any contribution to a promotion fund to the extent that such conduct would be considered a violation of the antitrust laws under such cases as *Allen Bradley Co. v. Local 3, IBEW*, 325 U.S. 797, *Amalgamated Meat Cutters v. Jewel Tea Co.*, 381 U.S. 676, and *United Mine Workers v. Pennington*, 381 U.S. 657. Such conduct would also, of course, as previously noted, constitute as unfair labor practice.

Finally, Mr. President, there is a big problem in the construction industry with respect to modernization of methods, techniques, and materials. There is no question about the fact that there are many archaic practices being pursued in that industry, with a resultant impact upon costs. There is also no question about our desire—as evidenced by my strong fight here with respect to the so-called Philadelphia plan—to broaden the opportunities for employment in respect to this very key industry.

All of these things, Mr. President, could lend themselves to improvement through these kinds of joint promotion funds. Our job, if we should enact such a measure as this, would be to see that such funds were utilized for constructive purposes, and not for the purpose of locking in archaic or backward practices or materials, or continuing any practice or material which increases costs or reduces efficiency, rather than improves them.

This is a problem, again, of the good faith and intelligence with which such a plan is administered. We cannot hope to make it constructively useful to the public and the industry unless the unions are given an opportunity to cooperate, and this will provide the permissible capability for doing just that.

For that reason, Mr. President, I favor the bill, and hope that the Senate will approve it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ELLENDER. 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. WILLIAMS of New Jersey. Mr. President, I ask unanimous consent to have printed in the RECORD an article which was published in the AFL-CIO American Federationist magazine of December 1969, entitled "The Myth of Housing Costs."

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

#### THE MYTH OF HOUSING COSTS

(By Nathaniel Goldfinger)

In the next 30 years America's population is expected to grow by at least 80 million—equal to adding the present populations of England and France to the United States. And the overwhelming majority of these people will live in urban areas. Yet millions of Americans today are ill-housed and major portions of central cities are dilapidated or decaying areas.

The Housing Act of 1949 established a national housing goal of "a decent home and a suitable environment for every American family." But the government did not place major emphasis on meeting the nation's housing needs and for many low- and moderate-income families that goal was not fulfilled.

Nineteen years later, Congress adopted the Housing and Urban Development Act of 1968, to speed up the building and rehabilitation of housing through federal assistance and a variety of incentives to business. The Act's 10-year goal of 26 million additional dwelling units, including at least 6 million subsidized units for low- and moderate-income families, can be met only if there is a national commitment backed by effective government policies to achieve it.

But today, more than a year after the 1968 Act was adopted, there is little evidence of such government policies and measures. The clear-cut evidence, in terms of actual construction, is to the contrary.

To achieve 26 million additional dwelling units in 10 years—an average yearly rate of 2.6 million—the number of housing starts in 1969, should be moving up sharply from the 1.5 million units in 1968 toward 2 million. But the government's restrictive monetary and fiscal policies and the highest interest rates in 100 years are causing a sharp decline of residential construction rather than a sharp increase.

Between the winter months of 1968-69 and the past few months, the yearly rate of housing starts has dropped from 1.7 million dwelling units to 1.4 million. Housing starts are headed down, not up. Unemployment among construction workers is increasing.

The soaring trend of interest rates is pricing an increasing percentage of families out

of the market for single family homes and new apartments. Skyrocketing interest rates have increased costs to home builders, prices and monthly payments to home buyers and rents to those who seek new apartments.

The economics department of the National Association of Home Builders reports that monthly payments on principal and interest on a 25-year mortgage with 20 percent down payment rose from \$139.80 for a \$25,000 house purchased in June 1968 to \$156.96 for a similar home bought in mid-August 1969, as the result of soaring money costs. This is a rise of \$17.16, or over 12 percent to be paid each and every month for 25 years.

While the Secretary of the Department of Housing and Urban Development speaks in general terms of the need to increase home building, the Federal Reserve, the Treasury Department and the White House are embarked on a severely restrictive economic policy that tightens the money supply, shoots interest rates upward and hits residential construction. The Administration's talk and actions have been in opposite directions:

America is actually moving backward in home building, while there is considerable talk of moving forward.

Some of this talk about moving ahead, towards meeting the nation's urgently needed housing goal, centers around the Department of Housing and Urban Development's "Operation Breakthrough." If we are to believe at least part of the sales pitch that surrounds it, "Operation Breakthrough" is soon going to result in a reduction, or considerably slower rise, in the price of residences, monthly payments on homes and rents on apartments. Such an objective is certainly a worthy one.

National attention has been focused on an effort to cut the costs of construction—material and labor costs—through radical changes in technology and management of residential construction as a key to solving the housing problem. However, even if one or more radical technological breakthroughs are achieved in experimental stages in the next year or two, it would probably take another 5 to 10 years before these breakthroughs could be tested sufficiently through experience and consumer response.

There is an obvious time lag between radical technological changes in experimentation and significantly widespread application. If any radical technological breakthroughs are achieved, they will have little impact on America's ability to meet the 10-year housing goal established by congressional legislation in 1968.

What the present effort may actually achieve, after stripping it of the sales pitch, is much more mundane than the "breakthrough" title implies. If reasonably successful, it should be able to accelerate the continuing trend of the past 25 years towards pre-fab components, pre-fab units and modules—all of which would step up the trend toward reducing the on-site labor component of the price. It should be able to increase the use of new materials, such as plastics. It should help to attract some large firms into the business and improve the managerial efficiency of residential construction.

All of these would result in some cost reductions, if—and it is a big if in the light of actual experience—if there is a large and expanding volume of construction. In fact, a large volume of home building would by itself provide some cost savings and unless a steady expansion of volume operations can be achieved, even the feasible aspects of this effort will remain largely unrealized.

However, we are told by the news media that labor costs are the chief problem in residential construction. Many people believe this myth and they also believe that trade unions are the major impediment to reduced housing costs, although only about 20 per-

cent or less of residences are union built. Following through on these views, public attention has been focused on a need to reduce on-site construction activities, particularly the on-site labor cost, by moving many of these building activities from the construction site to the factory. And the aim is to prevent such savings on on-site labor from being offset by increased costs of producing and transporting materials from the factories through the stepped-up use of new and less expensive materials.

But Dr. Michael Sumichrast, chief economist of the National Association of Home Builders, recently supplied the Joint Economic Committee of Congress with details on the costs of a single-family residence and the figures tell a vastly different story.

Dr. Sumichrast's figures show that between 1949 and 1969, on-site labor costs fell sharply from 33 percent of the price of a home to 18 percent—indicating a considerable shift to pre-fab factory operations and a rise in on-site productivity, as well as sharp increases in other costs.

While this shift from on-site labor to factory and materials activities was taking place, the cost of materials increased only slightly, from 36 percent of the price of a home to 38 percent. In those 20 years, the cost of structure—everything excluding land, financing and profit—fell from 70 percent of the price in 1949 to 56 percent of the price in 1969:

	[In percent]	
	1949	1969
Structure.....	70	56
On-site labor.....	33	18
Materials.....	36	38
Land.....	11	21
Overhead and profit.....	15	13
Financing.....	5	10
Average price.....	\$9,780	\$20,534

Source: Bureau of Labor Statistics and National Association of Home Builders Economic Department. Congressional Record, October 29, 1969, pg. 32260.

The focus of attention therefore is on only 56 percent of the price of a single-family home—and on those costs, which have been either sharply declining or relatively stable components of the price. But there is little if any attention given to the sharply rising components of the price—land costs and financing costs which, in combination, rose from 16 percent of the price of a home in 1949 to 31 percent in 1969.

As an example, based on these figures, the on-site labor cost of a \$20,000 house is \$3,600. Let us assume that this cost is reduced 20 percent through the increased use of pre-fab, which brings the on-site labor cost down to \$2,880. If the costs of materials can be held the same, despite the shift to pre-fab, and if land and interest rate costs and profits were all stable, the 20 percent cost-saving would reduce the price of the \$20,000 house to \$19,280. That is a saving, but hardly a "break-through."

Moreover, to the home buyer or renter, the actual saving in monthly payments or rent is much smaller than even that small amount. On this aspect of the issue, the report of the Kaiser Committee on Urban Housing, issued in December 1968, sheds some light. And the Kaiser Committee's cost breakdowns are reasonably close to those of the National Association of Home Builders. According to the Kaiser Committee's report, the on-site labor cost is 19 percent of the price of a single-family home and 22 percent of the price of an elevator apartment unit, while the materials cost is 36 percent of the price of a private home and 38 percent of an apartment unit.

According to the Kaiser Committee's report, debt retirement—on principal and interest—is only 53 percent of the monthly occupancy cost of a single-family home and merely 42 percent of the monthly rent of an elevator apartment unit. Other costs include such factors as taxes, utilities and maintenance.

According to these Kaiser Committee estimates, the price of the mortgage, and the interest payments on that price, amount to only about one-half of the monthly occupancy cost of a home or rent on an apartment. The on-site labor cost is approximately one-fifth of that amount, or only about 9 percent to 11 percent of these monthly occupancy costs to the home owner or renter, including the interest payments on the labor cost:

	To homeowner (Single family unit)	To renter (Elevator apartment unit)
Debt retirement.....	53	42
Taxes.....	26	14
Utilities.....	16	9
Maintenance and repair.....	5	6
Administrative and similar costs.....		13
Vacancies, bad debts, and profit.....		16
Total.....	100	100

Source: McGraw-Hill Information Systems Technical Report. President's Committee on Urban Housing, December 1968.

On the basis of these cost figures, a 20 percent cut in construction workers' wages—or a 20 percent increase in productivity—would reduce the monthly occupancy cost to the homeowner or renter by only about 2 percent. The Kaiser Committee says, "All on-site labor costs represent such a small percentage of monthly rents that a general reduction of 20 percent for all workmen would mean only a reduction in rent from \$100 a month to \$98 in a typical unit." And that includes the cost of the interest payments on the on-site labor cost.

While debt retirement of principal and interest is approximately only half of the monthly costs of a house or rent on an apartment, over one-half of the debt-retirement portion of those monthly payments is for interest charges, at recent interest rates. The price of the property, therefore, accounts for only about 20 to 25 percent of the monthly occupancy costs to the home owner or renter and, in turn, the on-site labor cost accounts for only about one-fifth of that amount.

Therefore, the actual on-site labor cost component of monthly occupancy costs—excluding interest payments on the labor cost—comes to only approximately 4 to 5 percent of those monthly costs of a homeowner or renter. A 20 percent increase in the wages of all on-site workers—or a 20 percent reduction of on-site labor through increased use of pre-fab—therefore directly involves only about \$1 of each \$100 of monthly rent or occupancy costs of a single-family home, when interest charges are excluded.

All of this adds up to some very clear facts: The major part of housing costs to the renter or homeowner is interest charges—the price of borrowed money to the developer, builder, landlord and homeowner. The on-site labor cost accounts for only a small part of the price of the property and a much smaller portion of monthly occupancy costs to the owner.

The on-site labor cost component of housing has been the victim of gross distortion, ignorance and anti-labor myths. The sole focus of public attention on on-site labor costs and labor-saving technology is largely

based on a hoax. If the costs of housing are to be reduced—or if such rising costs to the consumer are to be slowed down—interest rates and land prices, as well as labor and materials costs, have to be reduced or curbed and managerial efficiency has to be improved.

Anyone who focuses sole or major attention on the labor-cost component of housing costs—whether it be an Administration spokesman or college professor—is dodging the key issues of financing costs and land prices. Unless those costs are cut or curbed, it will be impossible to bring the consumer's housing costs under some manageable control—regardless of the progress in pre-fab.

The building trade unions are cooperating with employers in the increased use of pre-fab and modules in residential construction. But substantial advances along those lines can do only little to curb the consumer's housing costs if soaring land prices and financing charges are not curtailed. And unless land and financing costs are curbed or reduced, it is unlikely that America can soon achieve the expanding volume of residential construction the country needs and which, in itself, would produce some cost saving.

Some people ask whether America has the material resources and manpower to attain the 10-year housing goal of 26 million dwelling units. The answer is decidedly yes. However, the needed national commitment, backed by effective government policies, has not been made.

In 1955, private and public new housing activities accounted for about 4.5 percent of the total national production. But in recent years, the dollar outlays for new residential construction have been not much greater than in 1955—despite increased prices—and such activities have declined to about 2.5 percent of the much greater gross national product.

In the coming years, total national production should rise by 4 to 4.5 percent per year, excluding price changes, if high levels of production and employment are to be maintained—and probably about 5.5 to 7 percent per year in current dollars. If home building activities rise as fast in the 1970s as total national production—in contrast to the sharp cyclical swings and relative stagnation since the mid-1950s—the volume of residential construction will increase, but not enough to attain 26 million additional dwelling units in 10 years.

To attain the 10-year housing goal, private and public outlays for residential construction will have to increase at a somewhat faster pace than the gross national product—to rise from about 2.5 percent of the GNP in recent years toward about 4.5 percent of a growing GNP in the seventh or eighth year.

This is not an unreasonable goal in terms of feasibility. Such proportion of national economic activities for residential construction was attained in the past, as in 1955, and it can be attained during the course of the 1970s. But its achievement requires changes in government policy.

One major needed change is for the federal government to shift from providing inducements and subsidies for business investment in plant and equipment to an emphasis on housing. Federal policy will have to substantially curb its variety of devices to encourage an increased share of total national production for business investment in plant and equipment, which has cut into the flow of available private savings for investment in home building—and which has also tended to increase the cost of borrowed money.

Rates of increase and levels of business outlays for plant and equipment have been unsustainable in recent years. If such rates of increase and levels of business investment are brought down to more moderate and sustainable levels, more private savings would be available for investment in new residential construction, which is the tailend of the money market.

It would ease the residential construction industry's losing competition for available funds with business-investment loans, which are considered the top choice in the money market. It would also eliminate or considerably reduce the sharp cyclical swings in home building, since it would provide a steadier flow of private savings into residential construction.

In addition, positive government encouragement of home building is needed. Pooled mortgage bonds, authorized by the 1968 Act, would be of assistance in attracting funds into housing. Additional encouragement is probably necessary—such as a federal requirement that a modest portion of pension and similar trust funds be invested in government-guaranteed residential mortgages for Internal Revenue Service approval.

Such measures should be accompanied by a general reduction of interest rates, an ample growth of the money supply and, if monetary restraint is necessary, a sheltering of residential construction from the ravages of tight money. The combination of such government policies is needed to provide a greater supply of private funds for home building and to reduce the costs of borrowed money.

However, sole reliance on the private market, even with government encouragement, will not increase residential construction sufficiently—particularly dwelling units for low- and moderate-income families. The direct role of government will have to be increased.

Direct public outlays for new residential construction, in recent years, have amounted to only about \$700 million—about one-tenth of one percent of total national production. These sums will have to be increased to meet the 10-year housing goal.

Such increase in direct government outlays would require some small changes in the composition of federal expenditures during the course of the next 10 years, with greater emphasis on housing. The expected \$15 billion annual increase in federal revenues—as well as the leveling off of defense expenditures since mid-1968 and the hoped-for end of the Viet Nam war—will make it feasible to increase substantially the flow of direct government outlays for residential construction, particularly for lower-income housing. In combination with government efforts to strengthen the position of the private housing market, such increases in direct public expenditures should enable America to meet the goal of 26 million dwelling units in a decade.

As for the availability of land, anyone who has traveled across this country knows that the potential land supply is tremendous. Even in and near the cities and towns, a potential supply of land is available that could be used for residential neighborhoods—if transportation and public facilities are provided.

The immediate problem is not the supply of land, but soaring land prices. The price of land for housing has been rising about 10 to 20 percent per year. Land costs are now about 21 percent of the price of a single-family house and approximately 13 percent of the price of an elevator apartment unit. The Kaiser Committee reported the average site of a new, FHA-insured, one-family house rose from \$1,035 in 1950 to \$3,766 in 1967, a rise of 264 percent in 17 years. The committee also reported that in the vicinity of Washington, D.C., the price per acre paid by builders "increased from \$3,400 in 1960 to \$5,800 in 1964, a jump of over 70 percent in a four-year period."

A government land policy is needed. The taxing and zoning of land require review and revision by the federal, state and local governments—to curb the skyrocketing rise of land prices and excessive land speculation. We also need something like land banks—with government advanced—acquisition of

rights or ownership to large blocks of land for future development, specifically including low- and moderate-income housing. Effective government policies are needed to curtail the sharp rise of land prices if the nation's housing goal is to be met.

In addition, the use of land in outlying metropolitan areas for residential construction requires the availability of mass transportation as well as educational and other public facilities for the creation of decent neighborhoods.

The potential manpower supply for construction generally must be considered since it is impossible to isolate residential from non-housing construction employment. Several experts have examined this complex issue. The Bureau of Labor Statistics estimates that total employment in contract construction of all types—residential and non-housing—will rise from nearly 3.3 million in 1966 to 4.2 million in 1975, a rise of about 90,000 a year.

In their work as consultants to the Kaiser Committee, John Dunlop and Quinn Mills estimated that about one million additional man-years of employment in residential and non-housing construction will be in demand by 1975. Since few construction workers are employed year-round, the Dunlop-Mills estimate comes to somewhat over 100,000 additional employes per year.

In addition, the number of construction workers is a slowly declining percentage of total employment in contract construction, with a rising percentage of architects, draftsmen, engineers, technicians and clerical employes. Therefore, on the basis of these estimates, the net increase in the number of construction workers that will be needed if the 10-year housing goal is to be achieved—while non-housing construction continues to increase—will be in the neighborhood of 90,000 to 100,000 per year above the 2.7 to 2.8 million construction workers employed on the average in the past four years.

The number of deaths and retirements of construction workers, in the period ahead, probably will also be close to that order of magnitude. So we are talking about replacements within a range of 90,000 to 100,000 per year and net increases in employment of approximately a similar number.

If the 10-year housing goal is to be met, increasing employment of construction workers will be required—with the increases gradually accelerating during the course of the decade. However, the actual number of workers needed by the industry will depend on the actual volume of construction, rather than long-run forecasts and government promises.

The major sources of potential manpower supply can be roughly identified and there may be others as well.

One major source is the present supply of workers with some construction experience and skills. As a result of the sharp cyclical and season swings in construction employment—and the casual nature of the labor market—Dunlop and Mills estimated that it takes 1.8 workers to fill one average year of construction employment, a higher ratio than in any other industry.

Much work-time is lost in unemployment, in time between projects and in seasonal fluctuations. For example, unemployment in the industry is usually about twice the national unemployment rate. In addition, many "full-time" construction workers are employed 1,400 hours or less per year in the industry.

We now have detailed information on employment from the Social Security records of 1964. In that year, average total employment in contract construction was 3.1 million, according to the Bureau of Labor Statistics. But the Social Security records reveal that 6.7 million people had some earnings in contract construction in 1964 and 4.1 million earned the major proportions of

their earnings in that industry. A large number of workers were in and out of the industry during the course of the year.

These figures also indicate why the annual earnings in this industry are relatively low, by comparison with high hourly wages. In 1964, according to the Social Security records, the median annual earnings of workers with four quarters of employment in the industry were only about \$6,200, despite high wage rates. Sharp cyclical and seasonal swings in construction employment generally—with impacts on annual earnings are particularly pronounced in home building.

A steadily expanding volume of construction and concerted efforts to reduce sharp seasonal changes could cut the excessive fluctuation of employment in the industry. It would reduce the insecurity of employment, increase annual earnings and enable the industry to achieve a labor force of a more stable size. In addition, the extension of union organization in residential construction—which is now only about 20 percent union-organized or less—would provide greater cohesion and rationality to the particularly volatile employment pattern in home building.

Another potential source of manpower is apprenticeship, particularly for the skilled trades. Apprenticeship is crucial to the training of the highly-skilled key cadre of the industry—the full-fledged journeymen with the best employment prospects in a casual labor market, the foremen, supervisors and contractors.

The number of government-registered apprentices has been increasing during most of the 1960s. Although most apprentices are in construction, some of them are in other industries, such as the metal trades and printing. In addition, some apprenticeship programs are not registered with the government. From 172,000 in 1960, the total number registered apprentices has risen to about 250,000 at present. The yearly rate of completions of construction apprentices at present, is probably about 20,000 to 30,000. Based on present registrations, the number will rise in the next few years, probably to about 30,000 to 40,000.

An aspect of the expanding apprenticeship programs of recent years is Outreach. Started in New York City by the Workers Defense League and A. Philip Randolph Institute, in cooperation with the building trades unions, Outreach provides remedial education, counseling and encouragement to young people, particularly Negro and other minority youth, to help them pass the tests for entry into apprenticeship. Similar programs—involving the U.S. Department of Labor and the Urban League, as well as the Workers Defense League-Randolph Institute—are in existence in over 50 major cities.

Spurred by these developments, the number of apprentices from minority groups has been increasing—from about 2.5 percent in 1960 to approximately 7 percent at present. Even more important is the rise in the number of minority-group youth among newly-enrolled apprentices, which is now about 9 percent.

Apprentice-training programs should be expanded and Outreach-type programs should be expanded considerably. But such expansion of apprenticeship can be expected to occur only if the volume of construction activities increases to justify the training of large numbers of new, full-fledged journeymen.

Still another potential manpower source is to be found in training and upgrading programs. Training programs are to be found in several of the crafts. For example, nationwide networks of training programs, with emphasis on Negro and other minority-group youths are run by the Operating Engineers, Laborers and Carpenters unions.

Skill upgrading programs to assist non-journeymen to achieve journeyman status

now exist, in cooperation with building trades councils and community-based organizations, in several cities. Such efforts, too, can and should be expanded, if an accelerating volume of construction actually occurs.

The major source of potential manpower is the net growth of the nation's civilian labor force. In the period ahead, the anticipated net expansion of the civilian labor force is 1.5 million per year—surely enough to provide an annual net increase of about 90,000 to 100,000 construction workers. Equal employment opportunities, regardless of race or color, would enable the industry to fully utilize this anticipated net growth of the labor force.

This expected sharp expansion of the civilian labor force would provide an ample supply of potential manpower for the construction industry, if the rising demand for building trades manpower materializes and if this potential manpower supply is adequately trained in the necessary skills.

However, on the basis of present experience and past history, there is reason for some skepticism about the timing and actual size of federal housing programs. Yet the timing and size of these programs are key determinants of the required manpower.

Moreover, construction is a local market industry and construction employment on any building site is composed of different workers, with different skills, at the varying stages of the building process. Decisions about construction manpower are made in terms of each craft and these decisions are made in each separate community.

The nature and extent of such decisions have to be worked out in each local area—not on the basis of talk and promises, but on the sound foundation of actual construction plans and estimated timetables, backed by commitments and ready to go. Under such conditions, differences of viewpoints can be worked out and an adequate supply of manpower in each of the crafts can be made available for an increasing volume of construction.

The urgent need for a vast increase in residential construction is clear. Potential resources are available. The major question is whether the federal government will change its policies sufficiently to assure the expanding volume of residential construction to meet America's housing needs.

Mr. FANNIN. Mr. President, this bill would provide still another exception to section 302 of the Taft-Hartley Act. It would permit unions to bargain with management to make payment of management's money into funds to be jointly administered by the unions with management for the promotion of management's products. I strongly oppose its enactment and hope that it will be defeated.

The Taft-Hartley Act was enacted in 1947 and has, with few exceptions, prohibited payment and receipt of anything of value between management and union representatives. The purpose was to prevent collusive practices, sweetheart agreements, shakedowns, and similar arrangements between labor and management to the detriment of the union employee. The few exceptions that have been carved out were carefully drawn so as to preserve this objective. The other exceptions have dealt with employee benefit funds. This bill provides an exception of a fundamentally different nature as pointed out and would open collective bargaining to a host of new subjects.

Mr. President, industry promotion funds are legal under existing law. Thousands of such funds exist today. The

only limitation on them is that they may not be jointly administered by unions and management. The committee bill removes this limitation.

Numerous employer organizations have established such funds. They are used in many ways to serve the interests of a particular industry or employer group, and to promote its progress. Such funds typically provide that they are to be administered by the employer or employer group which finances them and are to be used only for certain specified purposes. Most of them also provide that they cannot be used for lobbying in favor of antilabor legislation or to subsidize employers by payments from the fund in connection with lawful work stoppages against such employers.

The specific purposes for which these funds are established deal with the normal and traditional management functions. Congress should not impair the performance of these functions by legislation which puts unions at the management table.

The bill deals with the construction industry. It should be noted that one of the most serious labor relations problems confronting that industry is the jurisdictional dispute. The enactment of the committee bill would aggravate that problem. Many construction employers have contracts with a number of different unions. Strong rivalries exist between many of these unions as to jurisdiction over a product or process employed. The carpenters and plasterers reflect one such rivalry, the plumbers and laborers another, the millwrights and machinists still another. If jointly administered funds are permitted, it is inescapable that their administration will become intertwined with the jurisdictional rivalries among the unions involved. The consequences will be damaging to the public interest and to the continued development of healthy competition in the construction industry.

This bill will also increase the cost of construction. For example, if a fund is created to promote the use of plaster, surely another fund will be created to promote the use of dry wall. If a fund is created to promote the use of structural steel for the skeletons of buildings, surely another fund will be created to promote the use of reinforced concrete structures. If a fund is created to promote the use of panel wall construction, surely another fund will be created to promote the use of brick walls. There are literally hundreds of products used in the construction of a building and each trade would obviously create a fund to promote the use of its products, many times each offsetting another but saddling the building public for the entire cost of such promotions.

Mr. President, the proponents point out that bargaining on jointly-administered funds shall be "permissive," not "mandatory." This shows that the sponsors recognize that unions have no legitimate interest in the joint administration of money contributed solely by management to product promotion funds, else the bargaining would be mandatory. But even more important is the fact that in the labor relations business, permissive bargaining is a joke. As witness after wit-

ness testified, a union which wants to exact a concession as to an item which is the subject of permissive bargaining need merely raise the ante on an item which is the subject of mandatory bargaining, and then relax on the mandatory item if management concedes on the permissive item.

