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PROCEEDINGS AND DEBATES OF THE 92^d CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—Thursday, August 5, 1971

The House met at 12 o'clock noon.
The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Trust in the Lord and do good: So shalt thou dwell in the land and verily thou shalt be fed.—Psalms 37: 3.

O God and Father of us all, in the opening moment of this day we stand in reverence before Thee, thanking Thee for the mercies of the past and praying that Thou wilt continue to be merciful to us now and through the days which lie ahead.

May Thy blessing rest upon our Republic, upon every citizen. And especially do we pray that Thy blessing may rest upon us who meet in this Capitol to consider matters which pertain to the welfare of our people. Guide us with Thy wisdom, strengthen us in our faith, and crown our efforts with success for the greater good of our country.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 135. An act to provide for periodic pro rata distribution among the States and other jurisdictions of deposit of available amounts of unclaimed Postal Savings System deposits, and for other purposes.

SMALL CORPORATIONS TAKE HEED AND MAYBE BE ANOTHER LOCKHEED

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

Mr. KOCH. Mr. Speaker, with the Lockheed Aircraft Corp. having been granted a \$250 million Government loan after demonstrating its near bankruptcy, other companies large and small who are also pressed by the hard times of the economy, are undoubtedly thinking, "Why should we not get help too?" After

all, in the case of Lockheed, the company did not even have to refute charges of mismanagement and could offer little security to the Government—so little in fact that the bankers said that the loan was not "bankable."

Today, I received a copy of a letter addressed to Secretary John Connally, the administration's principal defender of the Lockheed loan, by a New York City firm, Offshore/Sea Development Corp. The letter, signed by the firm's president, Cyrus Adler, began:

Our firm would like to apply for \$100,000,000 loan under the same arrangement afforded to Lockheed Corp. Since we are somewhat smaller than Lockheed, we are not asking for \$250,000,000.

Offshore/Sea Development may have a few strikes against it in today's set of priorities for Government guarantees—according to Mr. Adler it is debt free. Furthermore, in the opinion of the president:

Our technical developments are probably more promising than Lockheed's and the government would be risking little by backing us.

Offshore/Sea Development has developed a method for feeding oysters with blood, a procedure which they claim can cut costs of oyster cultures by 80 percent. Furthermore, the company has designed an undersea conduit system called Conpipe whose components can be hinged and dropped from the surface and then locks automatically when they reach the bottom.

Mr. Speaker, the moral of this story, if there is one, is if you want help from the Government you must be large, mismanaged, bankrupt, and nonbankable. So all little well-managed corporations, take heed and maybe you will grow up to be another Lockheed.

CONGRATULATIONS TO THE MAYVILLE HIGH SCHOOL BAND OF MAYVILLE, N. DAK.

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

Mr. ANDREWS of North Dakota. Mr. Speaker, we are happy to have with us today in the Nation's Capital the Mayville High School Band from Mayville, N. Dak. This band, which is the official Dakota aerie band, has stopped here on their way to the Eagles National Convention in Boston.

This group of 78 outstanding young people, under the able direction of Roger

Kolsrud, treated us to a lively performance this morning on the Capitol steps. Their music was enjoyed by many tourists and Capitol staffers who stopped by to listen.

The band has just completed a tour of the Capitol and plans to see more of the sights here in Washington. They have also stopped in Gettysburg and will visit New York City before arriving in Boston. Certainly, a tribute to their talent is their invitation to play at the Eagles National Convention.

We are very pleased to play host to them here in Washington and thank them for entertaining us this morning.

CONFERENCE REPORT ON H.R. 5208, COAST GUARD AUTHORIZATION

Mr. GARMATZ submitted the following conference report and statement on the bill (H.R. 5208) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, and to authorize the annual active duty personnel strength of the Coast Guard, as follows:

CONFERENCE REPORT (H. REPT. No. 92-451)

The Committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5208) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, and to authorize the annual active duty personnel strength of the Coast Guard, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 3.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 5, 6, and 7, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "\$41,574,000"; and the Senate agree to the same.

EDWARD A. GARMATZ,
LEONOR K. SULLIVAN,
ALTON LENNON,
THOMAS M. PELLY,
HASTINGS KEITH,

Managers on the Part of the House.

WARREN G. MAGNUSON,
RUSSELL B. LONG,
ERNEST F. HOLLINGS,
ROBERT P. GRIFFIN,
MARK O. HATFIELD,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE
COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5208) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, and to authorize the annual active duty personnel strength of the Coast Guard, submit the following joint statement to the House and to the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

AMENDMENT NO. 1

House bill

The House authorized to be appropriated \$32,614,000, for the procurement and extension of service life of three long-range search aircraft, six medium-range helicopters, and one administrative aircraft and the extension of service life of various other aircraft.

Senate amendment

Senate Amendment No. 1 increased this amount by \$5,710,000, to \$38,324,000, with the intent that \$8,960,000 be used for two additional long-range search aircraft and the Senate deleted the authorization for the administrative aircraft.

Conference substitute

The conference substitute authorizes to be appropriated \$41,574,000 for the procurement of five long-range search aircraft, six medium-range helicopters, one administrative aircraft, and the extension of service life of various aircraft.

AMENDMENT NO. 2

House bill

The House bill authorized to be appropriated \$13,440,000, for the procurement of three long-range search aircraft.

Senate amendment

The Senate amendment increased the three long-range search aircraft to five and thus, increased the amount by \$8,960,000.

Conference substitute

The conference report authorizes to be appropriated \$22,400,000 for five long-range aircraft. The conferees determined that the Coast Guard's long-term procurement program requires the procurement of sufficient long-range multimission aircraft to provide the Gulf Coast, Caribbean and the North Pacific areas with adequate air coverage for search and rescue, law enforcement, marine environmental protection and offshore fishery surveillance. Budget constraints required that the Coast Guard limit its fiscal year 1972 procurement to three aircraft. The conferees feel that simultaneous procurement of five aircraft is mandatory in order that the Coast Guard may properly discharge its duties throughout all areas. The rapidly expanding antipollution functions should not be delayed another year because of budget limitations, and the cost savings from an increased purchase may permit the Coast Guard to expand its equipment for other areas vital to environmental protection.

AMENDMENT NO. 3

House bill

The House authorized to be appropriated \$3,250,000 for the purchase of an additional jet administrative aircraft for the use of the Coast Guard.

Senate amendment

Senate Amendment No. 3 struck out line 4 on page 3; thereby eliminating the administrative aircraft put in by the House.

Conference substitute

The conference substitute reinserted the one administrative aircraft on line 4, page 3. Thus, \$3,250,000 for this administrative aircraft was also reinserted in the total figure for the procurement and extension of service life of aircraft.

Your conferees felt it was necessary and appropriate to reinsert the funds for this administrative aircraft since the jet now in use by the Coast Guard is constantly used by higher echelon officials of the Coast Guard, the Transportation Department, and on occasion, even officials of other executive departments. The jet and the turboprop serve many functions, primary among these are their availability to take Coast Guard and other officials to disaster sites and the many other areas of Coast Guard responsibility in the various parts of the United States and its territories. These demands for quick response transportation have increased considerably in the last several years due to the nation's growing awareness and concern over the pollution problem. As the Coast Guard's responsibility in this area has increased, so too has its need to respond rapidly. In addition to normal Coast Guard requirements which put a heavy demand on these aircraft, your conferees were impressed by additional extraordinary usage of this equipment which must also be available to fly the Railway Accident Survey Team to railroad wrecks; transport an air pollution team from NOAA; and provide quick response capability for a water pollution team from the Environmental Protection Agency.

AMENDMENT NO. 4

House bill

The House authorized to be appropriated \$51,690,000 for the construction of Coast Guard installations.

Senate amendment

Senate Amendment No. 4 increased this amount by \$10,500,000, to \$62,190,000, with the intent that funds be allocated for the following:

- (a) \$2,500,000 for a new air station at North Bend, Oregon.
- (b) \$5,000,000 for a prototype harbor radar marine traffic system in Puget Sound.
- (c) \$1,500,000 to increase procurement schedules for the Air-Deliverable Anti-Pollution Transfer System (ADAPTS).
- (d) \$1,500,000 to accelerate procurement of components of the oil slick containment system.

Conference substitute

The conference substitute authorizes to be appropriated \$62,190,000, which authorizes funds for the new air station at North Bend, Oregon, the prototype harbor radar advisory system, and the oil pollution control systems.

AMENDMENT NO. 5

This was a Senate technical amendment to accommodate the Senate's insertion of additional items authorized for construction.

AMENDMENT NO. 6

House bill

No comparable provision.

Senate bill

The Senate bill inserted the following language: "(35) Various locations: develop and construct additional Harbor Advisory Radar and Marine Traffic Systems."

Conference substitute

The conferees agreed to the Senate amendment to add \$5,000,000 for research, development and construction of a prototype Harbor Radar Advisory and Marine Traffic System (Integrated Marine Traffic System). Based upon the results of the first generation type installation now located in San Francisco, the conferees are convinced that the future

of safe and efficient marine transportation requires increased technological capability to assist in the safe movement of vessels in restricted waters. Development and deployment of a system, similar to that used to assist air traffic, would do much to prevent collisions and groundings and would assist in the faster development of a more rational safer marine transportation system.

The Coast Guard has estimated that the \$5 million would provide an operation center in the Seattle area, a surveillance system consisting of 3 to 5 fixed radar units and a communication system for the Puget Sound area. The conferees endorse the development of this expanded prototype system as an important step in improving marine safety and protecting the environment of all our nation's major harbor and port areas.

AMENDMENT NO. 7

House bill

No comparable provision.

Senate bill

The Senate bill inserted the following language: "(36) North Bend, Oregon: construct air station facilities."

Conference substitute

The conference substitute authorizes to be appropriated \$2,500,000 for constructing and equipping the new Coast Guard multipurpose air station at North Bend, Oregon. This station will reduce the operations overload on Coast Guard stations located elsewhere in Oregon and in Washington and permit the Coast Guard to be more responsive to requests for search and rescue assistance, to increase protection for our offshore fishing fleets, and to upgrade the law enforcement capability in this area.

EDWARD A. GARMATZ,
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Managers on the Part of the Senate.

PAID ADVERTISING UNDER MARKETING ORDERS FOR CALIFORNIA PEACHES

Mr. SISK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4263) to add California-grown peaches as a commodity eligible for any form of promotion, including paid advertising, under a marketing order, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 3, strike out "the proviso at the end of".

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, would the gentleman from California explain the Senate amendment.

Mr. SISK. Yes. Will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from California.

Mr. SISK. This is merely a technical amendment which struck out an addition in connection with printing.

It has no bearing in substance at all, but is a matter of language correction.

I might say to the distinguished minority leader that I have cleared this with the gentleman from Oklahoma (Mr. BELCHER), as well as the committee, and as I say, it has no substantive effect whatsoever on the legislation, and it is merely a technical amendment.

Mr. GERALD R. FORD. The gentleman from Oklahoma, the ranking minority member of the Committee on Agriculture, has informed me that he has no objection to the action the gentleman from California is taking.

Mr. Speaker, I withdraw my reservation of objection.

Mr. SISK. I thank the gentleman. The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection. The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LONG of Maryland. Mr. Speaker, tomorrow I intend to join with the gentleman from Illinois (Mr. ANDERSON) and the gentleman from Massachusetts (Mr. O'NEILL) in introducing a House concurrent resolution relating to the persecution of Soviet Jews.

At Mr. ANDERSON's request, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter on this subject.

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

There was no objection.

NATIONAL GUARD TECHNICIANS

Mr. FISHER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2296) to amend sections 107 and 709 of title 32, United States Code, relating to appropriations for the National Guard and to National Guard technicians, respectively, and ask that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the Senate bill.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I ask the distinguished gentleman from Texas, the chairman of the Subcommittee on Armed Services on which I serve, if he intends to use this procedure in lieu of House Resolution 571 making consideration of the bill in order?

Mr. FISHER. That is correct.

Mr. HALL. Mr. Speaker, I have no objection. I withdraw my reservation.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2296

An act to amend sections 107 and 709 of title 32, United States Code, relating to appropriations for the National Guard and to National Guard technicians, respectively

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 107 of title 32, United States Code, is amended by—

(1) striking out the catchline and inserting in lieu thereof the following:

"§ 107. Availability of appropriations";

(2) striking out all of subsection (a);

(3) striking out "apportioned appropriations" in subsection (b) and inserting in lieu thereof "appropriations for the National Guard"; and

(4) redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

(b) The table of sections at the beginning of chapter 1 of such title is amended by striking out

"107. Apportionment of appropriations."

and inserting in lieu thereof the following:

"107. Availability of appropriations."

Sec. 2. Subsection (h) of section 709 of title 32, United States Code, is amended to read as follows:

"(h) In no event shall the number of technicians employed under this section at any one time exceed 53,100, except that the number of technicians so employed may not exceed 49,200 during the fiscal year beginning July 1, 1971."

Mr. FISHER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, S. 2296 is a relatively simple bill. It is part of the Department of Defense legislative program and relates to National Guard technicians as its primary purpose. Additionally, however, the proposed legislation would, upon passage, eliminate the necessity to include clarification annually in the National Guard Appropriation Acts.

Let me first discuss the legislation as it relates to technicians. As you will recall, the National Guard Technicians Act of 1962 included an amendment to title 32 which fixed a ceiling on the number of technicians that could be employed. This number was fixed at 42,500. Until recently, it has been possible to maintain a relationship between responsibilities and workloads and technician personnel resources to permit a satisfactory level of training and readiness.

However, the change in certain concepts of defense posturing announced last fall have resulted in conditions whereby the ceiling on the number of technicians becomes a serious deterrent to the application of these concepts. More specifically, the National Guard, as well as all Reserve components, is expected to be trained and maintained to a state of readiness for immediate augmentation of the Active Forces rather than expanding those forces through the draft in times of emergency. Concurrently, a greater reliability is being placed on the National Guard, and other Reserve components, in respect to the assignment of missions and the equipage levels as an offset to a reducing active condition. Regarding this latter point, the National Guard is programmed for mission changes and equipment changes that are unprecedented. Many of these changes have already occurred and more

are planned during the next couple of years.

In the Army National Guard, for instance, equipment being allocated includes CH-47 Chinook, and CH-54 Flying Crane aircraft; M107 175-millimeter self-propelled guns; M60 tanks; M113 personnel carriers; 2½-ton multifuel engine trucks; and a new family of tactical radios. Additionally, other on-hand equipping is programmed to increase from the present 60 percent of authorized to approximately 80 percent by the end of fiscal year 1973.

Likewise in the Air National Guard nearly one-third of the flying units either have or are scheduled to convert to other aircraft or missions or both. Aircraft being assigned to the Air Guard include F-100's, RF-4's, RF-101's, and C-130's.

It is because of these changes in defense requirements as pertains to the National Guard that we find it necessary to bring legislation requesting an increase of the technician ceiling in order that the total defense structuring can proceed in an effective manner with the highest attention given to economies.

During the last 3 years, nearly \$900 million worth of equipment has been transferred from the active forces to the National Guard and, within the next 2 years, it is estimated that an additional \$1 billion worth of equipment will be so transferred. Yet even now we are unable to operate some airplanes or handle the more sophisticated equipment because there is just a lack of technicians to maintain this equipment.

The bill as introduced would have eliminated any ceiling on the number of technicians in the National Guard. We did not agree with this proposal, and amended the bill to permit during the next 2 years an overall increase in the number of technicians by 10,600. Of these, 6,700 additional technicians will be authorized for fiscal year 1972 with a further additional 3,900 technicians authorized for 1973, thus by fiscal year 1973 permitting a total technician strength in the amount of 53,100.

The other feature of this legislation as regards section 107 of title 32, United States Code, would not of itself prompt a legislative proposal. However, as this section now stands, it has been found necessary for 15 years to provide for relief annually through an Appropriations Act. This being the case, we have agreed with the Department recommendation to provide the amendment to title 32, United States Code, which will eliminate the need to provide this clarification on an annual basis.

Briefly, section 107 of title 32, United States Code, currently provides for the apportionment of appropriations to the various States in the ratio of the troop strength in each respective State.

This at some time, no doubt, was a valid and equitable basis for distributing available funds. However, as modernization of the National Guard began to occur with the assignment of mission equipment, expenses no longer could be measured by troop strength. Instead, expenses had a direct relationship to this

equipment. This of course prevails today and is the reason for section 107 to be repeatedly excepted as a part of an appropriation action.

Gentlemen, we have become convinced of the urgency of this legislation in order to maintain a ready National Guard posture for immediate augmentation of the active forces. It is necessary that we have both men and equipment in a state of readiness. We are failing to do this today because of lack of technicians to maintain the equipment. This bill provides a solution to that problem. I urge the support of every Member.

Mr. BOGGS. Mr. Speaker, I move to strike the requisite number of words.

The SPEAKER. The gentleman from Louisiana is recognized.

THE STATE OF THE ECONOMY

(By unanimous consent, Mr. Boggs was permitted to speak out of order.)

(Mr. BOGGS asked and was given permission to include extraneous matter.)

Mr. BOGGS. Mr. Speaker and Members of the House, a few minutes ago I was undecided whether or not I would make some observations about the state of the economy of our country as we leave here for a very much needed rest. I decided to let the record speak for itself.

But then one of my distinguished colleagues on the other side of the aisle made a speech in which he defended the economic record of this administration, and now I think it necessary to set the record straight.

Yesterday, the Nixon administration called for a congressional debate on the question of whether or not additional legislation was needed to control wages and prices.

Mr. Speaker, I cannot believe that such a request comes in good faith. To begin with, this administration has been on notice since the beginning of this session that this House was being recessed for 1 month beginning as of tomorrow.

This has not been a secret; it has been known to everyone in the administration. We have been here ready and willing and able to receive any recommendations made by the administration.

In addition to that, Mr. Speaker, an examination of the legislation passed in this session indicates without any equivocation that the President now has the power, if he wants to use it, to establish a wage and price board or even impose wage and price controls.

The idea that there must now be further debate in order to come to some determination of what the economic policies of this country should be is equally unnecessary. Starting from the distinguished Chairman of the Federal Reserve Board, appointed by President Nixon, Mr. Arthur Burns, and following through to almost every economist both in and out of government, we have had recommendations that there must be—there must be—some form of additional restraints on wages and prices in this economy.

I just do not understand why here, on the last day before the recess, we are suddenly confronted with such a demand.

The President on yesterday said in an interview on record in the Wall Street Journal, that unemployment continued to move downward.

Mr. Speaker, the President could not have examined the facts. Unemployment is higher now than it has been in 10 years. It hovers at 6 percent overall, and it runs 8, 9, 10, 11, and even 15 percent in some areas of our country. Among the young and among the veterans and among the blacks, it is between 10 and 15 percent.

The President says inflation is being brought under control. We have just witnessed the most inflationary wage settlements of the century—and necessarily so—because of spiraling prices. We have seen all the price indexes going higher last month than at any time in many years.

The object, as I understand it, of the policy instituted by this administration 2½ years ago was deliberately to induce some degree of unemployment in order to dampen inflation, to cut back on Government programs in order to reduce inflation. Despite the depressive measures we have suffered a continuation of inflation, and higher unemployment.

We must look at the situation from other perspectives, including how we stand in the world and how the rest of the free world views. It is rather a heart-rending thing to think about the fact that the American dollar no longer is treasured in foreign capitals.

First, as Al Smith would say, let us take a look at the record. In 1968, unemployment was at 3.6 percent and the wholesale price index was rising at 2.5 percent. This year, unemployment is at 6 percent, with wholesale prices rising at a rate of 5 percent. For a while during this slide, this administration was content to point to previous deficits. But after 2½ years of decline, and after being shocked by its own \$23.6 billion deficit, this administration realized that they cannot put the blame on anyone else.

It has let unemployment rise to the highest rate in a decade.

It has let the rate of wholesale price increases double.

It has let the GNP rise far below the 4½ necessary to maintain our potential.

It has let interest rates rise in a time of stagnation, until corporate bonds are averaging 8 percent compared to 5 percent in the mid-sixties.

All of this means that the country is producing \$72 billion less than its potential, and that a wage earner is getting \$1 less per week, using comparable dollars, than he did a year ago.

It also means that the dollar is more shaky than the administration cares to admit. West Germany and Canada are floating their currencies, and Japan and France are trying to stem the flow of unwanted dollars to their country.

Mr. Speaker, this could simply be written off as 3 bad years if things were getting better. However, the four conclusions reached by economists testifying before the Joint Economic Committee were:

The GNP will probably show less of an increase the second half of the year compared to the first half.

The growth of the money supply will be slackened even though interest rates are still rising.

No significant decline in unemployment is to be expected this year.

Inflation may still be as high as 4 or 5 percent by mid-1972.

And in the past week there has been no place to turn to avoid hearing bad news.

The Commerce Department reported that exports exceeded imports in June by \$362.6 million, due to the inflated prices and low productivity of this country. This almost certainly will put us in the first negative annual trade position of this century.

The Treasury Department reported that the Federal deficit was \$23.2 billion.

The Labor Department has indicated that unemployment will be moving back toward the 6 percent figure, instead of falling away from it.