Mr. President, this legislation has been around for 8 years, and has attracted very little attention. But it cannot be ignored as harmless. It would sanction a procedure whereby unions and management, by jointly administering management's product promotion and arbitration money, could easily make deals and engage in corrupt practices now prohibited by section 302. This is management's money and no reason appears why the unions should call upon the Congress to help them share the funds. That is, no reason save that the unions have their eyes on additional funds to add to the huge treasuries they already control.

Mr. President, I hope this bill will be soundly defeated.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. 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. GRIFFIN. Mr. President, I move at this time that the pending bill, H.R. 860, be committed to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, is that motion debatable?

The PRESIDING OFFICER. The motion to commit is debatable.

Mr. JAVITS. Mr. President, I have no desire to debate it at length, but I do wish to ask the Senator to yield so that he might elucidate what would happen when the bill goes back.

I am the ranking minority member of the committee. I favor the bill. It could go back with the idea of its being killed, and that I would be against. In that event, I would wish to be heard at some length on the subject. Or, it could go back with the idea of it being reviewed by the Committee on Labor and Public Welfare on the point that I think quite properly has been made by the Senator from Michigan, which is that there should be a relationship between this kind of joint promotion fund and efficiency, economy, and modernization in the construction industry.

The Senator made other points and other Senators also made other points. But that point, I think, has a real impact, because that is what we are worried about in the construction field.

I think with respect to the Senator's point about the wage scale, whether pro or con, whether one takes a view for or against that, there is no question about the fact that there have been very material increases and that they must be compensated for if the cost of construction is to be brought down so that moderate income housing may be constructed.

I would like very much to explore the Senator's mind on that score to see if we understand each other. If we do, I would have no objection to having another go at it in the committee.

Mr. GRIFFIN. Mr. President, let me say to the Senator from New York that I have not sought to make the motion with any particular instructions. It would be within the jurisdiction of the Committee on Labor and Public Welfare as to what they might wish to do with the bill once it was committed.

In my own mind, I certainly agree with the Senator from New York that we ought to be conscious of the impact that this legislation might have on the development of new techniques in the building industry as well as the effect on building costs, since we are all concerned, and I know the Senator is, about the construction of low cost housing for low income families in the cities today.

Mr. President, I know that the former Governor of my State, Secretary Romney, is very interested in trying to bring this industry into the 20th Century and to develop ways for the mass production of housing which would make such housing available at a lower than unit cost.

While this bill in and of itself might have only a slight effect, I would encourage the committee to consider it in the context of that entire problem. There will be other amendments to the Taft-Hartley Act which would be called for at the same time that this amendment would be considered, other amendments that might complement and achieve this very purpose. At least the committee should consider the possibility that there are other amendments that might deserve consideration.

So, Mr. President, I would say that while I share the Senator's concern, I do not seek, as one Senator or in my leadership capacity, to dictate what the Committee on Labor and Public Welfare might do.

Mr. JAVITS. Mr. President, my point was that often we recommit a bill to kill it. I gather from the statement of the Senator that that is not his design and that he understands the Committee on Labor and Public Welfare may well endeavor to articulate the point I have made, the point he has made, and the points others have made; but that we are not killing it by sending it back to committee in an honest effort to have the committee review the situation in light of what has been said on the floor of the Senate, and then to come up with a measure to more nearly meet these views.

Mr. GRIFFIN. Mr. President, the Senator from New York has been a Member of this body longer than I, and I am sure he knows that when a motion to recommit is supported by individual Senators, it could be for a number of reasons. I know that in the minds of many Senators it would be to amend the bill and bring it back. As far as I am concerned, the bill in its present form is not satisfactory. I would vote against it if the committee reported the same bill in the same form. I would have to look

at any changes the committee might make.

Mr. JAVITS. I understand. I wanted to be sure the intention was clear. I am the ranking minority member of the committee. I hope the chairman feels as I do. It would be much easier to deal with the question of recommitment.

Mr. WILLIAMS of New Jersey. Mr. President, certainly in the debate on the bill before us many considerations have arisen that should be considered in committee that were not considered in committee when the bill was considered by the subcommittee and by the full committee. I think for these reasons it would be agreeable to me to take the bill back to committee for further consideration of any concerns that have arisen here for the first time in connection with the bill.

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER (Mr. HUGHES in the chair). The question is on agreeing to the motion of the Senator from Michigan.

Mr. PROUTY. Mr. President, as one who supported the bill in committee and who would vote for it on the floor of the Senate today. I feel there is a degree of confusion as to several points, and in view of that, I think it might be worthy of further consideration and study by the committee.

Therefore, I am perfectly willing to go along with the motion by the Senator from Michigan.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan to commit H.R. 860 to the Committee on Labor and Public Welfare. [Putting the question.] The motion was agreed to.

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. WILLIAMS of New Jersey. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GURNEY. Mr. President, S. 1369 is a bill which amends the National Labor Relations Act of 1947 is almost identical to H.R. 860. As I understand it, these bills would permit joint labor-management administration and control of product promotion funds in the building and construction industry. I say "as I understand it" with not a great deal of feeling because, quite frankly, I do not really understand the implications of this bill. I do not think my colleagues do either. We can say with absolute certainty that, if enacted, this measure stands to have very far-reaching consequences. Mr. President, I do not think anyone in this Chamber can tell us flatly what these consequences, these implications will be.

We can say flatly and without contradiction that we have in our country today what appears to be a full-fledged national housing crisis. We saw in the New York Times, for Wednesday, February 18, 1970, a chart which shows the precipitous decline in housing starts. In January 1969, we had more than 1,800,000 starts. In January 1970, starts were down to below 1,200,000.

The causes are many: High interest rates certainly is a leading causative fac-

tor. Secretary Romney has ambitious plans for mass producing homes—using our technology to its full extent to deal with the crisis. He has met a good deal of resistance to his program: Local zoning regulations all over the country stand in the way of progress. Certain modern materials, for example, cannot be used—plastics, adhesives, and so forth—which were not in existence when the codes were drafted. Second, certain shortsighted unions in the construction field resist needed efforts to employ up-to-date methods, techniques, and materials. Certain unions will not, for example, handle or install prefabricated materials. They insist on doing their tasks in old-fashioned ways. These twin problems are crippling Secretary Romney's best efforts. I think it would be most unfortunate if Congress were, however inadvertently, to contribute to a further lessening of effectiveness in this field. I think it is quite possible that were S. 1369 or H.R. 860 enacted, further roadblocks would be erected—progress in dealing with this urgent national problem could be checked.

There is, in my judgment, a genuine possibility that unions, using new strength—obtained from joint control of industry promotion funds—could effectively retard efforts on the part of the building industry to introduce new methods, techniques and materials into the construction sites around the country.

Costs of building, as we all know, are skyrocketing. One of the tools the construction industry hopes to use to check this spiral is the introduction of prefabricated units and components. These efforts and plans have, I regret to say, met strong resistance from some unions whose vision is narrow, limited, and parochial. They remind me of Luddites: The followers of Ned Ludd, the Leicestershire rabble-rouser who inflamed a group of workers to go around breaking machines in the 18th century—on the theory that machines put people out of work. Time has proved that the short-sighted Mr. Ludd was in error.

The country can ill-afford legislation at this point which will impede, frustrate, or prevent our efforts to get homes for the people who need and want them.

Secretary of Labor George Shultz, in his letter to the Special House Subcommittee has discussed this very question. He said:

However, we know little of the financing, administration, objectives, accounting and reporting practices, or the size of such funds. Under these circumstances, we are unable to predict the likelihood of abuses or the additional protections which may be necessary.

This is a very candid statement and a reasonable one. What does Secretary Shultz think we do—given this lack of information and lack of knowledge about this most important matter? Secretary Shultz suggested this:

We propose that an in-depth study be undertaken of all types of funds which are of joint concern to management and labor . . . Such a study could develop unified general legislation which would avoid the

need to predict future changes in fringe benefits by establishing broad purposes and safeguards for joint funds. We believe, therefore, that action on this legislation should be postponed pending completion of such a study.

I concur in these sentiments fully. We should not deal with this most significant matter precipitously. We must have more and better data on which to make a mature and reasoned judgment. With due deference to my distinguished colleague, the Senator from New Jersey (Mr. WILLIAMS), and his fine work and that of his subcommittee, I would suggest that a further study of this whole problem should be made. I know that the distinguished Senator has no intention of in any way retarding or inhibiting progress on our national housing goals. But, I must point out that such might very well result from the passage of the bill in its present form. Let me offer a few examples on this score:

Mr. David Barr, counsel of the Brotherhood of Painters, testified before the House Committee on Labor concerning this bill. He urged its passage in the following very revealing statement:

Advances in prefabrication and technology, have and will continue to have severe adverse impacts on this affiliate (painter's union). We feel strongly that this threatened attrition can be warded off, at least in part, by an effective promotion program.

I say to my colleagues that the idea behind industry promotion funds is not to ward off cheaper, better, newer methods of doing business. It would invite nothing but trouble to suggest that people who have those goals in mind should share in the administration of industry promotion funds. The funds were not set up for that purpose, and it would be most unfair to permit them to be used in that position. If joint administration of these funds were to be authorized, all expenditures could be cut off by a stalemate between labor and management, with the result that nothing statutory could be accomplished. This, I think we must recognize is a very real possibility. To my knowledge, labor has never complained about the fashion in which these funds are currently expended by management. I think it is fair to say that these funds have not been used selfishly or foolishly: They have been used in a way that is highly ethical and very useful socially. If we were to act now on this bill in its present form, we might effectively neutralize these funds.

The distinguished Senator from Colorado (Mr. DOMINICK) has filed individual views which should be noted. They are written with precision and clarity and we cannot ignore them. I ask unanimous consent that they be printed in the RECORD.

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

#### INDIVIDUAL VIEWS OF Mr. DOMINICK

I oppose S. 1369 primarily because I feel the Federal Government should not be resolving basic management labor disputes through the medium of legislation. On its face this bill appears to be limited in scope, providing only an exception to the general law prohibiting payments by management to labor organizations. The right to jointly

administer product promotion funds resembles joint administration of health and welfare and pension funds in name only. Section 302 of the Labor-Management Relations Act seeks to prohibit such actions in order to eliminate "sweetheart contracts" and other corrupt practices. This bill, it appears to me, carries the potential of placing a wedge in that closed door that could seriously weaken current laws setting standards for labor-management relations with regard to jointly administered, special purpose funds.

It was clearly stated that this bill does not and will not affect or include industry advancement funds. This was my clear understanding and I restate it in these views so there can be no confusion on this issue.

In addition, it is my opinion that these funds are used to support a form of advertising for specific products and the Federal Government should not be passing legislation dealing with this area. I fully recognize the arguments that this bill is to be permissive and not mandatory and that it merely exempts from criminal penalty an activity that is occurring within the industry, anyway. Also, these funds now are subject to collective bargaining but are not jointly administered under penalty of law. The objection I state is not directed to the possibility of corruption and misuse of these funds through joint administration but that this additional exception to the law may weaken the general prohibition designed to prevent "sweetheart contracts" in particular.

Finally, I feel this is special-interest legislation as it applies only to the building trades but not other industries that manufacture or distribute products. Again, I feel we are opening the door for expansion of this same concept throughout our industrial community. The committee could hardly refuse a similar request by other industries in the future if this bill is passed. Employees' interest in promotion of products they help produce is not the special province of the building trades. It is of universal interest.

This legislation simply cannot be justified in the broader context of labor-management relations and the interests of employees in other industries.

Mr. GURNEY. Similarly, Congressman WILLIAM SCHERLE of Iowa offered minority views at the time H.R. 860 was reported out of the House Education and Labor Committee. His views should be noted and I ask unanimous consent that they be printed in the RECORD.

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

#### ADDITIONAL MINORITY VIEWS OF WILLIAM J. SCHERLE

I strongly oppose the enactment of H.R. 860.

Section 302 of the Labor-Management Relations Act prohibits payments by management to labor organizations, except where such payments are used to fund jointly administered health and welfare, pension, and apprentice training programs. The intent of this prohibition is to eliminate bribery, extortion, shakedowns, sweetheart contracts and other corrupt practices.

H.R. 860 would relax the strict ethical standards commanded by section 302. It would amend that section to permit unions to bargain with management to make payments of management's money into funds to be jointly administered by the unions for the promotion of management's product.

#### INDUSTRY PROMOTION FUNDS

Numerous employer organizations have established industry promotion funds. They are used in many ways to serve the interests of a particular industry or employer group, and to promote its progress. Such funds typi-

cally provide that they are to be administered by the employer or employer group which finances them and that they can be used only for certain specified purposes. Most of them also provide that they cannot be used for lobbying in support of anti-labor legislation or to subsidize employers by the payment of money to them from the fund in connection with legal work stoppages against such employers.

The specific purposes for which these funds are established concern the normal and traditional management functions. Congress should not impair the performance of these functions by legislation to give unions a foothold in management's prerogatives.

#### PRODUCT PROMOTION FUNDS

The function of unions is to bargain with management concerning wages, hours, and working conditions. The National Labor Relations Board has held that unions have no legitimate interest in bargaining with management concerning management's use of its money, in product promotion funds. (*Detroit Resilient Floor Decorators Local Union No. 2265 and Mill Floor Covering, Inc.*, 136 NLRB 769 (1962)).

The purpose of section 302 of the Taft-Hartley Act is to draw a line between management and unions and provide that money and other considerations shall not pass over that line, except in certain narrow instances respecting the joint administration of health and welfare pensions, and apprentice training funds. H.R. 860 would erase that line for no reason and encourage loose practices, all to the detriment of the public and the rank and file union membership.

Jointly administered funds now permitted by the Taft-Hartley Act all are for the benefit of the employee. The proposed bill would for the first time permit the union's entrance into functions not for the direct benefit of the employee. Such departures from tradition could open collective bargaining to a host of new subjects.

Predecessor bills essentially equivalent to the present bill have been in Congress every year since 1962. These bills have been repeatedly attacked as technically deficient in that they are vague and do not adequately define who and what is covered by the bills.

#### H.R. 860

Even if the bill is made less harmful by amendments, H.R. 860 should be defeated because it will sharply increase the cost of construction. For example, if a fund is created to promote the use of plaster, surely another fund will be created to promote the use of drywall. If a fund is created to promote the use of structural steel for the skeletons of buildings, surely another fund will be created to promote the use of reinforced concrete structures. If a fund is created to promote the use of panel wall construction, surely another fund will be created to promote the use of brick walls. There are literally hundreds of products used in the construction of a building and each trade would obviously create a fund to promote the use of its products, many times each offsetting another but saddling the building public for the entire cost of such promotions.

H.R. 860 gives little comfort in the thought that bargaining for such product promotion funds would be merely permissive and not mandatory. The union negotiator seeking such a fund would inflate his demands with respect to mandatory bargaining issues and reduce them only after management had conceded to the permissive, but not mandatory, bargaining issue of a product promotion fund. In fact, then, the product promotion fund would become a mandatory bargaining issue.

Proponents of H.R. 860 indicate that because the collective bargaining agreement is the vehicle used to collect industry or product promotion funds, labor should be given an equal voice in the administration of such

funds. If such theory holds, then management should be given an equal voice with unions in spending union dues collected through check-off systems contained in many collective bargaining agreements. Obviously, unions should not be given an equal voice in such management funds and management should not be given an equal voice in the administration of such union funds. The determining factor then as to the proper administrator of a fund should be the purpose for which the fund is expended and not the method by which it is collected.

The Department of Labor said in their report on H.R. 860 that the facts call for "an in-depth study of all types of funds which are of joint concern to management and labor." It recommended postponement of this proposal pending completion of such a study. That advice ought to be heeded.

The Department of Labor also pointed out the potential dangers of abuses created by the proposal, and recommended that if it is to be enacted, that there be added safeguards, including criminal sanctions for theft and embezzlement of funds, and for offering and accepting kickbacks, and further, that the Department be given specific authority to issue regulations for the proper conduct of such funds and authority to bring suits against violations.

#### IN CONCLUSION

For these reasons, I strongly urge defeat of H.R. 860 and any similar proposal because it would impair collective bargaining in the construction industry. It would increase the number of jurisdictional disputes, and it would open the door for abuses without any reasonable safeguards to protect the public interest.

Mr. GURNEY. Mr. President, it has been suggested by the distinguished Senator from New Jersey (Mr. WILLIAMS) that one of the arguments in favor of adopting this bill is that this legislation is permissive, and not mandatory. And that is certainly true insofar as the wording is concerned. However, I think that we must frankly recognize that this nevertheless is a potential for abuse, if that was not intended by the authors of the bill. Congressman ANDERSON, of Tennessee, spoke to these potentials for abuse on the House floor last month. On January 27—RECORD, page 1359, Congressman ANDERSON said—let me quote:

Let me say this: The argument is that the proposed legislation is permissive. It is permissive, and is not a mandatory item of bargaining. Therefore, why worry that you give the unions the right to go in and bargain for joint management of an industry promotion fund? Anyone who has even a scintilla of knowledge about the bargaining process knows that you can easily offset the mandatory demands, that you are entitled to make under the statute against the so-called permissive demands that you can make. You can trade off one against another in order to get your way to do, as this particular union did, in connection with the issue of lead stubs for plumbing fixtures, to say, "We will not give in on these negotiations unless you write in here language that we are to jointly control the use of these funds"—funds to which management alone contributes, funds that are used for product promotion, which I think is inherently a prerogative of management.

Let me show what some of this might mean in practice. I am reading from a collective-bargaining agreement between the United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States and Canada Local 72, Atlanta, Ga., and the Association of Mechanical Contractors

of Atlanta, Inc., June 1, 1969, to May 31, 1971:

It is agreed that, at the present time, joint administration of the Piping Promotion Trust would violate Federal statutes. In the event such statutes should be amended by Federal Congress to allow for joint administration, management may exercise either of the following options: (1) Joint administration may be established or, (2) following such amendments, both labor and management shall secure legal counsel who shall review said amendments. If said legal counsel agree that the amendments legalize joint administration, the contributions, established in this Agreement, shall cease therewith and remain in abeyance until management shall reach a decision. Should management agree to joint administration, the contributions shall be reinstated and the PPT shall continue as herein provided, with joint administration. Should management decide against joint administration, PPT shall be terminated as provided for in the Piping Promotion Trust Joint Agreement.

We can see that a permissive feature of law that we are discussing here today can become key provisions of a collective-bargaining agreement, very much of a mandatory proposition. I suggest that the agreement I have quoted is not an unusual thing; it is being repeated in other agreements in the construction industry daily. The stated intention of making such arrangement "permissive" in reality comes to naught.

#### CONCLUSION

I think it is time we begin to realize that we can never supply the housing that our people need and demand unless and until we begin to use our technology to the fullest. By that, I mean using the techniques and material currently available to us to the fullest extent possible. We must also overcome the erroneous notion that the introduction of these techniques and materials into our construction industry will cause unemployment. It just is not so. The demand is there. It is estimated that in order to meet the housing demand, we need 120,000 to 130,000 new skilled tradesmen each year. Today, the country is training something in the neighborhood of 20,000 to 25,000 new skilled tradesmen each year. I have never been able to understand why it is that the U.S. Army can take a boy from a farm and train him to be a skilled electronics technician in 12 months, or a pilot of a supersonic jet aircraft in 18 months, or a radar tracker in 8 months and why, at the same time, it takes 3 or 4 years for an apprentice to become a journeyman plumber, or an apprentice painter 2 or 3 years to become a full-fledged painter. Nor can I understand why Negro Americans have such a difficult time seeking to become painters or plumbers or carpenters. Surely, the need is there. Can it be that the unions are stalling these training programs, systematically excluding black Americans who want very much to work.

I do not think unions are to be commended for their record in this regard. With that experience in mind, I do not think it is wise or desirable to give those same construction unions an additional handle to thwart progress in this field. This measure is pregnant with potential for abuse. I urge that the measure be recommitted for further consideration.

Let us not act without benefit of further study. Let us gather the facts we need before jumping off into the unknown depths. The implications of this measure are staggering—so much so that we really do not know where it may take us if enacted. Let us give ourselves time to think about this measure. Recommending this measure which has such far-reaching and as yet unknown consequences is the best way I can think of approaching the problem.

Mr. GRIFFIN. Mr. President, there is a companion bill on the calendar. It is S. 1369, I ask unanimous consent that this bill, consistent with the action just taken, be taken from the calendar and recommitted to the Committee on Labor and Public Welfare.

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

Mr. MANSFIELD. Mr. President, I wish the RECORD to reflect that I voted "nay" on this motion to recommit.

#### B-52'S AND LAOS

Mr. SYMINGTON. Mr. President, in the Christian Science Monitor of yesterday, February 19, appeared an article entitled "How Nixon Reached Laos Bombing Decision—Effect of Reported Use of B-52's Awaited," and the first two sentences read:

Lengthy discussions here apparently have culminated in the start of B-52 bombings of North Vietnamese positions in the Plain of Jars in Laos.

The Associated Press quoted informed sources as saying the big bombers were diverted Tuesday from targets in South Vietnam and sent into action for the first time in Laos.

This is somewhat surprising, because earlier this week we asked whether B-52's were bombing northern Laos—a long way from the Ho Chi Minh Trails—and were told no.

It is also surprising because B-52's have never operated over North Vietnam, one of the reasons no doubt being our often stated apprehension about the reaction of the Red Chinese.

If this article is true, however, our B-52's are now bombing but a few miles and even less minutes from the Chinese border.

On November 3 President Nixon told a nationwide audience:

I believe that one of the reasons for the deep division in this nation about Vietnam is that many Americans have lost confidence in what their government has told them about our policy. The American people cannot and should not be asked to support a policy which involves the overriding issues of war and peace unless they know the truth about that policy.

I ask unanimous consent that this article be printed at this point in the RECORD.

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

HOW NIXON REACHED LAOS BOMBING DECISION: EFFECT OF REPORTED USE OF B-52'S AWAITED

(By George W. Ashworth)

WASHINGTON.—Lengthy discussions here apparently have culminated in the start of B-52 bombings of North Vietnamese positions in the Plain of Jars in Laos.

The Associated Press quoted informed sources as saying the big bombers were diverted Tuesday from targets in South Vietnam and sent into action for the first time in Laos.

Whether or not the bombing has indeed started, the Nixon administration is at a point in which the conflict in Laos could take a decisive turn.

Qualified sources here believe B-52 bombings could be followed by the North Vietnamese as an escalation that could lead only to a more difficult situation in Laos. Others counter with the argument that such bombing may salvage allied gains in recent months and improve in the long run the Royal Laos strategic position.

The huge B-52 bombers have become an effective instrument in the war in Vietnam and along the Ho Chi Minh trail in Laos, but up to now officials have been leery of allowing their use in Laos.

The big B-52 aircraft each can drop from extremely high altitudes 108 500-pound bombs. With modifications, the bomb load is five times higher.

In service in Vietnam the bombers and their crews have developed quite a reputation for accuracy, and they have been used for strikes in areas where precision is imperative.

#### WILLINGNESS TO ESCALATE

The North Vietnamese have come to dislike B-52's intensely because of their ability to do so much with such force while flying at altitudes at which they can be neither seen nor heard.

The use of B-52's in Laos, however, is not a course that will win wholehearted approval here. The North Vietnamese have demonstrated throughout the course of the Vietnam war their willingness to escalate along with the Americans as the depth of each nation's endeavor has increased.

So far in Laos the North Vietnamese ground forces have been matched by American-supported Royal Lao Army and mercenary troops, bolstered heavily by U.S. fighter-bomber support operating out of Thailand and on Yankee Station off the coast of Vietnam. There is a possibility some strikes have also been flown from allied land bases in Vietnam, such as Da Nang.

Thus, if B-52 strikes have begun, the Nixon administration must consider carefully whether the advantages that might be gained are relatively certain and whether this escalation of the American air effort would cause a subsequent increase in North Vietnamese troop involvement in the bitter war in Laos.

Despite their involvement in Vietnam and the heavy logistical demands of the Ho Chi Minh trail, the North Vietnamese have several divisions they could probably add to the fray in Laos if they desired.

Thus the administration faced these prospects:

Without added B-52 strikes, the Plain of Jars probably will be lost—despite continued heavy air support by fighter-bombers. Gen. Van Pao is understood here to have accepted the probability that his Meo forces will be driven off the plain and out of the surrounding hills. He could be expected to try to conserve his weary forces while exacting as heavy a toll as possible during the retreat.

This would leave the plain in North Vietnamese hands, which it was for all practical purposes until the general retook it late last summer.

If B-52 strikes have been ordered, it should be possible to stymie North Vietnamese advances, and the plain itself could be made a wasteland, thus denying the North Vietnamese an avenue to the strategically important Mekong River.

If some sort of military gains can be realized with B-52's, there is a real question how permanent they might be. Sources

here point out that a further North Vietnamese buildup probably would take too long to frustrate the allies now, but the future would be decidedly uncertain.

With enhanced enemy forces, the U.S. could face the dismal prospect of continuing B-52 strikes merely to hold whatever uneasy status quo the strikes helped achieve.

During their earlier occupations of the plain, the Communists have been generally content not to thrust still farther to take areas that would critically threaten the viability of the Lao Government.

However, some strategists are worried that this willingness to hold back might no longer be manifest in the face of B-52 escalation. They fear a situation that would leave the royal government's officially "neutral" position untenable.

#### WHAT ABOUT EDUCATION?

Mr. HANSEN. Mr. President, Mr. William Raspberry, a columnist for the Washington Post, has a most enlightening column which was printed today.