This year's rise in the Wholesale Price Index has been shown to have manifest itself in the marketplace, with June being the second month in a row where consumer prices rose at least 6 percent.

The disheartening news that banks had raised their prime interest rates to 6 percent has been dwarfed by the news that some are considering 6½ percent.

There is no wonder that the stock market is reaching new lows.

The President has responded by ignoring the wage price control bill, vetoing the emergency public works bill, and freezing \$12 billion of appropriated funds including \$1 billion for the hard-hit area of community development.

If the President had stimulated the economy to full productivity, there would be \$20 billion more of Federal revenues, and \$7 billion more of local and State revenues—eliminating the need for revenue sharing.

Instead we have the Secretary of the Treasury telling us that a peacetime 4 percent unemployment with price stability is a myth, and the chairman of the Council of Economic Advisers telling us that the administration has rejected a policy of stimulation.

Mr. Speaker, I certainly hope that the country and Congress can overcome this kind of thinking for another year until a Democratic administration can restore the ideal of a healthy economy, with full employment, full productivity, and reasonable price stability.

Following is an article from today's Wall Street Journal:

WHITE HOUSE CALLS FOR CAPITOL HILL DEBATE ON WAYS TO HOLD DOWN WAGES AND PRICES

WASHINGTON.—The Nixon administration moved to quell a rising tide of criticism of its economic policies by calling for a congressional debate on ways to hold down wages and prices.

President Nixon told reporters he has an "open mind" about establishing a wage-price review board to curb inflation, but then quickly proceeded to sharply question the effectiveness of such an approach. A review board only would be established, he said, if congressional hearings "can convince me that enforcing as income (or wage-price) policy could be accomplished without stifling the economy."

An hour earlier, Treasury Secretary John B. Connally said the proposal of a dozen Senate Republicans to create a wage-price

review board and expand the scope of the President's productivity council "should provide the forum for a useful discussion of important economic issues."

Many economists, both in and out of government, interpreted these moves primarily as delaying tactics to deflect the growing uneasiness over the economy on the part of business, labor and particularly political leaders. One administration insider noted that with a recess about to start, congressional hearings couldn't begin for at least a month and that it might be sometime after that before any legislation would be considered. But a Capitol Hill source said, "Sentiment is so great up here to do something that things could move quicker than they (the administration) might think."

At a surprise 50-minute news conference in his White House office yesterday, Mr. Nixon also:

Predicted the economy will continue "to move up" in the second half of the year and that the unemployment rate will continue on a "downward course," although he conceded there will still be some "aberrations."

Insisted that progress is being made against rising costs, despite monthly "variations."

Pledged to "use the power of my office" to seek "responsible" wage settlements in the future.

Dismissed his alleged feud with Federal Reserve Board Chairman Arthur F. Burns as "greatly blown-up differences," and generally praised the chairman's performance.

The administration's willingness to at least discuss the possibility of a wage-price review board, which is strongly advocated by Mr. Burns, strikes a decidedly new tone from Secretary Connally's flat assertion five weeks ago that the President "isn't going to institute" such a board.

CRITICISM OF ECONOMIC POLICIES

The catalyst for this change, officials said, was the Republican Senators' open criticism of the administration's economic policies. These officials said that both Mr. Connally, who is the administration's chief economic spokesman, and Paul W. McCracken, chairman of the President's Council of Economic Advisers, felt the need for some response to the growing demand for a tougher wage-price policy.

From a political vantage point, Mr. Connally in particular felt it wasn't any longer tenable to continue dismissing all these cries for action, one official said.

Both Mr. Connally and Mr. McCracken, aides insist, remain flexible about the possibility of any wage-price review board although George P. Shultz, Director of the Office of Management and Budget, remains adamantly opposed. It's believed the budget chief may feel that by the time Congress is ready to adopt any wage-price legislation, the economy could be moving in such an obviously favorable direction as to make such action unnecessary.

Certainly the administration men aren't counting on any swift legislative measures. In his prepared statement, the Treasury Secretary emphasized that any congressional hearing must be "extensive, thorough and comprehensive." This review, he said, should examine previous U.S. experiences with wage-price policies and "probe carefully" into the experiences of other nations.

Secretary Connally listed seven specific questions that any hearing should explore, a step that one aide admitted was primarily "needling." These included how effective such measures have been, how comprehensive any measures might be and whether there would be any adverse impact on the U.S. trade balance. Previously the administration cited many of these problems in opposing any new wage-price action.

But one administration economist noted that the last point raised by the Treasury chief dealt with when it might be determined

that "such legislation is no longer needed." This suggests "that we've at least given a lot more thought to the possibility than might have been indicated," he added.

The Treasury aide also pointed to Mr. Connally's remarks in a television interview 10 days ago that a series of developments could combine to "trigger" a wage-price policy. These would include deteriorating labor-management relations, persisting trade-balance problems and "continued" high interest rates.

President Nixon retains a "theological" opposition to a tough wage-price policy, administration insiders say. And at yesterday's news conference the President clearly indicated his disdain for such measures.

He outrightly opposed compulsory powers for any wage-price board or the use of criminal sanctions against offenders. But he conceded the experience of other countries indicates that the power of persuasion "will work for only three to four months." Mr. Nixon pledged to reject any suggestion that "would impose a new bureaucracy with enormous criminal powers to fasten itself on the American economy," and said all recommendations he has seen contain this ingredient. The question of a wage-price review board, he said, will be taken up at the next meeting of the President's Productivity Commission Sept. 21.

For the present, Mr. Nixon said the administration's policy will be to continue to look at industries coming up for labor bargaining and "use our influence as effectively as we can to see that those settlements are responsible." In this regard, Labor Secretary James D. Hodgson has been directed to bring to the President's attention all major wage negotiations that are in the offing.

MAJOR NEGOTIATIONS COMING UP

With the settlement of the steel negotiations earlier this week, labor observers noted there aren't any "pattern-setting" labor contracts in the offing. But there are several major negotiations in the near future, including the longshoremen's contract and the coal, aerospace and airline industry negotiations.

Some proponents of a tough wage-price policy observed that if the President were serious about adopting new measures he could use the standby wage-price authority granted by Congress last year, or administratively establish guidelines. But Mr. Nixon pointedly said that guidelines have "never worked" in the U.S. and haven't been very successful elsewhere either.

The President also said any effort to roll back the recent 8% steel price boosts wouldn't "be effective." He did, however, strongly oppose the House-passed bill granting government blue-collar workers an additional 4% pay boost, which would cost about \$175 million a year.

The GOP senators, at a news conference earlier yesterday, seemed far more worried about the economy than the President. They said in a statement they were "deeply concerned about the continuing unacceptably high rate of unemployment and of inflation."

In seeking to downplay any disagreement between himself and Federal Reserve Chairman Burns, the President praised the agency's recent monetary policies and indicated strong agreement with Mr. Burns on most economic matters. He acknowledged some differences in the area of wage-price actions, where Mr. Burns' repeated calls for tougher steps have irritated top administration officials. But Mr. Nixon said Mr. Burns "hasn't been completely specific" in outlining what kind of wage-price measures should be adopted.

Mr. Nixon also said the chairman was on the receiving end of "a very unfair shot" from reports that he lobbied for a pay boost. Rather, the President said, the Budget Office recommended, and he approved, an increase

in Mr. Burns' \$42,500-a-year salary but the chairman himself rejected the idea at this time. The report that Mr. Burns sought a \$20,000-a-year pay boost was put out last week by White House aides.

Mr. BRAY. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, these remarks are addressed to the bill we were considering before the last speech, that is, S. 2296 regarding the National Guard Technicians.

The bill to increase the number of technicians authorized to be employed by the National Guard has been given my careful attention. My first reaction was one of concern because it revises a permanent authorization which was established less than 3 years ago. However, the change in concepts of defense posturing announced last fall has brought about a condition which was not foreseeable at the time the original authorization was fixed. Specifically the National Guard has been assigned a substantially greater responsibility in the Nation's defense configuration than was the case when the present technician strength ceiling was established. Particularly important is the fact that the National Guard, as well as other Reserve components, is now considered as the source of an immediate augmentation to the Active Forces in an emergency rather than utilizing the draft to accomplish an expansion. To insure that the National Guard is prepared to assume this role, there is presently underway an extensive upgrading of the material resources assigned to the National Guard. The magnitude of this realignment is exemplified by the changes in aircraft that have, or will have, occurred in the Air National Guard prior to the end of fiscal year 1973. Within this span of less than 2 years, one-third of the Air National Guard flying units will undergo a conversion of aircraft or a change in mission or both. More than 700 aircraft will be introduced into the Air Guard during this upgrading cycle including firstline equipment being used by the Air Force in the present conflict. This conversion of aircraft impacts heavily on the numbers of technicians required because of the maintenance requirements in the more modern and complex weapons systems. In some instances the maintenance workload practically doubles in the newer aircraft as opposed to the older planes being phased out. In fact, well over one-half of the additional technicians that would accrue to the Air National Guard in this bill will be utilized in the maintenance of aircraft.

The circumstances which I have described in brief detail for the Air National Guard are indicative of the conditions which exist in both the Army and Air Guard. During the same time frame the Army Guard will experience a weapons upgrading comparable to the aircraft upgrading in the Air Guard. This upgrading of weaponry in the Army Guard is also accompanied by an approximately 20-percent increase in the amount of equipment to be in their inventory. This increase is measured by literally thousands of line items of equipment ranging from small arms to aircraft and tanks.

Nearly 90 percent of the additional technicians which would be assigned to the Army Guard in this bill will be performing duties in the logistical support type activities.

In reviewing this bill in its total perspective I am impressed by several things some of which probably relate only indirectly to this bill. However, I am impressed by the prompt and concrete actions being taken by the Department of Defense to implement their previously announced concepts of defense. I am particularly impressed by the actions, apparently underway, to increase the equipage levels in the National Guard and the weapons modernization goals that appear evident. I am also very impressed that this level of improvement and this defense capability can be achieved within the additional manpower resources which are included in this bill. It is very significant in my opinion that the bulk of the additional technicians are in the category of production personnel. Better than 75 percent of the additional technicians are identified with logistics and aircraft maintenance. When such additional functions as flying training, nuclear security, communications and electronics, and direct supply support is added to logistics and aircraft maintenance, well over 80 percent of the increased technician authorization will be devoted to direct mission accomplishments.

There is one other feature of this bill which is incidental and not related to increasing the technician authorization. This is a proposal to repeal a section in title 32, U.S.C. that no longer serves a purpose and in fact is voided annually by appropriation language. Briefly, section 107 of title 32 prescribes that funds appropriated for the National Guard will be apportioned in a direct ratio to the number of enlisted members in the National Guard. Each year the appropriation language excludes this section from application for the simple reason that costs no longer have a relationship solely to the enlisted strengths. Instead, the weapons being utilized are the primary determinant of the expenses incurred. As an example, in the Air Guard, an organization assigned a complex tactical reconnaissance jet aircraft and another unit having a lesser complex observation aircraft each have similar enlisted personnel strengths. The expenses, however, related to operating the tactical reconnaissance jet aircraft are substantially greater because of the difference in fuel costs, supplies, depot overhaul, and so forth.

Therefore, the repeal of that section of title 32, which is included in this bill, while not related to the primary purpose of increasing the technician authorization, is nevertheless a valid proposal designed to overcome obsolete law.

In summation, I am convinced this bill represents an essential piece of legislation; legislation which is required in order to proceed with the concept of defense which has been announced and supported. Further, I have a complete confidence that the National Guard will utilize the resources made available in a most judicious manner and will maintain

its reputation of being an outstanding contributor to this Nation's security.

It is without hesitation that I recommend the passage of this bill as presented by the committee.

Mr. MONTGOMERY. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of S. 2296 and urge its favorable approval by my colleagues. The legislation would raise the ceiling on National Guard technicians from 42,500 to 49,200 for fiscal year 1972 and to 53,100 for fiscal year 1973 and thereafter.

The National Guard technician is a very important part of the preparedness capability of the Guard. The role of the technician is to provide support in the administration and training of the National Guard military organization and for the day-to-day maintenance and repair of equipment which cannot be accomplished during normal military training periods.

The role of the National Guard technician is becoming even more significant as we push toward a goal of the all-volunteer concept. There is increased emphasis on the Guard in the overall defense posture. The Guard is now receiving greater quantities of modern and sophisticated equipment which must be maintained. It is up to the technician to do the job and do it right.

Mr. Speaker, if we expect the National Guard to maintain a preparedness level necessary for national defense purposes, then it is going to be necessary to raise the ceiling on the number of technicians. For this reason, I urge passage of S. 2296.

Mr. FULTON of Pennsylvania. Mr. Speaker, it is a pleasure to call attention of the Congress, my support, through H.R. 4959. This is my bill filed as one of the cosponsors, on February 25, 1971, to amend title 5, United States Code, to correct inequities in the crediting of National Guard technician service in connection with civil service retirement.

I read the bill into the RECORD as follows:

H.R. 4959

A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8332(b) of title 5, United States Code, relating to creditable service for civil service retirement purposes, is amended by striking out the last sentence thereof which reads as follows: "Service referred to in paragraph (6) is allowable only in the case of persons performing service under section 709 of title 32, United States Code, on or after the effective date of the National Guard Technicians Act of 1968."

(b) Section 8334(c) of title 5, United States Code, relating to deposits for periods of creditable service for civil service retirement purposes is amended by striking out the last sentence thereof which reads as follows: "Notwithstanding the foregoing provisions of this subsection, the deposit with respect to a period of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be an amount equal to 55 per centum of a deposit

computed in accordance with such provisions."

(c) Section 8339 of title 5, United States Code, relating to computation of civil service retirement annuities, is amended by striking out subsection (1) thereof which reads as follows:

"(1) In determining service for the purpose of computing an annuity under each paragraph of this section, 45 per centum of each year, or fraction thereof, of service referred to in section 8332(b)(6) which was performed prior to the effective date of the National Guard Technicians Act of 1968 shall be disregarded."

(d) Section 3(c) of the National Guard Technicians Act of 1968 (82 Stat. 757; Public Law 90-486), relating to crediting of National Guard technician service for Federal employees leave, death, and disability compensation, group life and health insurance, severance pay, tenure, and status, is amended by striking out the last sentence thereof which reads as follows: "This subsection shall apply only in the case of persons who perform service under section 709 of title 32, United States Code, on or after the effective date of this Act."

SEC. 2. The foregoing provisions of this Act shall become effective as of January 1, 1969.

CONGRATULATIONS TO MAJ. GEN. MILNOR ROBERTS AS NEW U.S. ARMY RESERVE CHIEF

We in Pittsburgh are proud and pleased with the elevation of our own civic-minded citizen and well-known reservist, to Chief of the U.S. Army Reserves. With the new emphasis on Reserves in every branch of the U.S. armed services, America is fortunate to have Milnor Roberts placed, because of his loyalty and ability, in this strategic command position in the U.S. Army.

I read into the RECORD from the May 1971 issue of "The Officer," official publication of the Reserve Officers Association of the United States, the article "Major General J. Milnor Roberts," and the editorial "A New Day for a New Team":

MAJ. GEN. MILNOR ROBERTS, JR., NEW ARMY RESERVE CHIEF, SURVIVOR OF "THE LONGEST DAY" IN NORMANDY, HAS OUTSTANDING RECORD IN MILITARY COMMAND AND LEADERSHIP ROLES

Maj. Gen. J. Milnor Roberts, Jr., the new Chief of Army Reserve on the Army Staff, went from command of Co. E of the 88th Glider Infantry Regiment, to the post of Battlefield Aide, to the V Corps Commander on the Omaha Beach on D-Day, 6 June 1944, only to find himself so often exposed to enemy fire in so many different situations that he landed the next morning on the casualty list.

"I encountered an old college friend the next morning who greeted me with, 'My God, I thought you were dead.'"

"Funny thing," recalled General Roberts with a not too funny laugh, "It took me a little time to convince him that I was alive and generally speaking all right, and I was concerned as to how far reports of my name being on the KIA list had proceeded. I especially wanted my family back home to know that the report was, indeed greatly exaggerated."

A CAPTAIN ON D-DAY

Roberts was a captain at the time, just four years after receiving his commission from ROTC at Lehigh University, Bethlehem, Pa., and just approaching his 25th birthday. But from the time of that historic Normandy Beachhead landing until the end of the war, he was involved in the roughest action of World War II, as Allied forces plowed across France and Germany, before uniting with the Russian allies and accept-

ing the German surrender, a traumatic 11 months later. Meanwhile, he had become a key member of the V Corps Staff, first as Assistant G-5, Executive Officer of the G-5 Section, and then Assistant G-2, before being released from active duty in December 1945, carrying home with him various military decorations, including the Bronze Star Medal, the Croix de Guerre with Silver Star (French), the Military Cross of 1939 (Czechoslovakian).

SHARED JEEP WITH THURMOND

Before shipping overseas to an English training base, he served as instructor at the Infantry School at Ft. Benning, and in various instructor and training assignments in the Infantry and Glider Infantry. By coincidence, his Glider Infantry experience parallels that of then Col. Strom Thurmond, a much-decorated officer of the D-Day landing, who today is the second senior Republican member of the Senate Armed Services Committee, Past National President of ROA, and recent recipient of the ROA Minute Man of the Year award. They first met when they shared a battered jeep on a wild dash up a country road during an advance inland from the Beachhead. Thurmond was then operations officer of the G-5 Section of First Army and Roberts was Executive Officer, G-5 Section, V Corps. They have been personal friends since.

"The Longest Day", the history-making novel by Cornelius Ryan, was the basis for a fabulous motion picture, the premiere showing of which was sponsored in many places by ROA. Roberts had been a rich source of material for this book because of his activity for his commander, General Leonard Gerow, in rushing from one point on Omaha Beach to another. One story he recalls, which has never been told, was the delightful one about the messages to the troops from the President of the United States and the invasion forces surgeon.

LOFTY AND PRACTICAL MESSAGES

President Roosevelt's message was couched in the loftiest inspirational prose, exhorting the men to respond to their sacred challenge to liberate in the name of God and justice the enslaved beloved friends of all Americans. The Surgeon General, in a more practical sense, emphasized the issuance of duplicate essential articles to all soldiers going out to fight and reminding them that the romantic aspects of this liberation efforts should be guarded with care. General Roberts used one of his—in which to wrap his wrist watch, and he recalled later that his watch was the only thing about him dry after he got ashore. "This is the watch I have on my wrist today," he says with some pride.

After World War II, General Roberts continued in the Active Reserve, serving as S-2, S-3 and Executive Officer, 314th Infantry Regiment; Commanding Officer, 1st Battle Group, 314th Infantry Regiment; Commander, Combat Command Section, 79th Command Headquarters (Divisional); as a Mobilization Designee to the Office, Chief of Information, Department of the Army, and Commander of the 99th ARCOM.

REGAINS TWO-STAR RANK

General Roberts was selected and confirmed for two star rank, but gave up his opportunity to become a Major General when he accepted an appointment on 1 October 1970, as Deputy Chief of Army Reserve, being the first Army Reserve General Officer to fill this position. As Chief, he regained his two-star rank.

A native of Pittsburgh, General Roberts, in civilian life, was President of Sykes Advertising, Inc., and has been active in various civic, professional and patriotic activities.

He became Commander of the 99th ARCOM in December 1968, and was promoted to Brigadier General in May 1968.

In addition to the Infantry School and glider operations course, he has completed the Command and General Staff College associate and combat refresher courses, the National War College Defense Strategy Seminar and the National Security Seminar of the Industrial College of the Armed Forces. He has also attended the Army War College Senior Reserve Component Officers Course.

HOME IN PITTSBURGH

General Roberts' wife, "Ginger", petite and auburn haired, has been completing a four-year effort to obtain a Master's Degree in Social Work from the University of Pittsburgh, since he has been in the Pentagon. The Roberts, parents of a college-age son, a high school senior, Class of 1971, and two other teenagers, has just completed and warmed up a home they had designed by a leading contemporary architect to meet requirements of this day: an adult section of the house, connected by a second-story bridge to a section of the house occupied by their children, underneath of which is a garden patio. The site is on a mountainside overlooking the Allegheny River, and the most scenic part of suburban Pittsburgh.

A NEW DAY FOR A NEW TEAM

On the day this is being written the United States Senate has confirmed as Reserve Chiefs two officers of the nation's military Reserve, who also are influential members of our Association, Maj. Gen. Homer I. Lewis, in the Air Force, and Maj. Gen. James Milnor Roberts, Jr., in the Army. These nominations were forwarded by the Commander-in-Chief, the President of the United States, on March 8, and were the subject of routine but detailed investigation by the Committee on Armed Services.

Senator Stennis, in opening the hearings, emphasized they were not necessitated by any requirement to probe their records, but to underscore the deep interest of the Congress in the work these officers must do. It was significant that he gave them a special welcome "to the problems of the office they assume." Both of these Officers, he pointed out, were established by statute December 1, 1967, under what was known as H.R. 2, and the two nominees of 1971 are the second appointees to these positions.