Mr. Raspberry's words reflect what I have contended all along. And it is encouraging to me to see this sound advice from a member of the Negro race.

This writer recognizes that the important and primary task of the public schools is to educate—not to integrate.

Just as I feel, Mr. Raspberry agrees that "racial segregation in public schools is both foolish and wrong," if it is reached through deliberate intent either de jure or de facto.

But he makes a key statement, and this is it:

It may be that one reason why the schools, particularly in Washington, are doing such a poor job of educating black children is that we have spent too much effort on integrating the schools and too little on improving them.

Mr. Raspberry, feeling that the words of his column might be twisted to suit the designs of those with whom he may not agree guarded his remarks with this:

The notion will win me the embarrassing support of segregationist bigots, but isn't it about time we started concentrating on educating children where they are?

I know that I am not a segregationist, and I believe that I am not a bigot and pray I will never be adjudged a bigot.

I do agree with Mr. Raspberry that forced busing, in his words "has accomplished nothing useful when it has meant transporting large numbers of reluctant youngsters to schools they'd rather not attend."

Mr. President, I ask unanimous consent that Mr. Raspberry's column be printed in the RECORD.

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

[From the Washington Post, Feb. 20, 1970]

#### CONCENTRATION ON INTEGRATION IS DOING LITTLE FOR EDUCATION

(By William Raspberry)

Racial segregation in public schools is both foolish and wrong, which has led a lot of us to suppose that school integration must, therefore, be wise and just.

It ain't necessarily so. It may be that one reason why the schools, particularly in Washington, are doing such a poor job of educating black children is that we have spent too much effort on integrating the schools and too little on improving them.

The preoccupation with racial integration follows in part from a misreading of what the suit that led to the 1954 desegregation decision was all about.

The suit was based (tacitly, at least) on what might be called the hostage theory. It was clear that black students were suffering under the dual school systems that were the rule in the South. It was also clear that only the "separate" part of the separate-but-equal doctrine was being enforced.

Civil rights leaders finally became convinced that the only way to ensure that their children would have equal education with white children was to make sure that they received the same education, in the same classrooms.

Nor would the education be merely equal, the theory went: It would be good. White people, who after all run things, are going to see to it that their children get a proper education. If ours are in the same classrooms, they'll get a proper education by osmosis.

That, at bottom, was the reasoning behind the suit, no matter that the legal arguments were largely sociological, among them, that segregated education is inherently unequal.

(Why it should be inherently more unequal for blacks than for whites wasn't made clear.)

In any case, the aim of the suit was not so much integrated education but better education. Integration was simply a means to an end.

Much of the confusion today stems from the fact that the means has now become an end in itself. Suits are being brought for integration, boundaries are being redrawn, busing is being instituted—not to improve education but to integrate classrooms.

The results can sometimes be pathetic.

In Washington, blacks send their children (or have them sent) across Rock Creek Park in pursuit of the dream of good education. But as the blacks come, the whites leave, and increasingly we find ourselves busing children from all-black neighborhoods all the way across town to schools that are rapidly becoming all-black.

The Tri-School setup in Southwest Washington is a case in point. Of the three elementary schools in the area, only one was considered a good school: Amidon, where the children of the black and white well-to-do attended. Bowen and Syphax, populated almost exclusively by poor kids from the projects, were rated lousy schools.

Then the hostage theory was applied. A plan was worked out whereby all first- and second-graders in the area would attend one school, all third- and fourth-graders a second, and all fifth- and sixth-graders the third.

The well-to-do parents would see to it that their children got a good education. All the poor parents had to do was see to it that their children were in the same classrooms.

That was the theory. What happened, of course, is that instead of sprinkling their children around three schools, the luxury high-rise dwellers, black and white, packed their youngsters off to private school. Now instead of one good and two bad schools, Southwest Washington has three bad ones.

After 16 years, we should have learned that the hostage theory doesn't work. This is not to suggest that integration is bad but that it must become a secondary consideration.

Busing makes some sense (as a temporary measure) when its purpose is to transport children from neighborhoods with overcrowded classrooms to schools where there is space to spare.

It works to a limited degree when it involves children whose parents want them bused across town for specific reasons.

But it has accomplished nothing useful when it has meant transporting large numbers of reluctant youngsters to schools they'd rather not attend.

The notion will win me the embarrassing support of segregationist bigots, but isn't it about time we started concentrating on educating children where they are?

#### ORDER OF BUSINESS

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS AMENDMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 633, S. 2548.

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

Mr. MANSFIELD. I yield.

Mr. JAVITS. Mr. President, S. 2548 is the school lunch bill?

Mr. MANSFIELD. That is right.

Mr. JAVITS. If the Senator will yield, the Senator from South Dakota (Mr. McGOVERN) is not in the Chamber.

Mr. MANSFIELD. He is out here.

Mr. JAVITS. He and I have some amendments and I do not know how long the debate on these amendments will take nor whether rollcall votes will be desired.

I would like to have some indication on this from the Senator from Georgia. I spoke to him this morning and commended him for his initiative.

Mr. President, there is no sense of opposition, but there are amendments which many of us regard as constructive, and which are sponsored by a considerable number of Senators. Before we embark on this course, at this time and on a Friday, I think it would be useful to find out from the Senator from Georgia his feeling about the amendments.

Mr. TALMADGE. Mr. President, as I expressed to the Senator awhile ago, the Committee on Agriculture is engaged in holding hearings on the omnibus farm bill at the present time. Mr. Shuman, the president of the American Farm Bureau Federation, is testifying. Necessarily many members of the committee want to be present to hear his testimony—especially the chairman and the ranking Republican member, the Senator from Vermont (Mr. AIKEN).

I have suggested to the distinguished majority leader that these amendments offered by the distinguished Senator from New York (Mr. JAVITS), the distinguished Senator from South Dakota (Mr. McGOVERN), and others this morning that there has not been an opportunity to have the amendment printed and Senators have not had an opportunity to study them.

The Department of Agriculture has not had an opportunity to analyze them and make recommendations.

I think it would be well if we were to proceed with general debate on the bill. I will make my statement in chief and no doubt the Senator from New York will make his statement, the Senator from South Dakota will make his statement, and other Senators may speak. Then, when we get as far as we can go today I am willing to enter into a unanimous-consent agreement to provide, say, 1½ hours on each amendment; then we could come in Monday for the transaction of business after the reading of General Washington's Farewell Address.

As far as the Senator from Georgia is concerned, I would be content with the unanimous-consent agreement and then we could proceed to act on amendments as they come up. The committee will take some amendments and others will be opposed, and others will require record votes.

I would think, before we proceeded that far, it would be best that the amendments be distributed and on the desk of each Senator, so they could read them and vote intelligently. The staffs could review them and we could get the views of the Department of Agriculture. Then perhaps we could proceed without acting as if we were flying on one wing.

Mr. JAVITS. Mr. President, if the Senator will yield, like many Members of this body, I have a conflict on Monday. I am committed because it is Washington's Birthday. I could not enter into a unanimous-consent agreement except to start on Tuesday. That does not mean the Senate could not conduct business without me, but I could not join in a unanimous-consent request unless it began on Tuesday.

Mr. MANSFIELD. Mr. President, I find it difficult to acquiesce in what the Senator has suggested. I appreciate the position in which he finds himself, but we have many bills to consider. We have the HEW bill, the Judge Carswell nomination, and the Voting Rights Act. All of those are going to take a little time, I am afraid.

I would hope the spirit of accommodation which has been so noticeable in the first month of this session, and on the basis of which the Senate has accomplished so much and of which each Senator should be very proud, will continue, and that we will not have any obstacles thrown in the path of the consideration of legislation, when we are trying to get out at a reasonably early date, particularly when Senators evidently agreed unanimously, that we would meet on Monday, break precedent, and take up the business pending at the conclusion of the delivery of Washington's Farewell Address by the distinguished Senator from North Dakota (Mr. BURDICK). That is all I have to say.

Mr. JAVITS. Mr. President, if the Senator will yield, I have no desire to interfere with the work of the Senate, but I wish to be here when the bill is debated. As I understand it, this particular bill was not to be called up until after the airport bill.

Mr. MANSFIELD. No; no.

Mr. JAVITS. That was as I understood the matters that were to be laid down. Therefore, evaluating the equities, I am not going to consent.

Mr. MANSFIELD. The Senator has his right, that is true. I have no quarrel with it. But if we want to get out of here at a reasonable time and get our business done, we all have to give a little to try to get out.

Mr. JAVITS. I understand. I have been here and have worked as hard as any Member of this body and have helped get out quite a few pieces of legislation including the education bill, which took 3 days, when it could have taken 2 weeks.

Mr. MANSFIELD. No; it took 2 weeks.

Mr. JAVITS. I believe it took 3 days after the unanimous-consent agreement and in so stating I hasten to add that I yield to no one in my affection for the majority leader.

Mr. MANSFIELD. I do not yield either to anyone in my affection for the Senator from New York but I was just trying to state the situation that exists and was seeking an accommodation, so that the business of the Senate and the business of the people can be conducted.

I yield again.

Mr. JAVITS. Mr. President, I will confer with the majority leader and do my utmost to accommodate him, as I always do.

Mr. MANSFIELD. Just to keep the record straight, if I may, I would like to read from the Record of yesterday, February 19, when this question was raised by the distinguished acting minority leader (Mr. GRIFFIN). My answer to his request as to what was the program for the rest of the day and the rest of the week was as follows:

Mr. MANSFIELD. Yes, Mr. President; I am delighted to respond to the question of the distinguished acting minority leader by stating that it is the intention of the leadership to call up H.R. 860, an act to amend section 32(c) of the Labor-Management Relations Act of 1947, and so forth.

That will be followed, hopefully and in time, by S. 2548, a bill to amend the National School Lunch Act. . . .

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

Mr. MANSFIELD. I yield.

Mr. JAVITS. I would like to make a proposal to the Senator.

Mr. MANSFIELD. I am always open.

Mr. JAVITS. I have two amendments. I will consent to an hour's limitation on each, beginning now.

Mr. MANSFIELD. I would like to agree, and I would personally, but I think that would place the distinguished manager of the bill, the Senator from Georgia (Mr. TALMADGE) at a disadvantage, which I would not impose on any Senator.

Mr. JAVITS. In light of the last statement of the Senator from Montana, I believe we should confer on this matter and I will do my best to accommodate him.

Mr. MANSFIELD. I agree.

The PRESIDING OFFICER. The clerk will state by title Calendar No. 633, S. 2548.

The ASSISTANT LEGISLATIVE CLERK. A

bill (S. 2548) to amend the National School Lunch Act and the Child Nutrition Act of 1966 to strengthen and improve the food service programs provided for children under such acts.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### ORDER FOR ADJOURNMENT TO MONDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon Monday next.

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

#### NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS AMENDMENTS

The PRESIDING OFFICER. The pending question is on proceeding to the consideration of S. 2548.

Mr. MANSFIELD. Mr. President, am I correct in stating that the distinguished Senator from North Dakota (Mr. BURDICK) is to be recognized after the prayer on Monday for the purpose of delivering Washington's Farewell Address?

The PRESIDING OFFICER. That is correct.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

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 Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

#### AUTHORIZATION FOR ADVANCE APPROPRIATIONS; CARRYOVER AUTHORIZATION

SECTION 1. (a) Section 3 of the National School Lunch Act is amended by inserting at the end thereof the following: "Appropriations to carry out the provisions of this Act and of the Child Nutrition Act of 1966 for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of such Acts shall remain available for the purposes of the Act for which appropriated until expended."

(b) The first sentence of section 10 of the National School Lunch Act and the first sentence of section 12(d) (5) of such Act are

each amended by striking the words "preceding fiscal year" and inserting in lieu thereof the following: "fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated".

#### NONFOOD ASSISTANCE PROGRAM AUTHORIZATION

SEC. 2. (a) Section 5(a) of the Child Nutrition Act of 1966 is amended to read as follows: "(a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1971, not to exceed \$38,000,000, for the fiscal year ending June 30, 1972, not to exceed \$33,000,000, for the fiscal year ending June 30, 1973, and not to exceed \$15,000,000, and for each succeeding fiscal year, not to exceed \$10,000,000, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of a nonprofit private school, such equipment shall be for use of such school principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event such equipment is no longer so used, it may be transferred to another nonprofit private school participating in any of such programs or to a public school participating in any of such programs, or falling either of these dispositions, that part of such equipment financed with Federal funds, or the residual value thereof, shall revert to the United States."

"(b) The Secretary shall apportion 50 per centum of the funds appropriated for the purposes of this section among the States during each fiscal year on the same basis as apportionments are made under section 4 of the National School Lunch Act, as amended, for supplying agricultural and other foods. The remaining funds appropriated for the purposes of this section shall be apportioned to each State on the basis of the ratio between the number of children enrolled in schools without a food service in such State and the number of children enrolled in schools without a food service in all States. Payments to any State of funds apportioned for any fiscal year shall be made upon condition that at least one-fourth of the cost of any equipment financed under this subsection shall be borne by State or local funds."

#### ADMINISTRATIVE EXPENSES, NUTRITION EDUCATION, AND DIRECT EXPENDITURES

SEC. 3. The first sentence of section 6 of the National School Lunch Act is amended to read as follows: "The funds provided by appropriation or transfer from other accounts for any fiscal year for carrying out the provisions of this Act, and for carrying out the provisions of the Child Nutrition Act, of 1966, other than section 3 thereof, less

"(1) not to exceed 3½ per centum thereof which per centum is hereby made available to the Secretary for his administrative expenses under this Act and under the Child Nutrition Act of 1966;

"(2) the amount apportioned by him pursuant to sections 4 and 5 of this Act and the amount appropriated pursuant to sections 11 and 13 of this Act and sections 4, 5, and 7 of the Child Nutrition Act of 1966; and

"(3) not to exceed 1 per centum of the funds provided for carrying out the programs under this Act and the programs under the Child Nutrition Act of 1966, other than section 3, which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through grants to States and other means

for nutritional training and education for workers, cooperators, and participants in these programs and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 2 of this Act and section 2 of the Child Nutrition Act of 1966,

shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this Act and under the Child Nutrition Act of 1966 in accordance with the needs as determined by the local school and service institution authorities."

#### STATE MATCHING REQUIREMENTS

SEC. 4. Section 7 of the National School Lunch Act is further amended by inserting immediately before the last sentence of such section the following: "For the fiscal year beginning July 1, 1971, and the fiscal year beginning July 1, 1972, State revenue (other than revenues derived from the program) appropriated or utilized specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local, level) shall constitute at least 4 per centum of the matching requirement; for each of the two succeeding fiscal years, at least 6 per centum of the matching requirement; for each of the subsequent two fiscal years, at least 8 per centum of the matching requirement; and for each fiscal year thereafter, at least 10 per centum of the matching requirement. The State revenues made available pursuant to the preceding sentence shall be disbursed to schools, to the extent the State deems practicable, in such manner that each school receives the same proportionate share of such revenues as it receives of the funds apportioned to the State for the same year under sections 4 and 11 of the National School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966."

#### STATE ADMINISTRATIVE EXPENSES

SEC. 5. The first sentence of section 7 of the Child Nutrition Act of 1966 is amended (1) by inserting "or for the administrative expenses of any other designated State agency" immediately after "its administrative expenses"; and (2) by inserting "and service institutions" immediately after "local school districts".

#### ADDITIONAL PROGRAM REQUIREMENTS AND AUTHORITY

SEC. 6. (a) Section 9 of the National School Lunch Act (42 U.S.C. 1751) and section 4(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1771) are each amended by inserting after the second sentence, a new sentence: "Such determinations shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions."

(b) Section 13(f) of the National School Lunch Act is amended by inserting after the second sentence, a new sentence: "Such determinations shall be made by the service institution authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions."

(c) The third sentence of section 9 of the National School Lunch Act and the fourth sentence of section 13(f) of such Act and the fourth sentence of section 4(e) of the Child Nutrition Act of 1966 are each

amended by striking out the period at the end of the sentence and inserting in lieu thereof a comma and the following: "nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means."

(d) Section 9 of the National School Lunch Act is further amended by inserting at the end thereof a new sentence as follows: "The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under such section 32, under section 416 of the Agricultural Act of 1949, as amended, and under section 709 of the Food and Agriculture Act of 1965, as amended, as will maximize the nutritional and financial contributions of such donated commodities in such schools and institutions."

#### SPECIAL ASSISTANCE

SEC. 7. Section 11 of the National School Lunch Act is amended to read as follows:

#### "SPECIAL ASSISTANCE

"SEC. 11. (a) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1971, and for each succeeding fiscal year such sums as may be necessary to provide special assistance to assure access to the school lunch program under this Act by children of low-income families.

"(b) Of the sums appropriated pursuant to this section for any fiscal year, 3 per centum shall be available for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. From the funds so available the Secretary shall apportion to each such State an amount which bears the same ratio to such funds as the number of children aged three to seventeen, inclusive, in such State bears to the total number of such children in all such States. If any such State cannot utilize for the purposes of this section all of the funds so apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such State which justifies, on the basis of operating experience, the need for additional funds for such purposes.

"(c) The remaining sums appropriated pursuant to this section for any fiscal year shall be apportioned among States, other than Puerto Rico, the Virgin Islands, Guam, and American Samoa. The amount apportioned to each State shall bear the same ratio to such remaining funds as the number of children in such State aged three to seventeen, inclusive, in families with incomes of not more than \$3,000 per annum plus the number of such children in families that receive more than \$3,000 per annum from federally assisted public assistance programs, bears to the total number of such children in all such States. If any such State cannot utilize for the purposes of this section all of the funds so apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such State which justifies, on the basis of operating experience, the need for additional funds for such purposes.

"(d) Payment of the funds apportioned to any State under this section shall be made as provided in the last sentence of section 7 of this Act.

"(e) Except as provided in paragraph (g), funds paid to any State for any fiscal year pursuant to this section shall be disbursed to schools in such State only for the purpose of reimbursing them for the cost of obtaining agricultural commodities and other foods for consumption by children in the school lunch program. The amounts of funds that each school shall from time to time receive (within a maximum per lunch amount established by the Secretary for all the States) shall be based on the need of the school for assistance in meeting the requirement of section 9 of this Act concerning the

service of lunches to children unable to pay the full cost of such lunches.

"(f) If in any State the State education agency is not permitted by law to disburse funds paid to it under this Act to nonprofit private schools in the State, the Secretary shall withhold from the funds apportioned to such State under subsection (b) or (c) of this section an amount which bears the same ratio to such funds as the number of free and reduced-price lunches served in accordance with section 9 of this Act in the fiscal year beginning two years immediately prior to the fiscal year for which the funds are appropriated by all nonprofit private schools participating in the program under this Act in such State bears to the number of such free and reduced-price lunches served during such year by all schools participating in the program under this Act in such State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purpose and subject to the same conditions as are applicable to a State educational agency disbursing funds under this section.

"(g) In circumstances of severe need where the rate per lunch which the school would otherwise receive is determined by the Secretary to be insufficient to carry out an effective school lunch program in such school, he may authorize financial assistance up to 80 per centum of the operating costs of such program, including the cost of obtaining, preparing, and serving food. In the selection of schools to receive assistance under this subsection, the State educational agency shall require applicant schools to provide justification of the need for such assistance.

"(h) In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this Act, including those applicable to funds apportioned or paid pursuant to section 4 or 5 but excluding the provisions of section 7 relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section."

#### REGULATIONS

SEC. 8. Section 10 of the Child Nutrition Act of 1966 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and the National School Lunch Act, including regulations relating to the service of food in participating schools and service institutions in competition with the programs authorized under this Act and the National School Lunch Act. In such regulations the Secretary may provide for the transfer of funds by any State between the programs authorized under this Act and the National School Lunch Act on the basis of an approved State plan of operation for the use of funds and may provide for the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects."

#### NATIONAL ADVISORY COUNCIL

SEC. 9. The National School Lunch Act is amended by adding at the end thereof the following new section:

#### "NATIONAL ADVISORY COUNCIL

"SEC. 14. (a) There is hereby established a council to be known as the National Advisory Council on Child Nutrition (hereinafter in this section referred to as the 'Council') which shall be composed of thirteen members appointed by the Secretary. One member shall be a school administrator, one member shall be a person engaged in child welfare work, one member shall be a person engaged in vocational education work, one member shall be a nutrition expert, one member shall be a school food service management expert, one member shall be a State superintendent of schools (or the equivalent thereof), one

member shall be a State school lunch director (or the equivalent thereof), one member shall be a person serving on a school board, one member shall be a classroom teacher, and four members shall be officers or employees of the Department of Agriculture specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to child food programs.

"(b) The nine members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that such members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

"(c) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

"(d) The Council shall meet at the call of the Chairman but shall meet at least once a year.

"(e) Seven members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

"(f) It shall be the function of the Council to make a continuing study of the operation of programs carried out under the National School Lunch Act, the Child Nutrition Act of 1966, and any related Act under which meals are provided for children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

"(g) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

"(h) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council."

Mr. TALMADGE, Mr. President, the bill before the Senate, S. 2548, is designed to strengthen and improve our child feeding programs under the National School Lunch Act and the Child Nutrition Act of 1966.

The bill was introduced by myself, with the following cosponsors: Mr. BENNETT, Mr. HART, Mr. HOLLINGS, Mr. KENNEDY, Mr. MCGOVERN, Mr. METCALF, Mr. MOSS, Mr. PACKWOOD, Mr. SPONG, and Mr. YARBOROUGH. Our purpose in introducing this bill was to insure that no child who comes to school hungry must go home hungry.

This legislation is the product of 10 months of work on the problems of child nutrition, beginning with a tour I made of the school lunch programs of my own State of Georgia.

In April of 1969, I inspected school lunch programs in urban and rural parts of Georgia where there are heavy concentrations of needy children. While I was impressed with the excellent job that school administrators are doing in Georgia, I was shocked by the great unmet need in my State.

Georgia's school lunch program, under the direction of an extremely able and dedicated school lunch director, is one of the best in the Nation. However, there is only so much that can be done within the confines of present law—and the money now available for free and reduced price lunches will feed only so many children.

Upon hearing testimony and reading data concerning the school lunch programs of other States, I found that the situation in many States is far worse than it is in Georgia. Many school districts do not participate in the school lunch program at all. Many schools have no facilities for the preparation of school lunches.

With these unpleasant facts in mind, I introduced on July 7, 1969, legislation to insure that school lunches are made available to every needy child in America.

The response that my bill received was more than gratifying. Although I did not actively seek cosponsors, my bill was cosponsored by several of the ablest Members of the Senate—members of both the Republican and Democratic Parties and members from the whole spectrum of political philosophy in the Senate. It seems that my bill has received the support of just about every national organization which is vitally concerned with America's children. The American School Food Service Association, comprised of school lunch directors of all the States, has been extremely active and helpful with its support.

Mr. President, I point to this support only to illustrate the strength of feeling about hungry children. It seems that the American people—and their elected representatives—have suddenly realized that it is a national disgrace for a nation with as much agricultural abundance as America to tolerate hunger and malnutrition on the part of a great number of its children.

The response of the Committee on Agriculture and Forestry to legislation to improve our child feeding programs could not have been better. After only 1 day of consideration, the committee unanimously agreed to report S. 2548.

The committee believes that a consensus of American opinion dictates that this Congress act now to restructure our school lunch program so that free lunches will be available to every child who cannot afford the proper price of a school lunch. We must see that this Congress appropriates enough money so that our schools can afford the cost of preparing and serving food to the economically deprived children.

In that connection, Mr. President, the Committee on Agriculture and Forestry just this week reported unanimously a bill to authorize an additional \$30 million for section 32 funds for this fiscal year, and that bill was passed today, during the morning hour, without a single dissenting vote.

So our committee and Congress are moving rapidly and expeditiously to solve the unmet needs in our child nutrition programs within our schools.

Mr. President, the House of Representatives has already taken action on this

issue. During the last session of Congress, the House approved H.R. 515, a bill proposed by Congressman PERKINS, chairman of the House Committee on Education and Labor. H.R. 515 is an excellent bill and I incorporated many of its provisions in my own bill. During the hearings on school lunch bills conducted by the Senate Committee on Agriculture and Forestry, Congressman PERKINS testified in favor of S. 2548 and indicated that he favored it over H.R. 515. Subsequently, he introduced a bill, H.R. 14660, which is patterned after the bill we are discussing today. The Congressman did express reservations about the matching formula of S. 2548, but the Agriculture Committee has agreed to the matching provisions of H.R. 515 and substituted them for the matching provisions of the bill which I originally introduced.

Mr. President, if the Senate passes S. 2548, we can expect prompt action in the House of Representatives. I know that Congressman PERKINS will cooperate in securing the final adoption of a bill as soon as possible.

The bill under consideration will improve and perfect a program that was begun as a surplus removal operation under section 32 of Public Law 320, 74th Congress, and which evolved from other Federal and local actions to provide meals for schoolchildren.

In 1946, Senator RUSSELL and Senator ELLENDER secured the passage of the National School Lunch Act. This act provided an excellent statutory framework for the development of school lunch programs throughout the Nation. Over the years, the School Lunch Act has been amended as new problems arose or as improvements appeared advisable. The Child Nutrition Act of 1966 was enacted to provide for school breakfasts from schools drawing attendance from poor areas and for the purchase of equipment for such schools.

The programs provided for by these acts are as follows:

The regular school lunch program is provided for by section 4 of the National School Lunch Act. This section provides for grants to States to be used only for food for lunches to be served to children in schools of high school grade and under participating in the program. These sums are required to be matched by three times as much in State and local funds. The amounts the children pay for their lunches count toward this matching requirement and represent the greater part of it. The Federal fund apportioned for this program for the current fiscal year amounts to \$168,041,000.