The hearings lasted less than one hour; yet they were thorough, being marked more particularly by the spirit of commitment which came through very clearly. Both General Lewis and General Roberts were being placed in key positions in the military staff Defense Services where their welcome is assured; they themselves made it clear that they approached their duties in a sense of determined dedication; each was assured by the Senators present that the Congress takes very seriously its responsibilities to them and to their assignments.

In his informal responses to questions from the Chairman, General Lewis referred to the increasingly important environment in the Reserve Forces. He said:

"The challenges are great, the opportunities are great, and we are receiving more direction and encouragement from the active establishment and from the Congress.

"It is a turning point really. We have built up a great force and improved a great force for two or three years, and it is getting better all the time, and today we are finding ourselves coming into relatively modern equipment and finally we are being looked upon for more reliance with the no-draft propositions."

Senator Stennis responded, "I am very strong for the Reserves. I think all members of the Committee are. We really think you have an important place in any war planning. . . . I hope that we have a firm hard policy for future years that will make the Reserves an integral part of our forces. I think that is the only way to save money.

. . . We have less manpower in the Regulars and rely more on the Reserves."

General Lewis responded, relative the cost of the Reserves, "We are spending in the Air Force Reserve (funds) for the units that actively support, contribute, augment the Active Forces on a day to day basis and we think that is a proper way to address this subject in today's environment."

Senator Stennis alluded subtly to "lip service" when he commented:

"When you say something to the Regulars about sharing with them some of their better planes they don't want to do it. . . . I think we have got to have the Reserves, good units, to share in some of the better products."

In turn, General Roberts, in response to the questions of the Chairman, said:

"Today, the Army General Staff is relying on a viable Reserve to a greater extent than they ever have before. It is our mission to get these units in the highest state of readiness so that they have the same level of training and preparedness as the Active Army units that they will be working with, and then, of course, we can't forget we have the mobilization base of the country. Our training divisions are established to train and quickly turn out a large number of people if the need arises, and I am happy to say that the Defense Department, having made a statement that they are going to place greater reliance upon the Reserve Forces, are carrying through and I sense a changed attitude throughout the Pentagon with regard to the Reserve Forces."

Subsequently, in order, the note sounded by Senator Stennis and by Generals Lewis and Roberts, was emphasized by Senators Symington, Byrd, of Virginia, Margart Chase Smith, Thurmond and Schweiker. Senator Bentsen, of Texas, expressed delight over appointment of one of his constituents, calling him a man of high character and ability and emphasizing that the positions of the Reserve Chiefs, "have a higher correlation of significance than they have had for many years." Senator Schweiker, praising General Roberts as a citizen-soldier, predicted that in the decade ahead the nation may be expected to put more of a burden on Reserve Forces than they have ever had before, and that there is "more of a challenge and more of an opportunity for Reserve excellence in the next decade than we have had since World War II . . . that . . . we have got to back up these gentlemen in this job to give them the wherewithal and emoluments of the service . . . we have not done this fully in the past . . . it behooves this Committee to back up the Reserves and to build up the Reserves and to build up the forces in a way that we haven't done since World War II."

At one point in the hearings, Senator Thurmond spoke from his own experience with words which were significant to our Association. Speaking to General Lewis, he said:

"I note you are coming to this high position as Chief of Air Force Reserves after having served as President of the Reserve Officers Association several years ago. As a former President of the ROA, I find my year of service in that capacity most helpful in connection with my duties here in the Senate. And I believe you will have a similar experience in this new role that you are assuming."

We devote this prime space in our magazine to consideration of these two appointments, because like the Senators, we believe that they represent a turning point, and that these officers have critical roles in determining the safety and security of our nation in the years ahead. Their records will speak for themselves; but they have the background and experience, the dedication, and they are making the personal sacrifices to commit four years out of their lives to back-

breaking leadership requirements. ROA will support them as it has done their predecessors, and yet reserving our right to criticize as well as to applaud. In this American way of serving our leadership, we anticipate no easy years ahead, but we do envision productive and exciting times.

Mr. FISHER. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Resolution 571 was laid on the table.

PRINTING ADDITIONAL COPIES OF HEARINGS ENTITLED "COMPREHENSIVE PRESCHOOL EDUCATION AND CHILD DAY-CARE ACT OF 1969"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-452) on the concurrent resolution (House Concurrent Resolution 319) to provide for the printing of 1,000 additional copies of the hearings before the Select Subcommittee on Education and Labor entitled "Comprehensive Preschool Education and Child Day-Care Act of 1969," and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 319

Resolved by the House of Representatives (the Senate concurring), That one thousand additional copies of the hearings before the Select Subcommittee on Education of the Committee on Education and Labor of the House of Representatives, Ninety-first Congress, first and second sessions, on H.R. 13520, entitled "Comprehensive Preschool Education and Child Day-Care Act of 1969", be printed for the use of the Select Subcommittee on Education.

With the following committee amendment:

On page 1, line 2, strike "one" and insert in lieu thereof "two".

The committee amendment was agreed to.

The concurrent resolution was agreed to.

The title was amended so as to read: "To provide for the printing of two thousand additional copies of the hearings before the Select Subcommittee on Education and Labor entitled 'Comprehensive Preschool Education and Child Day-Care Act of 1969'."

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "ENVIRONMENTAL QUALITY EDUCATION ACT OF 1970"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-453) on the concurrent resolution (H. Con. Res. 320) to

provide for the printing of 300 additional copies of the hearings before the Select Subcommittee on Education of the Committee on Education and Labor entitled "Environmental Quality Education Act of 1970," and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 320

Resolved by the House of Representatives (the Senate concurring), That three hundred additional copies of the hearings before the Select Subcommittee on Education of the Committee on Education and Labor of the House of Representatives, Ninety-first Congress, second session, on H.R. 14753, entitled "Environmental Quality Education Act of 1970", be printed for the use of the Select Subcommittee on Education.

With the following committee amendment:

On page 1, line 2, strike out "three" and insert in lieu thereof "six".

The committee amendment was agreed to.

The concurrent resolution was agreed to.

The title was amended so as to read: "To provide for the printing of six hundred additional copies of the hearings before the Select Subcommittee on Education and Labor entitled 'Environmental Quality Education Act of 1970'."

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "DRUG ABUSE CONTROL AMENDMENTS—1970"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-454) on the concurrent resolution (H. Con. Res. 337) to provide for the printing of 250 additional copies each of parts 1 and 2 of the hearings before the Subcommittee on Public Health and Welfare of the Committee on Interstate and Foreign Commerce entitled "Drug Abuse Control Amendments—1970," and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 337

Resolved by the House of Representatives (the Senate concurring), That two hundred and fifty additional copies each of parts 1 and 2 of the hearings before the Select Subcommittee on Education of the Committee on Education and Labor of the House of Representatives, Ninety-first Congress, second session, on H.R. 9312, H.R. 9313, and H.R. 9314, entitled "Drug Abuse Education Act of 1969", be printed concurrently for the use of the Select Subcommittee on Education of the Committee on Education and Labor of the House of Representatives.

With the following committee amendment:

On page 1, line 2, strike out "two hundred and fifty" and insert in lieu thereof "five hundred".

The committee amendment was agreed to.

The concurrent resolution was agreed to.

The title was amended so as to read: "To provide for the printing of 500 copies each of parts 1 and 2 of the hearings before the Select Subcommittee on Education of the Committee on Education and Labor entitled Drug Abuse Education Act of 1969."

A motion to reconsider was laid on the table.

PROVIDING FOR REPRINTING OF THE PRAYERS OFFERED BY THE CHAPLAIN

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-455) on the concurrent resolution (H. Con. Res. 359) to provide for the reprinting of the prayers offered by the Chaplain, and ask for immediate consideration of the concurrent resolution as follows:

H. CON. RES. 359

Resolved by the House of Representatives (the Senate concurring), That eight thousand eight hundred copies of the prayers offered by the Chaplain, the Reverend Edward Gardner Latch, D.D., L.H.D., at the opening of the daily sessions of the House of Representatives of the United States during the Eighty-ninth, Ninetieth, and Ninety-first Congresses, be reprinted and bound, with appropriate illustration, for the use of the House of Representatives.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

TO PRINT AS A HOUSE DOCUMENT THE CONSTITUTION OF THE UNITED STATES

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-456) on the concurrent resolution (H. Con. Res. 365) to print as a House document the Constitution of the United States, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 365

Resolved by the House of Representatives (the Senate concurring), That there is authorized to be printed as a House document the Constitution of the United States, as amended through July 5, 1971, with an analytical index and ancillaries regarding proposed amendments, prepared by Representative Emanuel Celler, of New York, to be bound with a paperback cover of the style and design used in printing House Document Numbered 124 of the Ninetieth Congress, and that two hundred and forty thousand additional copies be printed, of which twenty thousand shall be for the use of the House Committee on the Judiciary and the balance prorated to the Members of the House of Representatives.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF POCKET-SIZE EDITION OF "THE CONSTITUTION OF THE UNITED STATES OF AMERICA"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92-457) on the concurrent resolution (H. Con. Res. 367) authorizing the printing of the pocket-size edition of "The Constitution of the United States of America" as a House document, and for other purposes, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 367

Resolved by the House of Representatives (the Senate concurring), That there shall be printed as a House document the Constitution of the United States (pocket-size edition), as amended to July 1, 1971, and that one hundred and ten thousand shall be for the use of the House of Representatives.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 243]

Abourezk	Esch	Nix
Addabbo	Eshleman	O'Hara
Alexander	Evlins, Tenn.	Passman
Anderson, Ill.	Fish	Patman
Anderson,	Flood	Pelly
Tenn.	Flynt	Pepper
Belcher	Foley	Peyster
Bell	Fulton, Tenn.	Pike
Blanton	Fuqua	Rees
Boland	Gallagher	Roberts
Burleson, Tex.	Gray	Rosenthal
Cabell	Gross	Roush
Celler	Gubser	Ryan
Chappell	Hagan	St Germain
Chisholm	Hanna	Saylor
Clark	Hansen, Wash.	Scheuer
Clay	Harrington	Schwengel
Cleveland	Harsha	Sikes
Conte	Jones, Tenn.	Sisk
Conyers	Long, La.	Stafford
Corman	McClure	Teague, Tex.
Cotter	McCulloch	Tiernan
Danielson	McDade	Van Deerlin
Davis, Ga.	McKay	Vander Jagt
Dent	McKevitt	Waldie
Diggs	McKinney	Williams
Donohue	Meeds	Wilson
Eckhardt	Mink	Charles H.
Edmondson	Molchan	Wright
Edwards, Calif.	Mosher	Yatron
Edwards, La.	Moss	
Eilberg	Murphy, N.Y.	

The SPEAKER. On this rollcall 341 Members have answered to their names, a quorum.

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

CONFERENCE REPORT ON S. 581, EXPORT EXPANSION FINANCE ACT OF 1971

Mr. ASHLEY. Mr. Speaker, I call up the conference report on the bill (S. 581) to amend the Export-Import Bank Act of 1945, as amended, to allow for greater expansion of the export trade of the United States, to exclude Bank receipts and disbursements from the budget of the U.S. Government, to extend for 3 years the period within which the Bank is authorized to exercise its functions, to increase the Bank's lending authority and its authority to issue, against fractional reserves and against full reserves, insurance and guarantees, to authorize the Bank to issue for purchase by any purchaser its obligations maturing subsequent to June 30, 1976, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 2, 1971.)

Mr. ASHLEY (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

The SPEAKER. The gentleman from Ohio (Mr. ASHLEY) is recognized for 30 minutes and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 30 minutes.

Mr. ASHLEY. Mr. Speaker, I think all of us are familiar with the legislation before us, which was adopted in the House only a very few weeks ago. Let me address myself, then, to the items in disagreement between the House version of the Export Expansion Finance Act of 1971 and that of the Senate.

In doing so, Mr. Speaker, let me say that on four of the five items in disagreement the position of the House prevailed. On one item in disagreement the position of the Senate prevailed.

The first item in disagreement was with respect to the life of the Bank. The Senate bill extended the authorization of the Export-Import Bank to June 30, 1976. The House version extended it to June 30, 1974. For the reasons discussed at the time of the passage of the legislation in the House it was strongly urged by your conferees that the House position be affirmed, and this was the result.

With respect to the second item in disagreement, the House bill removed the Federal Reserve constraints on U.S. exports by commercial banks. There was no similar provision in the Senate bill, and the House position prevailed.

REQUEST TO CALL UP CONFERENCE REPORT ON DEPARTMENTS OF LABOR AND HEW APPROPRIATION BILL

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

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

Mr. MAHON. I would like to know if the gentleman from Ohio would be willing to yield in order to permit me to make a unanimous-consent request having to do with the Labor-HEW appropriation bill for 1972?

Mr. ASHLEY. Of course, I yield to the very distinguished gentleman from Texas for that purpose.

Mr. MAHON. I thank the gentleman very much.

Mr. Speaker, I ask unanimous consent that it may be in order at any time today to consider the conference report on the Labor-HEW appropriation bill for 1972, H.R. 10061.

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

Mr. HALL. Mr. Speaker, reserving the right to object, has there been any indication, I will ask the distinguished occupant of the chair, that such a conference report has been concluded and filed and printed in the RECORD to date?

The SPEAKER. There has not been. Mr. HALL. Under those circumstances, of course, I would be forced to object.

The SPEAKER. Objection is heard. Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. Does the gentleman from Pennsylvania want to pursue the matter?

Mr. FLOOD. Yes.

Mr. ASHLEY. I yield to the gentleman.

Mr. FLOOD. I thank the gentleman from Ohio.

Mr. Speaker, working from early this morning, we concluded a conference on this bill. The report is now being written. The papers are being put together.

The question arose, should we seek a rule or should we seek unanimous consent to consider the report today.

I might add that we have done very, very, very well in our registrations with the other body and we would like to dispose of the conference report as soon as it is presented.

Mr. HALL. Well, Mr. Speaker, will the gentleman yield further?

Mr. ASHLEY. Yes, I yield further to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman from Ohio yielding for the purpose of this colloquy. Of course, the very point is that I have no reason to know that information which the gentleman from Pennsylvania has just furnished the House.

It would seem to me that within the greatest expansion of any realm of concept of the ordinary procedures that, first, one would get permission to file the conference report after the conference has been concluded and the papers prepared before asking unanimous consent to consider, both of which break the rules of the House, and do damage the Legislative Reorganization Act of 1970 in regard to unanimous consent.

Mr. FLOOD. Mr. Speaker, if the gentleman will yield further, may I say that the papers have not yet been completed and printed. But I assure the gentleman that we did far better than what he prob-

ably thought might happen. I do not think that we came out on the short end.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, my good friend is, of course, very convincing in his great Shakespearean prose and his admirably portrayed histrionics. The gentleman knows I love him like a brother and the gentleman has done me many favors; however, the gentleman is discussing the context of the conference report, which has not been filed let alone not being the proper time under the statute that the waiver of the Reorganization Act of 1970 be granted to him, so that we can consider it on the same day.

Mr. FLOOD. Mr. Speaker, if the gentleman from Ohio will yield further, may I say this: The gentleman is quite right, of course. The gentleman is, of course, quite right on the rules, but the request is exactly the same as the request I would hope to make in a couple of hours when the report is presented. I would hope we could proceed.

If we have to go to the Committee on Rules and come back here with a rule, it would take an hour or so and that would be a further delay.

Mr. HALL. What I am interested in, if the gentleman from Ohio will yield further, and I appreciate his precious time—

Mr. ASHLEY. Mr. Speaker, may I inquire as to how much time has been used?

The SPEAKER. The gentleman has used 8 minutes.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, my only interest is in the proper and orderly procedure and that we have this information in order that within the scope of due process we can simply distill that information into intelligence so that we can act with mature judgment.

It was this concept that brought about the 3-day rule for conference reports in the Reorganization Act of 1970.

The "fraternity" of the Committee on Appropriations has violated that rule on every conference report they have brought back to date, and the disease is spreading rampant including other conference reports, and no unctious or inoculative procedures seem to stop it.

Mr. FLOOD. If the gentleman will yield further, to assure the distinguished doctor that we have performed, not a transplant, but a minor miracle.

Mr. HALL. Mr. Speaker, let me suggest to my distinguished friend that he simply renew his request and ask permission to file a conference report when prepared this afternoon at that time. Then at a later time after some figures are available and there has been more time for preparation and consideration the gentleman could, it seems to me, ask permission to take it up out of order and in violation of the rule—even though this same committee last week upped the budget \$1.833 billion in one afternoon on two bills, and only yesterday another \$1 billion was packed onto the taxpayer's back.

Mr. FLOOD. I think the gentleman is quite reasonable in his suggestion.

Mr. ASHLEY. Mr. Speaker, with respect to the third difference in the House

and Senate versions of the bill under consideration, the House language provided that the Export-Import Bank's financial services shall be available to export agents and managers, to independent export firms, and to small commercial banks. There was no similar Senate provisions, and again the House position prevailed.

The fourth item in disagreement related to the intent of Congress that the Export-Import Bank provide financing on terms and conditions that are competitive with Government-supported rates, terms, and other conditions available to exporters in other countries with which the United States is in trade competition.

There was considerable discussion of the difference between the House language in this regard and that of the Senate. The House position again prevailed.

On the fifth and final item in disagreement, on which the Senate prevailed, let me say that the Senate bill amended the so-called Fino amendment by prohibiting the Export-Import Bank financing of exports to any nation with which the United States is in armed conflict, or to any nation where such transaction, as determined by the President, is contrary to the interests of the United States.

As will be recalled, the House acted to retain the so-called Fino amendment by a vote of, I believe, 207 to 153. I want to make it clear that there was a bona fide effort on the part of the House managers to assert the House position.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield.

Mr. ASHLEY. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Speaker, I appreciate the point the gentleman from Ohio (Mr. ASHLEY) is making, and would ask the gentleman whether it would not be a fair assumption to say that when the house conferees were attempting to maintain this amendment as passed by the House that word was sent to the House that the administration favored a change in the position the House was taking?

CALL OF THE HOUSE

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

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

Mr. ROONEY of New York. Mr. Speaker, I move a call of the House. A call of the House was ordered.

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

Abourezk	[Roll No. 244]	Dickinson
Addabbo	Carey, N.Y.	Diggs
Alexander	Cederberg	Donohue
Anderson, III.	Celler	Eckhardt
Anderson,	Chappell	Edmondson
Tenn.	Chisholm	Edwards, La.
Aspin	Clark	Ellberg
Bell	Clay	Esch
Blanton	Cleveland	Eshleman
Boland	Conte	Evins, Tenn.
Brademas	Corman	Fish
Burleson, Tex.	Cotter	Flynt
Cabell	Davis, Ga.	Fulton, Tenn.
	Dent	

Fuqua	Meeds	St Germain
Goldwater	Melcher	Saylor
Gray	Mink	Scheuer
Gross	Mollohan	Schwengel
Gubser	Montgomery	Sikes
Hagan	Moorhead	Slack
Hanley	Mosher	Smith, Calif.
Hanna	Murphy, N.Y.	Springer
Hansen, Wash.	Nix	Stafford
Harrington	Passman	Staggers
Jacobs	Patman	Stuckey
Jones, N.C.	Pelly	Teague, Tex.
Jones, Tenn.	Pepper	Thompson, N.J.
Kluczynski	Peyser	Tiernan
Leggett	Powell	Van Deerlin
Long, La.	Pucinski	Vander Jagt
McClure	Railsback	Walde
McCulloch	Rees	Williams
McDade	Reid, N.Y.	Wilson, Bob
McKay	Roberts	Wilson,
McKinney	Roush	Charles H.
Mailliard	Ryan	Yatron

The SPEAKER pro tempore. On this rollcall 330 Members have answered to their names, a quorum.

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 29, 1971:

H.J. Res. 169. Joint Resolution authorizing the acceptance, by the Joint Committee on the Library on behalf of the Congress, from the United States Capitol Historical Society, of preliminary design sketches and funds for murals in the east corridor, first floor, in the House wing of the Capitol, and for other purposes; and

H.R. 6072. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Pembina Band of Chippewa Indians in Indian Claims Commission dockets numbered 18-A, 113, and 191, and for other purposes.

On July 30, 1971:

H.J. Res. 714. Joint Resolution designating the week of August 1, 1971, as "American Trial Lawyers Week."

On August 2, 1971:

H.R. 1892. An act for the relief of Stephen D. Yednock;

H.R. 1907. An act for the relief of Arnold D. Smith;

H.R. 2246. An act for the relief of Charles C. Smith; and

H.R. 3753. An act for the relief of Sgt. Ernie D. Bethea, U.S. Marine Corps (retired).

On August 3, 1971:

H.R. 2110. An act for the relief of the estate of Julius L. Goeppinger; and

H.R. 6217. An act to amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938.

On August 4, 1971:

H.R. 7271. An act to authorize appropriations for the Commission on Civil Rights.

CONFERENCE REPORT ON S. 581, EXPORT EXPANSION FINANCE ACT OF 1971

The SPEAKER pro tempore (Mr. BOLLING). When the point of order that a quorum was not present was made, the gentleman from Ohio had consumed 13 minutes.

Mr. ASHLEY. Mr. Speaker, at the time the quorum call was ordered I was engaged in a colloquy with my distin-

guished friend, the gentleman from Ohio (Mr. J. WILLIAM STANTON).

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Speaker, I appreciate my colleague from Ohio yielding to me.

When the quorum call took place, we were discussing the action of the conferees, and I was hoping to make the point that the other body gave in to this House on four points, and we conceded on one, and that point was the last point before the conference was settled, and at the height of the battle the House was holding to its position on the amendment and word was sent to the conferees that the administration was acceptable to the bill that we have before us, and with that final word in there, I just wanted to make that particular point, that then shortly thereafter the conferees adjourned.

Mr. ASHLEY. I appreciate very much the contribution of the gentleman from Ohio because I think it is of considerable importance that it can be said that had the position of the administration been known at the time the measure was being debated on the floor of the House that the 207-to-153 teller vote might have turned out quite differently.

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

Mr. ASHLEY. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I would ask the gentleman who told him the administration supported the Senate position on this amendment?

Mr. ASHLEY. Word was given to us by the minority, as I recall, by the minority staff of the Senate Committee on Banking.

Mr. WYLIE. By the minority staff of the Senate Committee on Banking?

Mr. ASHLEY. That is correct. Subsequently this by a representative of the White House.

Mr. WYLIE. That is sort of strange. I have tried repeatedly to find out the position of the administration. But, you got your information from a staff member.

Mr. ASHLEY. Well, is my recollection right? I will refer to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Speaker, I think the point is trying to be established as to what is the administration's position on this particular amendment, and I would say to my colleague, the gentleman from Ohio, who has more seniority than I have in the House, that we are not in a position to speak. We do have a minority leader who I assume will speak to that later, and this problem will be solved. And I hope that those who are wondering about the position of the administration will take the gentleman's word for it.

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

Mr. ASHLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman from Ohio being willing to yield to me.

Does the gentleman in the well mean to tell this House of Representatives that on substantive issues such as the Wylie amendment the present law as we are concerned with here, and that the Senate just casually decided to leave out, that when the gentleman wants to make a determination on what the position of the administration is, that he relies on the simple judgment of the minority staff of the Senate?

Mr. ASHLEY. It was not their judgment; it was discussed among the conferees, the Republicans and Democratic conferees in the other body as well as those of us representing the House.

My recollection is that the report with respect to the position of the administration was accepted at face value. There was no reason to suspect skulduggery or misrepresentation.

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

Mr. ASHLEY. I yield to the gentleman.

Mr. GETTYS. I would like to ask the gentleman are the House conferees to take instruction from the White House, or from the staff of the Senate Banking Committee?

Mr. ASHLEY. From the House.

Let me say to the gentleman that the position of the administration with respect to the item in disagreement was only one aspect of that question. The fact of the matter is that the Senate as a body was unanimous on this matter.

Mr. GETTYS. Yes, but if the White House wanted something would the conferees on the part of the House have the obligation and duty to come back to the House for instructions, and not to take instructions from the White House?

Mr. ASHLEY. We did not take instructions from the White House.

The position of the White House on this matter was simply one consideration.

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

Mr. ASHLEY. I yield to the gentleman. Mr. REUSS. Would not the gentleman from Ohio agree that the situation is as follows: That the conferees attempted to carry out the will of the House, and that they were not successful in doing so on this particular east-west issue. But they were successful on every other controverted issue.

And is it not further a fact that the White House since the adoption of the conference report has communicated that both it and the Export-Import Bank entirely supports the conference report, and hopes that it will be adopted?

Mr. ASHLEY. The gentleman is absolutely right.

Mr. REUSS. And is it not a further fact that that position by the White House and the Export-Import Bank did not affect the House conferees at the time they were conferring, but that it is, and should be, of interest to Members who are called upon this afternoon to vote on the conference report?

Mr. ASHLEY. I thank the gentleman.

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

Mr. ASHLEY. I yield to the gentleman from Illinois.

Mr. FINDLEY. Regardless of what forces were brought to play during the

conference, it is my view that the conferees came back from the conference with a good report and particularly on the question of East-West trade. The only justification that I can think of for hanging on to this vestige of an earlier era would arise from the contention of some that we are still trying to win a military victory in South Vietnam. Then, economic warfare would make sense. Surely that day is long gone, and it is high time that we acted in harmony with the new approach to East-West trade that our President has so well advanced on a number of fronts.

The position of conferees on this position is in complete harmony with the President's trade initiative with Mainland China, and there is some indication that the administration would like to extend the most-favored-nation status to Rumania, and perhaps to other countries. So I am certainly in accord with what the conferees have brought back to the House, and I congratulate the managers for their leadership.

Mr. ASHLEY. I thank the gentleman very much for his statement.

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

Mr. ASHLEY. I yield to the gentleman.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman from Illinois bringing out the fact that the administration is trying desperately to establish trade relations with various Communist countries, and that that is a "new policy." But this bill unfortunately does not totally prevent that. The Wylie amendment does not totally prevent East-West trade. The Wylie amendment merely, states that, and I am sure the gentleman from Illinois would support the position, that we would not allow the Export-Import Bank guarantees to be used as loans for trading with North Vietnam, with whom we are at war or as the bill states "in armed conflict." That is the issue. So it has nothing to do with East-West trade in a general way.

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

Mr. ASHLEY. I yield to the gentleman.

Mr. FINDLEY. First of all, I do not think that my position was quite accurately stated. I said that I felt this move was in complete harmony with the new attitude of the administration. I noted no desperation. And as I understand the East-West trade issue it relates not only to trade with Hanoi, but more importantly to trade with countries which trade with Hanoi.

Mr. ASHLEY. That is a thrust, of course, of the Fino amendment—to absolutely prohibit Eximbank participation in trade with those countries which through State-trading agencies, export goods to North Vietnam.

Mr. FINDLEY. Of course.

Mr. ASHLEY. And what the Senate language says is that there shall continue to be a prohibition with respect to the financing of exports by the Export-Import Bank with countries with whom the United States is in armed conflict, and shall continue the prohibition wherein the determination of the President such prohibition with respect to the financing

of exports to any country is contrary to our national interests.

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

Mr. ASHLEY. I yield to the gentleman from Indiana.

Mr. DENNIS. I would just like to point out that this section does not say anything about Hanoi or North Vietnam. It applies to trade with any country with whom we are engaged in armed conflict, or trade with such a country. It would apply to a future armed conflict as well as to the present action taking place at this time. So if it is a sound position, which I believe it is, it applies to all armed conflict.

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

Mr. ASHLEY. I yield to the gentleman from South Carolina.

Mr. GETTYS. I would like to ask the gentleman from Ohio, chairman of the Subcommittee on International Trade of the Banking and Currency Committee, on which I have the honor to serve, whether there was a single majority members of the conferees on the part of the House who voted for the House position that the gentleman carried into the conference.

Mr. ASHLEY. I would have to discuss that with the members. The gentleman may possibly be accurate.

Mr. GETTYS. Can the gentleman name any one of the majority conferees on the part of the House who voted for the House position in the conference?

Mr. ASHLEY. I can say the conferees supported the legislation before us. Not all the conferees were in agreement with every single item contained in the House bill. It would be impossible to appoint conferees who would so qualify.

Mr. GETTYS. When a House bill is sent to conference and House conferees, all of whom are against the House position, are named, that position does not have a chance; is that not so?

Mr. ASHLEY. Let me just say to the gentleman I am sure he does not mean to impugn the motives or the integrity of the conferees on the part of the House.

Mr. GETTYS. The gentleman knows I do not so intend.

Mr. ASHLEY. All conferees were present, including those who take the position which the gentleman takes. I think that all conferees will acknowledge that there was a bona fide effort on the part of the House conferees to maintain the House position. By definition, in a conference there must be compromise. This was the area in which compromise was made in favor of the Senate. I have no difficulty with this. I can look the gentleman straight in the eye and say that we did not do this lightly. We did not scuttle the House position. Absolutely not. We prevailed on other very important provisions, it should be remembered.

Mr. GETTYS. The gentleman in the well knows my high opinion of him personally and professionally. As my colleague, he also well knows that I have continuously sought, in committee and otherwise, to get conferees appointed on all bills that the House passes who will support the House position in conference

and did support that position when the bill was voted on in the House. Does the gentleman think that that is an unreasonable request? Does the gentleman not think that the rules ought to be changed to prevent such situations as we face today?

Mr. ASHLEY. Rather than addressing myself to that question, which is a legitimate question, inasmuch as I have only a short time remaining, let me say I think we would be better advised if we would try to look at the legislation before us in perspective. What do we seek to accomplish by this legislation? We seek to enhance the competitiveness of American exporters, pure and simple. That is the thrust and purpose of the legislation. This purpose will be achieved by the conference report before us.

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

Mr. ASHLEY. I yield to the gentleman from New Jersey.

Mr. HUNT. Are you saying that the Export-Import Bank is to loan money to countries that we are at war with?

Mr. ASHLEY. No.

Mr. HUNT. Then why do we not sustain the amendment that was adopted on the floor?

Mr. ASHLEY. I suggest that the gentleman read the legislation, because it is perfectly clear on this point. The loans are made to finance the exports of American manufacturers. The operations of the Bank pursuant to the legislation are limited. There is a flat prohibition in the legislation before us in the conference report with respect to the financing of exports by the Eximbank to any country with which the United States is in armed conflict.

Mr. HUNT. Then why is there any objection to this amendment?

Why are we fighting this amendment? Why do we not leave it in there so it is crystal clear that we cannot deal with an enemy we are at war with?

Mr. ASHLEY. That language is in the conference report. Based on what the gentleman says, he should be eminently satisfied with the conference report.

Mr. Speaker, I shall now discuss in detail the matters of substance that were in conference, of which there were five, and on which the Senate receded in four instances and the House receded in one. There were, in addition, four minor differences in which the Senate also receded. I should also mention that I have been informed that the administration supports the conference report.

First, the Senate bill extended the Bank's life from the present expiration date of June 30, 1973, to June 30, 1976. The House extended the Bank's life until June 30, 1974, so as to afford Congress the opportunity for early review of the Bank's activities under the new legislation. The conference accepted the House date.

Second, the House amendment removes the authority of the Board of Governors of the Federal Reserve System to maintain a program of mandatory or voluntary limitations or restraints on the part of any bank or financial institution in connection with the extension of credit for the purpose of financing exports of

the United States. The Senate bill contained no comparable provision, and the conference substitute adopts the House provision.

In clarification of this provision, the conferees agreed that the private institutions cooperating under the Federal Reserve's voluntary foreign credit restraint program should not be penalized in any way with respect to the ceilings set for them for nonexport foreign lending because of the exemption of export credit resulting from this legislation. On the other hand, the Federal Reserve is certainly free to increase the ceilings for nonexport credit for those individual institutions which have given special effort to export finance over the course of the operation of the program as requested by the Federal Reserve.

It is the intention of the House conferees that smaller banks seeking to establish international departments or to expand their export finance activities within such departments shall be assigned nonexport ceilings adequate for that purpose in view of the fact that an international department cannot be reasonably sustained in support of export activity without the ability to extend a commensurate amount of nonexport credit to foreign borrowers.

Third, the House amendment provided that the Export-Import Bank shall accord equal opportunity to export agents and managers, independent export firms and small commercial banks in the formulation and implementation of its programs. The Senate bill contained no comparable provision, and the conference substitute adopts the House provision.

The House conferees insisted on this point in view of the testimony of witnesses and correspondence received and the concern voiced by several of the members of the House Committee on Banking and Currency that these kinds of operatives in export trade have been too little the subject of focus on the part of the Bank, and have had too little access to the assistance which the Bank can offer. The House conferees expect that in its reports to Congress the Bank will indicate the ways in which it is carrying out this provision.

Fourth, the House amendment directs the Export-Import Bank in the exercise of its functions to provide guarantees, insurance, and extensions of credit at rates and on terms and conditions which are competitive with government-supported rates and terms and other conditions available for the financing of exports from the principal countries whose exports compete with U.S. exports. It also requires the Export-Import Bank to submit a semiannual report on its own state of financial competitiveness and that of U.S. exporters and private lending institutions.

The Senate bill contains a similar directive, but States that the Bank shall function "insofar as feasible and practicable" to provide guarantees, insurance, and extensions of credit at rates and on terms "reasonably" competitive. It contains no reporting requirements similar to the House amendment.

The conference substitute adopts the House provision.

The conferees agreed with respect to this matter that the Export-Import Bank is not obliged to make available to a foreign borrower rates, terms and conditions equal in each and every instance to those being offered by a foreign central bank. We realize that the rates, terms and conditions in export financing are continually changing and will vary in numerous ways from transaction to transaction. We also realize that it would not be feasible and practicable for the Export-Import Bank to be aware of every specific change that might be supported by a competitor government. However, the conferees agree that the mission of the Export-Import Bank is entirely one of vigorously promoting U.S. exports, and to accomplish this the Bank must offer financing in support of American exports that is competitive with that being offered by the government agencies of the other principal exporting nations.

In this connection, on the basis of the testimony of the management of the Bank and of other witnesses, it is the position of the House conferees that it is essential that emphasis be placed on the sale of U.S. goods and services characteristically financed on medium-term and short-term credit, and on a fostering by the Eximbank of more aggressive involvement on the part of private commercial banks in export trade through more attractive medium-term and short-term, automatic, discount facilities at the Bank rather than on the earnings of the Bank. These earnings have been running at an annual rate of more than \$100 million per year, and are only an incidental side effect of the Bank's operation in the carrying out of its mission. In this connection, the management of the Bank assured the House Banking and Currency Committee that, with exemption from the budget, it would operate a discount program in which commercial banks participating will be free to decide the amounts, terms, conditions, and interest rates on the basis of negotiation with the exporter and the borrower, so long as terms are not more generous than those customary for the product involved in international practice. Bank management further assured us that export transactions may be discounted at the Bank at any time within the term life of the transaction at an interest rate spread of at least 1 percent.

It is the understanding of the House conferees that the automatic discount shall be available only for new export transactions, and, in the near future, only to those banks which show evidence of annual growth in the level of their export financing, except that a regional or an inland bank whose prospective export financing is tied to the export prospects of a specific industry in its service area should not be bound to a standard of the same degree of rigor as that which would apply in this regard to a very large bank servicing a broad range of industries on a national basis. It would be appropriate that any such shortfall in activity by a smaller inland bank in connection with cyclical fluctuations in a specific, related industry should be offset by the bank's purchase of new issues

of the Eximbank or of PEFICO, or other new export-related issues.

Fifth, the Senate bill amends section 2(b)(3) of the Export-Import Bank Act to prohibit Bank activity in connection with financing the purchase of export items by any nation which is engaged in armed conflict with the United States, and the purchase by any other nation of any export item which is to be used principally by or in any nation engaged in armed conflict with the United States. In addition, the provision precludes the Bank from guaranteeing, insuring, extending credit, or participating in the extension of credit to any nation with respect to which the President determines that such transaction would be contrary to the national interest.

The House amendment contained no comparable provision, and the conference substitute adopts the Senate provision. The House previously rejected this language by a record teller vote of 207 to 153. On the other hand, the Senate adopted the provision without a dissenting vote and passed the bill by record vote of 67 to 1. The Senate conferees remained adamant in their position that this provision be retained in the conference substitute, which passed the Senate on Monday without dissent.

Mr. Speaker, improvement in our trade balance is substantially dependent on an expansion of flexible export financing competitive with that available from major trading nations such as Japan, West Germany, the United Kingdom, France, and Italy. I believe that the bill agreed on by the conferees effectively responds to the export challenges which these formidable competitors present to us.

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

Mr. Speaker, conferees on the Export-Import Bank bill faced the same problem of resolving six differences between the House and the Senate-passed versions of the legislation. Five of these differences were resolved in favor of the House provisions and the remaining one in favor of the Senate position.

Actually, only three of the differences presented problems of more than passing concern to the conferees, as the House position was readily accepted with respect to provision of a short title for the bill, a June 30, 1974, termination date for the life of the Bank, and a provision encouraging export opportunities for small business concerns.

A fourth difference relating to a policy directive with respect to competitiveness of Bank-assisted export financing was finally resolved in favor of the provision as passed by the House but with language in the report giving the Export-Import Bank reasonable flexibility in carrying out the new policy directive.

The remaining two differences proved more difficult. Disagreement was finally resolved by the Senate conferees accepting the House provision exempting export credit from the voluntary foreign credit restraint program administered by the Federal Reserve, and the House conferees accepting the Senate modification of the so-called Fino amendment.

The voluntary foreign credit restraint program came into existence in 1965. It was supposed to be a temporary program, and yet, 6 years later, it is still with us. Many question its supposed benefits and believe it has created many distortions in export financing procedures with adverse impacts on commercial bank financing of badly needed exports. The Senate conferees agreed to accept this provision of the House bill tying such action with House conferees' concurrence on modification on the Fino amendment.

I reminded the Senate conferees the House committee likewise had reported a bill modifying the Fino amendment but that the House, on a recorded vote, had rejected that proposed modification. Notwithstanding this, the Senate conferees remained adamant that their position prevail on this question.

I believe then—and I believe now—that it is extremely important that we enact this bill which substantially increases the ability of the Export-Import Bank to assist in the financing of an expanded volume of exports. This being true, I was one of the House conferees who reluctantly gave into the Senate conferees on modifying the Fino amendment.

Rather than attempting to argue the merits of the Fino amendment, as if it were simply a free-standing prohibition on Eximbank financing exports to Communist countries—which it is not—I would like to take this opportunity to put this matter into perspective.

Section 2(b) of the Export-Import Bank Act is devoted to setting up guidelines for the operation of the Export-Import Bank. Subsections 2 and 3, taken as a whole, prohibit the Bank from participating in transactions which might adversely affect the foreign policy position of the United States in general and our national defense posture in particular.

Since the determination of foreign policy is largely an executive function, Presidential discretion is presently allowed in the broader provisions while the more specific provisions are outright prohibitions. In effect, the question before us is not whether the Congress approves financing exports to Communist countries in general, but whether certain defined transactions can be authorized by the President.

Subsection 2 is a conditional prohibition against Eximbank financing exports either directly to any Communist country—listed in appendix IV, page 16 of the Export-Import Bank Act of 1945—or of products that are destined for any Communist country. The exception to this broad prohibition is that the President may waive it if he determines that a given transaction would be in the national interest and reports that determination to the Senate and the House within 30 days. This provision for Presidential discretion would remain exactly as it is.

Subsection 3—the so-called Fino amendment—treats not Communist countries specifically, but nations with which we are in armed conflict, and na-

tions which support them. This subsection's prohibition is absolute and covers three categories:

One, financing exports to nations with which the United States is in armed conflict;

Two, financing exports to nations which support those nations with which we are in armed conflict;

Three, financing the exportation of goods or services or data which are to be used principally by or in those nations with which we are in armed conflict.

That prohibition, when taken together with subsection 2, really covers a lot of ground. Under present circumstances, I might mention, "nations engaged in armed conflict with the United States" only describes North Vietnam—but the prohibition extends to all countries whose governments furnish North Vietnam with any goods or supplies, military or otherwise. The prohibition also extends to financing by Eximbank or any goods, services, or data that are destined for North Vietnam—even if those goods and so on may be originally exported to any other country.

The modification made by the Senate bill, which is included in the conference report, would not allow Exim to finance exports to North Vietnam directly. Nor would it allow the financing of exports of goods or information to be used principally by or in North Vietnam. What it would do is to change from outright prohibition to Presidential discretion any financing of exports to nations that support North Vietnam.

I urge the adoption of the conference report.

Mr. Speaker, I now yield 10 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding this time so that I might rise in opposition to adopting the conference report on S. 581.

Gentlewomen and gentlemen of the House, we have been had. I have learned a little parliamentary procedure on this maneuver.

When S. 581 left the House it contained an amendment which continued, in effect, the present law specifically prohibiting a loan by the Export-Import Bank to a nation which is furnishing goods, supplies, or military equipment to a nation with which we are engaged in armed conflict.

Now, the present law has nothing to do with political ideology. It would apply to any country, be it a Communist nation, a Fascist nation, or a democracy of any sort, if that country were furnishing supplies to North Vietnam while we are engaged in armed conflict with that country.

Congress has spelled out its intent with respect to dealing with Communist nations in the paragraph previous to this one in the law, and there it gave discretion to the Export-Import Bank in consort with the President of the United States to make loans and guarantee loans to Communist nations.

So we are only concerned here with countries which are dealing with nations with which we are engaged in armed conflict. The other body struck out the present language in this regard and sub-

stituted its own language, which would allow the Export-Import Bank and the President in consort to make a determination that it was in the national interest to make a loan to a country engaged in commerce with North Vietnam.

The House struck down the Senate language by a vote of 207 to 153, as stated previously. The House-Senate conferees accepted the Senate amendment, as has been stated. Now, when I learned of this I checked the rules of the House and found that when the Senate asks first the House acts first, and the Senate had asked for the conference. So I scurried around and found that the House was entitled to a privileged motion under those circumstances; that we could insist on the House amendment and that we could instruct our conferees to go back to conference and say, "We want the House amendment to this Export-Import Bank bill."