Section 9 of the National School Lunch Act requires that lunches must be served free or at reduced cost to children unable to pay the full price. It became evident some years ago that this requirement was very difficult to meet in the case of schools drawing their attendance from poor areas where most of the children might require free or reduced cost meals. Consequently section 11 was added to the National School Lunch Act to provide for special assistance in the form of grants to such schools. The amount provided for this purpose in the current fiscal year is \$44,800,000.

It cannot be doubted that funding must be greatly increased to provide free and reduced price lunches to all needy children. The Department of Agriculture estimates that there are 6.6 million children from low income families who require free or reduced price lunches.

At my request, the American School Food Service Association did a survey to determine the number of children who qualify for free and reduced price meals, and the number who actually receive these meals. Complete figures were not available in seven States, but in the 43 States where figures were available, the survey indicates that 2.8 million needy children are not receiving free or reduced price meals. There is no doubt but that with the inclusion of the seven States, this figure would be well above 3 million.

Section 4 of the Child Nutrition Act of 1966 provides for a school breakfast program. Under this section Federal grants are made to States to reimburse selected schools for foods used in this program and, in cases of severe need, other costs. In selecting such schools, first consideration is given to schools drawing attendance from poor areas and schools attended by children who must travel long distances daily; \$10 million is being apportioned under this program in the current fiscal year.

One of the difficulties encountered in reaching all of the children, and particularly the neediest children, lies in the fact that many schools, particularly the older schools in the inner city, do not have the cafeteria and kitchen equipment needed for serving lunches. In order to meet this difficulty Congress enacted section 5 of the Child Nutrition Act, which provides for grants to assist schools drawing attendance from poor areas in obtaining equipment. The amount available for this program for the current fiscal year is \$10 million.

Section 13 was added to the National School Lunch Act in 1968 to provide for a special food service program for children in day-care centers and certain other nonschool situations. The amount provided for this program for the current fiscal year is \$15 million.

Section 3 of the National School Lunch Act provides for a special milk program for children in schools, camps, and other nonprofit institutions; \$102,285,810 is available for this purpose in fiscal 1970.

In addition to the above, the appropriation act for fiscal 1970 authorized the use of \$100 million of section 32 funds for feeding programs, of which \$67 million is being used primarily to expand free or reduced price lunches and breakfasts to children from low-income families.

And further, in addition, commodities are made available under section 6 of the National School Lunch Act, section 416 of the Agricultural Act of 1949, section 32 of Public Law 320, 74th Congress, and other legislation.

But all of this is not enough. Although meals have always been required to be served free or at reduced cost to children unable to pay the full cost, we have not succeeded in reaching all these children. The reasons for this are varied. There

have not been sufficient funds. Many schools do not have needed equipment. Funds are frequently provided too late to permit adequate planning. The greater part of the cost of the program comes from children's payments, and as lunch prices are raised to make up for the cost of free lunches, those that pay are priced out of the program. There is not sufficient flexibility, so that available funds cannot always be used for the purposes for which they are most needed. New and more efficient ways of providing the lunches need to be devised. Better criteria must be developed for determining those who can pay and those who cannot pay, and those who cannot pay must be protected from any embarrassment.

It is the purpose of the bill to strengthen and improve the program and to remove these obstacles to providing free or reduced-price lunches to children that are entitled to them. To accomplish these objectives, the bill would make the following changes in the law:

First, it would require that State revenues represent a portion of the local matching requirement applicable to the regular school lunch program. Grants under section 4 of the National School Lunch Act for food for the program must be matched by three times as much in local funds. The major part of these local funds represent children's payments for their lunches. Section 4 of the bill would require States in fiscal 1972 to contribute from State revenues at least 4 percent of the total matching requirement. This would increase 2 percent each 2 years until it reached 10 percent in fiscal 1978. The table on pages 14 and 15 of the committee report shows what the States now contribute and how they would be affected in fiscal 1978, when the full 10 percent would be required. Thirteen States already contribute more than 10 percent. Based on 1968 data, the other States would have to increase their contributions by a total of \$29,983,735, by fiscal 1978.

The effect of this provision would be twofold. It would provide more funds for the program, thereby helping to pay for the lunches of the poor children. And it would encourage the States to exercise the most careful administration so that each dollar will be well spent.

Second, the bill would authorize increased appropriations for nonfood assistance and provide for apportionment of half of such funds on the basis of the number of children enrolled in schools without a food service. The amount authorized by existing law for fiscal 1970 for this purpose was \$18 million, but only \$10 million was actually appropriated. Existing law does not authorize any appropriations for fiscal 1971 and thereafter. Section 2 of the bill authorizes \$38 million for fiscal 1971, \$33 million for fiscal 1972, \$15 million for fiscal 1973, and \$10 million for each succeeding fiscal year. The objective is to provide larger sums in the next few years to provide equipment as soon as possible so as to bring the program to the schools without food service and to the children in those schools. To a large extent these schools are older schools in the inner city or other deteriorating areas, and their chil-

dren are among those most in need of a good lunch, without cost.

Under existing law the nonfood assistance funds are apportioned to States on the same basis as apportionments of food assistance funds under section 4. That is, upon the basis of past participation and the assistance need rate—which is based on average per capita income in the State. While these factors should be considered, the committee felt that half of the funds ought to be apportioned on the basis of the need for nonfood assistance, as indicated by the number of children in schools without a food service.

Third, it would revise section 11 of the National School Lunch Act so that special assistance funds would go more directly to the needy child. At present special assistance funds are apportioned to the States on the basis of the number of free or reduced-price lunches served during the preceding year. This tends to channel funds to the States that have been able to serve a large number of free or reduced-price lunches rather than to those that may have had greater need for such lunches but less ability to fill that need. It has also resulted in accounting problems as to which lunches should be considered to be reduced-price lunches for the purpose of the apportionment formula. In some schools where the prices of all lunches served are low, there may not be many reduced-price lunches, while in schools where the regular lunch price is higher, there may be more reduced-price lunches. Under section 7 of the bill special assistance funds are apportioned to the States on the basis of the number of children, aged 3 to 17, in families with incomes of not more than \$3,000 per year plus the number of such children in families that receive more than \$3,000 per year from federally assisted public assistance programs.

Also, under existing law special assistance funds are disbursed to selected schools. Under section 7 of the bill they would go to all schools on the basis of their need for assistance in providing the free and reduced-price lunches required by section 9 of the National School Lunch Act. At present schools which do not receive special assistance funds may have to raise prices to other children in order to provide free or reduced-price lunches to poor children. This tends to force some of the children who can pay out of the program, with resulting damage to the program for all children.

Fourth, under section 7 of the bill special assistance funds would be authorized to be appropriated in such amounts as may be necessary to assure access to the school lunch program by children of low-income families. At present it provides only for sums needed to assist certain schools in meeting the requirements of section 9. It is the purpose of the bill to provide every needy child with a free or reduced-price lunch, whenever he may go to school.

Fifth, section 7 provides that special assistance funds in circumstances of severe need, instead of being restricted to use for food alone, may be used for up to 80 percent of a school's lunch program operating costs. This may be necessary in poor areas where there are a large number of free lunches.

Sixth, the bill would provide for more flexibility in the use of funds apportioned to the States for the various programs provided by the act. Under section 8 of the bill, the Secretary could permit a State which, for example, had an excess of food assistance funds to use its excess food assistance funds for equipment. The Secretary could permit transfer of funds from one program under the act to another as required to meet each State's needs. A State might need funds to equip a cafeteria this year, funds for food to be served in that cafeteria this year or next year. One year it might need special assistance to provide free lunches, another year it might be starting a breakfast program and have special needs for that program. The objective of this provision is to put every dollar where it will do the most good.

Seventh, the bill makes a number of changes designed to provide for a more efficient and effective program as follows:

Section 8 authorizes the use of funds for special developmental projects to improve program methods and facilities. Under it, pilot projects might be undertaken in the use of food management companies, special fabricated food items, or equipment, packaging, or delivery systems. By using each dollar more efficiently, we will be able to use our funds to reach more poor children.

Section 1 authorizes appropriations 1 year in advance to provide the States with better opportunity to plan their operations with assurance as to the amount of Federal funds that will be available. For much the same reason, section 1 provides for apportionment of section 4 funds on the basis of earlier data as to past participation.

Section 3 authorizes the use of funds for nutritional training and education for workers, cooperators, and participants in child-feeding programs under these acts. This should help us to get more nutrition for each dollar spent and make a greater contribution to the health of the children receiving meals under the program. Teaching the children something about proper diet and good eating habits should result in improvement in diets in their homes as well as in their future lives and the lives of their children.

Eighth, the bill requires publicly announced policies with respect to eligibility for free and reduced-price meals and prohibits overt identification of any child receiving such a meal. The bill is designed to assure such child access to such meals. These provisions would insure that he knows that he is entitled to such a meal and that he is not prevented by shame or embarrassment from taking it.

Lastly, the bill provides for a continuing study of our child-feeding programs so that they may continue to be improved as new ideas and methods are developed. Section 9 of the bill provides for a National Advisory Council on Child Nutrition to be composed of persons with special knowledge and ability in this field to carry out this study.

Mr. President, this is a good bill. The committee held full hearings on it and

made a number of improvements in it. It should make the program more efficient, and more effective to improve the nutrition of our children. It provides for better planning, more research, better nutrition knowledge; more money and better distribution of it, better administration, more flexibility, and generally a better program.

I urge the Senate to approve the bill.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Georgia yield?

The PRESIDING OFFICER (Mr. SPONG in the chair). Does the Senator from Georgia yield to the Senator from North Carolina?

Mr. TALMADGE. I am very happy to yield to my distinguished colleague and friend, and member of the committee which wrote the bill.

Mr. JORDAN of North Carolina. Mr. President, I am delighted to associate myself with the remarks just made by the Senator from Georgia in explaining the bill. He has done an outstanding job in describing what the bill will do in comparison with what the law now is.

And one of the things the Senator from Georgia brought out that I think is very significant is that when holding hearings in the past year, we found that a great many schools—and this was largely true in the larger cities—did not have any cafeterias at all. They did not have any equipment. They did not even have a place in which to put the equipment.

Mr. TALMADGE. And this bill makes arrangements for that purpose.

Mr. JORDAN of North Carolina. The Senator is correct. And they can do that and pay for it and provide space in several other places where the Federal program can be provided for local school children in the United States if the local people want it.

I am glad to support the bill.

Mr. TALMADGE. Mr. President, I appreciate the Senator's contribution both on the committee and on the floor of the Senate.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. TALMADGE. 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. TALMADGE. Mr. President, I yield to the distinguished senior Senator from Vermont (Mr. AIKEN), the ranking member of the Committee on Agriculture and Forestry.

Mr. AIKEN. Mr. President, I have no remarks to make in particular on details of the bill at this time. I do want to commend the Senator from Georgia who, I believe, is one of the ablest members serving on the Committee on Agriculture and Forestry, or in the Senate, for that matter.

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

Mr. AIKEN. I yield.

Mr. TALMADGE. Mr. President, I cannot refrain from thanking my friend,

the Senator from Vermont, who is the ranking minority member of the Committee on Agriculture and Forestry and is the dean of his party. Praise coming from him is praise indeed, and I deeply appreciate it.

Mr. AIKEN. Mr. President, Georgia and Vermont are not what they were 100 years ago. I reiterate what I said about the Senator from Georgia. He is exceptionally well qualified to discuss the subject he has been discussing—the school lunch program.

Mr. President, I do not think that anyone has ever been more concerned over the adequate feeding of poor people and schoolchildren than I have. I have worked on this premise ever since I have been a Member of the Senate. I still stand for that, but I do realize that we have to proceed to improve these programs in a rational manner.

We should not go too far out. We cannot do even all that I would like to do. And above all else, we have to watch out that in trying to improve the programs which we thoroughly believe in, we do not do harm to other phases of our Government.

In fact, if we were to accept the recommendations of some well meaning people, we would have to literally change the form of government which we have in the United States. And I do not think that anyone wants to do that.

I simply want to say that I support the Senator from Georgia and the Senate Committee on Agriculture and Forestry with respect to this bill which is now pending before the Senate.

I do not say that any amendment whatsoever would be objectionable, but I do say that one the whole we should accept the bill practically as it came from the Committee on Agriculture and Forestry and that it will represent a tremendous improvement in the school lunch program if we do so.

I thank the Senator from Georgia for yielding me the time which he did.

Mr. DOLE. Mr. President, as a member of both the Senate Select Committee on Nutrition and Human Needs and the Agriculture and Forestry Committee, I have become increasingly aware of the disastrous effects of hunger and malnutrition in the United States.

Today, we in the Senate are taking a constructive step in combating hunger as we consider S. 2548, the school lunch and child nutrition amendments as submitted by the distinguished Senator from Georgia.

Since the school lunch program was started in 1943, its value has never been questioned. But as is often the case, the proper and efficient administration of a program has not always met the expectations of its creators. I concluded long ago that only through the close cooperation of all levels of government and the private sector is there any hope of finding meaningful solutions to correct the inadequacies of such programs.

Therefore, as we consider S. 2548, I would like to share with my colleagues a report on the child feeding programs by the private sector in Kansas. This is a subcommittee report of the Kansas Committee on Nutrition and Human

Needs which assisted me last summer in reviewing and deliberating on possible new approaches to meeting the needs of our disadvantaged citizens in Kansas.

It has been amply documented, in this report as well as in others, that a child's ability to think and concentrate is impaired by hunger. Further, as the Kansas subcommittee states:

In our competitive society, there is an important relationship between a child's nutritional experience and his eventual competence as an adult.

Therefore, I urge the Senate to support S. 2548 in the interest of insuring equal opportunity in education through adequate nutrition as well as in the interest of the welfare of future adults of our society.

Mr. President, I ask unanimous consent that this report on child feeding programs and a memorandum be printed in the RECORD at this point.

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

#### CHILD NUTRITION PROGRAMS

(Report of Kansas Committee on Nutrition and Human Needs)

##### 1. SCHOOL BREAKFAST AND LUNCH PROGRAMS

In view of the fact that there is a definite and immediate need for an initial outlay for establishing food facilities, the current major problem is the method of receiving and utilizing money over and above the cost of food. These facilities must be established in order to use existing funds, now available under the National School Act and also the Childs Nutrition Act for school Breakfasts, which must be turned back if there are no facilities to store, prepare or serve the food which can be purchased and also no personnel to supervise and prepare it. We recommend that Federal assistance is needed for equipment and personnel on an interim basis. We recommend initiating a General School Aid Program such as block grants, instead of the present categorical aid. There must be more flexibility in sharing the cost, where participation is high and relative economic status is low, also more flexibility in the methods of preparation, distribution and serving. The law in Kansas, on school financing does not permit spending over 104% of the previous expenditures, subsequently, the cost of establishing kitchens and etc., cannot be included in the school budget. The present conditions prohibit the schools from entering into this program and consequently, there is hunger and malnutrition. In our competitive Society, there is an important relationship between children's nutritional experience and their eventual competence as adults.

##### 2. STATE CONSULTANT NUTRITIONIST

We also recommend Kansas re-establish the position of State Consultant Nutritionist in the State Department of Health, which was unfilled for three years because of absolute noncompetitive salary and was removed from the budget because it could not be filled. This person in the past was primarily serving schools and youth institutions on food utilization and the relationship of nutrition to health of school age children.

We recommend more publicity on why Federal funds can not be used. We would like to see Welfare cooperate with the schools to encourage families to use a portion of the food allotment as allocation for reduced price lunches.

Could the money that is designated for school lunches (15¢ per day) be paid directly to the school so these children can have lunch?

MEMORANDUM OF THE KANSAS STATE DEPARTMENT OF HEALTH, DIVISION OF MATERNAL AND CHILD HEALTH, JULY 29, 1969

To: Committee on Nutrition and Human Needs, Subcommittee #3, School Lunch and Breakfast

From: Evalyn S. Gendel, M.D.  
Re concerns of School Age Children

The School Health Section of the Division of Maternal and Child Health of the Kansas State Department of Health has an awesome health charge both legislative and ethical. This charge is to discover the causes of disease, disability and death in children and to remedy them through all available means. It is a broad charge which encompasses many aspects of preventive medicine.

According to the practicing pediatrician and family doctor the most frequent complaints of parents when bringing a child to the doctor's office for examination is that "Susie or Johnnie is not learning in school" or that his behavior is distressing or distracting to the parents or to the school. The conscientious parent who offers medical care for the child hopes that some minor physical problem will be found and remedied so that their "child can learn or behave better." The neglectful or abusive parent may never get the child to a doctor's office. Public clinics report children with general "poor health" or "poor behavior patterns" also, and school personnel, who continually observe children, report non-learners and behavioral problems as their most pressing problems. These are not dramatic issues like an epidemic of disease or rat bites, but they are persistent and serious.

In reviewing correspondence over a ten year period from nurses, teachers, and the medical profession, I find frequent reference to the need for an in-depth social and health study of a child and his family, because of suspicion of hunger or malnutrition as the cause of drowsiness, or discomfort, or inattention on the part of the child. Often children are ashamed to admit not having breakfast or lunch. In our own Topeka area, a public health nurse, following up on a sick child, found three children going home for "lunch" (no meal offered at school). "Lunch" meant just going home. No food or parent was there to feed them. Whether the parent was guilty of neglect is beside the point. Three children were experiencing feelings in school each afternoon unrelated to a desire for knowledge. How many children there are in Kansas with these circumstances is not known, as adequate studies have not been done. Many cases are disguised by the pride and hurt feelings of the children themselves. On empirical evidence alone, however, it appears that the obstacle to breakfast and lunch programs must be overcome on an emergency basis. How many more "dropouts" from the learning process can the society afford? By this, I mean the loss of the potential of a child, who, though he remains in the classroom physically, is deriving a different learning than we think. These children are learning a number of things:

1. That people don't really care.
2. That books and charts do not take the place of food.
3. That one must "figure out" how to eat and that may mean taking food from a store or money to buy food.
4. That hunger pains, or weakness or headache resulting from frequent missed meals, block out the ability to concentrate, to socialize, to become.

The concern for how a district will finance a program where more and more children are eligible for free lunches is a real and practical problem, but every day longer that it takes to solve it, is that many more children who are developing attitudes toward themselves and others that are at best indifferent, and at worst destructive for the future.

In different ways, we are all familiar

with "the scene." In my own experience, I have been in poor homes in east Topeka, in certain rural areas around Auburn, Kansas (where I practiced) that were equally desolate, and for three years in medical school riding an ambulance for Charity Hospital of New Orleans and through the early years growing up in that city where you come to know "the hopeless." The situation in Kansas City, Wichita, and other Kansas centers is no different. Examining these children, getting histories from the parents, makes an impact that far outweighs whatever are our roadblocks for implementing adequate school lunch (and breakfast) programs.

I am not sure of feasible plans of action (talk, like above, is pretty easy) but could this subcommittee recommend:

1. Primary "crash" recommendation for implementation of school lunch and breakfast programs:

That such programs be made available to all students who indicate that they wish to participate and that the federal government supply baseline costs for developing facilities for preparing and/or distributing lunches over and above the funding for food itself. What has now been recognized in the committee hearings at the federal level and in the state of Kansas from the Kansas City school system, Wichita school system, and others, is that funds for food sometimes cannot be utilized because the various schools where the children need these programs the most were not built to house kitchens, or even to be distribution points, or provide places to serve children. That supervisory personnel and trained nutritionists, equipment, etc. costs cannot be borne by already overloaded taxes for schools, and that these federal funds be made available on an interim basis until such time as revision of legislation on a more equitable and matching basis be worked out.

2. That the push to make implementation feasible should be made by the subcommittee to the Kansas overall committee by creating an awareness of the effects on mental, physical, social, and emotional development of the child and ultimately of the society itself.

3. That the committee help sensitize the public to the further issues of the genetic effects of those who are underfed and/or malnourished, how, on their own children, and so in a cumulative effect on the whole next generation, whether or not they themselves are poor or are malnourished. The long range research is not complete, but the short range scientific data are conclusive enough that we can already measure in some of our Kansas born infants the deleterious effects of the mothers (and fathers) inadequate diets on their offspring. The diet of the growing school child in his rapid period of growth is critical to this future cellular and genetic pattern.

4. That to implementation of school feeding programs a program of education about nutrition must be aligned. Education which has meaning for the child and his family is critical to the ongoing effect of a school breakfast and lunch schedule.

5. That for the local situation in the state of Kansas, the committee make a strong recommendation to the state administration, itself, that a position for a nutritionist in the State Health Department be reinstated as per a job description to again be submitted at a competitive salary which will permit the employment of such an individual. This position, in the past, has served to provide a skilled public health nutritionist able to make the relationships between health and medical aspects of nutrition and health in their long term effect on the school age child and his ability to learn.

#### AMENDMENTS NOS. 508 THROUGH 512

Mr. McGOVERN, Mr. President, the pending bill, which represents to a great extent the work of the distinguished Pre-

siding Officer, the Senator from Georgia (Mr. TALMADGE), is an important step forward in strengthening our child feeding program; and I think the entire country is indebted to the Senator from Georgia (Mr. TALMADGE) for his leadership in this field.

I do think there are certain changes or improvements that can yet be made in the bill, and I have joined with a group of eight other Senators in a series of five amendments that we will offer to improve the legislation that will soon be acted upon here in the Senate.

So, Mr. President, I send to the desk an amendment to S. 2548.

I also send to the desk amendments on behalf of the Senator from Michigan (Mr. HART) and the Senator from Massachusetts (Mr. KENNEDY).

I ask unanimous consent that the three amendments be printed and lie on the table.

The PRESIDING OFFICER. Without objection, the amendments will be received and printed and will lie on the table.

Mr. McGOVERN, Mr. President, the amendments which I have just sent to the desk are three of the five amendments which are being cosponsored by the same nine Senators who cosponsored the substitute food stamp bill that passed the Senate last September. The cosponsors, in addition to myself, are Senators COOK, HART, JAVITS, KENNEDY, MONDALE, PELL, PERCY, and YARBOROUGH.

The five amendments are intended to be called up at the appropriate time during debate on S. 2548.

In addition to the three amendments just submitted, the two remaining amendments will be sponsored by Senator JAVITS. So that Members of the Senate will have an opportunity to review all five amendments in the CONGRESSIONAL RECORD when it is available to us tomorrow morning, I ask unanimous consent that these five amendments be printed in the RECORD.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table; and, without objection, the amendments will be printed in the RECORD.

The amendments (Nos. 508 through 512) are as follows:

#### AMENDMENT No. 508

On page 21, between lines 8 and 9, insert the following:

"Sec. 6. (a) The second sentence of section 9 of the National School Lunch Act (42 U.S.C. 1751 (a)) is amended by inserting 'not exceeding 20 cents per meal' immediately after 'or at a reduced cost'.

"On page 21, line 9, strike out 'Sec. 6. (a)' and insert in lieu thereof '(b)'."

On page 21, line 18, strike out the period and insert in lieu thereof a semicolon and the following: "but any child who is a member of a household which (1) is eligible to participate in a Federal food stamp program or commodity distribution program or (2) has an annual income equivalent to \$4,000 or less for a household of four persons shall be served meals without cost. Determination with respect to the annual income of any household shall be made solely on the basis of an affidavit executed in such form as the Secretary may prescribe by an adult member of such household."

On page 22, line 20, immediately after the period insert the following: "The requirements of this section relating to the

service of meals without cost or at a reduced cost shall apply to the lunch program of any school utilizing commodities donated under any of the provisions of law referred to in the preceding sentence."

AMENDMENT No. 509

On page 29, after line 6, insert the following:

"UTILIZATION OF PRIVATE FOOD SERVICE COMPANIES

"SEC. 10. The National School Lunch Act is further amended by adding after section 14 (as added by section 9 of this Act) a new section as follows:

"UTILIZATION OF PRIVATE FOOD SERVICE COMPANIES

"SEC. 15. (a) Any school which the Secretary determines lacks or has inadequate food preparation facilities may formulate and carry out under this Act and the Child Nutrition Act of 1966 a child feeding program by contracting with private food service concerns for the provision of nutritious meals for such school.

"(b) The Secretary shall provide food commodities, including milk, to schools which conduct programs authorized by this section, and such schools shall be entitled to cash benefits authorized under this Act and the Child Nutrition Act of 1966.

"(c) The highest nutritional requirements prescribed by the Secretary for lunch and breakfast meals served under this Act and the Child Nutrition Act of 1966, respectively, shall apply in the case of lunch and breakfast meals contracted for by any school under authority of this section."

AMENDMENT No. 510

On page 22 line 25 strike everything through line 1 on page 23 and insert in lieu thereof the following:

"Sec. 11. (a) There is hereby authorized to be appropriated \$250,000,000 for the fiscal year ending June 30, 1971; \$300,000,000 for the fiscal year ending June 30, 1972; and \$350,000,000 for the fiscal year ending June 30, 1973."

AMENDMENT No. 511

On page 29 after line 6 insert the following:

"Section 4 of the Child Nutrition Act of 1966 is hereby amended to read as follows:

"SCHOOL BREAKFAST PROGRAM AUTHORIZATION

"SEC. 4. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1971, \$25,000,000; for the fiscal year ending June 30, 1972, \$50,000,000; and for the fiscal year ending June 30, 1973, \$75,000,000 to enable schools to initiate, maintain, or expand non-profit breakfast programs for needy school children.

"APPORTIONMENT TO STATES

"(b) The Secretary shall apportion the funds appropriated pursuant to this section for any fiscal year in accordance with the apportionment formula contained in section 11 of the National School Lunch Act, as amended.

"STATE DISBURSEMENT TO SCHOOLS

"(c) Funds apportioned and paid to any state for the purpose of this section shall be disbursed by the state educational agency to schools selected by it to assist such schools in financing all or part of the operating costs of the school breakfast program in such schools, including the cost of obtaining, preparing, and serving food. The amounts of funds that each school shall from time to time receive shall be based on the need of the school for assistance in meeting the requirements of subsection (d) concerning the service of breakfasts to children unable to pay the full cost of such breakfasts. In selecting schools for participation in the program, the state educational agency shall give first consideration to those schools with high numbers of children from low-income families and to those schools to which a sub-

stantial proportion of the children enrolled must travel long distances daily.

"NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

"(d) Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such breakfasts shall be served without cost or at a reduced cost only to children who are determined by local school authorities to be unable to pay the full cost of the breakfast. Such determination shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions: *Provided*, That any child who is a member of a household which (a) is eligible to participate in a food stamp or commodity distribution program, or (b) has an annual income equivalent to or less than \$4,000 for a household of four persons shall be eligible to receive meals without cost. The determinations of such income shall be made solely by execution of an affidavit by the member of such household. In making such determinations, such local authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay, nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means.

"NON-PROFIT PRIVATE SCHOOLS

"(e) The withholding of funds for and disbursement to non-profit private schools will be effected in accordance with section 10 of the National School Lunch Act, as amended, exclusive of the matching provisions thereof."

AMENDMENT No. 512

(1) On page 23 line 20 strike everything after the period through the period on page 24 line 2 and insert in lieu thereof the following:

"The amount apportioned to each state shall bear the same ratio to the total of such appropriated funds as the number of children attending schools in that state from families with incomes equivalent to \$4,000 per year or less for a family of four bears to the total number of such children in all such states."

(2) On page 24 line 11 strike everything through line 22 and insert in lieu thereof the following:

"(e) Funds paid to any state for any fiscal year pursuant to this section shall be disbursed to schools in such state to assist them in financing all or part of the operating costs of the school lunch program in such schools including the costs of obtaining, preparing, and serving food. The amounts of funds that each school shall from time to time receive shall be based on the need of the school for assistance in meeting the requirements of section 9 of this Act concerning the service of lunches to children unable to pay the full cost of such lunches."

(3) On page 25 line 3 strike everything through line 10 and insert in lieu thereof the following:

"Same ratio to such funds as the number of children attending such non-profit private schools in such State from families with incomes equivalent to \$4,000 per year or less for a family of four bears to the total number of such children in all the schools, public and private, in such State."

(4) On page 25 line 16 strike everything

through line 25 and renumber subsection (h) on page 6 as subsection (g).

(5) On page 26 between lines 7 and 8 insert the following:

"(1) Not later than June 1 of each year, each State educational agency shall submit to the Secretary, for approval by him as a prerequisite to receipt of Federal funds or any commodities donated by the Secretary for use in programs under this Act and the Child Nutrition Act of 1966, a State plan of child nutrition operations for the following fiscal year, which shall include, as a minimum, a description of the manner in which the State educational agency proposes (1) to use the funds provided under this Act and funds from sources within the State to furnish a free lunch to every needy child in accordance with the provisions of section 9; (2) to include every school within the State in the operation of the national school lunch program by the start of the school year 1972-1973; and (3) to use the funds provided under section 13 of this Act and section 4 of the Child Nutrition Act of 1966 and funds from sources within the State to the maximum extent practicable to reach needy children. Each school participating in the national school lunch program shall be required to report monthly to its State educational agency the average number of children in the school who actually received free lunches each school day during the prior month, the number of children in the school who were eligible for free lunches, the average number of children in the school who actually received reduced price lunches each school day during the prior month and the number of children in the school who were eligible for reduced price lunches."

Mr. MCGOVERN. Mr. President, I also ask unanimous consent that an explanation entitled "Explanation of School Lunch and Child Nutrition Amendments" be printed in the RECORD following the amendments themselves.

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

EXPLANATION OF SCHOOL LUNCH AND CHILD NUTRITION AMENDMENTS

The Committee on Agriculture and Forestry has reported S. 2548 designed to improve Federal child feeding programs that provide lunch and breakfast in schools. The bill contains many changes in the existing laws—the National School Lunch Act and the Child Nutrition Act of 1966—that should enable the Department of Agriculture to operate child feeding programs more effectively to reach more needy children.

The bill as it stands, however, fails to eliminate many of the barriers that prevent this country from assuring lunch to every school child from a low-income family and assuring easier access to other food services.

The recent White House Conference on Food, Nutrition and Health supported a nationwide free lunch program for the poor as a basic step to ending poverty-related hunger and malnutrition. President Nixon has agreed to try to achieve this goal by Thanksgiving 1970. To assure that this goal can be met and to make the National School Lunch and Child Nutrition programs more responsive to the needs of poor children, the following five amendments will be offered during debate by a bi-partisan coalition of Senators:

AMENDMENT No. 508—MINIMUM ELIGIBILITY STANDARD AND DEFINITION OF REDUCED PRICE

(a) Amendment No. 508 would set uniform eligibility standards under the National School Lunch Act to assure that all children from poor families receive free meals. All pupils from households eligible to receive food stamps or commodities or from families of four with an annual income of \$4,000 or less (or the equivalent for households of other sizes) would be eligible. The amend-

ment would also apply to schools which receive cash or commodity support of their school lunch program. To satisfy the income tests and secure lunch, a child's father or mother or other adult household member would fill out an affidavit in a form prescribed by the Secretary of Agriculture attesting to the family's income.

Eligibility is currently left by statute and the Department of Agriculture to the discretion of individual school principals. A few school districts have adopted uniform family income guidelines and some rely on welfare eligibility, but most permit arbitrary denial of lunch to the needy in the absence of any clear dividing line. Although Department of Agriculture regulations require public announcement of a school's eligibility policy, many areas ignore this requirement and others make it plain only that the principal's word governs. Numerous schools deter applicants with lengthy, insulting and degrading questionnaires or home visits.

The amendment would clarify eligibility for all schools. Children and parents would know precisely where they stood. Yet, within the minimum standards set, state and local school districts would still make the determination of eligibility.

Of equal importance, school boards, state legislatures, and the Congress could readily calculate the cost of feeding the poor, district by district. This would furnish a much needed yardstick for measuring the adequacy of budgetary requests. The problem of providing the funding essential to do the job involves revising the authorization levels (see Amendment 510).

These changes would make eligibility determination uniform in the major Federal food assistance programs. The \$4,000 was approved by the Senate in September and has been established by the Administration as the appropriate test for participation in the food stamp program, as was self-certification.

(b) Amendment #508 would also specify that the price to the child of a "reduced price" meal could not exceed 20 cents. Children from families above the \$4,000 level, but with insufficient resources to pay the full 35¢ or 40¢ usually charged, would still have a right to receive such reduced price lunches under criteria established by the states and schools. At present, no regulation or statute governs the price of such a lunch.

The purpose of a reduced price lunch is to bring a meal to a child who could not afford a meal at the regular price. The current lack of a definition thwarts this purpose and penalizes school districts that provide meals at a truly reduced price by allowing districts that serve reduced price meals at a trivial reduction that would equal the cost of a regular price meal in other districts to claim the larger reimbursement due a free or reduced price meal. Thus, the money reserve for free and reduced price meals is unfairly depleted at the expense of schools doing the best job—it is apparent that a uniform definition is needed.

A respected study has shown that the lower the price, the higher the number of pupils who buy the school lunch. In two schools where the price was 20¢, participation was 100%. At 25¢ participation drops to near 80% and at 30¢ it falls sharply to between 27 and 37%. Though this study was conducted over two years ago, it is even more valid today since the price of school lunches has unnecessarily increased since then.

#### AMENDMENT NO. 512—STATE PLANS AND ALLOCATION OF FUNDS

(a) Amendment #512 would allocate the funds available for section 11 special assistance to the states to meet the need for free and reduced price lunches according to the relative number of school children in a state who require free lunch, that is, children who are from households with an

income equivalent to \$4,000 or less for a family of 4. S. 2548 as reported already proposes to change the old allocation formula to focus on a \$3,000 income factor. Amendment # 508 makes \$4,000 the relevant income figure. The new formula also comports with the distribution for Title I ESEA funds.

(b) Amendment #512 would also permit the Secretary of Agriculture to aid schools that could not otherwise afford to meet the demands of their pupils for free lunches (particularly schools in economically depressed areas where most children are eligible) by reimbursing them for the entire cost, including labor, of putting the meal on the table. The Committee bill sets 80% as the cut-off figure for operating costs but heavy reliance on Title I ESEA education money to finance lunch service in the South indicates that the need for Federal assistance in some impoverished areas is total. Even 20% matching money may not be available locally, particularly where poverty is severest and the importance of serving lunch therefore, the greatest.

(c) Finally, under Amendment #512, each state would be required to file an annual state plan of child nutrition operations stating first, the state's proposed use of available monies to serve free lunches to all eligible pupils; second, the state's attempt to bring every school within the state into the national school lunch program by September 1972 (less than 15,000 schools should be outstanding by June 1970), and third, the state's emphasis upon the needy in its allocation of breakfast and nonschool food service funds. Failure to file would prevent further receipt of Federal cash or donated foodstuffs, but failure to fulfill any of the plan's objectives would not necessarily jeopardize continued Federal aid.

This requirement is neither onerous nor novel and would focus the states' attention on meeting feeding priorities and inhibit them from misallocating food service funds, a practice which has been widespread in past years. A more detailed state plan is required of school systems under Title I of ESEA and similar Federal aid to education laws.

The Committee bill itself calls for an undefined state plan of operation as a prerequisite to transferring funds from one program to another (e.g., breakfast to equipment). Recent evidence that, in fiscal 1969, many states utilized special section 32 funds to bolster their ongoing lunch program for all children instead of to further the Congressional purpose of feeding the needy indicates that more strict state accountability is essential.

(d) Locally, the same built-in monitoring effect would be achieved by having each district render periodic reports on the gap between the number of children eligible for free and reduced price lunches and those receiving them.

#### AMENDMENT NO. 510—AUTHORIZATIONS AND FUNDING

The Administration has set as its goal the provision of free and reduced price lunch for every child from a low-income family by Thanksgiving 1970. To achieve this goal, there must be a substantial increase in Federal, state, and local resources available for school lunch. While the Committee bill provides for an increased state contribution, none is required for fiscal 1971 and the increase in fiscal 1972 would total less than \$5 million nationwide. But the Committee, while recognizing that "greatly increased appropriations will be necessary," deleted the Federal authorization levels proposed in S. 2548 and provided an open-ended authorization.

The Committee itself at page 18 of its report on S. 2548 set \$712.8 million as the total required to feed lunch to 6.6 million needy children (at 60 cents a lunch, 180 days a year). Even if there is a 10% reduction for

normal absenteeism, the total still exceeds \$640 million. In fiscal 1971 the Federal government expects to spend approximately \$300 million in cash grants and commodities through formal school lunch program assistance to furnish lunch to needy school children. State and local aid may approach \$100 million. The combined Federal-state-local support level of \$475 million would leave a minimum deficit of \$240 million. However, this figure ignores both rising costs and Bureau of Census data placing the number of needy children in school at 8.4 million pupils.

Amendment #510 would obviate much of this problem by authorizing fiscal 1971 appropriations of \$250 million through section 11 special assistance. This would constitute an increase of \$206 million over the Administration's \$44 million request for their child nutrition budget line item. The new section 11 authorization would therefore provide all but about \$36 million of funds needed to provide free and reduced price lunch to 6.6 million needy children in fiscal year 1971.

The \$300 million and \$350 million sums authorized for fiscal years 1972 and 1973, respectively, would enable lunch service to reach the more generous Census count of 8.4 million poor children assuming an average rise in the cost of lunch, with State and local cooperation. If no or inadequate target figures are inserted, the performance of the Executive Branch in fulfilling its commitments would be less easy to measure.

Appendix A contains a detailed analysis of the budgetary needs.

#### AMENDMENT NO. 509—UTILIZATION OF PRIVATE FOOD COMPANIES

The Department has informed the state school lunch directors that it is in the process of revising its long-standing regulations that now deter schools from seeking help from food service concerns in providing meals. Such assistance is particularly necessary where a lack or inadequacy of equipment in the schools means children are denied meals. The revision is expected to be in effect as of April 1. The Agriculture Committee has expressed its support of this change in policy.

Amendment No. 509 would furnish a specific statutory framework for such programs. The companies would have to furnish nutritious Type A meals and be subject to all appropriate controls.

#### AMENDMENT NO. 511—SCHOOL BREAKFAST

The Committee bill amends the language governing eligibility for free or reduced price breakfasts to comport with the Committee's test for lunch, but otherwise makes no substantial changes in the breakfast program.

There is ample evidence of the nutritional value of breakfast in promoting learning, the limited size of the Department's present efforts (205,000 children participated on the average day in fiscal 1969 in 2,900 schools, which was up only 37,000 from 1968), and the reluctance of states and schools to finance the difference between food costs and the served cost of the meal.

To place increased emphasis on supplying breakfasts and undertake a campaign to bring more schools into the program, Amendment No. 511 would delete the limitation on Federal assistance and increase the available authorization to \$25 million in fiscal 1971 (the program is authorized only through that year), \$50 million in fiscal 1972 and \$75 million in fiscal 1973. By 1973 over 3 million needy children could be receiving free breakfasts each school day or six times the number projected for fiscal 1971.

The apportionment formula would also be revised to direct the funds to the states with the greatest need. Finally, as would be the case with lunch under Amendment No. 512, the Federal government would be empowered to pay for the full cost of breakfast in the neediest schools.

APPENDIX A

FREE SCHOOL LUNCH: THE BUDGET GAP

The cost of providing a free lunch throughout the school year depends on three factors: the number of poor children to be reached, the average cost of a lunch, and the annual number of lunches per pupil:

(1) There are two estimates in vogue of the number of school children from low-income families who require free lunches. USDA sets the figure at 6.6 million, by derivation from a study by the American School Food Service Association. Analysis of the Bureau of the Census' 1968 poverty data released in December, 1969 reveals that at least 7.8 and perhaps 8.4 million children between the ages of 5 and 17 lived in 1968 in families with annual incomes less than \$3,600 for a family of four or the equivalent. Given the \$4,000 eligibility test contained in the coalition amendments, coupled with the 3% annual decline in poverty, 8.4 million may be the most realistic target figure.

(2) The normal school year runs 175 to 180 days, but a 10% absenteeism rate is anticipatable, making 162 lunches per pupil per year a reasonable goal.

If 6.6 million needy children, then the total cost of furnishing free lunch in fiscal 1971 = \$640 million (60c x 162 x 6.6 million).

If 8.4 million needy children, then cost = \$817 million (60c x 162 x 8.4 million).

[All figures in millions]

Total cost.....	\$640.0	\$817.0
Funding sources (funding year 1971):		
I. USDA.....	297.6	297.6
(a) Sec. 11.....	44.0	44.0
(b) Sec. 32.....	4.3	4.3
(c) Special sec. 32.....	151.7	151.7
(d) Sec. 4.....	25.5	25.5
(e) Donated commodities <sup>1</sup> .....	72.1	72.1
II. States <sup>2</sup> .....	75.0	75.0
III. Local <sup>3</sup> .....	25.0	25.0
Total funding.....	397.6	397.6
Cost-funding Gap.....	242.4	419.4
Proposed increase in fiscal year 1971 authorization.....	206.0	206.0
Gap increase program deficit.....	36.4	213.4

<sup>1</sup> USDA estimates that approximately 15 percent of all sec. 4 funds will be applied to reimburse schools for serving free or reduced price lunches because 15 percent of all lunches receiving the across-the-board 5-cent reimbursement have been served free or at a reduced price. Sec. 4 is allocated \$169,700,000 in fiscal year 1971, meaning that 15 percent of that sum is includable under anticipated free lunch expenditures.

<sup>2</sup> 1,100,000 of the 18,900,000 children whose lunches will be federally aided exclusively under the sec. 4 portion of the lunch program will be needy children receiving free or reduced price lunches in nonneedy schools. The additional 55 cents for their lunches (less commodities donated) will come from state or local contributions or the payments made by middle-class children, rather than from Federal funds. Those children constitute 5.9 percent of the sec. 4 children and will, accordingly, consume approximately 200,000,000 lunches during fiscal year 1971 (5.9 percent of the 3,394,000,000 sec. 4 lunches). 1,000,000 free or reduced price lunches are expected under the special assistance for lunch provisions.

Thus, free or reduced price lunches would constitute 1,200,000,000 or 27.3 percent of the 4,394,000,000 total number of all school lunches served under the national program in fiscal year 1971. Since the school lunch commodity budget for fiscal year 1971 is set at \$264,500,000, some \$72,100,000 of that cost would be attributable to free or reduced price lunches, on the appropriate assumption that, in a given State, commodities are divided equally among the lunches served.

<sup>3</sup> The Senate Agriculture Committee reports that, in fiscal 1968, \$63,600,000 was contributed from State tax revenues for the school lunch program. Approximately 3/4 of that sum or \$45,000,000 was directed to supporting free or reduced price lunches. By fiscal 1971, an additional \$30,000,000 in State funds will be devoted to that purpose, including \$10,000,000 in New York, \$5,400,000 in Illinois, \$6,000,000 in California, \$2,000,000 in Maryland, and assorted sums elsewhere.

<sup>4</sup> Although no accurate compilation of local support for free or reduced price lunches exists, \$25,000,000 by fiscal year 1971 is the best available estimate. New York City contributes over \$10,000,000; Atlanta \$750,000; Baltimore \$500,000; San Francisco \$330,000; Detroit \$400,000; the District of Columbia \$2,850,000 and many other cities make or will be making substantial inputs.

<sup>5</sup> The non-USDA free lunch programs include:

Headstart.....	\$40 to \$48.
Johnson-O'Malley.....	\$2.
ESEA, title I.....	\$25 to \$30.
Migrant education.....	\$3.1.
Handicapped and delinquent children.....	\$0.2.
Follow through.....	\$3.

The fiscal year 1971 program deficit for the 6.6 million count would easily be covered by the funds now spent for free lunches under non-Department of Agriculture-operated programs. Those programs currently yield in the neighborhood of \$75 to 90 million annually (including some lunches for 3 to 4-year olds). (See footnote 5.)

The fiscal 1971 program deficit for the 8.4 million count would be in the \$125-140 million range, after taking those other feeding programs into account. The deficit would, of course, be further reduced, although not entirely, by the overflow from payments by middle-class children, a sum which is not capable of estimation. In all likelihood, 8.4 million children could not be adequately served until the Section 11 increase for fiscal 1973 were fully funded.

Mr. JAVITS. Mr. President, I have joined with the Senator from South Dakota (Mr. McGOVERN), the chairman of the Select Committee on Nutrition and Human Needs, on which I serve as the ranking minority member, and seven other Senators, in the introduction of certain amendments to S. 2548.

I think that this measure, of which Senator TALMADGE was the principal author, provides a good base on which to proceed. I believe that any contribution we may make with our amendments is only designed to strengthen and fortify what I already consider to be a significant and creative contribution in the critically important field of child nutrition.

I send to the desk, for printing, under the rule, two amendments on behalf of myself, Senators COOK, HART, KENNEDY, MONDALE, McGOVERN, PELL, PERCY, and YARBOROUGH.

The first amendment, No. 508, would set uniform minimum eligibility standards so that children from households of four which either (a) have an annual income less than or equivalent to \$4,000 or (b) are eligible to participate in the Federal food stamp or commodity distribution program, would receive free meals.

The second amendment, No. 509, would provide a statutory framework for the utilization of private food service concerns in child feeding programs.

I ask unanimous consent that the amendments be printed under the rule.

The PRESIDING OFFICER. Without objection, the amendments will be received and printed, and will lie on the table.

Mr. JAVITS. Mr. President, I conclude my brief statement by calling attention to the fact that there is a definite recognition in the Nation of a need for constructive action in providing food for our hungry children. It is our hope that the five amendments just introduced will fortify, strengthen, and improve, an already good bill, S. 2548.

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

Mr. JAVITS. I yield.

Mr. McGOVERN. Mr. President, I just want to take a moment to commend the Senator from New York for the leadership he has demonstrated from the very beginning on the problems of hunger and malnutrition in the United States. He has been a principal architect of these amendments that have just been offered.

One of the great sources of satisfaction to those of us working on this select

committee is the persistent bipartisan spirit in which that committee has conducted its business from the very beginning and a major share of the credit for that constructive spirit is due the senior Senator from New York, the ranking minority member of the committee. I especially commend him for his leadership earlier this week in bringing about the extension of the committee for another year, so that we can continue the important unfinished business of that committee. I commend him again today for his leadership and imagination in this important work.

Mr. JAVITS. I am very grateful to my colleague.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I send to the desk a unanimous-consent agreement which I think has been cleared all the way around and I ask for its immediate consideration.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be stated.

The legislative clerk read as follows:

Ordered, That, effective on Monday, February 23, 1970, during the further consideration of the bill S2548, the school lunch bill, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 1/2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader, and 1 hour on each amendment to an amendment: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. MANSFIELD. Mr. President, if I may add to that agreement, I ask that all amendments at the desk be considered germane.

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

Mr. MANSFIELD. I yield.

Mr. JAVITS. Mr. President, I understood the end of that agreement to mean 3 hours on the bill may be available at any time before third reading as well as after third reading.

The PRESIDING OFFICER. I believe that is in the agreement.

Mr. JAVITS. Yes.

The PRESIDING OFFICER (Mr. Spone in the chair). The Senator from Virginia suggests the absence of a quorum, and the clerk will call the roll.

The bill clerk proceeded to call the roll. Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Is there objection to the unanimous-consent agreement which has been read

by the clerk? The Chair hears no objection, and it is so ordered.

#### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business may be laid aside temporarily. The PRESIDING OFFICER. Without objection, it is so ordered.

#### ORDER FOR ADJOURNMENT UNTIL MONDAY, FEBRUARY 23, 1970

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 12 o'clock noon on Monday next.

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

#### PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, the distinguished Senator from North Dakota (Mr. BURDICK) will deliver Washington's Farewell Address immediately after the reading of the prayer on Monday. Immediately after the address is concluded the Senate will go into legislative session to consider the business which will be pending at that time which, of course, will be the business which is pending now.

It is my intention to notify every Democratic Senator by telegram that there will be business and very likely votes on Monday, and ask them to be here.

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

Mr. MANSFIELD. I yield.

Mr. GRIFFIN. I wish to say to the distinguished majority leader that Republican Senators will be likewise notified.

Mr. MANSFIELD. Fine.

#### ORDER FOR ADJOURNMENT FROM MONDAY NEXT UNTIL TUESDAY, FEBRUARY 24, 1970, AT 10 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the business of the Senate on Monday next, the Senate stand in adjournment until 10 a.m. on Tuesday morning.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### APPOINTMENTS BY THE VICE PRESIDENT

#### INTERPARLIAMENTARY UNION MEETING

The PRESIDING OFFICER (Mr. SPONG in the chair). The Chair, on be-

half of the Vice President, pursuant to title 22, United States Code, section 276, appoints the following Senators to attend the Interparliamentary Union Meeting, Monaco, March 30, to April 4, 1970:

Senator SPARKMAN, chairman; and Senators JORDAN of North Carolina, DODD, BAYH, HOLLINGS, SCOTT, JORDAN of Idaho, and MATHIAS.

#### MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 86-420, appoints the following Senators to attend the 10th Mexico-United States Interparliamentary Conference, Washington, D.C., and San Francisco, Calif., May 4 to May 10, 1970:

Senator MANSFIELD, chairman; and Senators BIBLE, RANDOLPH, MCGEE, INOUE, HARRIS, MONTOYA, AIKEN, COOPER, GOLDWATER, MURPHY, and FANNIN.

#### CANADA-UNITED STATES INTERPARLIAMENTARY CONFERENCE

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 86-420, appoints the following Senators to attend the 13th Canada-United States Interparliamentary Conference, Washington, D.C., March 10 to March 15, 1970:

Senator CHURCH, chairman, and Senators SPARKMAN, YARBOROUGH, MUSKIE, BURDICK, SPONG, GRAVEL; alternate, Senator MANSFIELD; and Senators AIKEN, WILLIAM of Delaware, GRIFFIN, HANSEN, and STEVENS.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### BEAVERHEAD ROCK

Mr. MANSFIELD. Mr. President, as we in the Senate have come to realize, the issue of our environment has become one of the most prominent and difficult issues we have before us today. The concern expressed has been generated by the sincere desire to preserve the natural state of our land and protect against abnormal pollution of our air and water. Much of the current discussion revolves around some rather large issues. Occasionally, this concern is directed at what may seem to be a less complex and smaller item.

Just several weeks ago a number of people in Montana became quite anxious about the future of an historic landmark on the Lewis and Clark Trail. Beaverhead Rock, also known as the Point of Rocks, has considerable significance in the history of the Lewis and Clark expedition. Historians and residents of

western Montana have known that this rock was in this location, but little effort was made to give it the historic status that it deserves. The rock is on private property. Only when development of a rock quarry threatened the landmark did a movement begin to protect Beaverhead Rock. Since the landmark was located on private property, an appropriate exchange or purchase must be negotiated. The Montana Historical Society and other individuals and historical groups are attempting to develop plans for preservation of this site. I have been in contact with Federal agencies regarding land exchanges and development by the National Park Service. Also, I have been in contact with the owner, Norman Ashcraft, of Twin Bridges, who indicates a real understanding, a deep concern, and a willingness to cooperate.

Beaverhead Rock in the Madison country, has been entered into the National Register of Historic Places by the National Park Service. It is my hope that this agency will be able to offer some constructive assistance in protecting this historic place.

Mr. President, I ask unanimous consent to have a series of articles and correspondence printed at the conclusion of my remarks. These documents give historic background information and the present status of this effort.

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

#### HISTORIC POINT THREATENED BY BLASTING FOR RIP-RAP ROCK

(By Warren N. Reichman)

Another one of Madison county's historical landmarks is being threatened with oblivion, it was learned at The Madisonian office this week.