Well, the conference was held more than 2 weeks ago. The conference report was filed on Monday of this week, and a minute later the Senate brought it up on the Senate floor and passed it by a voice vote with less than 10 Senators present, I am informed.

So, I say that we have been had. By this procedure, the Senate has precluded me or any Member of this House from asking this House to instruct our conferees to go back to conference on this amendment which this House adopted so overwhelmingly.

Now, I was shocked and dismayed, of course, that they would do a thing like this, but we have no alternative today other than to vote up or down on the motion to adopt the conference report. I am suggesting that we vote it down. I do not think that the President should be placed in the position right now of making a judgment that loans of this kind are in the national interest, No. 1; and No. 2, I think we imply, if we adopt this amendment, that the war is over; that we are at peace with North Vietnam; and that no more boys are dying in Indochina. Certainly we would not want to imply that we would inferentially approve such a loan to a country contributing to the loss of lives in Indochina.

I think we imply that the House has changed its collective mind and that we are now willing to make such loans. I do not think the House has changed its collective mind. The Export-Import Bank is a creature of this Congress. As such we prescribe the rules by which the Export-Import Bank conducts its business. So, if we adopt this amendment, it will come back on the Members of this House, and I, for one, would not want to explain to my constituents that I voted, even by implication, to allow a loan from the Export-Import Bank to a country which is aiding North Vietnam.

So I think we should show our disapproval of the vote in the Senate and we should show our disapproval of what happened in the conference committee and we should vote down the conference report.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. WYLIE. I will be glad to yield to the gentleman.

Mr. ROUSSELOT. The argument is going to be advanced later that if we vote this conference report down, that such an action will somehow put the Export-Import Bank out of business, because we are going into recess today or tomorrow. Is that claim true?

Mr. WYLIE. The charter of the Export-Import Bank expires July 1, 1973, so I do not think there is any big hurry to enact this law in order to continue the Export-Import Bank in existence as the gentleman suggested.

Mr. ROUSSELOT. In other words, we could in effect turn down this gutted conference report today without doing damage to the Export-Import Bank and go through our 5 weeks of recess without any damage to the Export-Import Bank. By such positive action we would in effect say to the Senate, "We are not willing to yield our House position on the basis of only 10 Senators on the floor. You gentlemen in the Senate really did not debate the issue of the Wylie amendment. And certainly we do not want you to try to shove it down our throats at this last minute because we are about to recess."

Mr. WYLIE. I would agree with the gentleman, but I think over and beyond that there is a principle involved here and that is the principle of whether we are going now to adopt an amendment which would impliedly, as I stated before, say that we are perfectly willing to support trade with our enemy.

The gentleman from Indiana (Mr. DENNIS) pointed out that although this applies only to North Vietnam, it could apply to any country which engages us in armed conflict in the future.

Mr. ROUSSELOT. Mr. Speaker, I want to compliment the gentleman from Ohio for making this stand. The gentleman has taken the time and effort—he patiently sat through the Banking and Currency hearings and has heard the overwhelming portions of the testimony on this issue. I know the gentleman generally supports this legislation, except for the damaging omission of his amendment that has been made by the other body. I think the gentleman is to be complimented for the stand that he has taken. I feel that a lot of Members in the House are being asked to abandon a strong positive position that we have taken by a firm vote and we are asked to desert that clear vote under the guise of a last-minute parliamentary maneuver.

Mr. WYLIE. I agree with the gentleman from California.

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

Mr. WYLIE. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. The gentleman from Ohio has suggested to the House that this legislation is not necessary because there is authority—

Mr. WYLIE. Not necessary today.

Mr. BROWN of Michigan. Mr. Speaker, if the gentleman will yield further, would the gentleman mind telling me how much authorization continues to exist in the Export-Import Bank under the present authorization?

Mr. WYLIE. I do not know how much authorization still exists.

Mr. BROWN of Michigan. Then, how

can the gentleman say this legislation is not necessary since this legislation increases the authorization and if the present authorization is exhausted the Export-Import Bank is out of business.

Mr. WYLIE. The Export-Import Bank will not go out of business. Loans are being repaid all the time. What you suggest is that we ought to raise the authority of the Export-Import Bank so that it could make loans to nations which are furnishing supplies to North Vietnam, and I do not want to be a party to that.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield further?

Mr. WYLIE. I yield further to the gentleman from California.

Mr. ROUSSELOT. I would like to correct the record regarding a comment the gentleman from Michigan (Mr. BROWN) made. I know the gentleman (Mr. BROWN) is a very dedicated member of the committee. However, the authorization is basically used for guaranteed loans and not direct loans. The testimony taken by our committee as it relates to guaranteed loans clearly shows that some of this authorization authority is turned back to the Bank almost daily. So the effect is that the Export-Import Bank has renewed loaning authority almost every week. It is true that by the end of the year they will need this additional or authorizing authority, but it is false to imply that they will not be able to make additional authorizations in this coming 5-week period. In addition the direct loans made by the Bank are in no way affected.

Mr. Speaker, again, I think the gentleman is absolutely correct in his answer and I do not think we should accept the argument that the Export-Import Bank is going to be put out of business, because that is false.

Mr. WYLIE. I thank the gentleman from California again for his contribution, and I will yield in just a moment. I do not mean to stand here and imply that I am against the Export-Import Bank. The Export-Import Bank is an excellent organization. Since its creation in 1935 it has performed a great public service, and there is no question about that. It is one of the few governmental agencies which has made money and I am in favor of increasing the limit which it can loan and I am in favor of increasing the amount which it can guarantee. I am in favor of all those things. I am in favor of taking it out of the unified budget and that sort of thing. However, I think this amendment is so overriding that we must defeat the conference report and retain the present law.

Mr. WIDNALL. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker and Members of the House, I recall a famous old statement that was attributed to a Communist leader some years ago in which he defined a capitalist as being a man who will sell you the rope that you are going to use to hang him.

Under the conference report not only are we proposing to sell the rope, but we are going to do it on credit. We are going to finance its purchase, which is a pretty

sweet arrangement for your planned executioner when you get right down to it.

Mr. Speaker, I am not particularly interested in addressing myself to the substance of this legislation.

I think the House expressed its will very clearly when it voted some 200 to 150, a vote of 4 to 3, on a record vote, that it supported the amendment offered by the gentleman from Ohio (Mr. WYLIE) and supported a continuation of the so-called Fino amendment. The House has spoken.

But, what I am concerned about, and what I want you to be concerned about today, is the procedure which has become standard for Banking and Currency Committee legislation, and that is allowing our legislation to be drawn by the Senate, when a half dozen Senators on the floor can adopt a change in the law by a voice vote, without debate, while we can debate the same issue thoroughly in the House, follow debate with a record vote, yet the House has a practice of bowing to the will of the Senate.

As you will recall, the gentleman from South Carolina asked the gentleman from Ohio (Mr. ASHLEY) how many of the majority party conferees supported the House position on the Wylie amendment. We got a lot of hemming and hawing, and a little fast foot shuffling, but we never did get an answer because the gentleman from Ohio did not want to admit that there was not a one who supported the position of the House on the Wylie amendment. And so when these conferees resisted, with the highest minimum effort, the position of the Senate, it should not come as a shock to learn that their wills were overcome by the persuasion of the Senate conferees.

So I say, this is a very common pattern in legislation coming out of the Banking Currency Committee. We now find ourselves in the closing hours of the last days of the last minute of a session, and we are being told we desperately need this legislation and that we cannot possibly turn down the conference report.

Gentlemen, if we are ever going to have the position of the House upheld on Banking and Currency legislation, we will have to do it on bills just such as this. And we will have to take a hard vote occasionally and have to tell the Senate and tell the House conferees "You had better stick to the position of the House occasionally or you are going to be embarrassed even further in the future."

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

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

Mr. KAZEN. Let us look at the parliamentary situation. If the conference report is turned down today, what is the next step?

Mr. BLACKBURN. Well, we can request another conference after we come back from the recess.

Mr. KAZEN. That is my point. Would it be possible for us to ask for another conference?

Mr. BLACKBURN. It is my understanding we can ask for an additional conference on the same legislation, and

at that point our position would have been very firmly strengthened by a second record vote to turn down the conference report, which I urge the Members to do today.

Mr. KAZEN. If the gentleman will yield for one further question—

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

Mr. KAZEN. Can the House then instruct the conferees on this point?

Mr. BLACKBURN. I think they can, yes. I think our vote today will be tantamount to instructions if we vote down the conference report.

Mr. KAZEN. I thank the gentleman for yielding.

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

Mr. BLACKBURN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, my understanding of the procedure—and I could be wrong, and if so somebody could correct me—the House conferees could ask for a conference tomorrow. Action on this bill could be taken tomorrow, if this legislation is needed that soon, and I do not believe on the basis of testimony taken before our committee it is. But if it is, and the Export-Import Bank feels it is imperative, the conferees could ask for a conference tomorrow.

Mr. BLACKBURN. Let me make this observation: If the Export-Import Bank needs this authorization so very desperately the group that took the chance was the Senate. The Senate was the group that put us in the parliamentary situation whereby we are limited to the actions available to us today. It was not our decision to put the House in such a position that we have to accept or reject the conference report, that was a decision that was made at the other end of the Capitol.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield further?

Mr. BLACKBURN. I will be happy to yield further to the gentleman from California.

Mr. ROUSSELOT. The very distinguished chairman of our subcommittee, the gentleman from Ohio (Mr. ASHLEY), was the one who said he got his information that the Nixon administration had basically been willing to accept this conference report from the Senate minority staff. Now, I do not believe we should be going on the basis of what the Senate minority staff tells this House of Representatives to do. That is a doubtful source, especially when our own body has taken such a strong position by a vote. And he clearly admitted here today that he was not really sure of that.

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman from California making that observation.

Let me conclude my remarks with the very sincere plea that we stand behind the House. I urge my colleagues to vote to support the position the House originally adopted so strongly.

I think the position the House adopted represents the thinking of 85 or 90 percent of the American public. I say it is time that we insist that the American public's position be properly upheld.

Mr. Speaker, I urge the Members to vote down the conference report.

Mr. WIDNALL. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Speaker and my colleagues in the House, first let me establish my credentials.

During the debate on the Export Control Act I carried on a successful almost one-man battle against two Members of the other body who were advocating an irresponsible liberalization of our East-West trade policy.

In that battle I was philosophically aligned with those who supported the so-called Fino amendment.

But let us look at the Fino amendment and the discussion which led to the adoption of the Wylie amendment.

First of all, there has been a great deal of discussion about the vote and the position of the House on the Wylie amendment but there occurred during the debate two gross inaccuracies or misrepresentations.

The first was that it was suggested the administration favored retention of the so-called Fino amendment. I think that that has been successfully and adequately explained away.

The second inaccuracy or misrepresentation that occurred during the debate related to the financing or the ability of the Export-Import Bank to finance exports to Rumania. I quote from that debate a statement made by the gentleman from Ohio:

Mr. Chairman, in the case of Rumania, there is a finding that Rumania has not been trading with North Vietnam, so it is not trading with the enemy and even though it is a Communist country it could receive a loan from the Export-Import Bank. That is precisely the point of my amendment.

Further in the debate the same gentleman from Ohio said:

I think he has made an argument in favor of my amendment. As I stated earlier, Rumania has been found not to be dealing with North Vietnam and therefore it is being considered for an Export-Import Bank loan. If Poland or the Soviet Union or Red China or any other Communist nation will agree not to deal with North Vietnam, I would say let the Export-Import Bank consider a loan to it. That makes my point precisely.

Since I was sure that the gentleman's information was incorrect, I asked the Secretary of Commerce about the accuracy of these statements.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

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

[Roll No. 245]

Abourezk	Brademas	Clausen.
Addabbo	Brooks	Don H.
Alexander	Buchanan	Clay
Anderson, III.	Burleson, Tex.	Cleveland
Anderson,	Cabell	Corman
Tenn.	Carey, N.Y.	Cotter
Bell	Celler	Davis, Ga.
Blatnik	Chappell	Dellenback
Boland	Clark	Dent

Diggs	Harsha	Patman
Donohue	Hawkins	Pelly
Eckhardt	Hébert	Peyster
Edmondson	Hicks, Wash.	Reid, N.Y.
Edwards, La.	Holifield	Riegle
Esch	Jones, Ala.	Roberts
Eshleman	Jones, Tenn.	Roush
Evins, Tenn.	Kluczynski	Ryan
Fish	Landrum	St Germain
Flynt	Lent	Satterfield
Foley	Long, La.	Saylor
Fraser	McClure	Scheuer
Fulton, Tenn.	McCulloch	Schwengel
Fuqua	McDade	Sikes
Gray	McKay	Slack
Griffiths	Macdonald,	Smith, Calif.
Gross	Mass.	Teague, Tex.
Gubser	Miller, Calif.	Tiernan
Hagan	Mink	Van Deerlin
Halpern	Mollohan	Vander Jagt
Hammer-	Moorhead	Waldie
schmidt	Mosher	Wilson, Bob
Hanna	Murphy, N.Y.	Wilson,
Hansen, Wash.	Nix	Charles H.
Harrington	Passman	Yatron

The SPEAKER. On this rollcall 336 Members have answered to their names, a quorum.

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

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5208) entitled "An act to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, and to authorize the annual active duty personnel strength of the Coast Guard."

CONFERENCE REPORT ON S. 581, EXPORT EXPANSION FINANCE ACT OF 1971

The SPEAKER. When the point of order that a quorum was not present was made the gentleman from Michigan (Mr. BROWN) had 3 minutes remaining.

The Chair recognizes the gentleman from Michigan (Mr. BROWN).

Mr. GERALD R. FORD. Mr. Speaker, would the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker, the basic purpose of the Export-Import Bank is to help the United States expand its export trade. I think all of us have recently seen the very serious situation developing where our exports have not been to the extent that we want them, and our imports have been greater than we want them to be. The net result is the United States has had a very serious imbalance in trade.

This legislation is aimed at helping American exporters to sell abroad. If this conference report is turned down there is a distinct likelihood that for a 6-week period there will be a slowdown in the operations of the Export-Import Bank in helping to finance American exporters.

Mr. Speaker, let me say that there are two kinds of help that the Export-Import Bank gives to exporters. One, direct loans. There is sufficient money in the

direct-loan fund to proceed with assistance, except under this legislation it will be construed as a draw against the U.S. Treasury—and I think we want to minimize that.

Secondly, we can make loans or, rather, the Export-Import Bank can make loans under a guarantee, the guarantee authority, which is the best way to proceed, expires or has been used up—

Mr. ROUSSELOT. If the gentleman will yield, it does not expire.

Mr. GERALD R. FORD. All right, it has been used up. I will concede that it may not expire, but it has been used up. So that the net result is if we reject this conference report, we could take action that would be very harmful in the efforts that are being made to expand our foreign trade, our export trade at the present time.

One other comment, Mr. Speaker: On page 5 of the conference report it says, and let me read it, and I quote:

In addition, the provision precludes the Bank from guaranteeing, insuring, extending credit, or participating in the extension of credit to any nation with respect to which the President determines that such transaction would be contrary to the national interest.

The SPEAKER. The time of the gentleman from Michigan (Mr. BROWN), has expired.

Mr. WIDNALL. Mr. Speaker, I yield 3 additional minutes to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Speaker, I yield to the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, the net result of this conference report and this legislation is that if the President decides that in any case, in any country, the Export-Import Bank should not help or assist, that transaction to that country cannot be consummated.

So there is a method by which we can control the use of this bank in making deals with other countries.

Therefore I strongly urge that this conference report be approved.

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman from Michigan for those comments.

Mr. Speaker, at the time of the quorum call I was attempting to point out inaccuracies in the debate when the matter was before the House.

First, there was an impression that the administration favored the retention of the Fino amendment. That is incorrect.

Secondly, there were representations made with respect to the eligibility of Romania for Eximbank financing.

The Secretary of Commerce in a letter that I started to read to you clearly says—and I quote:

The statement you have heard to the effect that Romania is eligible for Eximbank financing is incorrect.

Now, why do I point out these inaccuracies to you? I point this out primarily because I know there are Members of this House who have come to me since and who have told me they voted for the Wylie amendment at that time because they relied upon these inaccuracies.

I am not suggesting that the gentleman from Ohio in any way intended to mis-

represent—I think he had possibly been misled.

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

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. WYLIE. On page 23936 of the CONGRESSIONAL RECORD of July 8 I said in answer to a question from the gentleman from Ohio (Mr. ASHLEY) who I thought had led us to believe that the administration was in favor of the Senate amendment and that Mr. Kearns had testified before the Senate Banking Committee to the effect that:

In this case the executive branch does not support the legislation to repeal or change the Fino amendment.

That is from the record of proceedings in the Senate.

Mr. BROWN of Michigan. Mr. Speaker, I appreciate the gentleman's comments. I suggest that the important thing, however, is that there was a statement or representation made at the time of debate in the House that the administration favored the Fino amendment. The administration did not oppose, nor favor, its retention but at this point in time the administration favors the adoption of this conference report, and I think it is essential that the conference report be adopted.

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

Mr. BROWN of Michigan. Notwithstanding the previous action of the House for the reason I have stated, I think the position of the House was misrepresented in the vote at that time.

Mr. Speaker, I urge the adoption of the conference report.

GENERAL LEAVE TO EXTEND

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

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

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 219, nays 140, not voting 74, as follows:

[Roll No. 246]

YEAS—219

Abourezk	Boggs	Clay
Abzug	Bow	Collins, Ill.
Adams	Brademas	Conable
Anderson,	Brasco	Conte
Calif.	Brooks	Conyers
Andrews,	Broomfield	Coughlin
N. Dak.	Brotzman	Culver
Annunzio	Brown, Mich.	Daniels, N.J.
Arends	Brown, Ohio	Davis, Wis.
Ashley	Broyhill, N.C.	de la Garza
Aspin	Burke, Mass.	Delaney
Aspinall	Burton	Dellenback
Badillo	Byrne, Pa.	Dellums
Barrett	Byrnes, Wis.	Denholm
Begich	Carey, N.Y.	Dingell
Belcher	Carney	Dow
Bergland	Casey, Tex.	Drinan
Biester	Cederberg	Dulski
Bingham	Chamberlain	du Pont
Blanton	Chisholm	Dwyer

Edwards, Calif.	Lloyd	Reid, N.Y.
Ellberg	Long, Md.	Reuss
Erlenborn	McClary	Rhodes
Evans, Colo.	McCloskey	Riegler
Fascell	McCollister	Robison, N.Y.
Findley	McCormack	Rodino
Flood	McDonald,	Roe
Foley	Mich.	Roncallo
Ford, Gerald R.	McEwen	Rooney, N.Y.
Ford,	McFall	Rooney, Pa.
William D.	Macdonald,	Rosenthal
Forsythe	Mass.	Rostenkowski
Fraser	Madden	Roy
Frelinghuysen	Mailliard	Ruppe
Frenzel	Mathias, Calif.	Ruth
Fulton, Pa.	Matsunaga	Sarbanes
Gallfanakis	Mayne	Scheuer
Garmatz	Mazzoli	Schneebell
Gaydos	Meeds	Seiberling
Glaumo	Metcalfe	Shipley
Gibbons	Mikva	Shriver
Gonzalez	Miller, Calif.	Sisk
Grasso	Mills, Ark.	Smith, Iowa
Gray	Mills, Md.	Smith, N.Y.
Green, Oreg.	Minish	Springer
Green, Pa.	Mink	Stafford
Groyer	Mitchell	Stanton,
Gude	Mizell	J. William
Halpern	Monagan	Stanton,
Hamilton	Moorhead	James V.
Hanley	Morgan	Steele
Hansen, Idaho	Morse	Steiger, Wis.
Harvey	Moss	Stokes
Hastings	Murphy, Ill.	Sullivan
Hathaway	Murphy, N.Y.	Symington
Hechler, W. Va.	Nedzi	Taylor
Heckler, Mass.	Nelsen	Teague, Calif.
Helstoski	Obey	Thompson, N.J.
Hicks, Mass.	O'Hara	Thomson, Wis.
Hicks, Wash.	O'Konski	Thone
Hollifield	O'Neill	Udall
Horton	Patten	Ullman
Hosmer	Pepper	Vanik
Howard	Perkins	Vigorito
Jacobs	Pike	Ware
Johnson, Calif.	Pirnie	Whalen
Johnson, Pa.	Podell	Whalley
Jonas	Preyer, N.C.	Widnall
Karth	Price, Ill.	Wolff
Kastenmeyer	Pryor, Ark.	Wright
Keith	Pucinski	Yates
Koch	Quile	Young, Tex.
Kyros	Rallsback	Zablocki
Leggett	Rangel	Zwach
Lent	Rees	
Link	Reid, Ill.	