The stoney face of Beaverhead Rock, between Twin Bridges and Dillon, is being blasted and the rock used for rip-rapping of the river and canals in the area.

The part that Beaverhead Rock has played in Montana history is known to every school child that has had the good fortune to read any Montana history. (Some school kids tell me Montana history is no longer taught in schools.)

Sacajewea, the Indian woman who guided the Lewis and Clark Expedition from the mouth of the Missouri River to the Rockies, kept looking for this Rock, which from a distance appears to be the head of a swimming beaver, during the entire trip. Although she had been kidnapped from her tribe when but a child, she distinctly remembered the Beaverhead Rock and knew that when she found it, she would be back home again.

Lewis and Clark's Expedition Journals describe the promontory in detail and when they arrived here, they were able to contact Sacajewea's tribe, the Shoeshones, and secure horses with which to cross the Continental Divide.

Capt. Lewis carved his name on the face of Beaverhead Rock. This monument was destroyed many years ago, when a rancher blasted away part of the rock in order to take an irrigation canal out of the river there.

The Point of Rocks Stage Station was established near the rock and road agents and vigilantes alike camped in its shadow during the turbulent days of Henry Plummer. A number of old-timers still living in this area remember when stagecoaches pulled up there for a rest and a change of horses.

Although the rock is huge and thousands

of tons of rip-rapping could be taken from it, sooner or later its famous swimming-beaver outline will begin to take on other characteristics, should this desecration be allowed to continue.

At present Beaverhead Rock and surrounding lands are in private ownership. Mr. and Mrs. Norman Ashcraft, local ranchers, own it and pasture lands along the river bottom. Although at present, Mr. Ashcraft has halted the blasting operations because of pressure of interested individuals, he looks upon it as a natural resource which is quite valueless to him unless he can harvest it. He can sell the rock to contractors for a variety of uses.

A movement should certainly be inaugurated to get this historic monument in public hands and protected from further profanity.

The rock is situated on a 71-acre parcel of land, roughly in the shape of a pistol handle bordered on one side by the Beaverhead River. The Ashcrafts have said they would sell this part of their pasture for enough to buy a comparable piece of land.

Several persons and agencies are already working on the project, but seem to be getting nowhere. Hans Larsen of Dillon, chief of the Division of Resource Management of the Bureau of Land Management, says that the Bureau would trade other land for it, but right now, no comparable piece of land is available in this area and it would probably take two or three years to work out a satisfactory trade.

The State Fish and Game Commission has reportedly looked at it and decided available funds are needed elsewhere.

Individuals, Elfrieda Woodside of Dillon, E. E. MacGivra of Butte and Hal Stearns of Harlowton, all members of the Montana Committee of the Lewis and Clark Trail Association, are working on the problem but have not come up with any solution.

We suggest that pressure should be brought to bear upon the State Fish and Game Commission which takes thousands of dollars out of this county in hunting license fees every year, to buy this land as a fishing access area. Although it may not be as desirable as other spots, it would provide parking for anglers fishing several miles of the river. There is also room there for a nice picnic and tourist rest area.

If this cannot be done, then let's start a campaign for public subscriptions to buy the Beaverhead Rock and save it for posterity!

NATIONAL PARK SERVICE,  
Washington, D.C.

HON. MIKE MANSFIELD,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR MANSFIELD: We are pleased to inform you that Beaverhead Rock in Madison County, Montana, has been nominated by the officer appointed by the Governor for the implementation of the National Historic Preservation Program in Montana and has been entered into the "National Register of Historic Places." Senator Lee Metcalf and Representative Arnold Olsen have also been provided with this information. A leaflet explaining the National Register is enclosed.

Sincerely yours,  
ERNEST ALLEN CONNALLY,  
Chief, Office of Archeology  
and Historic Preservation.

U.S. SENATE,  
OFFICE OF THE MAJORITY LEADER,  
Washington, D.C., February 12, 1970.

MR. NORMAN ASHCRAFT,  
Southwest of Twin Bridges, Mont.

DEAR MR. ASHCRAFT: A number of concerned Montanans have been in contact with me regarding the preservation of Beaver-

head Rock, a Landmark on the Lewis and Clark Trail.

These Montanans are concerned because of rock quarry activity which jeopardized the landmark. I am aware that the site is on private property owned by you and that you have complete control over its destiny. In view of the sincere interest in preserving the historic site, I have contacted several Federal agencies here in Washington and in Montana to see what might be done to preserve the Beaverhead Rock for historic purposes. Personally, I would hope that you would cooperate in protecting Beaverhead Rock until such time as a plan can be developed to acquire the property from you for such purposes. Any such plan would, of course, give your property rights every consideration. In the interests of preservation of Montana's too few historic monuments on the Lewis and Clark Trail, I hope that you will cooperate.

With best personal wishes, I am  
Sincerely yours,

MIKE MANSFIELD.

FEBRUARY 16, 1970.

HON. MIKE MANSFIELD,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR MANSFIELD: This letter is in reply to your letter and telegram of February 12, 1970, concerning "Beaverhead Rock" (also known as "The Point of Rocks") which I own.

I would first like to assure you that no rock has been blasted since Mr. Richard Harms of the Dillon Office of the Bureau of Land Management asked me, more than a month ago, to have the blasting ceased. At that time Mr. Harms assured me the B.L.M. or some of the other Government agencies would try to trade me other land—of equal ranching value—for Beaverhead Rock.

I had leased the property on which Beaverhead Rock is located from 1950 until 1966, at which time I purchased the property. During the past 20 years many thousands of yards of rock has been hauled from Beaverhead Rock. This was rock which had fallen from the steep sides of this formation, and accumulated around the base. No charge was ever made for this fallen rock, and it became common practice for the people of this area to take this rock (sometimes without my knowledge or consent) whenever they had a need—or desire—for it.

No one complained about "free rock" but when I had a chance to profit from the sale of rock, the situation changed remarkably.

The Bureau of Land Management has a rock quarry near Twin Bridges. The B.L.M. was selling this rock for 5¢ per cubic yard, until a few months ago, when the price was raised to 60¢ per cubic yard; when this action was taken several contractors approached me with an offer of 10¢ per cubic yard.

I accepted this offer.

These contractors worked only a short time at Beaverhead Rock before some of the people in this area became alarmed, thinking that Beaverhead Rock should be preserved; it was at this time Mr. Harms asked me to halt the blasting, which I did. Mr. Harms asked me to come to the B.L.M. office in Dillon to look over the maps of this area to see if there were nearby B.L.M. lands which would be suitable for a trade.

My primary concern is pasture for my cattle; I do not have the National Forest Permit, nor do I have a Bureau of Land Management permit. Therefore, I was interested in Mr. Harms' proposal but I felt any such trade should assure me a potential income equal to the potential income of selling rock for riprap work.

In order to acquire a grazing permit on B.L.M. land one must own contiguous private lands. Then, when the present lessee's

term expired, I as a prospective lessee, would have to make application for the adjoining B.L.M. land—which the present lessee would also do—and any other interested party could also apply. According to present Bureau of Land Management regulations I might wait several years after applying for a grazing lease, and still not receive it.

If I were to trade my property for a small piece of land 40 or 50 miles distant from my home ranch, without also receiving the adjoining B.L.M. land, I would have a useless acquisition.

Recently a small ranch located only a few miles from my home ranch became available; the owner has priced this property at \$60,000.00, and has agreed to hold it for me until May 1, 1970.

Mr. E. E. MacGivra and Mrs. Elfrieda Woodside of the Montana Historical Society called on me February 12, 1970, to see if they might arrange to buy my land. Although the people of the Montana Historical Society and similar organizations, have done a great many worthwhile things for the people of Montana, *the Montana Legislature has never provided them with any funds with which to accomplish their objectives.* On the contrary, these dedicated people are expected to donate their own time, labor and money—without compensation—toward the preservation of Montana's historic landmarks and documents.

Montana's Lewis and Clark Trails Commission is also vitally interested in preserving Beaverhead Rock but, again, this organization has received no funds from the Montana Legislature.

I feel that if I were to trade my land on which Beaverhead Rock is located for land leased from the Bureau of Land Management such a lease should assure me of 3,000 animal unit months of pasture per year, and that I should have written assurance that the lease would be renewable at my option.

My request, should I trade "Beaverhead Rock" would be that some organization, bureau or agency buy the small ranch mentioned above for the price of \$60,000.00 as an equal exchange.

I am perfectly willing to cooperate in any way I feasibly can in the preservation of Beaverhead Rock, but I believe you will realize my position as a small Montana rancher.

I wish to express my appreciation for your concern, and my thanks for your personal contact with me.

Sincerely,

NORMAN ASHCRAFT.

MR. GRIFFIN, Mr. President, I suggest the absence of a quorum.

THE PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS AMENDMENTS

MR. BYRD of West Virginia, Mr. President, I ask unanimous consent that the unfinished business be again laid before the Senate.

THE PRESIDING OFFICER. The bill will be stated by title.

THE LEGISLATIVE CLERK. A bill (S. 2548) to amend the National School Lunch Act and the Child Nutrition Act of 1966 to strengthen and improve the food service

programs provided for children under such acts.

There being no objection, the Senate resumed the consideration of the bill.

#### ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, has not the time for application of the rule of germaneness now expired?

The PRESIDING OFFICER. The Senator is correct.

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. MOSS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### SMOKING FOES MAKE GAINS

Mr. MOSS. Mr. President, every day there is further indication that the overwhelming evidence about the adverse effects of smoking is making a greater and greater dent on the consciousness of the American public, and is even resulting in less social acceptance of smokers.

The New York Times on February 14 published an article entitled "Foes of Smoking Gaining With Attack on Social Acceptability," written by Jane E. Brody, outlining several ways in which non-smokers are being protected in public from tobacco fumes, and discussing the growing resistance among some people to either smoking or promoting the smoking of cigarettes.

This article also tells the very interesting story of a mechanical smoking doll developed by a Salt Lake physician, Dr. Wayman R. Spence, to demonstrate the extent to which deposits of tar collect in the lungs of a smoker.

I believe my colleagues will find the various developments in the New York Times story of interest, and I ask unanimous consent that it be printed in the RECORD.

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

#### FOES OF SMOKING GAINING WITH ATTACK ON SOCIAL ACCEPTABILITY (By Jane E. Brody)

With per capita cigarette consumption at the lowest point in a decade, the battle against cigarette smoking seems to be gaining momentum and taking off in a new direction.

Although the nationwide assault against smoking is based mainly upon its attendant health hazards, there also appears to be a growing effort among nonsmokers to saddle the habit with the stigma of social unacceptability.

Emil Corwin, of the National Clearinghouse for Smoking and Health, has this to say about the trend:

"I think we're experiencing the same kind of revulsion against a popular habit which in another period caused spitting to be outlawed and spittoons to disappear from fashionable parlors and the halls of Congress."

#### SIGNS OF DISCONTENT

Mr. Corwin's assessment may be premature, but there are unmistakable signs that a growing band of misocapnists—tobacco haters—is making itself felt, including the following:

Pan American World Airways has established the first no-smoking sections in the air in its huge 747 jets, and a petition has been filed with the Federal Aviation Administration to require such steps on all carriers.

Recent railroad surveys have shown that about 80 per cent of commuters prefer to ride in no-smoking cars, against less than 60 per cent a few years ago, and the railroads have reduced the number of smoking cars on each train accordingly.

The Tobacco Tribunal of Hennepin County in Minneapolis distributes a "smoker's etiquette card," which a non-smoker can pass on to anyone whose smoking disturbs him.

A rising number of show business celebrities, including Debbie Reynolds, Doris Day and Lawrence Welk are refusing to do cigarette commercials or to be sponsored by tobacco companies. Others, including Tony Curtis, Richard Boone and Macdonald Carey, have contributed their services to antismoking efforts.

Three professional hockey teams, the Montreal Canadiens, the Toronto Maple Leafs and the Detroit Red Wings, have banned smoking by spectators during contests at their home rinks.

Women's page columns are advising a growing number of readers who complain about the smell of smoke on curtains and clothes to hide ash trays, invite guests to step outside to smoke and the like.

The Lamb Seal and Stencil Company in Washington reports a 25 per cent increase in orders for No Smoking signs in the last three years.

Antismoking commercials are increasingly emphasizing the distastefulness of the cigarette habit, such as yellow teeth, smelly clothes, burned holes and lack of consideration for others.

#### CANCER PERIL FEARED

Most of those who have recently joined the ranks of nonsmokers are believed to have been frightened by the growing body of evidence that cigarette smoking leads to premature death from cancer and heart disease. This evidence is compiled annually by the Surgeon General of the Public Health Service, who has described smoking-related disease as a major epidemic in this country.

The tobacco industry has repeatedly maintained, however, that scientists have failed to prove that cigarette smoking can cause disease and death in man.

The impact of the recent finding that some dogs that were trained to smoke cigarettes developed lung cancer remains to be seen.

But Dr. Daniel Asnes, who helps to prepare the Surgeon General's annual report on the health consequences of smoking, said: "It certainly can't hurt. It will force those smokers who have rationalized that 'they've never shown it in animals, it's all statistics' to find another rationalization or else kick the habit."

#### MORE ARE QUITTING

Various sources indicate that more and more Americans are quitting the cigarette habit, or at least reducing the amount they smoke, and that fewer young people are joining the ranks of smokers.

The most recent survey by the National Center for Health Statistics showed a 5 per cent decline from 1966 to 1968 in the percentage of the adult population that smoked cigarettes. The greatest decline, 7.5 per cent (from 37.6 to 34.8 per cent of the total) occurred among those 17 to 24 years old.

Per capita cigarette consumption, based

on warehouse withdrawals destined for domestic consumption and the armed forces overseas, has been falling steadily since 1966 when it was 11.8, and is now at 11.1—the lowest point in a decade.

Total consumption is also down. According to the Tobacco Situation Report prepared by the Department of Agriculture, reduced ers last year to produce about 3 per cent fewer cigarettes than the year before.

#### CONSUMPTION DOWN

In the first nine months of 1969, the Agriculture Department reports, domestic cigarette consumption was 2.5 per cent below the previous year.

Efforts to reduce further cigarette consumption and the social acceptability of smoking are being increasingly bolstered by members of the health and allied professions, who are concerned about the toll they say smoking takes on human health.

Last month, the District of Columbia Medical Society asked its 3,000 members to ban smoking in their offices. At about the same time, four hospitals in Dubuque County, Iowa, announced that they would no longer sell cigarettes on their premises. A growing number of hospitals and medical clinics throughout the country have banned cigarette sales.

Martin Sopocy, the 62-year-old proprietor of Martin's Market Square Pharmacy in the center of Chicago's business district, quit selling cigarettes in his store last August.

"It doesn't make sense to improve people's health in one end of the store and wreck it in the other," he said.

#### BUSINESS IS GOOD

Although Mr. Sopocy, who gave up smoking 15 years ago, sacrificed more than \$1,200 in weekly gross revenue from cigarette sales, he reports that business this year is better than ever while his competitors assert that business is down.

Other drugstores in various parts of the country have taken similar steps.

As sales of cigarettes have declined, sales of antismoking aids have risen and today represent a \$50-million market. Smokers trying to quit or cut down by using various stop-smoking lozenges, gums and gadgets report varying success, but the market continues to grow.

Antismoking clinics are popping up in ever growing numbers around the country. Among the many that operate as "group therapy" businesses are Smoke Watchers International, with 11 "withdrawal clinics" in the New York City area, and Smoke Stoppers, Inc.

#### BONUS FOR NONSMOKERS

Royal Publishers Inc. has offered its employees at its home office in Nashville, Tenn., a \$10 monthly bonus to refrain from smoking. The plan, which operates on the honor system, is said to be having "a little influence" on the smoking habits of employees.

In another Nashville stop-smoking effort, the American Cancer Society held a "cough-in." People were invited to sign no-smoking pledges and toss their cigarettes into a coffin. The first 40 pledgers who were still honoring their pledge a month later received free Thanksgiving turkeys, compliments of the Kroger Company.

The mushrooming public revulsion toward cigarette smoking seems to be having its greatest growth among the young, who are being taught in school about the hazards of smoking.

William E. Berger of Austin, Tex., reports that his 9-year-old son, an avid football fan, began getting sick by halftime at each game and had to be taken home. The third time this happened he admitted to his parents that what made him sick was the fear that he would get lung cancer from the smokers around him in the stadium.

## SURVEYS ON THE YOUNG

Surveys that would indicate whether or not there is a decline in smoking among the very young have not yet been completed. But several observers expressed opinions similar to that of Mrs. Barbara Doyle, an administrator at the University of California, Berkeley, who said:

"The people we see at the junior high school age now are not smoking nearly as heavily, and hopefully we may be reaping the last crop of heavy smokers."

Dr. Wayman R. Spence, a Salt Lake City physician who has been waging a costly, one-man campaign to "ban the butt," as he puts it, aims most of his propaganda at the young.

He has distributed 12,000 mechanical smoking dolls of his own invention to schools, churches and health agencies. The dolls demonstrate the deposits of tar that supposedly collect in the lungs of a smoker.

## BAN THE BUTT

Dr. Spence, who won Esquire magazine's Jewish Mother of the Year Award for the "lung ash tray" he designed as a smoking deterrent, has also designed a "Ban the Butt Button Book" containing such advice as "The family that smokes together chokes together."

The next few years should show clearly what impact, if any, these educational programs have had upon the smoking habits of American youth.

At the moment, at least, there is no evidence that youngsters who are not becoming cigarette smokers are turning instead to marijuana and other drugs.

But, as one expert in drug abuse has observed, "Every generation has had its crutch. If not cigarettes, it will be something else. Then the 'anti' forces will have another battle to wage."

## ALCOHOLISM AN ILLNESS, NOT A CRIME

Mr. MOSS. Mr. President, in 1966, I introduced a bill to provide Federal funding for the treatment of alcoholics as people who are ill, rather than charging them with a criminal offense for being drunk in public. Although I urged congressional action, nothing was done in that session of the Congress, and in 1967, Senator JAVRS, of New York, and I joined on a similar bill which we pressed for congressional action. Again in 1969, the able Senator from New York and I joined once again on legislation of this sort. Both of us believe that it is essential that we make an attack on this form of illness.

In the Washington Post for February 8, there was published an editorial entitled "The Illness—Not the Crime—of Alcoholism." This states very well what the problem is and what our approach should be. I ask unanimous consent that the editorial be printed in the RECORD at this point.

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

## THE ILLNESS—NOT THE CRIME—OF ALCOHOLISM

Connolly (Peewee) Holcomb is one of the best-known citizens in Rockville, Md. His notoriety is based not on accumulation of power or money, nor on a reputation for being civic or socially minded. Nearly everyone in Rockville knows Mr. Holcomb because, tragically, he is a sick man. His disease, at its height, lets a man wander the streets dazed and stumbling, forces him to endure

freezing nights in alleys or under bushes. When not under direct siege, the victim drifts aimlessly through life, homeless, jobless and friendless. The disease is alcoholism.

Mr. Holcomb has been overusing the alcohol drug since the age of 10. Currently, he is one of 6 to 10 million Americans known to suffer the nation's fourth major illness, as well as the nation's most ignored and most costly illness.

Last Wednesday morning, in People's Court in Rockville, Md., a group of lawyers representing Montgomery County's forward-minded alcoholic program sought a court order to have Mr. Holcomb committed to a local hospital for 30 days treatment. The trial's importance comes from its being the first held in Montgomery County to test the Comprehensive Intoxication and Alcohol Control Act enacted in Maryland in 1968.

The petition, filed by Herbert Winstead, a respected alcoholic counselor of the county health department, said that when a patient is a chronic alcoholic, is in danger of his life and cannot make a rational decision for himself, the court should not send him to jail but to a hospital. After hearing testimony from a policeman, an alcoholic counselor, a nurse and a psychiatrist, the presiding judge agreed Mr. Holcomb was not a criminal needing punishment, but a sick man needing medical care.

The court was only recognizing the obvious, but in most parts of the country the obvious has not yet sunk in. Society still prefers to see alcoholism as anything but a disease; pity the drunk, scorn him, arrest him, but don't cure him. Those millions who are alcoholics themselves, or live with one, well know that medical treatment and follow-up are needed, with the same urgency that any other medical illness would demand and receive.

Ironically, the public and its politicians have so ignored alcoholism that in most parts of the country nothing better than a jail cell exists for public alcoholics. Thus, the sick person is dried out for a day or two and then returned to the milieu that caused his disease in the first place. Until other states begin passing humane laws for the recovery of alcoholics—not to mention providing money for treatment and follow-up services—alcohol will continue as the nation's most widely abused and most ravaging drug.

## TIME TO DISPERSE

Mr. MOSS. Mr. President, James L. Sundquist, presently a senior fellow at the Brookings Institution, and formerly Deputy Undersecretary of Agriculture, has written a very knowledgeable and provocative article entitled "It Is High Time for Americans to Disperse." This article appeared in the Washington Post of Sunday, February 8, 1970. Mr. Sundquist is a native of my State of Utah and a man whose intelligence and lucid writing I have long admired. I think that his article is worthy of attention by the Congress, and, therefore, I ask unanimous consent that it be printed in the RECORD at this point.

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

## IT IS HIGH TIME FOR AMERICANS TO DISPERSE

(By James L. Sundquist)

(NOTE.—Former Deputy Undersecretary of Agriculture, Sundquist is now a senior fellow at the Brookings Institution. His article is excerpted by permission from the winter issue of *The Public Interest*.)

By the end of this century, 100 million people will be added to the population of the

United States. That is as many people as now live in Britain and France combined. Where shall they live?

If present trends continue—if they are allowed, that is, to continue—most of the 300 million Americans of the year 2000 will be concentrated on a very small proportion of the nation's land area. Projections of the Urban Land Institute place 60 per cent of the country's population—or 187 million persons—in just four huge urban agglomerations.

One continuous strip of cities, containing 68 million people, will extend many miles down the Atlantic Seaboard from north of Boston to south of Washington. Another, with 61 million will run from Utica, N.Y., along the base of the Great Lakes as far as Green Bay, Wis. Some 44 million persons will live in a Pacific strip between the San Francisco Bay area and the Mexican border. A fourth agglomeration, with 14 million, will extend along the Florida East Coast from Jacksonville to Miami and across the peninsula to Tampa and St. Petersburg.

Most of the remaining 40 per cent of Americans will live in urban concentration, too—and big ones. In this decade, the larger concentrations have been growing faster; metropolitan areas over 150,000 grew faster than the national average of 9.8 per cent between 1960 and 1965 while the smaller areas grew more slowly.

These trends, continued for the next three decades, would place 77 per cent of the coming 300 million Americans on 11 per cent of the land (excluding Alaska and Hawaii). Only 12 per cent of the population would be outside urban areas of 100,000 or more population. Is this the way we want to live?

Two questions are presented. The first pertains to regional balance. Is it desirable that population be massed in a few enormous "megalopolises" along the seacoasts and lakeshores? The second relates to rural-urban balance (or, more accurately, the balance between metropolitan and nonmetropolitan areas). Is it in the best interest of the country, and its people, to continue indefinitely the depopulation of rural and small-town America and the building of ever bigger metropolitan complexes, in whatever region?

## FORCED MIGRATION

In short, the 300 million can be highly concentrated in a few "megalopolises," or they can be distributed more evenly as among regions and dispersed in a more nearly balanced way among large metropolitan areas, middle-sized cities and thriving small towns and villages. Which do we want?

How each family lives is profoundly influenced, even controlled, by the size of the population cluster in which it is embedded. The degree to which population is massed determines the amenity and congeniality of the whole environment in which adults and children live and grow and work. It affects their personal efficiency, their sense of community, their feelings about the relationship between man and nature, their individual and collective outlooks on the world.

The impact of size is most emphatic on the lives of the ghetto dwellers of the great cities, of course, but no one in a megalopolis is immune. The resident of Scarsdale or Winnetka is not wholly spared the stresses of big city life; the larger the metropolitan area, the greater the strains and irritations of commuting and the more inevitable that the environmental pollution that arises from population concentration will affect the most idyllic suburbs, too.

In any case, the desirability of population concentration must be measured by its consequences for the majority of families who live at near-average or below-average levels, not upon the few who can insulate themselves in political and social enclaves.

So the question is, what kind of environment do we want to build? The nation,

through its government, has established policies on matters of far less crucial import, yet the extent to which the country's population will be concentrated remains essentially *laissez-faire*.

That would be all right, perhaps, if by *laissez-faire* one meant free choice by the individuals and the families that make up the population. But it is far from that. The movement of people from smaller to larger places is, to a large extent though no one knows the exact proportions, involuntary, forced migration.

Young people going freely to the cities in search of adventure and opportunity make up part of the migrant flow, but only part; among the rest are millions of uprooted, displaced families who have little desire, and less preparation, for life in large cities and whose destination is often inevitably the city slums. These displaced families are simply forced into the migration stream by economic forces they cannot control.

The spatial distribution of population is determined, of course, by the distribution of jobs. With the exception of the limited numbers of the self-employed and the retired, people are not in reality free to live just anywhere. The vast majority are employees who must live where there are jobs, and the location of jobs is not their choice. The concentration of the country's population is the result of employer-created job patterns that the people have had to follow.

For the most part, employers have not been free to create jobs just anywhere, either. They have been bound by considerations of economic efficiency—the location of raw materials and markets, the transportation cost differentials of alternative locations, etc. As a result, the basic pattern of population distribution has been designed by the play of economic forces, not by men acting rationally as environmental architects; events have been in the saddle once again.

Even in the absence of qualified evidence, it seems reasonably clear that our largest urban concentrations have grown well beyond the point at which diseconomies of scale begin to show. The costs of moving people and things within large metropolitan areas are demonstrably greater than the costs of moving them in smaller population centers. Commuting distances are obviously longer, the time loss greater, the costs higher. The flight of industry from central cities to the suburbs is a reflection, in part, of the cost of transportation to and within congested areas.