NAYS—140

Abbutt	Griffin	Purcell
Abernethy	Gubser	Quillen
Andrews, Ala.	Haley	Randall
Archer	Hall	Rarick
Ashbrook	Hays	Robinson, Va.
Baker	Henderson	Rogers
Baring	Hillis	Rousselot
Bennett	Hogan	Roybal
Betts	Hull	Runnels
Bevill	Hungate	Sandman
Biaggi	Hunt	Satterfield
Blackburn	Hutchinson	Scherle
Bray	Ichord	Schmitz
Brinkley	Jarman	Scott
Broyhill, Va.	Jones, N.C.	Sebelius
Buchanan	Kazen	Shoup
Burke, Fla.	Keating	Skubitz
Burlison, Mo.	Kee	Smith, Calif.
Byron	Kemp	Snyder
Caffery	King	Spence
Camp	Kuykendall	Staggers
Carter	Kyl	Steed
Clausen,	Landgrebe	Steiger, Ariz.
Don H.	Latta	Stephens
Clawson, Del	Lennon	Stratton
Collier	Lujan	Stubblefield
Collins, Tex.	McKevitt	Stuckey
Colmer	McKinney	Talcott
Crane	McMillan	Terry
Daniel, Va.	Mahon	Thompson, Ga.
Danielson	Mann	Veyssey
Davis, S.C.	Martin	Waggonner
Dennis	Mathis, Ga.	Wampler
Derwinski	Melcher	Watts
Devine	Michel	White
Dickinson	Miller, Ohio	Whitehurst
Dorn	Minshall	Whitten
Dowdy	Montgomery	Wiggins
Downing	Myers	Williams
Duncan	Natcher	Wilson, Bob
Edwards, Ala.	Nichols	Winn
Flowers	Pettis	Wyatt
Fountain	Pickle	Wydler
Frey	Poage	Wylie
Gettys	Poff	Wyman
Goldwater	Powell	Young, Fla.
Goodling	Price, Tex.	Zion

NOT VOTING—74

Addabbo	Eshleman	McDade
Alexander	Evins, Tenn.	McKay
Anderson, Ill.	Fish	Mollohan
Anderson,	Fisher	Mosher
Tenn.	Flynt	Nix
Bell	Fulton, Tenn.	Passman
Blatnik	Fuqua	Patman
Boland	Gallagher	Pelly
Bolling	Griffiths	Peyster
Burleson, Tex.	Gross	Roberts
Cabell	Hagan	Roush
Celler	Hammer-	Ryan
Chappell	schmidt	St Germain
Clancy	Hanna	Saylor
Clark	Hansen, Wash.	Schwengel
Cleveland	Harrington	Sikes
Corman	Harsha	Slack
Cotter	Hawkins	Teague, Tex.
Davis, Ga.	Hébert	Tiernan
Dent	Jones, Ala.	Van Deerlin
Diggs	Jones, Tenn.	Vander Jagt
Donohue	Kluczynski	Waldie
Eckhardt	Landrum	Wilson,
Edmondson	Long, La.	Charles H.
Edwards, La.	McClure	Yatron
Esch	McCulloch	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Hammerschmidt against.

Mr. Teague of Texas for, with Mr. Harsha against.

Mr. Celler for, with Mr. Saylor against.

Mr. Fulton of Tennessee for, with Mr. Clancy against.

Mr. Hébert for, with Mr. Cleveland against.

Mr. Fish for, with Mr. Pelly against.

Mr. Mosher for, with Mr. Chappell against.

Mr. Anderson of Illinois for, with Mr. Mollohan against.

Mr. McDade for, with Mr. Flynt against.

Mr. Schwengel for, with Mr. Hagan against.

Mr. Passman for, with Mr. Sikes against.

Until further notice:

Mr. Tiernan with Mr. Bell.

Mr. Slack with Mr. McClure.

Mr. Alexander with Mr. Peyster.

Mr. Blatnik with Mr. Esch.

Mr. Kluczynski with Mr. Vander Jagt.

Mr. Nix with Mr. Eckhardt.

Mr. Dent with Mr. Fisher.

Mr. Edmondson with Mr. Gross.

Mr. Roberts with Mr. Reuss.

Mr. St Germain with Mrs. Griffiths.

Mr. Ryan with Mr. Diggs.

Mr. Donohue with Mr. Hawkins.

Mr. Davis of Georgia with Mr. Clark.

Mr. Cotter, with Mr. McKay.

Mr. Landrum with Mr. Jones of Tennessee.

Mr. Evins of Tennessee with Mr. Gallagher.

Mr. Patman with Mr. Edwards of Louisiana.

Mr. Boland with Mrs. Hansen of Washington.

Mr. Harrington with Mr. Hanna.

Mr. Cabell with Mr. Fuqua.

Mr. Charles H. Wilson with Mr. Burleson of Texas.

Mr. Yatron with Mr. Waldie.

Mr. Anderson of Tennessee with Mr. Corman.

Mr. Jones of Alabama with Mr. Van Deerlin.

Mr. McKEVITT and Mr. STAGGERS changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNUAL REPORT OF THE INTERNATIONAL EDUCATIONAL AND CULTURAL EXCHANGE PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President

of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith the annual report on the international educational and cultural exchange program conducted during Fiscal Year 1970 by the Department of State under the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256, the Fulbright-Hays Act). In the 1970 Fiscal Year, this program provided 4,638 outstanding scholars and leaders in the professions, the arts and public life with intensive exchange experiences which linked the United States with 123 other countries and territories.

The major part of this report is devoted to a review of a little known but increasingly important aspect of this program, the complex of activities designed to provide foreign students with broader opportunities to participate in the life of this country. Such activities mean that students who seek training in the United States are afforded not only the best possible educational experience but also a better chance to become acquainted with our people, our customs and our institutions. These efforts are directed to foreign students who come here without Government sponsorship, as well as to that group—about 5% of the total—who receive United States financial support.

In common with many other countries, the United States now has a large number of students who come from foreign countries—well over 135,000—although they constitute a far smaller percentage of the total student population than they do in major European universities.

These students present the United States with an exceptional opportunity. Not only do they enrich the international dimension of education for American students, but they also provide outstanding talent for our research and teaching programs. Moreover, many among them will become tomorrow's leaders in many fields in their home countries.

The professional and personal ties which these students form while they are studying here and the insights they gain into our way of life will help shape their future perceptions of America. Their experience here today can have a major impact on the quality of communication between their societies and ours tomorrow. Public and private programs which enhance the experiences of these potential leaders can do a great deal to build the human foundations for a more peaceful world.

I commend this report to the thoughtful attention of the Congress.

RICHARD NIXON.

THE WHITE HOUSE, August 5, 1971.

CONFERENCE REPORT ON H.R. 5208, COAST GUARD AUTHORIZATION

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 5208) to authorize appropriations for procurement of vessels and

aircraft and construction of shore and offshore establishments for the Coast Guard, and to authorize the annual active duty personnel strength of the Coast Guard; and, Mr. Speaker, I ask unanimous consent that the reading of the conference report and statement be dispensed with.

The Clerk read the title of the bill.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I inquire of the distinguished gentleman who is making the unanimous consent request if it is his intention to explain this bill and whether or not the Senate add-ons are going to be discussed for the benefit of the Members?

Mr. GARMATZ. I assure the gentleman that I will report on the Senate amendment and also on the House amendment agreed to by the conferees and give an explanation of the situation on these points.

Mr. HALL. Mr. Speaker, I am glad to yield to the gentleman for that purpose.

Mr. GARMATZ. Mr. Speaker, the managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5208) to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard, and to authorize the annual active duty personnel strength of the Coast Guard, submit the following joint statement to the House and to the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

AMENDMENT NO. 1

HOUSE BILL

The House authorized to be appropriated \$32,614,000, for the procurement and extension of service life of three long-range search aircraft, six medium-range helicopters, and one administrative aircraft and the extension of service life of various other aircraft.

SENATE AMENDMENT

Senate Amendment No. 1 increased this amount by \$5,710,000, to \$38,324,000, with the intent that \$8,960,000 be used for two additional long-range search aircraft and the Senate deleted the authorization for the administrative aircraft.

CONFERENCE SUBSTITUTE

The conference substitute authorizes to be appropriated \$41,574,000 for the procurement of five long-range search aircraft, six medium-range helicopters, one administrative aircraft, and the extension of service life of various aircraft.

AMENDMENT NO. 2

HOUSE BILL

The House bill authorized to be appropriated \$13,440,000, for the procurement of three long-range search aircraft.

SENATE AMENDMENT

The Senate amendment increased the three long-range search aircraft to five and thus, increased the amount by \$8,960,000.

CONFERENCE SUBSTITUTE

The conference report authorizes to be appropriated \$22,400,000 for five long-range search aircraft. The conferees determined that the Coast Guard's long-term procurement program requires the procurement of sufficient long-range multimission aircraft to provide the gulf coast, Caribbean, and the North Pacific areas with adequate air coverage for search and rescue, law enforcement, marine environmental protection and offshore fishery surveillance. Budget constraints required that the Coast Guard limit its fiscal year 1972 procurement to three aircraft. The conferees feel that simultaneous procurement of five aircraft is mandatory in order that the Coast Guard may properly discharge its duties throughout all areas. The rapidly expanding antipollution functions should not be delayed another year because of budget limitations, and the cost savings from an increased purchase may permit the Coast Guard to expand its equipment for other areas vital to environmental protection.

AMENDMENT NO. 3

HOUSE BILL

The House authorized to be appropriated \$3,250,000 for the purchase of an additional jet administrative aircraft for the use of the Coast Guard.

SENATE AMENDMENT

Senate amendment No. 3 struck out line 4 on page 3; thereby eliminating the administrative aircraft put in by the House.

CONFERENCE SUBSTITUTE

The conference substitute reinserted the one administrative aircraft on line 4, page 3. Thus, \$3,250,000 for this administrative aircraft was also reinserted in the total figure for the procurement and extension of service life of aircraft.

Your conferees felt it was necessary and appropriate to reinsert the funds for this administrative aircraft since the jet now in use by the Coast Guard is constantly used by higher echelon officials of the Coast Guard, the Transportation Department, and on occasion, even officials of other executive departments. The jet and the turboprop serve many functions, primary among these are their availability to take Coast Guard and other officials to disaster sites and the many other areas of Coast Guard responsibility in the various parts of the United States and its territories. These demands for quick response transportation have increased considerably in the last several years due to the Nation's growing awareness and concern over the pollution problem. As the Coast Guard's responsibility in this area has increased, so, too, has its need to respond rapidly. In addition to normal Coast Guard requirements which put a heavy demand on these aircraft, your conferees were impressed by additional extraordinary usage of this equipment which must also be available to fly the railway accident survey team to railroad wrecks; transport an air pollution team from NOAA and provide quick response capability for a water pollution team from the Environmental Protection Agency.

AMENDMENT NO. 4
HOUSE BILL

The House authorized to be appropriated \$51,690,000 for the construction of Coast Guard installations.

SENATE AMENDMENT

Senate amendment No. 4 increased this amount by \$10,500,000, to \$62,190,000, with the intent that the funds be allocated for the following:

First. \$2,500,000 for a new air station at North Bend, Ore.

Second. \$5,000,000 for a prototype harbor radar marine traffic system in Puget Sound.

Third. \$1,500,000 to increase procurement schedules for the Air-Deliverable Anti-Pollution Transfer System (ADAPTS).

Fourth. \$1,500,000 to accelerate procurement of components of the oil slick containment system.

CONFERENCE SUBSTITUTE

The conference substitute authorizes to be appropriated \$62,190,000, which authorizes funds for the new air station at North Bend, Ore., the prototype harbor radar advisory system, and the oil pollution control systems.

AMENDMENT NO. 5

This was a Senate technical amendment to accommodate the Senate's insertion of additional items authorized for construction.

AMENDMENT NO. 6
HOUSE BILL

No comparable provision.

SENATE BILL

The Senate bill inserted the following language: "(35) various locations: develop and construct additional harbor advisory radar and marine traffic systems."

CONFERENCE SUBSTITUTE

The conferees agreed to the Senate amendment to add \$5,000,000 for research, development and construction of a prototype harbor radar advisory and marine traffic system—integrated marine traffic system. Based upon the results of the first generation type installation now located in San Francisco, the conferees are convinced that the future of safe and efficient marine transportation requires increased technological capability to assist in the safe movement of vessels in restricted waters. Development and deployment of a system, similar to that used to assist air traffic, would do much to prevent collisions and groundings and would assist in the faster development of a more rational and safer marine transportation system.

The Coast Guard has estimated that the \$5 million would provide an operation center in the Seattle area, a surveillance system consisting of three to five fixed radar units and a communication system for the Puget Sound area. The conferees endorse the development of this expanded prototype system as an important step in improving marine safety and protecting the environment of all our Nation's major harbor and port areas.

AMENDMENT NO. 7
HOUSE BILL

No comparable provision.

SENATE BILL

The Senate bill inserted the following language: "(36) North Bend, Ore.: construct air station facilities."

CONFERENCE SUBSTITUTE

The conference substitute authorizes to be appropriated \$2,500,000 for constructing and equipping the new Coast Guard multipurpose air station at North Bend, Ore. This station will reduce the operations overload on Coast Guard stations located elsewhere in Oregon and in Washington and permit the Coast Guard to be more responsive to requests for search and rescue assistance, to increase protection for our offshore fishing fleets, and to upgrade the law enforcement capability in this area.

Mr. HALL. Mr. Speaker, I certainly appreciate the distinguished chairman's detailed explanation, which almost taught me more than I wanted to learn. I can understand from each individually rationalized point why it is a good thing for our esteemed Coast Guard service. But I rise to ask for this explanation, Mr. Speaker, primarily for two reasons:

In the first place, here we are again violating the Legislative Reorganization Act of 1970 by asking unanimous consent of all Members that this bill, which was just received from the other body and filed this afternoon, be taken up without the 3 requisite legislative days after having been printed, so that the Members might study it and cast a matured judgment on the increase or the change over the House-passed bill.

The second reason I reserved the right to object is because originally this proposed authorization was less than \$100 million. It was increased by 120 percent to a total of \$219,750,000 by House action.

It went to the other body, which in their own version raised it to \$236 million in round figures, and then the conference report, lo and behold, comes back raising that by another \$4 million, for a total of \$240 million.

I am a friend of the Coast Guard. I have had them pull me off sandbars, and I have seen the excellent work they are doing all the way along, including the armed services, when so assigned.

Finally, Mr. Speaker, I think maybe the question is moot or at least academic, because if I am correctly informed we have already waived the rules, we have already waived the Legislative Reorganization Act, and we have already appropriated for the Coast Guard for the fiscal year 1972. This places the operation before the authorization and is a paradox. Now comes a request for unanimous consent to approve the authorization after the fact, and I am delighted to withdraw my reservation of objection.

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

There was no objection.

(For conference report and statement, see prior proceedings of today.)

The SPEAKER. The gentleman from Maryland (Mr. GARMATZ) is recognized.

Mr. KEITH. Mr. Speaker, I rise to support the unanimous consent request of the gentleman from Maryland to take up and pass the conference report on H.R.

5208, Coast Guard authorizations for fiscal year 1971.

Briefly stated, the conferees have agreed to accept the Senate amendments providing for the authorization of funds for two additional long-range search aircraft, construction of an air station in Oregon, research, development, and construction of a prototype harbor radar marine traffic system in Puget Sound, procurement of components of an oil slick containment system and an air-deliverable antipollution transfer system. In addition, the conferees have agreed to accept the House provision for an administration jet aircraft for the Coast Guard to more rapidly respond to oil slick and pollution incidents and other disasters.

As the hearings and debates of the last 2 years have indicated, we have needed, almost urgently, a greater capability to cope with oil spills and with surveillance of foreign fleets fishing off both of our coasts.

As the Russians, Poles, and East and West Germans continue to overexploit the fisheries resources off—and on—our Continental Shelf, it becomes more and more necessary to observe and police their efforts. The additional planes will aid us in doing this and, also, help us to police the efforts of our own fleets.

The additional portable oil containment unit will enable us to have a much greater competency in coping with the dozens of major oil spills that occur each year. These systems are designed to be flown to the site of a disabled tanker in danger of leaking oil. They can be quickly rigged up to transfer the tanker's oil into several collapsible plastic bags. In this manner, 140,000 gallons of oil can be removed—before it has a chance to seep into the sea and endanger nearby coastlines.

All of our country's coastline is vulnerable—and unless we do more, and do it soon, the time will inevitably arrive when nearly all our coastlines will have experienced the devastation caused by oil spills. The Senate additions are a major step in the right direction.

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

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE HONORABLE EDWARD J. DERWINSKI

The SPEAKER laid before the House the following communication, which was read:

WASHINGTON, D.C.,
August 5, 1971.

HON. CARL ALBERT,
Speaker of the House,
Washington, D.C.

DEAR MR. SPEAKER: The U.S. Group to the Interparliamentary Union will attend the 60th Conference scheduled to be held in Paris, France, the week of August 30, 1971. Our Delegation desires to depart the United States on Friday, August 27, and will return immediately upon the closing of the Conference on September 11.

The Members of the Delegation from the House are: Representatives Edward J. Derwinski (Ill.), John Jarman (Okla.), Bob Casey (Tex.), Lee H. Hamilton (Ind.), John

S. Monagan (Conn.), Alexander Pirnie (N.Y.), F. Bradford Morse (Mass.), Robert McClory (Ill.), Jackson E. Betts (Ohio), and Charles Wilson (Calif.).

May I ask you to do me the courtesy of announcing the names of these delegates so that they may appear in the "Congressional Record."

There will also be thirteen delegates from the Senate attending the Conference.

Sincerely yours,

EDWARD J. DERWINSKI.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE A REPORT ON H.R. 3304 UNTIL MIDNIGHT FRIDAY

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight Friday to file a report on the bill (H.R. 3304) to amend the act of August 27, 1954, commonly known as the Fishermen's Protective Act, to conserve and protect Atlantic salmon of North American origin.

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

There was no objection.

NATIONAL ADVISORY COMMITTEE ON THE OCEANS AND ATMOSPHERE

Mr. LENNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2587) to establish the National Advisory Committee on the Oceans and Atmosphere, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out "twenty-one" and insert "twenty-five".

Page 1, line 5, strike out "the".

Page 2, line 5, strike out "seven" and insert "nine".

Page 2, line 7, strike out "seven" and insert "eight".

Page 2, line 9, strike out "seven" and insert "eight".

Page 3, line 15, after "tions." insert: "The comprehensive annual report required herein shall be submitted on or before June 30 of each year, beginning June 30, 1972."

Page 4, strike out lines 1 to 4, inclusive, and insert:

"Sec. 6. The Secretary of Commerce shall make available to the Advisory Committee such staff, information, personnel and administrative services and assistance as it may reasonably require to carry out its activities. The Advisory Committee is authorized to request from any department, agency, or independent instrumentality of the Federal Government any information and assistance it deems necessary to carry out its functions under this Act; and each such department, agency, and instrumentality is authorized to cooperate with the Advisory Committee and, to the extent permitted by law, to furnish such information and assistance to the Advisory Committee upon request made by its Chairman, without reimbursement for such services and assistance."

Page 4, after line 4, insert:

"Sec. 7. There is hereby authorized to be appropriated to the Secretary of Commerce \$200,000 for the fiscal year ending June 30, 1972, and each succeeding fiscal year to carry out the purposes of this Act."

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I ask the gentleman to explain the Senate amendments he is asking us to accept.

Mr. LENNON. I shall be delighted to, Mr. Speaker.

Mr. Speaker, the Senate amendments to H.R. 2587 consist of six amendments which are essentially of a minor and clarifying nature. All the amendments are germane to the bill as passed by the House. They are all acceptable to the committee and their acceptance is recommended.

First, membership of the committee is changed from 21 to 25.

The purpose of the increase is to make it easier for the administration to insure the necessary broad representation of interests, expertise, and geographical distribution on the Advisory Committee. Since these basic requirements are laid down in the House bill, I believe that this change should be accepted.

Second, the word "the" is deleted from the title of the committee.

The Senate report gives no explanation for this change and as far as I am concerned, the title of the committee is perfectly acceptable with or without the "the" and, therefore, I am prepared to accept the amendment. The Senate neglected to make the same change in the title of the act.

Third, the staggered scheme of terms has been amended to reflect the change in membership.

Instead of the 7, 7, 7 distribution for 1, 2, and 3-year appointments, the amendment would provide for 9, 8, and 8, respectively. This is necessary if the first amendment is to be accepted.

Fourth, Section 4 was amended to require that the annual report be submitted on or before a specified date each year, specifically June 30, with the first report due June 30, 1972.

This amendment is considered to be an improvement and is recommended for acceptance.

Fifth, Section 6 is amended to add more specific language consistent with the intent of the bill which makes it clear that the Advisory Committee is authorized to request and receive necessary information and assistance from all Federal departments, agencies, and instrumentalities and, to the extent permitted by law, this information and assistance will be furnished without reimbursement.

This amendment is considered to be an improvement and is recommended for acceptance.

Sixth, A specific authorization for appropriations section is added consistent with the estimates of costs contained in the committee report on the bill.

Since this, in effect, places a limitation on the annual authorization, I consider it an improvement and support its acceptance. As estimated, the potential costs for administration should be roughly divided half and half between Committee membership compensation and travel expenses, and staff expenses, including a staff of three persons, GS-14,

GS-8, and GS-4, a salary of approximately \$36,000, with necessary staff expenses of approximately \$50,000. The authorization will permit approximately 500 committee-member days of activity in carrying out the committee's function.

There are six amendments which are of a minor or clarifying nature, all of which were agreed to by the Subcommittee on Oceanography before the Subcommittee on Commerce of the Senate reported the bill out.

Mr. HALL. Mr. Speaker, I thank the distinguished gentleman for his explanation and ask him if all of the amendments are germane and if any of them increase the cost over the House-passed version.

Mr. LENNON. They are all germane to the House bill. Actually, there is a limitation on the annual authorization which was not entirely clear in the House bill and which is now crystal clear in the Senate bill, and we happily accept that. There is not one cent of increase in the authorization and it is an annual authorization.

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

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 10061, DEPARTMENT OF LABOR, AND HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES APPROPRIATIONS, 1972

Mr. FLOOD submitted the following conference report and statement on the bill (H.R. 10061) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1972, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 92-461)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10061) "making appropriations for the Departments of Labor, and Health, Education, and Welfare, and Related Agencies for the fiscal year ending June 30, 1972, and for other purposes," having met, after full, and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 16, 18, 27, 32, 33, 35, 44, 45 and 46.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 11, 29, 34, 36, 38, 39, 40, 47 and 48, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$86,391,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "\$612,201,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$75,000,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$320,703,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following: "\$330,151,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$102,771,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$98,590,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$306,704,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$197,200,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$41,400,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$9,205,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$232,107,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$43,388,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$153,164,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$116,590,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$108,710,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$173,515,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$116,833,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$37,255,500"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$74,948,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$24,086,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$38,950,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$10,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 15, 30, 37, 41, 49, and 50.

DANIEL J. FLOOD,
WILLIAM H. NATCHER,
NEAL SMITH,
W. R. HULL, JR.,
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CHARLOTTE T. REID,
SILVIO O. CONTE,

Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN STENNIS,
ALAN BIBLE,
ROBERT C. BYRD,
WILLIAM PROXMIRE,
JOSEPH M. MONTAYA,
ERNEST F. HOLLINGS,
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HIRAM L. FONG,
J. CALEB BOGGS,
CHARLES H. PERCY,
EDWARD W. BROOKE,
MILTON R. YOUNG,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE
COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10061, making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1972, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF LABOR

Manpower Administration

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that \$20,000,000 of the amount of \$748,799,000 contained in the bill for "Manpower training services" shall be transferred to the Office of Economic Opportunity to finance emergency food and medical services programs in areas of exceedingly high unemployment, and that this amount be reimbursed to the appropriation "Manpower training services" upon enactment of the 1972 appropriation for the Office of Economic Opportunity.

Workplace Standards Administration

Amendment No. 2: Appropriates \$86,391,000 for "Salaries and expenses" instead of \$81,391,000 as proposed by the House and \$91,391,000 as proposed by the Senate. The increase above the appropriation proposed by the House is for activities under the Occupational Safety and Health Act.

Bureau of Labor Statistics

Amendment No. 3: Appropriates \$35,500,000 for "Salaries and expenses" as proposed by the House instead of \$36,750,000 as proposed by the Senate.

TITLE II—DEPARTMENT OF HEALTH, EDUCATION,
AND WELFARE

Health Services and Mental Health Administration

Amendment No. 4: Appropriates \$612,201,000 for "Mental health" instead of \$581,201,000 as proposed by the House and \$658,201,000 as proposed by the Senate. The increase of \$31,000,000 above the amount proposed by the House includes \$5,000,000 for construction of community mental health centers, \$1,000,000 for hospital improvement program grants, \$5,000,000 for alcoholism community assistance formula grants, and \$20,000,000 for alcoholism project grants.

Amendment No. 5: Provides that \$75,000,000 of the amount appropriated for "Mental health" shall remain available until June 30, 1973, instead of \$55,193,000 as proposed by the House and \$194,993,000 as proposed by the Senate.

Amendment No. 6: Appropriates \$320,703,000 for "Comprehensive health planning and services" instead of \$312,753,000 as proposed by the House and \$335,652,000 as proposed by the Senate. The increase above the amount proposed by the House includes \$4,500,000 for health service centers, \$950,000 for the migrant health program, and \$2,500,000 for the National Health Service Corps.

Amendment No. 7: Appropriates \$330,151,000 for "Maternal and child health" instead of \$326,651,000 as proposed by the House and \$339,651,000 as proposed by the Senate. The increase above the amount proposed by the House includes \$1,872,000 for grants to States for crippled children's services, \$1,050,000 for comprehensive projects for maternity and infant care, \$258,000 for intensive care of infants, and \$320,000 for dental health of children.

Amendment No. 8: Appropriates \$102,771,000 for "Regional medical programs" instead

of \$82,771,000 as proposed by the House and \$122,771,000 as proposed by the Senate. The Committee of Conference is agreed that no existing regional medical program is to receive a lesser amount in fiscal year 1972 than it received in 1971.

The Committee believes one of the problems which needs attention is the availability of hemodialysis for those with otherwise terminal kidney disease.

Amendment No. 9: Deletes language proposed by the House regarding insurance of official motor vehicles in foreign countries.

Amendment No. 10: Appropriates \$98,590,000 for "Disease control" instead of \$94,425,000 as proposed by the House and \$113,340,000 as proposed by the Senate. The increase above the amount proposed by the House includes \$750,000 for the purchase of laboratory equipment and \$500,000 for personnel for the Appalachian Laboratory for Occupational Respiratory Diseases at Morgantown, West Virginia, \$415,000 for the Arctic Health Research Center, and \$2,500,000 for the lead-based paint poisoning prevention program. The Committee of Conference is agreed that the money included in the bill for this program will be used exclusively for the screening and treatment of children.

Amendments Nos. 11, 12, 13, and 14: Appropriates \$306,704,000 for "Medical facilities construction" instead of \$266,704,000 as proposed by the House and \$331,704,000 as proposed by the Senate; insert citation to section 304 of the Public Health Service Act; earmark \$197,200,000 for grants pursuant to section 601 of the Public Health Service Act for the construction or modernization of medical facilities instead of \$172,200,000 as proposed by the House and \$222,200,000 as proposed by the Senate; and provide that \$41,400,000 of the total appropriation shall be available only for grants for the construction of public or other non-profit hospitals and public health centers instead of \$66,400,000 proposed by the Senate.

Amendment No. 15: Reported in technical agreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that \$15,000,000 of the amount appropriated for "Medical facilities construction" shall remain available until expended for hospital experimentation projects pursuant to section 304 and section 643A of the Public Health Service Act and that, or this amount, \$8,600,000 shall be for grants and \$6,700,000 shall be for loans.

Amendment No. 16: Appropriates \$85,700,000 for "Patient care and special health services" as proposed by the House instead of \$96,682,000 as proposed by the Senate.

National Institutes of Health

Amendment No. 17: Appropriates \$9,205,000 for "Biologics standards" instead of \$8,956,000 as proposed by the House and \$9,755,000 as proposed by the Senate. The increase over the amount proposed by the House includes \$105,000 for regulatory activities in connection with blood plasma and \$144,000 to cover estimated "cost of living" increases in connection with research grants and contracts.

Amendment No. 18: Appropriates \$237,531,000 for "National Cancer Institute" as proposed by the House instead of \$258,233,000 as proposed by the Senate.

Amendment No. 19: Appropriates \$232,107,000 for "National Heart and Lung Institute" instead of \$211,624,000 as proposed by the House and \$252,590,000 as proposed by the Senate.

Amendment No. 20: Appropriates \$43,888,000 for "National Institute of Dental Research" instead of \$41,828,000 as proposed by the House and \$44,948,000 as proposed by the Senate.

Amendment No. 21: Appropriates \$153,164,000 for "National Institute of Arthritis and Metabolic Diseases" instead of \$148,204,000 as proposed by the House and \$163,629,000 as

proposed by the Senate. The increase over the amount proposed by the House includes \$1,500,000 for kidney research and \$3,460,000 which is the amount estimated to be necessary to fund at least 50 percent of the competing research grant applications that will be on hand during fiscal year 1972.

Amendment No. 22: Appropriates \$116,590,000 for "National Institute of Neurological Diseases and Stroke" instead of \$108,590,000 as proposed by the House and \$139,187,000 as proposed by the Senate. The increase over the amount proposed by the House includes \$3,000,000 for acute spinal cord injury clinical research centers, \$3,000,000 for research on multiple sclerosis, muscular dystrophy, and related diseases, and \$2,000,000 to establish four additional stroke research centers.

Amendment No. 23: The bill includes \$108,710,500 for "National Institute of Allergy and Infectious Diseases" instead of \$106,662,000 as proposed by the House and \$112,979,000 as proposed by the Senate. The amount of the increase over the appropriation proposed by the House is \$1,298,500 for research grants and \$750,000 for allergic disease centers. The Committee of Conference is agreed that a part of the increase above the appropriation proposed by the House is for research on encephalitis.

Amendment No. 24: Appropriates \$173,515,000 for "National Institute of General Medical Sciences" instead of \$168,490,000 as proposed by the House and \$179,318,000 as proposed by the Senate. The increase of \$5,025,000 above the appropriation recommended by the House is to enable the Institute to fund at least 50 percent of the competing research grant applications estimated to be approved in 1972.

Amendment No. 25: Appropriates \$116,833,000 for "National Institute of Child Health and Human Development" instead of \$109,668,000 as proposed by the House and \$126,093,000 as proposed by the Senate. The increase of \$7,165,000 above the appropriation proposed by the House is to enable the Institute to fund at least 50 percent of the competing research grant applications estimated to be approved in 1972. The Committee of Conference is agreed that within the increase above the appropriation proposed by the House priority be given to research on aging.

The Committee on Conference is agreed that in the population research, the prohibition in Title X of abortion as a method of family planning should not be construed so as to prevent scientific research into the causes of abortion and its effects.

Amendment No. 26: Appropriates \$37,255,500 for "National Eye Institute" instead of \$36,022,000 as proposed by the House and \$40,187,000 as proposed by the Senate. The increase above the appropriation proposed by the House includes \$1,000,000 for collaborative contract projects and epidemiologic projects on the prevention, diagnosis, and treatment of blinding eye disease; and \$233,500 for staffing of clinical scientific and administrative management functions of the Institute.

Amendment No. 27: Appropriates \$26,436,000 for "National Institute of Environmental Health Sciences" proposed by the House instead of \$31,991,000 as proposed by the Senate.

Amendment No. 28: Appropriates \$74,948,000 for "Research resources" instead of \$71,948,000 proposed by the Senate. The increase above the appropriation proposed by the House includes \$1,000,000 for general clinical research centers, \$1,500,000 for the animal resources program to assist research Institutes to up-grade their animal facilities as required by the Animal Welfare Act of 1970, and \$500,000 to assist the primate breeding colony at Holloman Air Force Base, New Mexico.

Amendment No. 29: Appropriates \$4,288,000 for "John E. Fogarty International Center for Advanced Study in the Health Sciences" as proposed by the Senate instead of \$3,763,000 as proposed by the House.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to agree to the Senate amendment with an amendment which will appropriate \$180,620,000 for "Health manpower" instead of \$211,306,000 as proposed by the Senate. The House did not consider the budget for this item since the major part was not authorized at the time the House acted. All of this appropriation is currently authorized, but the amendment had to be reported in technical disagreement since language is included which changes the terms of the continuing resolution so that unauthorized activities (none of which are included in this bill) may continue until legislation to extend them which is now pending in Congress is enacted. The Committee of Conference is agreed that the amount provided for "Health manpower" does not adequately fund the needs in various categories. The Committees on Appropriations will expect to review these needs after the pending authorizations are enacted and include additional funds in a subsequent supplemental appropriation bill. The following table breaks down the appropriation by activities:

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to agree to the Senate amendment with an amendment which will appropriate \$180,620,000 for "Health manpower" instead of \$211,306,000 as proposed by the Senate. The House did not consider the budget for this item since the major part was not authorized at the time the House acted. All of this appropriation is currently authorized, but the amendment had to be reported in technical disagreement since language is included which changes the terms of the continuing resolution so that unauthorized activities (none of which are included in this bill) may continue until legislation to extend them which is now pending in Congress is enacted. The Committee of Conference is agreed that the amount provided for "Health manpower" does not adequately fund the needs in various categories. The Committees on Appropriations will expect to review these needs after the pending authorizations are enacted and include additional funds in a subsequent supplemental appropriation bill. The following table breaks down the appropriation by activities:

<i>Program and amount in the conference agreement</i>	
Medical, dental, and related health professions:	
Student assistance:	
Direct loans.....	\$30,000,000
Scholarships.....	15,500,000
Educational grants and contracts and direct operations.....	17,050,000
Nursing:	
Student assistance:	
Direct loans.....	21,000,000
Scholarships.....	19,500,000
Traineeships.....	10,470,000
Educational grants and contracts and direct operations.....	16,720,000
Public Health:	
Institutional support.....	10,071,000
Traineeships.....	8,400,000
Direct operations.....	578,000
Allied health:	
Institutional support.....	10,000,000
Traineeships.....	3,750,000
Educational grants and contracts and direct operations.....	16,904,000
Program direction and manpower analysis.....	6,682,000
Total.....	180,620,000

Amendment No. 31: Appropriates \$24,086,000 for "National Library of Medicine" instead of \$22,781,000 as proposed by the House and \$25,086,000 as proposed by the Senate. The increase over the appropriation proposed by the House includes \$805,000 to provide for "cost of living" costs for the library's contract intramural programs, \$300,000 for the Lister Hill Center for Biomedical Communications, and \$200,000 for the National Medical Audiovisual Center.

Amendment No. 32: Appropriates \$3,565,000 for "Buildings and facilities" as proposed by the House instead of \$5,065,000 as proposed by the Senate.

Amendment No. 33: Appropriates \$11,442,000 for "Office of the Director" as proposed by the House instead of \$11,792,000 as proposed by the Senate.

Amendment No. 34: Provides for the transfer of \$60,700,000 for "General research support grants" as proposed by the Senate instead of \$55,212,000 as proposed by the House.

Office of Education

Amendment No. 35: Deletes appropriation of \$1,592,000 for "Emergency school construction" proposed by the Senate.

Social and Rehabilitation Service

Amendments Nos. 36, 38, 39, and 40: Insert citation as proposed by the Senate; provides that \$560,000,000 of the appropriation for "Rehabilitation services and facilities" shall be for grants under section 2 as proposed by the Senate instead of \$575,000,000 as proposed by the House; provides that \$12,500,000 of the appropriation for "Rehabilitation services and facilities" shall be for rehabilitation facility improvement under section 13 as proposed by the Senate instead of \$15,000,000 as proposed by the House; and provides that \$21,715,000 of the appropriation for "Rehabilitation services and facilities" shall be available for grants under Part C of the Developmental Disabilities Services and Facilities Construction Act as proposed by the Senate instead of \$30,000,000 as proposed by the House.

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede from its disagreement with the Senate amendment which would appropriate \$674,051,000 for "Rehabilitation services and facilities" instead of \$688,836,000 and agree to the amendment with an amendment to appropriate \$667,301,000.

Amendment No. 41: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede from disagreement to the Senate amendment and agree to the same with an amendment which will appropriate \$4,250,000 for grants under Part B of the Developmental Disabilities Services and Facilities Construction Act instead of \$8,500,000 as proposed by the Senate.

Amendment No. 42: Appropriates \$38,950,000 for "Special programs for the aging" instead of \$33,700,000 as proposed by the House and \$44,200,000 as proposed by the Senate.

Amendment No. 43: Appropriates \$10,000,000 for "Youth development and delinquency prevention" instead of \$20,000,000 as proposed by the Senate.

Amendment No. 44: Appropriates \$99,163,000 for "Research and training" as proposed by the House instead of \$100,140,000 as proposed by the Senate.

Amendment No. 45: Appropriates \$39,537,000 for "Salaries and expenses" as proposed by the House instead of \$40,481,000 as proposed by the Senate.

Office of Child Development

Amendment No. 46: Appropriates \$14,251,000 for "Child development" as proposed by the House instead of \$16,251,000 as proposed by the Senate. The Head Start program was included in the budget for "Child development," but has not been included in the bill. The Committee of Conference wants to make it quite clear that the members favor this program and have omitted from the bill solely because there is as yet no authorization for the program.

General Provisions

Amendment No. 47: Provides that the allotment base for grants under section 2 of the Vocational Rehabilitation Act shall be made on the basis of \$580,000,000 as proposed by the Senate instead of \$600,000,000 as proposed by the House.

TITLE III—RELATED AGENCIES

National Commission on Libraries and Information Science

Amendment No. 48: Appropriates \$200,000 for "Salaries and expenses." The House did not consider this item since the budget amendment which contained the request for an appropriation was received too late to be acted upon.

National Commission on Marihuana and Drug Abuse

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates \$1,228,000 for "Salaries and expenses." The House did not consider this item since the budget amendment which contained the request for an appropriation was received too late to be acted upon.

Commission on Railroad Retirement

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates \$483,000 for "Salaries and expenses." The House did not consider this item since the budget amendment which contained the request for an appropriation was received too late to be acted upon.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1972 recommended by the Committee of Conference, with comparisons to the fiscal year 1971 amount, the 1972 budget estimate, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1971	\$17,654,678,500
Budget estimates of new (obligational) authority, fiscal year 1972 (including \$180,641,000 not considered by the House)	20,223,637,000
House bill, fiscal year 1972	20,461,247,000
Senate bill, fiscal year 1972	21,118,317,000
Conference agreement	20,804,662,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1971	+3,149,983,500
Budget estimates of new (obligational) authority (as amended), fiscal year 1972	+581,025,000
House bill, fiscal year 1972	+343,415,000
Senate bill, fiscal year 1972	-313,655,000

NOTE.—All 1972 figures include \$100,000,000 advance appropriation for fiscal year 1972 for the National Cancer Institute which was provided in the Second Supplemental Appropriation Act, 1971 (P.L. 92-18).

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EDWARD W. BROOKE,
MILTON R. YOUNG,

Managers on the Part of the Senate.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill—H.R. 10061—making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1972, and for other purposes.

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

Mr. HALL. Mr. Speaker, reserving the right to object, here again we are being asked by the one for all and all for one "fraternity"—otherwise known as the Committee on Appropriations—to violate the Legislative Reorganization Act of 1970. Having now just properly proceeded and asked to file a report, they violate that statute by asking for its immediate consideration.

For the life of me, I cannot see why there is this need for haste and particularly, Mr. Speaker, now that I have just been provided with a summary of the conference total, with comparisons, I think it is embarrassing, ill-conceived, and improper to ask the Members for unanimous consent to consider it or to even vote on such a bill inasmuch as it left the House \$418,000,000 above the budget and there has been a total of somewhere around \$350 million, added in conference.

There is no generally available printed material. The information has not lain over for Members to study or to digest. There are many sacred cows in this, and certainly the gentleman from Missouri knows full well the welfare needs of the States in this regard, albeit, some of them are vetoing their own legislative appropriations.

Mr. Speaker, I just cannot understand wherein lies the equity of asking Members to OK what is rapidly becoming the single largest annual appropriation that we have.

In addition to this amount above the budget, I would recall to the House, that which has been done in the past week or 10 days to the budget by overappropriating; and by following up on authorizations so that "the birds are coming home to roost," with the cost of living and building increases all making us much above the budget. With over \$21 billion in this 1972 appropriation for health and welfare and having already passed the education appropriation bill in the amount of well over \$5 billion, for a total of over \$26 billion, not counting the funds for medicare and medicaid, and with this being \$2,878 million over last year's appropriation, I just cannot understand why we should consider it so precipitously, why we should ask unanimous consent and have it granted, and why we do not at least go and get a rule if we must act hurriedly on this last day? Why do we not wait for the printers—although I know they are behind—and above all since we have just this week passed a continuing resolution, Mr. Speaker, under which any agency can continue to operate under existing appropriations or those passed by either body, not to exceed the amount of last

year's appropriations, why we should act pellmell in this manner? Under these circumstances, I will continue to reserve the right to object, but I would be delighted to yield to my friend from Pennsylvania.

Mr. FLOOD. I thank the gentleman from Missouri very much. He is a great surgeon and a great doctor of medicine and on the Armed Services Committee. I wish he served on the Committee on Appropriations. He would be a great help to me.

Now, if the gentleman will allow me, I would like to point out this fact. Early in the day I did not have the figures and I so told the gentleman. I now have them.

Mr. Speaker, we sat 2 full days, morning and afternoon. I met with the staff at 7:30 this morning. We have worked hard to bring you a good conference report.

The doctor's objection to the unanimous-consent request which was made at 2 o'clock this afternoon was quite correct. I really cannot disagree with his logic at that time. But at this point we have actually filed the conference report and I am quite certain that one of the things that the gentleman from Missouri (Mr. HALL) has been concerned about is that the managers on the part of the House would give in too much to the Senate. But the conference report just filed is \$313,655,000 less than the Senate bill.

Mr. HALL. Mr. Speaker, will the gentleman tell us how much more it is than the House-passed version?

Mr. FLOOD. It is over the House bill by \$343,415,000 but that includes about \$200 million that was not considered by the House in its bill.

Mr. HALL. So in effect you are really more over the House bill than under the Senate version.