The cost of urban freeway construction varies directly with the population density of the areas affected, and subway systems are an enormous expense that only the larger metropolitan areas require. Such municipal functions as water supply and sewage and solid waste disposal are probably also subject to diseconomies of scale, for the simple reason that the water and the waste must be carried over longer distances. San Francisco, for example, had contemplated dispatching a 70-car train daily to carry its solid waste over 300 miles into the mountains on Nevada-California border.

#### COSTLY CRUELITIES

The diseconomies are ultimately measurable, at least in theory, in dollars and cents. Other disadvantages of scale are less measurable but no less real. Air pollution, for example, is a function of the dense concentration of automobiles. Similarly, water pollution is more amenable to control in areas where population is dispersed; there, given the will, the way is at least available.

One other factor that must be considered in any calculation of costs and benefits of urbanization is the social and economic cost of migration itself. To decide which new plant location is really most efficient, it is not enough to measure only the building

and operating costs of the plant, although that has been the sole criterion of our *laissez-faire* philosophy.

There are enormous costs, as well as appalling cruelties, in the forced displacement and migration of populations, whether it be Negroes from the South, mountaineers from Appalachia or small businessmen from the declining regions of the Great Plains and the Midwest. (In the 1950s, more than half of America's counties suffered a net loss of population.)

Families lose their homes and savings and equities and property values along with their most deeply cherished associations; communities lose their tax base for public services; community institutions wither. Some of the migrants are too ill-prepared, too sick or too poor to adjust to city life successfully; many of them wind up on welfare, and they burden every kind of institution.

Yet these costs and losses are not borne by the industry locating the plant, but by people and communities, thereby entering no one's cost-benefit equation, no one's computations of efficiency. If they did so enter, then calculations of simple efficiency would no doubt show that, as a general rule, it is far more economical from the standpoint of the whole society to create new economic opportunities where the people are rather than allow existing communities to die while building other whole communities from the ground up in the name of "economic efficiency."

Moving from the physical to the social environment, hard data on disadvantages of scale are even more difficult to come by. Yet we know that as population in general is concentrated, so is poverty (large ghettos exist only in large urban concentrations) and crime, drug addiction, family breakdown and every other form of social pathology. It may be specious to argue that rural poverty is better than urban poverty when both are bad enough, yet the fact remains that the social evils associated with poverty tend to be mutually reinforcing when the poor are herded together in concentrated masses—as studies of public housing populations, for example, have clearly shown.

Racial tension and rioting are not limited to big cities, to be sure, but in their most terrifying aspects they seem to be. Perhaps most important of all, the problem of unemployment and underemployment of the urban poor appears all but insoluble in the largest urban complexes because transportation systems just cannot economically link the inner cities where the poor live with the scattered suburban sites where the new jobs are being created. In smaller places, by contrast, people can even walk to work.

For all these reasons, it is not hard to accept as a hypothesis, at least, that our largest metropolitan agglomerations are less governable, less livable and economically less sound than smaller urban centers. Moreover, what little evidence is available suggests that people do not like to live in unlivable places; they are there, in substantial proportion, against their will. A Gallup poll in 1968 showed that 56 per cent of Americans would choose a rural life, if they were free to choose, only 18 per cent a city and 25 per cent a suburb.

#### FRUSTRATED FREEMAN

Over the last decade, only one leading figure in public life has made it his mission to sound the alarm on the question of population distribution policy. That was the recent Secretary of Agriculture, Orville L. Freeman. For the whole of his eight years in office, he led a personal crusade for what he initially called "rural areas development" and later came to call "rural-urban balance."

Before a House subcommittee in 1967, he said, "I say it is folly to stack up three-quarters of our people in the suffocating steel and concrete storage bins of the city while a figurative handful of our fellow

citizens rattle tapped resources and empty dreams." And then he got carried away: "The whiplash of economic necessity which today relentlessly drives desperate people into our huge cities must be lifted from the bleeding back of rural America."

Freeman's metaphors could be excused; no one listened to all his years of sober pleas and reasoned argument. True, President Johnson gave him moral support and himself made a speech or two on rural development and sent Congress some minor measures, but the subject remained low on the President's priority list.

As for the congressional committees on agriculture, which might have been expected to take some leadership, Freeman could not even get them to set up active subcommittees to consider rural development.

The nation's intellectual community, insofar as it was aware of the Freeman thesis, treated it with a disdain that blended into outright hostility. A composite view of the urban intelligentsia toward rural America can be portrayed, with a touch of caricature, something like this:

Culturally, the cities have a monopoly, and have had since the Age of Pericles. Urban means urbane; rural means rustic. The theater, the concert hall, the museum are exclusively urban institutions; the countryside cannot produce the higher culture, and those who insist on living there are, by definition, both culturally unrefined and, what is worse, content to remain so.

Economically, rural America is destined for decay; the economic forces that built the cities are too powerful to be reversed, even if it were desirable to do so. Freeman's "back to the farm" movement (which, for the record, is not what it was) is romantic nonsense that flies in the face of every economic reality.

Sociologically, rural America is a backwater populated by misshapen characters out of Faulkner, given to choosing as their leaders men like George Wallace and Lester Maddox and to hunting down civil rights workers and interfering them on the banks of the Tallahoga River. Politically, it is time that rural America got its comeuppance; the farmers have been exploiting the cities far too long through outrageous programs that pay them enormous subsidies to cut production while the urban poor—and the rural poor as well—go hungry.

Let the land-grant colleges—the "cow colleges," that is—worry about the Podunks and the hicks and hayseeds who live there; we are an urban nation now.

#### INTELLECTUALS RECONSIDERING

This picture of the rural areas is not, unfortunately, wholly unrelated to reality. The fact is that the rural areas of the country are disadvantaged in many ways: they are culturally isolated (although their isolation has been drastically reduced by television and good roads); they have declined economically; their governmental and social institutions are often primitive and backward; racial exploitation is rife.

But the cities are not all that superior. There is truth, too, in Freeman's counterportrait of big cities as places of "congestion and confusion, crime and chaos, polluted air and dirty water, overcrowded schools and jobless ghettos, racial unrest . . . and riots in the streets."

But there are signs now that the intellectual world may at last be rediscovering rural and small town America and looking with fresh eyes upon the problem of rural-urban balance. Like so many other trends of current history, this one was set in motion in August, 1965—in Watts.

The analysis of that explosion, and those which followed, suddenly discovered that the problems they called urban had rural roots. "We're being overwhelmed!" cried the urbanists "Stop the migration. Get these people off our backs!"

So the rural and the urban interest may have converged, finally, and it is out of such convergence that effective political coalitions are born and problems attain their place on the national agenda. The prospects for such a coalition are expressed most sharply in, of all places, the 1968 Republican platform.

"Success with urban problems requires acceleration of rural development in order to stem the flow of people from the countryside to the city," reads the GOP's plank. The language is not without irony for the party of small town America and the party that enacted the Homestead Act. The subject is treated under the heading "Crisis in the Cities"; rural development should be accelerated because the problems of the big cities, where the Democrats live, must be solved.

The leadership for a rural development coalition, also ironically, will have to come from those very cities. Groups with names like the Urban Coalition, the Urban Institute and the Urban League will have to assume the burden of worrying about rural America because there is no rural coalition, no rural institute, no rural league.

Nobody has ever organized to speak for rural and small town people in the nation's councils as the United States Conference of Mayors, say, and the Urban Coalition speak for city people. Farm groups exist, to be sure, but their interest is the economic interest of farmers as producers, and most rural Americans—whatever the definition of the word "rural"—are not farmers but small town and small city dwellers. And they are not organized at all.

When rural America is saved, it is clear, it will be for the wrong reasons and under the wrong leadership. But that is better than not being saved at all.

We can begin by defining one objective—to bring to a halt, as nearly as possible, all involuntary migration. The purpose of governmental policy, then, would be to permit people to live and work where they want to live and work; if they prefer to move to the big city, well and good, but if they want to remain where they are, the objective should be to bring the jobs to them.

This proposal will be confronted at once by the objection that some rural areas are too remote, too backward to be salvageable in any circumstances—that no matter how much they are subsidized, they are beyond the reach of economic opportunity. I hide behind the qualifying phrase; forced migration should be brought "as nearly as possible" to a halt, and where a rural community lies beyond the possibility of redevelopment (the Appalachian "head of the hollow" communities come to mind) then it is by definition impossible to help.

However, the number of people living in such communities is far smaller than is usually believed, if one understands that the jobs to be provided need only be *near*, not *at*, the community concerned. Communication is a fact of life in this automobile age in rural areas as well as on Long Island, and rural people commonly travel daily to jobs within a radius of 25 to 50 miles. Circles with 25-mile radii drawn around small cities that have a proven economic potential—proven by the fact that they are growing now—cover the vast majority of the country's rural population east of the high plains, and if the circles are extended to 50-mile radii, they blanket almost the whole country but for a few sparsely settled sections of the western mountains and the plains.

A population distribution policy, then, would seek to encourage an accelerated rate of growth in the smaller natural economic centers of the country's less densely populated regions. To effectuate such a policy, the present approaches would have to be extended in both breadth and depth.

First, they would need to be expanded beyond Appalachia and the other presently recognized redevelopment areas to cover all areas that are sources of out-migration. Second, they would need to be greatly improved in potency so that they have a decisive impact upon the migration stream.

Present federal programs are limited to public investment—roads, hospitals, vocational training schools and so on—to strengthen the "infrastructure" of the non-metropolitan areas, and loans and loan guarantees to encourage private investment. To these would have to be added the policy instrument of tax incentives that has proved so effective in stimulating and channeling investment both for war production and for peacetime economic growth. If an extra investment tax credit were available for defined types of new industry located in the places where the national population distribution policy called for it to be located, then jobs would be created where the people are rather than in places to which they have to migrate.

#### WRITING THE LANGUAGE

The rub will come, of course, when Congress begins to write the language defining exactly the places eligible for benefits. Growth centers that serve areas of out-migration would have to be included among the beneficiaries even though the centers themselves were areas of in-migration. But only up to a certain point. A cutoff population figure would have to be established at the point where a growth center is considered to have grown large enough, or at least to be able to attain its further growth under its own power.

But given the old-fashioned booster psychology that still conditions the thinking of the leadership of even the largest cities, Congress will find it difficult to designate any area, even the New York City area, as one that is destined—if national policy can bring it about—to stop growing. To most community influentials, bigger and bigger still mean greater and greater and richer and richer. A population distribution policy may therefore ultimately have to await a major shift in the national psychology.

#### ORDER OF BUSINESS

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Without objection, it is so ordered.

#### ANNOUNCEMENT OF HEARINGS ON S. 2425, THE NATIONAL TRANSPORTATION ACT

Mr. MAGNUSON. Mr. President, on February 26, the Commerce Committee will open hearings on S. 2425, the National Transportation Act. This legislation is designed to facilitate the planning of balanced transportation systems in all parts of the United States. If enacted, the National Transportation Act would revolutionize our current concepts of transportation policy and land-use planning.

Under the provisions of the National Transportation Act, the Secretary of Transportation would be authorized and

directed to designate "major transportation regions" in the United States. Within each region, transportation planning commissions would be established with the concurrence of the Governors of the States involved. Each commission would develop comprehensive plans for a balanced and integrated system of transportation designed to meet the social and environmental needs of the entire region, as well as to provide a framework for the orderly movement of people and goods.

Rather than continue our present policies of fragmented agencies and uncoordinated transportation facilities, this act will encourage the development of transportation systems that integrate the various transportation modes into one smoothly functioning network that efficiently meets the particular needs of each region and the Nation. Each region, of course, will have a different pattern of needs and a different set of transportation solutions. Federal financial assistance for the construction of transportation facilities would ultimately hinge on the thoroughness with which each commission has planned a system for this region.

Mr. President, the need for this legislation is compelling. Many of our most prominent social and environmental problems—ranging from urban decay to the destruction of our wilderness and open spaces—can be traced to our past failure to plan the growth of transportation facilities. Not only has that unplanned growth imposed societal costs that we are only beginning to realize, but if this lack of planning persists, it will soon become impossible for us to maintain a decent standard of mobility within and between our major cities.

When Alan Boyd, the first Secretary of Transportation, declared that future transportation developments will have to pay more attention to "the impact on the health of our citizens, their right to the peaceful enjoyment of their daily lives, and the preservation of natural resources of all types," he was stating what more and more Americans have come to realize: the issues of transportation policy and environmental quality are inextricably interwoven. As in other fields of economic activity, transportation must be planned in the future in such a way that all human values of our growing society can be satisfied.

Growth and social values need not be incompatible—indeed, they must be made compatible if America is to survive. The need to reconcile these two factors is nowhere more urgent than in the field of transportation. Although we devote nearly 20 percent of our gross national product to the movement of goods and people, we still do not have a balanced transportation system or an institutional framework to assure its development. What we do have are independent modes of transportation overseen by various regulatory and promotional agencies whose jurisdictions overlap and whose policies frequently conflict. No one is more conscious of this than the members of the Commerce Committee, who are continually involved in all aspects of

transportation policymaking. The result is a costly and inefficient "nonsystem" of transportation—a "nonsystem" that threatens to break down in the near future, as well as a "nonsystem" that imposes fearful environmental and social costs on the American people.

Most of us are quite familiar with one environmental cost of our present transportation network: the problem of air pollution caused by automobiles. Indeed, this is a critical problem. Up to 80 percent of the air pollution in our cities comes from pouring out of the exhaust pipes of cars. The health hazards posed by this massive pollution are only beginning to be calculated, but the damage that smog has done to the quality of our urban environment is obvious and massive.

Yet air pollution is only one problem—and perhaps not even the major problem—of our reliance on automobiles, and the automobile is not the only reason why we should be concerned about the performance of our present transportation system. To understand the total impact transportation has on our way of life, it is necessary to look far beyond the evils of the internal combustion engines.

One resource the automobile has despoiled even more rapidly than our air, for example, is our land. We now have well over 3 million miles of paved roads and highways—1 mile for each square mile of land in America—yet traffic congestion persists in every corner of the Nation. We spend \$18 billion annually at various levels of government to build new highways—highways that may provide essential access, yet mar our parkland and recreational areas while cutting unsightly swatches through cities, neighborhoods, and open spaces—a process that is all the more socially disruptive because of argument and division within the urban centers themselves over where new highways should be built and how much concrete should be poured upon the land.

It is obvious that we cannot continue building highways in the innocent belief that more roads will relieve congestion. Already, highways and parking facilities occupy as much as two-thirds of the land area in our major cities. And even if we had room for more cars, the cost of accommodating them has become almost unbelievable. How can we talk about building 10- and 12-lane freeways through our cities when it now costs more than \$6 million per mile to build a four-lane freeway in a major urban area? The land upon which these luxuries are built frequently costs as much as \$40,000 per acre to acquire, or as high as \$50 per square foot in downtown Manhattan. And even if we are prepared to expend such huge sums, how will we prevent a traffic jam following the ribboncutting ceremony?

The land we lose to highway construction is tragic, but the impact of highways on abutting land is no less devastating. Homes decay, neighborhoods are shattered, litter collects along shoulders and sidewalks, neon signs and garish billboards spring up overnight. Noise from traffic continues to mount, destroying our concentration and fraying our nerves.

And at the same time that too many highways degrade the urban environment, they erode the urban tax base from which social and environmental programs must be financed.

No one would disagree with the view that the automobile has provided Americans a unique standard of mobility, and no one would argue that the automobile should be completely abandoned as a useful form of transportation in certain situations. But because we have allowed our transportation system to emphasize automotive transport so heavily, we have failed to provide adequate transportation for those millions of Americans who do not have access to a car.

The poor and the black are frequently trapped in the central city and are denied transportation to jobs and residential communities in other parts of the metropolitan area. More than one investigating committee has linked such immobility to urban violence and discontent. In addition to the economically disadvantaged, another 70 million Americans—our youth and our senior citizens—are largely dependent upon others to drive them to and from their homes.

To those in a position to enjoy the mobility an automobile provides, the dangers of highway travel become another social cost. Each year more than 50,000 Americans die on our highways. This year, if the figures continue to mount the way they have in the past, the total will reach 60,000. And another 4 million—one out of every 50 people—are injured in automobile accidents. Quite apart from the human pain and sorrow of such carnage—which is augmented by an often ineffectual system of compensation for accident victims—automobile accidents are a major source of waste and lost time in an economy that can afford neither.

Perhaps America would be willing to bear these environmental, social, and economic costs if the automobile could continue to provide mobility. But today, even that prime virtue of the automobile is threatened. By 1980, we will have 20 million additional cars on the road—and all cars will be used 40 percent more. Planners tell us we will need to build 40 new lanes between New Jersey and New York in the next 5 years alone. They say that average daily traffic flows by then will reach the volume we now experience only on Thanksgiving and holiday weekends. Why should we pave over America and incur the costs described earlier if the whole system is becoming a massive interstate traffic jam?

At a time when further mobility through highway construction is doubtful, however, we continue to spend fully 90 percent of Federal, State, and local transportation funds on highway construction. In 1969, for example, \$18 billion in public funds were spent for highways, and only \$2 billion for all other transportation facilities combined. Knowing what are the sources of pollution, of urban decay, of dwindling wilderness and cluttered open spaces—and adding to this the scant prospects for further mobility through new highway construction—nothing could be worse

than our present set of transportation priorities.

Solving the transportation problem and developing transportation policies to minimize social and environmental costs, however, will involve fundamental changes in the institutional structure of transportation planning and policymaking. It is crucial for Congress and the American people to realize that nothing can be accomplished through the simple renunciation of automobiles within our cities. Such action alone cannot and will not solve the transportation problems of the cities, nor will it help to meet an equally pressing problem: how to move Americans and the goods they consume between cities. We must abandon more than overreliance upon the automobile—we must abandon the notion that any single mode of transportation can be relied upon to solve the problems of mobility in a prosperous and populous society.

The need for intermodal transportation systems is demonstrated in the problems of intercity transportation. We often forget the growing traffic between cities in our concern for transportation systems within the urban scene. The problems of transportation within the city, however, are part of the growing crisis that faces movement between one city and another. Railroads no longer provide interurban transportation for the segment of the traveling population that they once did, and service on the rails is steadily declining. The railroads, if they had their way, would probably abolish all passenger service and confine themselves to the movement of freight. The frustrations and delays of air travel—including interminable waits at ticket counters and for transportation between the airport and downtown—are familiar to a steadily-increasing number of Americans.

We hope that next week when the Senate considers the airway and airport bill, we make some progress toward solving this problem, but today, for example, it still takes the air traveler 35 minutes longer to get from downtown Washington to downtown New York than it did in 1953, during the era of the propeller-driven DC-3.

Even when our airways are already filled with congestion, the FAA estimates that the number of takeoffs and landings will increase more than two times by 1975. The size of the private and corporate air fleet will more than double in the same time. Total demand for air travel will continue to increase at a rate of over 15 percent per year. So just as automotive traffic leads to plans, in my home city of Seattle, to pave beautiful Lake Washington with a fourth and fifth bridge, so too does mounting air traffic lead to plans to pave suburban New York with a fourth and fifth commercial airport.

Given these trends, how will our transportation "system" function in the year 2000, with 100,000,000 new Americans added to our present population? The answer is simple: it will not function at all unless we realize that no single mode of transportation, left to itself, can cure our transportation difficulties either

within or between cities. Only the development of transportation systems adapted to regional needs, where each mode of transportation complements all others in an overall scheme, can keep America moving in the future.

Mr. President, we do not need to accept damage to our environment as the price of moving goods and people, and we do not need to accept paralysis of our transportation network as the price of population growth. What we do need to accept is that our present transportation "system" is really not a system at all; that it lacks balance, coordination, and integration; that it has grown, in the words of one expert, "willy-nilly since the Pilgrims began walking up from the beach." Regardless of how well this nonsystem may have worked in the past—and I would add that it has worked deceptively well—today it provides us with high rates of pollution, land consumption, noise, and accidents. Tomorrow it will not even provide us with mobility, unless we plan intelligently now.

To plan intelligently, we must understand that our population is becoming increasingly concentrated in what transportation specialists call "corridors"—chains of cities and high-density suburbs that stretch for hundreds of miles. The northeast corridor, for example, stretches from Washington to Boston, with an average population density of nearly 650 per square mile—a density that rises to more than 5,000 per square mile in the major cities within the corridor. By 1975—just 5 years from now—three-quarters of the American people will live in cities along such corridors, and half will be packed into the three largest corridors alone. These corridors are not confined to the Northeast; they also exist, for example, on the California coast, in the Great Lakes region, in Texas, in Florida, and in the Pacific Northwest.

The high-speed rail experiment currently operating in the northeast corridor is a hopeful prototype for one mode of transportation in one corridor. But satisfying the total transportation needs within and between corridors will involve coordination of different modes and the development of new technology—each adapted to the particular needs of individual regions. No longer can we build freeways up to the gates of cities who do not want them. No longer can we build new airports without regard to ground transportation, land-use planning, and the total transportation equation of the region involved.

Solving the total transportation equation of our transportation regions cannot be the job of a bureaucracy in Washington. The social, environmental, topographical, and demographical factors to be considered will vary too widely from one region to the next. The Federal role should be one of evaluation and funding assistance. Individual cities can only solve a limited range of transportation problems unless they coordinate their transportation policies with a regional planning authority, for each city is no more than one link in a long chain. The need for a new authority, for a regional planning body, is obvious and urgent.

These commissions must be established now, before our present "system" reaches the point of paralysis, and before our urban and suburban environments are irrevocably spoiled.

The regional transportation commissions envisioned in the National Transportation Act would be charged with developing plans for integrating all modes of transportation within their regions. But such integration, to be effective, must encompass total land-use planning and related social-environmental factors. Rather than continue the present pattern of fragmented authority over transportation policy, the regional authorities should coordinate the activities of different modes and different communities as a prerequisite to obtaining Federal financial assistance for construction of demonstration projects and the ultimate transportation facilities. The commissions' jurisdictions will include not only conventional transportation facilities, but also the transmission of power and movement by pipeline—an integral part of any region's overall transportation requirements.

Mr. President, I am under no illusions that the sweeping changes envisioned by this legislation will be easy to accomplish. But this bill represents an attempt to begin making progress toward these goals. We know that the bill will be amended, and we will try to consider all suggestions for its improvement. The committee will seek the advice of those people who are concerned about transportation and social policy, and who have expertise in such matters. The hearings that begin on February 26 should illustrate dramatically how urgently action is needed. The difficulties in passing and implementing some form of this legislation will be minor, indeed, compared with the difficulties for all Americans if we fail to act now—while there is still time.

#### ABA AND THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, President Harry S. Truman submitted the Convention on the Prevention and Punishment of the Crime of Genocide to the Senate for its advice and consent in 1949, 21 years ago. The Foreign Relations Committee held hearings on it in 1950; but though most witnesses seemed to favor ratification with perhaps minor reservations, the Genocide Convention was never reported out of committee.

Genocide, as Senators know, is the crime of a premeditated program to eliminate an entire race by murder. It is what the Nazis did to the Jews in Europe during World War II.

Twenty years ago a very important witness, the representative of the American Bar Association, opposed ratification. I am persuaded that ABA's opposition was a major factor in convincing the committee to shelve the convention.

Several weeks ago the Secretary of State, with the concurrence of the Attorney General, asked the President to give his support and urge the Senate to ratify the Genocide Convention. Yesterday I was happy and proud when

President Nixon announced his full support for the convention.

Meeting in Atlanta over the coming weekend, the American Bar Association's House of Delegates will have an unparalleled opportunity to reverse its 20-year-old opposition to the Genocide Convention. The ABA's standing committee on world order under law chaired by former Attorney General Nicholas Katzenbach and the ABA's section on individual rights and responsibilities have both strongly recommended that the house of delegates give its unequivocal support to ratification.

To this same end, I recently wrote the ABA president, Mr. Bernard Segal, expressing my sincere hope that the ABA will forcefully support ratification. Mr. Segal's reply was extremely encouraging—agreeing fully with the urgency and desirability of positive action by ABA on the convention. Mr. Segal himself plans to join the debate and speak favorably on the convention.

I am both hopeful and confident that the American Bar Association will now give its unqualified backing to the Genocide Convention, and that its support will be one of the more crucial factors in convincing the Senate to ratify the convention.

Indeed the tide seems irresistible.

I ask unanimous consent to have printed in the RECORD a copy of my letter to Mr. Segal.

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

JANUARY 26, 1970.

BERNARD G. SEGAL, Esq.,  
President, American Bar Association,  
Philadelphia, Pa.

DEAR MR. SEGAL: I was very pleased to read the ABA's Section of Individual Rights and Responsibilities report recommending that the United States Ratify the Convention on the Prevention and Punishment of the Crime of Genocide. President Truman submitted the Genocide Convention to the Senate in 1949. The Foreign Relations Committee held hearings in 1950, but did not report out the Convention. The Senate has taken no action on the Convention in the last twenty years.

During the 1950 hearings before the Senate Foreign Relations Committee most witnesses seemed to favor ratification with perhaps an occasional minor reservation. However, the spokesman for the American Bar Association opposed ratification. I am convinced that ABA's opposition was a major factor in persuading the committee to shelve the Convention.

For the past three years I have continually urged the Senate to ratify the Genocide Convention, as well as the Conventions on Women's Rights and Forced Labor.

If the American Bar Association House of Delegates at its upcoming meeting approves and adopts the recommendation that the United States ratify the Genocide Convention, the ABA's unequivocal endorsement might well be decisive in allaying any constitutional concerns and lead to Senate ratification.

I sincerely hope the American Bar Association will now find it possible to take a clear, strong, and forceful stand urging Senate ratification of the Genocide Convention.

I look forward to hearing from you.

Sincerely,

WILLIAM PROXMIRE,  
U.S. Senator.

**S. 3489—INTRODUCTION OF BILL TO AUTHORIZE APPROPRIATIONS FOR CERTAIN MARITIME PROGRAMS OF THE DEPARTMENT OF COMMERCE**

Mr. MAGNUSON. Mr. President, at the request of the Department of Commerce, I introduce, for appropriate reference, a bill to authorize appropriations for certain maritime programs of the Department of Commerce. I ask unanimous consent that the bill, the letter of transmittal from the Secretary of Commerce to the President of the Senate, and the accompanying statement of purposes be inserted in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, letter of transmittal, and statement will be printed in the RECORD.

The bill (S. 3489) to authorize appropriations for certain maritime programs of the Department of Commerce, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

**S. 3489**

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That funds are hereby authorized to be appropriated without fiscal year limitation as the appropriation act may provide for the use of the Department of Commerce, for the fiscal year 1971, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, \$199,500,000;

(b) payment of obligations incurred for ship operation subsidies, \$193,000,000;

(c) expenses necessary for research and development activities (including reimbursement of the Vessel Operations Revolving Fund for losses resulting from expenses of experimental ship operations), \$20,700,000.

(d) reserve fleet expenses, \$4,675,000.

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, \$6,800,000; and

(f) financial assistance to State Marine Schools, \$2,325,000.

The letter presented by Mr. MAGNUSON is as follows:

WASHINGTON, D.C.

HON. SPIRO T. AGNEW,  
President of the Senate,  
Washington, D.C.

DEAR MR. PRESIDENT: There are enclosed four copies of a draft bill "To authorize appropriations for certain maritime programs of the Department of Commerce" and four copies of a Statement of the Purposes and Provisions in support thereof.

We have been advised by the Bureau of the Budget that enactment of this draft bill would be in accord with the program of the President.

Sincerely yours,

MAURICE H. STANS,  
Secretary of Commerce.

The statement presented by Mr. MAGNUSON is as follows:

**STATEMENT OF THE PURPOSES AND PROVISIONS OF THE DRAFT BILL TO AUTHORIZE APPROPRIATIONS FOR CERTAIN MARITIME PROGRAMS OF THE DEPARTMENT OF COMMERCE**

Section 209 of the Merchant Marine Act, 1936, provides that after December 31, 1967

there are authorized to be appropriated for certain maritime activities of the Department of Commerce only such sums as the Congress may specifically authorize by law.

The draft bill authorizes specific amounts for those activities listed in section 209 for which the Department of Commerce proposes to seek appropriations for the fiscal year 1971.

"(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, \$199,500,000."

Funds authorized to be appropriated under this heading would provide for the payment of construction-differential subsidy and national defense allowances on vessels constructed under applicable provisions of Title V of the Merchant Marine Act of 1936, as amended.

The total authorization requested under this heading will provide a level of funding calculated to initiate a long-range Maritime Program designed to revitalize our merchant fleet over the coming decade.

In large measure, this will be achieved by replacing ships of World War II vintage which contribute to the growing block obsolescence of the United States merchant fleet. The new Maritime Program is structured to meet shipping capability needed by the United States for defense in times of crisis and participation in essential international trade in times of peace. Civilian requirements for the transportation of dry and liquid bulk cargoes during emergency situations will also be fully met under the new Maritime Program.

"(b) payment of obligations incurred for ship operation subsidies, \$193,000,000."

The authorization under this heading will provide for payments of operating subsidy to ship operators in order to maintain a United States merchant fleet in support of our foreign commerce and capable of serving as a naval auxiliary in the event of a national emergency. Payments made from this appropriation are intended to overcome the competitive disadvantage of United States ship operators by providing subsidy based on the difference between the fair and reasonable United States cost of wages of officers and crew and other items of expense authorized under Title VI of the Merchant Marine Act of 1936, and the cost of the same items if the operator's vessels were operated under foreign registry. Subsidy payments provide financial support for operators whose operating contracts with the Maritime Administration have been approved by the Secretary of Commerce. The year 1971 marks the introduction of a new Maritime Program and, as a result, modifications will be made to the existing system for administering the subsidy system and for calculating the amounts of subsidy payments. Eligible U.S. wage costs will be measured by change in a broad-based industrial index. The 1971 authorization request will provide \$123,200,000 for the liquidation of obligations to be incurred in 1971 and \$69,800,000 for the liquidation of prior year obligations.

"(c) expenses necessary for research and development activities (including reimbursement of the Vessel Operations Revolving Fund for losses resulting from expenses of experimental ship operations), \$20,700,000."

The research and development projects of the Maritime Administration are designed to improve the competitive position of the United States merchant marine while reducing the Government's share of costs of its construction, operation, and maintenance. The 1971 authorization is geared to initiate a long-range program designed to serve effectively the needs of the entire maritime complex and will operate in the following major areas:

*Joint surface effect ship program*—This

activity covers the Administration's participation with the Navy in the development of a testcraft suitable to define the commercial role of such ships in ocean transportation. Beginning in fiscal year 1971, the Navy will assume the predominant share of the funding of this program.

*Marine science and technology*—Research conducted herein is planned to raise the level of marine scientific knowledge in order to advance the technological base upon which ships are designed, built, and operated.

*Shipping economics and requirements*—This activity is concerned with forecasting trade and technology and with the economic analyses of total transportation systems.

*Advanced ship engineering and development*—This activity is concerned with advanced ship design and construction methods involving shipyard methods, subsystem development, and associated items.

*Improvement in ship operations and shipping systems*—This activity includes applied research for all aspects of the maritime field concerned with ship and port operations and includes related operational equipment and procedures for cargo handling.

*N.S. Savannah operation*—Funds requested for fiscal 1971 provide for the initial lay-up of the N.S. *Savannah* as the vessel has successfully established the capability of nuclear commercial shipping.

"(d) reserve fleet expenses, \$4,675,000."

Included funding provides for the preservation and security of ships held for national defense purposes, distributed among four active fleet sites, and for the operation of warehouses to receive, issue and store materials and equipment used in repair and outfitting of such ships. Periodic represervation of hulls, machinery, and electrical components, combined with continuous application of cathodic protection to the bottoms, are methods employed in maintaining the ships for further service.

In fiscal 1971, funds will be used for the care of approximately 640 ships retained for national defense purposes. Custody is also provided for several hundred ships awaiting disposal.

"(e) maritime training at the Merchant Marine Academy at Kings Point, New York, \$6,800,000."

Public Law 415, 84th Congress (46 U.S.C. 1126), established the United States Merchant Marine Academy to train cadets for service as officers in the United States merchant marine. The four-year course provided is designed to qualify graduates for licenses as merchant marine deck or engineering officers. About 200 cadets are graduated annually.

The requested authorization of \$6,800,000 contains \$2,500 for contingencies of the superintendent of the Academy. Requested funding provides for the payment of not to exceed \$475 per cadet annually for the cost of uniforms and textbooks. Provision is also made for reimbursement to the appropriation from other Maritime Administration appropriations.

"(f) financial assistance to State Marine Schools, \$2,325,000."

Under the provisions of the Maritime Academy Act of 1958 (72 Stat. 622-624), this program provides for training of cadets at State Marine schools for service as officers in the United States merchant marine. The program is aimed at a level of graduating approximately 400 deck and engineering officers each year.

The five participating State schools, Maine, Massachusetts, New York, Texas, and California, prepare officers to man our merchant ships in times of peace and national emergency.

The funding level of \$2,325,000 will provide \$1,348,000 for grants to each of the participating State schools and allowances to cadets for uniforms, textbooks and subsistence; and \$977,000 for maintenance and repair of the training ship loaned to each of the schools.

## RECOMMITTAL OF H.R. 14465. TO COMMITTEE ON COMMERCE

Mr. MAGNUSON. Mr. President, I ask unanimous consent that H.R. 14465, to provide for expansion and improvement of the Nation's airport and airway systems, be recommitted to the Committee on Commerce with instructions to report back forthwith a bill which combines the provisions of S. 3108, to provide for additional Federal assistance for the improvement of the airway system, plus the provisions of H.R. 14465, as both were originally reported to the Senate from the Committee on Finance. The bill has two parts and one part had to go to the Committee on Finance.

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

Mr. MAGNUSON. This procedure is followed to permit the bill to be printed in the form in which it will be considered, I believe, early next week. This is one of the most important pieces of legislation we will consider this session.

## CONCENTRATION ON INTEGRATION IS DOING LITTLE FOR EDUCATION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to insert in the RECORD a column which appeared in today's Washington Post, written by William Raspberry, entitled "Concentration on Integration Is Doing Little for Education."

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

CONCENTRATION ON INTEGRATION IS DOING LITTLE FOR EDUCATION  
(By William Raspberry)

Racial segregation in public schools is both foolish and wrong, which has led a lot of us to suppose that school integration must, therefore, be wise and just.

It ain't necessarily so. It may be that one reason why the schools, particularly in Washington, are doing such a poor job of educating black children is that we have spent too much effort on integrating the schools and too little on improving them.

The preoccupation with racial integration follows in part from a misreading of what the suit that led to the 1954 desegregation decision was all about.

The suit was based (tacitly, at least) on what might be called the hostage theory. It was clear that black students were suffering under the dual school systems that were the rule in the South. It was also clear that only the "separate" part of the separate-but-equal doctrine was being enforced.

Civil rights leaders finally became convinced that the only way to ensure that their children would have equal education with white children was to make sure that they received the same education, in the same classrooms.

Nor would the education be merely equal, the theory went: It would be good. White people, who after all run things, are going to see to it that their children get a proper education. If ours are in the same classrooms, they'll get a proper education by osmosis.

That, at bottom, was the reasoning behind the suit, no matter that the legal arguments were largely sociological, among them, that segregated education is inherently unequal.

(Why it should be inherently more unequal for blacks than for whites wasn't made clear.)

In any case, the aim of the suit was not so much integrated education but better education. Integration was simply a means to an end.

Much of the confusion today stems from the fact that the means has now become an end in itself. Suits are being brought for integration, boundaries are being redrawn, busing is being instituted—not to improve education but to integrate classrooms.

The results can sometimes be pathetic. In Washington, blacks send their children (or have them sent) across Rock Creek Park in pursuit of the dream of good education. But as the blacks come, the whites leave, and increasingly we find ourselves busing children from all-black neighborhoods all the way across town to schools that are rapidly becoming all-black.

The Tri-School setup in Southwest Washington is a case in point. Of the three elementary schools in the area, only one was considered a good school: Amidon, where the children of the black and white well-to-do attended. Bowen and Syphax, populated almost exclusively by poor kids from the projects, were rated lousy schools.

Then the hostage theory was applied. A plan was worked out whereby all first- and second-graders in the area would attend one school, all third- and fourth-graders a second, and all fifth- and sixth-graders the third.

The well-to-do parents would see to it that their children got a good education. All the poor parents had to do was to see to it that their children were in the same classrooms.

That was the theory. What happened, of course, is that instead of sprinkling their children around three schools, the luxury high-rise dwellers, black and white, packed their youngsters off to private school. Now instead of one good and two bad schools, Southwest Washington has three bad ones.

After 16 years, we should have learned that the hostage theory doesn't work. This is not to suggest that integration is bad but that it must become a secondary consideration.

Busing makes some sense (as a temporary measure) when its purpose is to transport children from neighborhoods with overcrowded classrooms to schools where there is space to spare.

It works to a limited degree when it involves children whose parents want them bused across town for specific reasons.

But it has accomplished nothing useful when it has meant transporting large numbers of reluctant youngsters to schools they'd rather not attend.

The notion will win me the embarrassing support of segregationist bigots, but isn't it about time we started concentrating on educating children where they are?

## ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, for the information of the Senate, what is the pending business before the Senate?

The PRESIDING OFFICER. The pending question is on agreeing to the committee amendment, in the nature of a substitute, to S. 2548, to amend the National School Lunch Act and the Child Nutrition Act of 1966 to strengthen and improve the food service programs provided for children under such acts.

## ADJOURNMENT UNTIL MONDAY

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 12 o'clock meridian Monday next.

The motion was agreed to; and (at 3 o'clock and 31 minutes p.m.) the Senate adjourned until Monday, February 23, 1970, at 12 o'clock noon.

## NOMINATIONS

Executive nominations received by the Senate February 20, 1970:

## FEDERAL DEPOSIT INSURANCE CORPORATION

Frank Wille, of New York, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice Kenneth A. Randall.

## NATIONAL LABOR RELATIONS BOARD

Edward B. Miller, of Illinois, to be a member of the National Labor Relations Board for a term of 5 years expiring December 16, 1974, vice Sam Zagoria, term expired.

## EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Colston A. Lewis, of Virginia, to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1972, vice Clifford L. Alexander, Jr., resigned.

## IN THE NAVY

The following-named officers of the Navy for permanent promotion to the grade as indicated:

## Captain, Line

Allen, Charles D., Jr.	Moore, Harry R.
Blanks, Alva L.	Murray, Harrison C.
Boland, Paul	Nagler, Gordon R.
Boller, Jack W.	Nemoff, Alfred J.
Brown, Francis T.	Nevitt, Fred M., Jr.
Burgin, Wilbur J.	Oechslin, Robert E.
Carlisle, Charles S.	O'Neill, Timothy R.
Carnahan, Ralph H.	Packer, Samuel H., II
Chute, Charles L.	Perez, Raul B.
Cone, Warren M.	Phillips, Billy
Davies, Henry E.	Pierozzi, Constantino
Davis, Hector W., Jr.	N.
De Camp, Dwight E.	Porter, William R.
De Lorenzi, Robert M.	Rezzarday, Joseph, Jr.
Dew, Carlos, Jr.	Richelleu, Charles F.
Doak, William C.	Rodier, Richard L.
Dorman, Alvin E.	Scherrer, David E.
Duacek, Anthony W.	Schneider, Robert F.
Ellis, William H.	J.
Endacott, Jack A.	Schultz, Robert F.
Fisher, Lee W.	Shipman, James L.
Gammill, James L.	Smith, George T.
Girard, Jean L.	Smith, Raymond D.
Glaser, William R.	Smith, Rush S.
Gorder, Merle H.	Smith, Wendell K.
Gregory, Grover K., Jr.	Snyder, Jack L.
Hardy, Willis A.	Spruit, Robert E.
Hazen, Alan M.	Starr, Mark R.
Helle, Donald H.	Summitt, Charles D.
Hilton, Jack	Swanson, Hjalmer E.
Houston, Willard S., Jr.	Taft, Jesse W.
Hughes, Thomas J., Jr.	Taylor, James D.
Irish, Edelbert E.	Thompson, William
Johnson, Charles E.	Thomson, Robert G., Jr.
Kiehl, Elmer H.	Tice, John J., III
Kline, Edward C., Jr.	Treadwell, Archie R.
LeBreton, Guy J., Jr.	Voorhees, Jack R.
Leib, James M.	Ward, Raymond E.
Matejcek, John F.	Whitmire, Donald B.
Matthews, Walter L., III	Williams, Elmer R.
McKeever, Elmer V.	Williams, John H. D.
McMullen, Frank D., Jr.	Wilson, James B.
Mellick, Robert E.	Wilson, Phillip A.
Merrell, Chandler V.	Zimmerman, Wayne
Metzel, Jeffrey C., Jr.	L.
	Zimmerman, George
	G.

## Captain, Medical Corps

Maher, Robert W.  
Stephens, David L.

*Captain, Supply Corps*

Allen, Paul M.  
 Barron, Willard D.  
 Challain, Leonard J.  
 Chapman, Edgar C., Jr.  
 Creekman, Charles T.  
 Fisher, Robert D.

*Captain, Chaplain Corps*

Fitzpatrick, Francis J. N.  
 Maguire, Connell J.  
 Zoller, John E.

*Captain, Civil Engineer Corps*

Allen, Max H.  
 Burfield, James A.  
 Fisher, John R.  
 Hill, James M., Jr.

*Captain, Medical Service Corps*

Conaway, Theodore H., Jr.  
 Hunter, Russell E.

*Commander, Line*

Allen, Winfred P.  
 Anaston, Tommy K., Jr.  
 Anderson, Alden B.  
 Anderson, Duane E.  
 Armel, Lyle O., II  
 Baciocco, Albert J., Jr.  
 Bademan, Harold W.  
 Banks, Bruce R.  
 Banks, William E., IV  
 Barnes, John B.  
 Barringer, Malcolm L.  
 Bassett, Jerry S.  
 Bath, Alan H.  
 Bathurst, Robert B.  
 Beavers, Roy L., Jr.  
 Bell, Clyde R.  
 Benero, Manuel A., Jr.  
 Berry, George H., Jr.  
 Berry, Joel H., Jr.  
 Blackadar, Paul E.  
 Blackwood, Jack D.  
 Blanding, Robert L.  
 Bohannon, William L.  
 Booth, Roger G.  
 Botsko, Ronald T.  
 Bowers, Henry H.  
 Brady, John H., Jr.  
 Bridge, James A., Jr.  
 Bristol, Robert B.  
 Brown, Donald N.  
 Brown, George W. M.  
 Brown, Jacob C.  
 Brown, Robert M.  
 Brownley, John H.  
 Bruning, Richard A.  
 Buck, Donald D.  
 Burdon, Eugene R.  
 Burriss, John R.  
 Bush, James T.  
 Cagney, Thomas P.  
 Calkins, Donald L.  
 Cameron, Kenneth R.  
 Cantacuzene, Rodion  
 Carlisle, David R.  
 Carlson, Ronald F.  
 Carson, Ernest H.  
 Carson, Ralph  
 Case, George P., Jr.  
 Caulk, Robert F.  
 Chadwick, John R.  
 Chesky, James A.  
 Chinn, Clarence E.  
 Christensen, Eugene J.  
 Clark, Stanley D.  
 Clarke, Robert R.  
 Cloughley, William D.  
 Cockell, William A., Jr.  
 Colligan, Thomas R.  
 Cooke, Robert A.  
 Cooper, Donald H.  
 Cotten, Thomas R., Jr.  
 Cronin, Francis W.

Hill, Lucio W.  
 Hipple, William J.  
 Hoffman, Robert B.  
 Hollandsworth, Roy M.  
 Hyde, Robert A.  
 Jackson, Dempster M.  
 Jaycox, Randall E., Jr.  
 Johnson, Frederick C.  
 Johnson, George M.  
 Johnson, Phillip E.  
 Jones, Richard H.  
 Jones, Robert C.  
 Josephson, Henning C.  
 Kelt, William N.  
 Kershaw, Daniel J.  
 Kilduff, Paul E.  
 Kim, Alfred H. S., Jr.  
 Kirby, Albert D.  
 Koehne, Richard J.  
 Kosmela, Walter T.  
 Kraft, Frederick W.  
 Kuder, Dalton L.  
 Kuncas, John W.  
 Kunze, Martin W.  
 Langford, John M.  
 Larkins, Burton J.  
 Laux, William J., Jr.  
 Lavin, Charles V.  
 LeBlanc, Georges E., Jr.  
 Leverone, Robert M.  
 Lewis, Harold M. J.  
 Locke, Walter M.  
 Loggan, Wilfred J.  
 Lumsden, Richard E.  
 Lyons, James A., Jr.  
 Lyons, Thomas W., Jr.  
 Malaney, Robert E.  
 Malone, Thomas L., Jr.  
 Maloney, Peter M.  
 Mandel, Cornelius E., Jr.  
 Manduca, Theodore W.  
 Marshall, Robert M.  
 Martin, Tyrone G.  
 Mathis, Thomas R.  
 McCollum, Arthur H., Jr.  
 McCoy, Roy E.  
 McCune, Joe D.  
 McGuire, Orville W.  
 McPadden, Donald F.  
 McWilliam, John R.  
 Meacham, James A.  
 Messer, Jarvis N.  
 Miale, Robert E.  
 Miller, John R.  
 Miller, Richard J.  
 Moore, Rufus J.  
 Morris, Henry C., Jr.  
 Mounce, Claude E.  
 Mullane, Thomas F.  
 Mulloy, Paul J.  
 Nelson, Leroy C.  
 Niedbala, Thomas F.  
 Nordvedt, Ernest R.  
 North, Dean B.  
 Numbers, Earl W.  
 O'Brien, Austin C., Jr.  
 O'Connell, John F.  
 O'Connor, John E.  
 Ogle, William J.  
 Oldham, Albert W.  
 O'Neil, Louis C., Jr.  
 Oster, John S.  
 Parkhurst, David C.  
 Payne, Douglas W.  
 Peelle, Morris A.  
 Perry, Timothy J.  
 Peters, Paul F.  
 Phillips, Robert A.  
 Ping, Vernon "S," Jr.  
 Platt, Grafton S.  
 Pohl, Richard R.  
 Poling, William E.  
 Pope, Daniel K., IV

Post, Robert E., Jr.  
 Preble, Russell A., Jr.  
 Quartararo, Michael A.  
 Quick, Jay E.  
 Ramsey, William E.  
 Randolph, Joseph L.  
 Rapkin, Jerome  
 Rasmussen, Robert L.  
 Ray, Glen P.  
 Rhodes, John P.  
 Rich, Richard  
 Richard, Jackson B.  
 Ricks, Robert R.  
 Robinson, Kirby L.  
 Rodda, John D.  
 Rodgers, Harvey P.  
 Rollins, James "J"  
 Sayer, William D.  
 Scalse, Anthony C., Jr.  
 Schluter, Hugo E.  
 Schulze, Robert H.  
 Schurr, Thomas P.  
 Scott, Edward T.  
 Shanahan, William F.  
 Sheets, Roger E.  
 Shepherd, David C.  
 Sherman, John W.  
 Simms, James T., Jr.  
 Simons, Donald W.  
 Smith, Clifford R.  
 Smith, James R.  
 Smith, John V.  
 Smith, Paul J., Jr.  
 Smith, Richard C.  
 Snyder, Fred D.  
 Snyder Herbert J. V.  
 Snyder, James M.  
 Snyder, Ned "C"  
 Sothan, Norman L.  
 Sowinski, Stanislaus J.  
 Spencer, Harry A., Jr.  
 Sperling, David J.  
 Stanley, Edward E.  
 Staple, David F.  
 Steckbeck, Francis J.  
 Stein, Norman F.  
 Stone, James M.  
 Story, Warren L.  
 Sudduth, Roger M.  
 Swartrauber, Sayre A.  
 Sweet, William J.  
 Tetreault, Paul J.  
 Thompson, Arthur R., Jr.  
 Tuszynski, Raymond S.  
 Varney, Jack E.  
 Wakeman, Curtiss O.  
 Walczak, Norbert F.  
 Walker, William B.  
 Wallace, Cedric S.  
 Walling, Eugene K.  
 Ward, Conley R.  
 Warren, Tommy H., Jr.  
 Weedon, Robert E.  
 Weeks, George H.  
 Welmerskirch, John R.  
 Wells, Eugene R., Jr.  
 Wells, Lawrence H.  
 Wessman, Robert L.  
 West, Gordon R.  
 Whitley, Clyde T.  
 Wilder, William E.  
 Wiley, Kenneth R.  
 Williams, Douglas A.  
 Williams, James G., III  
 Williamson, Paul W.  
 Wilson, Edward W.  
 Winters, Charles A.  
 Wiseman, Hobart J.  
 Wolf, William M., Jr.  
 Wood, Thomas H.  
 Woolway, James E.

Wyatt, William C., III

Zastrow, Robert R.

*Commander, Medical Corps*

Ahtye, Perry  
 Baer, Henry A.  
 Baker, John H.  
 Balas, George I.  
 Bornmann, Robert C.  
 Bristow, William M.  
 Brothers, William "S"  
 Burningham, Richard A.  
 Cross, Gregory H.  
 Edson, Mitchell  
 Elliot, William A.  
 Giard, Henry L.  
 Highly, Francis M., Jr.  
 Holm, Victor M.  
 Hopping, Donald W.  
 Huseby, Helmer W. S.  
 Jacobs, Edmund P.  
 Lobpreis, Ervin L.

*Commander, Supply Corps*

Brunson, Robert L.  
 Buckman, Robert S.  
 Catanach, Anthony H.  
 Curtin, Pat  
 Drabek, Stephen J.  
 Eckert, George H., Jr.  
 Felthousen, Charles E.  
 French, Robert T.  
 Goslin, Thomas C., Jr.  
 Hamilton, Thomas, Jr.  
 Larose, Eugene M., Jr.  
 Lewis, John C.  
 Lukens, Robert F.  
 Madeira, Charles C.  
 Maier, Raymond G.  
 Maldonado, Teodosio

*Commander, Chaplain Corps*

Auel, Carl A.  
 Baker, Marvin D.  
 Beck, John T.  
 Clifford, William J.  
 Jensen, Andrew F., Jr.

*Commander, Civil Engineer Corps*

Borberg, James R.  
 Doyle, Thomas J.  
 Houghton, Robert J.  
 Keegan, Robert D.

Bruner, James E.  
 McHugh, James J.

*Commander, Dental Corps*

Baker, Ronald D.  
 Barbor, Gerald L.  
 Brown, Kenneth E.  
 Coombs, Paul S.  
 Duncan, Donald E.  
 Eichel, Frederick P.  
 Garver, Don G.  
 King, Gordon E.  
 Klima, James E.  
 Little, Richard W.  
 Malnoux, Elgene G.  
 McDonald, Edwin E., Jr.  
 McLaughlin, Edward J.  
 McLeod, Carlton J.

*Commander, Medical Service Corps*

Buckley, Emanuel N.  
 Dean, Jerdon J.  
 Gill, Robert L.  
 Goding, Hubert M.  
 Guinn, John W.  
 Irvin, Ernest J.  
 Jones, Earmon R., Jr.  
 Jula, Paul N.  
 Kirsch, Jean P.  
 Knight, Jerry B.

*Commander, Nurse Corps*

Job, Lucy A.