Mr. FLOOD. That is a mathematical fact. But it should be qualified as I just said.

Doctor, you could not possibly have done better yourself. You could not possibly have done better yourself.

Mr. HALL. Mr. Speaker, the gentleman argues well, and he touches my soul. And, as I say, I do know the needs of the various States which have depended on sucking the hind teat of centralized collective government, to the place where they can no longer be weaned away.

But, be that as it may, his arguments about the other body convinced me. I am

one of those who is thoroughly convinced in spite of your emoluments, and others, that we can never achieve that which we seek, be it in cancer, or heart, or otherwise, by simply adding up millions of dollars.

Mr. FLOOD. Who would know better than the gentleman.

Mr. HALL. Nor by adding more personnel. What we need is time to think and ponder—

Mr. FLOOD. Will my friend yield?

Mr. HALL. I will be glad to yield as soon as I finish my sentence.

What we need is time to ponder and mull and think and develop horizontal research at the same time we are building on vertical blocks of same, so that we can reach a technological breakthrough and then pour all the money and personnel in it that we need at that point.

But, Mr. Speaker, in view of the gentleman's terpsichorean art, his sartorial elegance, his eloquent utterances, and his convincing ways, plus pragmatic realization that the committee could and would get a rule although I doubt they could muster the necessary two-thirds "aye" votes; I will withdraw my reservation of objection.

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

There was no objection.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

The SPEAKER. The gentleman from Pennsylvania (Mr. Flood) is recognized.

Mr. FLOOD. Mr. Speaker, the conference report that we are bringing to you today provides a total of \$20,804,662,000 for the Departments of Labor, and Health, Education, and Welfare, and related agencies for fiscal year 1972. This is, of course, the largest amount that has ever been appropriated for the programs in this bill. It is \$3,149,983,500 over the 1971 appropriations. The bill as it passed the House provided \$20,461,247,000. The

Senate bill provided \$21,118,317,000. The difference between the House and the Senate bills was \$657,070,000. In the conference agreement which we are bringing to you today the Senate have given up \$313,655,000 and the House has agreed to \$343,415,000 worth of Senate increases. Now these Senate increases include \$180,641,000 for programs for which there were budget requests but which the House did not include in the bill because authorizing legislation was pending at the time the House acted.

Now where do we stand with respect to the President's budget? The House bill was \$418,251,000 over the budget request. The Senate bill was \$894,680,000 over the budget request. The conference agreement provides \$581,025,000 over the budget estimates—much closer to the House figure than the Senate figure.

Now just a word as to the Senate increases above the House to which we have agreed. Let me give you a summary of these increases: Health Services and Mental Health Administration, \$106,615,000; research components of the National Institutes of Health, \$54,249,000; and health manpower programs, \$180,620,000.

With respect to the Social and Rehabilitation Service we are \$6,285,000 below the House, but we are \$78,620,000 over the budget.

Mr. Speaker, I think that we have a good conference report. It provides a very substantial increase in the Federal investment in health and welfare programs all down the line. This increase is due in some measure to the President's budget, after he amended what was originally submitted in January. It includes increases added by the House. It includes further increases added by the Senate. However, I hasten to add that it includes much less than half of the increase put in the bill by the Senate when you take out those increases for items not considered by the House. In my opinion the final compromise is a good one and one that every Member should support.

Mr. Speaker, I will insert a table at this point in the RECORD which will show in much, much greater detail the pertinent statistics concerning the appropriations agreed upon for the Departments of Labor, and Health, Education, and Welfare, and related agencies:

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1972 (H.R. 10061)

NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY

TITLE I—DEPARTMENT OF LABOR

Agency and item	1971 enacted ¹	1972				Conference agreement compared with—			
		Budget estimate ²	House bill	Senate bill	Conference agreement	1971	Budget 1972	House	Senate
MANPOWER ADMINISTRATION									
Salaries and expenses.....	\$29,213,000	\$63,515,000	\$37,568,000	\$37,568,000	\$37,568,000	+\$8,355,000	—\$25,947,000		
Trust fund transfer.....	(23,855,000)		(25,847,000)	(25,847,000)	(25,847,000)	(+1,992,000)			
Manpower training services.....	(21,476,000)	(26,207,000)	(⁰)	(⁰)	(⁰)				
	886,962,000	748,799,000	748,799,000	748,799,000	748,799,000		—138,163,000		
	(742,069,000)	(817,597,000)	(⁰)	(⁰)	(⁰)				
Federal unemployment benefits and allowances.....	317,430,000	274,500,000	274,500,000	274,500,000	274,500,000	—42,930,000			
Grants to States for unemployment insurance and employment services.....	(743,500,000)	(806,000,000)	(806,000,000)	(806,000,000)	(806,000,000)	(+62,500,000)			
Total, Manpower Administration.....	1,233,605,000	1,086,814,000	1,060,867,000	1,060,867,000	1,060,867,000	—172,738,000	—25,947,000		

Footnotes at end of table.

Agency and item	1972					Conference agreement compared with—			
	1971 enacted ¹	Budget estimate ²	House bill	Senate bill	Conference agreement	1971	Budget 1972	House	Senate
LABOR-MANAGEMENT SERVICES ADMINISTRATION									
Salaries and expenses.....	\$17,989,000	\$22,798,000	\$22,798,000	\$22,798,000	\$22,798,000	+\$4,809,000			
WORKPLACE STANDARDS ADMINISTRATION									
Salaries and expenses.....	58,220,500	81,391,000	81,391,000	91,391,000	86,391,000	+28,170,500	+\$5,000,000	+\$5,000,000	-\$5,000,000
Federal workmen's compensation benefits.....	109,800,000	90,000,000	90,000,000	90,000,000	90,000,000	-19,800,000			
Total, Workplace Standards Administration.....	168,020,500	171,391,000	171,391,000	181,391,000	176,391,000	+8,370,500	+5,000,000	+5,000,000	-5,000,000
BUREAU OF LABOR STATISTICS									
Salaries and expenses.....	28,096,000	37,636,000	35,500,000	36,750,000	35,500,000	+7,404,000	-2,136,000		-1,250,000
BUREAU OF INTERNATIONAL LABOR AFFAIRS									
Salaries and expenses.....	1,640,000	1,996,000	1,996,000	1,996,000	1,996,000	+356,000			
Special foreign currency program.....	75,000	525,000	100,000	100,000	100,000	+25,000	-425,000		
Total, Bureau of International Labor Affairs.....	1,715,000	2,521,000	2,096,000	2,096,000	2,096,000	+381,000	-425,000		
OFFICE OF THE SOLICITOR									
Salaries and expenses.....	6,399,000	7,851,000	7,694,000	7,694,000	7,694,000	+1,295,000	-157,000		
Trust fund transfer.....	(157,000)		(157,000)	(157,000)	(157,000)				
OFFICE OF THE SECRETARY									
Salaries and expenses.....	10,401,000	11,082,000	10,567,000	10,567,000	10,567,000	+166,000	-515,000		
Trust fund transfer.....	(615,000)		(615,000)	(615,000)	(615,000)				
Total, new budget (obligational) authority, Department of Labor.....	1,466,225,500	1,340,093,000	1,310,913,000	1,322,163,000	1,315,913,000	-150,312,500	-24,180,000	+5,000,000	-6,250,000

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION									
Mental health.....	389,238,000	499,451,000	581,021,000	658,201,000	612,201,000	+222,963,000	+112,750,000	+31,000,000	-46,000,000
St. Elizabeths Hospital (indefinite).....	22,848,000	23,144,000	23,144,000	23,144,000	23,144,000	+296,000			
Health services research and development.....	57,738,000	62,070,000	62,070,000	62,070,000	62,070,000	+4,332,000			
Comprehensive health planning and services.....	250,973,000	302,753,000	312,753,000	335,652,000	320,703,000	+69,730,000	+17,950,000	+7,950,000	-14,949,000
Trust fund transfer.....	(4,519,000)	(4,519,000)	(4,519,000)	(4,519,000)	(4,519,000)				
Maternal and child health.....	261,992,000	326,651,000	326,651,000	339,651,000	330,151,000	+68,159,000	+3,500,000	+3,500,000	-9,500,000
Regional medical programs.....	116,990,000	52,771,000	82,771,000	122,771,000	102,771,000	-14,219,000	+50,000,000	+20,000,000	-20,000,000
Disease control.....	46,668,000	91,425,000	94,425,000	113,340,000	98,590,000	+51,922,000	-7,165,000	+4,165,000	-14,750,000
Medical facilities construction.....	226,837,000	138,877,000	266,704,000	331,704,000	306,704,000	+79,867,000	+167,827,000	+40,000,000	-25,000,000
Patient care and special health services.....	85,905,000	71,682,000	85,700,000	95,682,000	85,700,000	-205,000	+14,018,000		-10,982,000
National health statistics.....	10,343,000	15,900,000	15,900,000	15,900,000	15,900,000	+5,557,000			
Retirement pay and medical benefits for commissioned officers (indefinite).....	19,501,000	23,196,000	23,196,000	23,196,000	23,196,000	+3,695,000			
Office of the Administrator.....	12,636,000	12,359,000	12,359,000	12,359,000	12,359,000	-277,000			
Total, Health Services and Mental Health Administration.....	1,501,669,000	1,620,279,000	1,886,874,000	2,134,670,000	1,993,489,000	+491,820,000	+373,210,000	+106,615,000	-141,181,000
Consisting of—									
Definite appropriations.....	1,459,320,000	1,573,939,000	1,840,534,000	2,088,330,000	1,947,149,000	+487,829,000	+373,210,000	+106,615,000	-141,181,000
Indefinite appropriations.....	42,349,000	46,340,000	46,340,000	46,340,000	46,340,000	+3,991,000			
NATIONAL INSTITUTES OF HEALTH									
Biologics standards.....	9,296,000	8,956,000	8,956,000	9,755,000	9,205,000	-91,000	+249,000	+249,000	-550,000
National Cancer Institute.....	233,160,000	334,338,000	337,531,000	358,233,000	337,531,000	+104,371,000	+3,193,000		-20,702,000
National Heart and Lung Institute.....	194,925,000	195,492,000	211,624,000	252,590,000	232,107,000	+37,182,000	+36,615,000	+20,483,000	-20,483,000
National Institute of Dental Research.....	35,440,000	38,829,000	41,828,000	44,948,000	43,388,000	+7,948,000	+4,559,000	+1,560,000	-1,560,000
National Institute of Arthritis and Metabolic Diseases.....	137,986,000	135,433,000	148,204,000	163,629,000	153,164,000	+15,178,000	+17,731,000	+4,960,000	-10,465,000
National Institute of Neurological Diseases and Stroke.....	103,502,000	521,000	108,590,000	139,187,000	116,590,000	+13,088,000	+20,069,000	+8,000,000	-22,597,000
National Institute of Allergy and Infectious Diseases.....	102,368,000	99,342,000	106,662,000	112,979,000	108,710,500	+6,342,500	+9,368,500	+2,048,500	-4,268,500
National Institute of General Medical Sciences.....	160,194,000	150,400,000	168,490,000	179,318,000	173,515,000	+13,321,000	+23,115,000	+5,025,000	-5,803,000
National Institute of Child Health and Human Development.....	94,760,000	103,232,000	109,668,000	126,093,000	116,833,000	+22,073,000	+13,601,000	+7,165,000	-9,260,000
National Eye Institute.....	30,032,000	32,639,000	36,022,000	40,187,000	37,255,500	+7,223,500	+4,616,500	+1,233,500	-2,931,500
National Institute of Environmental Health Sciences.....	20,151,000	25,271,000	26,436,000	31,991,000	26,436,000	+6,285,000	+1,165,000		-5,555,000
Research resources.....	66,320,000	68,069,000	71,948,000	75,948,000	74,948,000	+8,628,000	+6,879,000	+3,000,000	-1,000,000

Footnotes at end of table.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1972 (H.R. 10061)—Continued

NEW BUDGET (OBLIGATIONAL) AUTHORITY—CONFERENCE SUMMARY—Continued

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

Agency and item	1972					Conference agreement compared with—			
	1971 enacted ¹	Budget estimate ²	House bill	Senate bill	Conference agreement	1971	Budget 1972	House	Senate
NATIONAL INSTITUTES OF HEALTH—CONTINUED									
John E. Fogarty International Center for Advanced Study in the Health Sciences.....	\$3,666,000	\$3,319,000	\$3,763,000	\$4,288,000	\$4,288,000	\$+622,000	\$+969,000	+\$525,000	
Subtotal, NIH Research Institutes.....	1,191,800,000	\$1,291,841,000	\$1,379,722,000	\$1,539,146,000	\$1,433,971,000	+242,171,000	+142,130,000	+54,249,000	-\$105,175,000
Health manpower.....	152,460,000	168,730,000	(³)	211,306,000	180,620,000	+28,160,000	+11,890,000	+180,620,000	-30,686,000
National Library of Medicine.....	(299,950,000)	(373,195,000)	(³)	(³)	(³)	(-299,950,000)	(-373,195,000)		
Building and facilities.....	21,440,000	21,981,000	22,781,000	25,086,000	24,086,000	+2,646,000	+2,105,000	+1,305,000	-1,000,000
Office of the Director.....	8,903,000	3,565,000	3,565,000	5,065,000	3,565,000	+3,565,000			-1,500,000
Scientific activities overseas (special foreign currency program).....		11,442,000	11,442,000	11,792,000	11,442,000	+2,539,000			-350,000
Payment of sales insufficiencies and interest losses.....	32,444,000	25,545,000	25,545,000	25,545,000	25,545,000	-6,899,000			
General research support grants.....	3,083,000	4,000,000	4,000,000	4,000,000	4,000,000	+917,000			
	(60,700,000)	(49,200,000)	(55,212,000)	(60,700,000)	(60,700,000)		(+11,500,000)	(+5,488,000)	
Total, National Institutes of Health.....	1,410,130,000	\$1,527,104,000	\$1,447,055,000	\$1,821,940,000	\$1,683,229,000	+273,099,000	+156,125,000	+236,174,000	-138,711,000
OFFICE OF EDUCATION									
Emergency school construction.....				1,592,000					-1,592,000
SOCIAL AND REHABILITATION SERVICE									
Grants to States for public assistance.....	9,699,137,000	11,411,693,000	11,411,693,000	11,411,693,000	11,411,693,000	+1,712,556,000			
Work incentives.....	98,180,000	275,136,000	259,136,000	259,136,000	259,136,000	+160,956,000	-16,000,000		
Rehabilitation services and facilities.....	570,390,000	605,000,000	688,836,000	674,051,000	667,301,000	+96,911,000	+62,301,000	-21,535,000	-6,750,000
Special programs for the aging.....	33,650,000	33,700,000	33,700,000	44,200,000	38,950,000	+5,300,000	+5,250,000	+5,250,000	-5,250,000
Youth development and delinquency prevention.....	15,000,000	10,000,000	(³)	20,000,000	10,000,000	-5,000,000		+10,000,000	-10,000,000
Research and training.....	67,435,000	69,150,000	99,163,000	100,140,000	99,163,000	+22,728,000	+30,013,000		-977,000
Social and rehabilitation activities overseas (special foreign currency program).....	4,000,000	10,000,000	8,000,000	8,000,000	8,000,000	+4,000,000	-2,000,000		
Salaries and expenses.....	36,803,000	40,481,000	39,537,000	40,481,000	39,537,000	+2,734,000	-944,000		-944,000
Trust fund transfer.....	(390,000)	(400,000)	(400,000)	(400,000)	(400,000)	(+10,000)			
Total Social and Rehabilitation Service.....	10,533,595,000	12,455,160,000	12,540,065,000	12,557,701,000	12,533,780,000	+2,000,185,000	+78,620,000	-6,285,000	-23,921,000
SOCIAL SECURITY ADMINISTRATION									
Payments to social security trust funds.....	2,599,886,000	2,465,297,000	2,465,297,000	2,465,297,000	2,465,297,000	-134,589,000			
Special benefits for disabled coal miners.....	(³)	\$644,249,000	\$644,249,000	644,249,000	644,249,000	+644,249,000			
Social security activities overseas (special foreign currency program).....		750,000					-750,000		
Limitation on salaries and expenses.....	(1,044,991,000)	(1,134,640,000)	(1,134,640,000)	(1,134,640,000)	(1,134,640,000)	(+89,649,000)			
Limitation on construction.....	(2,800,000)	(18,194,000)	(18,194,000)	(18,194,000)	(18,194,000)	(+15,394,000)			
Total, Social Security Administration.....	2,599,886,000	3,110,296,000	3,109,546,000	3,109,546,000	3,109,546,000	+509,660,000	-750,000		
OFFICE OF CHILD DEVELOPMENT									
Child development.....	7,992,000	16,251,000	14,251,000	16,251,000	14,251,000	+6,259,000	-2,000,000		-2,000,000
		(376,817,000)	(³)	(³)	(³)				
DEPARTMENTAL MANAGEMENT									
Office for Civil Rights.....	8,581,000	10,830,000	10,830,000	10,830,000	10,830,000	+2,249,000			
Trust fund transfers.....	(947,000)	(1,049,000)	(1,049,000)	(1,049,000)	(1,049,000)	(+102,000)			
Departmental management.....	40,868,000	47,570,000	47,570,000	47,470,000	47,570,000	+6,702,000			
Trust fund transfers.....	(5,725,000)	(5,955,000)	(5,955,000)	(5,955,000)	(5,955,000)	(+230,000)			
Total, Departmental Management.....	49,449,000	58,400,000	58,400,000	58,400,000	58,400,000	+8,951,000			
Total, new budget (obligational) authority, Department of Health, Education, and Welfare.....									
Consisting of.....	16,102,721,000	18,787,490,000	19,056,191,000	\$19,700,100,000	\$19,392,695,000	+3,289,974,000	+605,205,000	+336,504,000	-307,405,000
Definite appropriations.....	16,060,372,000	18,741,150,000	19,009,851,000	19,653,760,000	19,346,355,000	+3,285,983,000	+605,205,000	+336,504,000	-307,405,000
Indefinite appropriations.....	42,349,000	46,340,000	46,340,000	46,340,000	46,340,000	+3,991,000			

Footnotes at end of table.

TITLE III—RELATED AGENCIES

Agency and item	1971 enacted ¹	1972				Conference agreement compared with—			
		Budget estimate ²	House bill	Senate bill	Conference agreement	1971	Budget 1972	House	Senate
National Commission on Libraries and Information Science		\$200,000	(*)	\$200,000	\$200,000	+\$200,000		+\$200,000	
National Commission on Marihuana and Drug Abuse	\$700,000	1,228,000	(*)	1,228,000	1,228,000	+528,000		+1,228,000	
National Labor Relations Board	41,827,000	48,468,000	\$48,468,000	48,468,000	48,468,000	+6,641,000			
National Mediation Board	2,454,000	2,796,000	2,796,000	2,796,000	2,796,000	+342,000			
Railroad Retirement Board:									
Payments for military service credits	19,969,000	20,757,000	20,757,000	20,757,000	20,757,000	+788,000			
Limitation on salaries and expenses	(19,160,000)	(18,838,000)	(18,838,000)	(18,838,000)	(18,838,000)	(-322,000)			
Commission on Railroad Retirement	300,000	483,000	(*)	483,000	483,000	+183,000		+483,000	
Federal Mediation and Conciliation Service	9,722,000	10,289,000	10,289,000	10,289,000	10,289,000	+567,000			
United States Soldiers' Home:									
Operation and maintenance	10,557,000	11,353,000	11,353,000	11,353,000	11,353,000	+796,000			
Capital outlay	128,000	80,000	80,000	80,000	80,000	-48,000			
Occupational Safety and Health Review Commission	75,000	400,000	400,000	400,000	400,000	+325,000			
Total, related agencies	85,732,000	96,054,000	94,143,000	96,054,000	96,054,000	+10,322,000		+1,911,000	
Grand total	17,654,678,500	+20,223,637,000	+20,461,247,000	+21,118,317,000	+20,804,662,000	+3,149,983,500	+\$581,025,000	+343,415,000	-313,655,000
Consisting of—									
Definite appropriations	17,612,329,500	20,177,297,000	20,414,907,000	21,071,977,000	20,758,322,000	+3,145,992,500	+581,025,000	+343,415,000	-313,655,000
Indefinite appropriations	42,349,000	46,340,000	46,340,000	46,340,000	46,340,000	+3,991,000			

¹ Includes supplemental appropriations.
² Includes budget amendments.
³ Not considered due to lack of authorization.
⁴ Includes \$100,000,000 advance appropriation for fiscal year 1972 for the National Cancer Institute contained in Second Supplemental Appropriation Act, 1971 (Public Law 92-18).
⁵ For fiscal years 1970 and 1971, indefinite amounts were appropriated, to be charged to subsequent years' appropriations.
⁶ Covers estimated obligations for 3 fiscal years as follows: Fiscal year 1970—\$6,734,000; fiscal year 1971—\$252,900,000; fiscal year 1972—\$384,615,000.

Mr. BROWN of Ohio. Mr. Speaker, I yield such time as he may require to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I want to take this opportunity to commend the chairman and the members of the committee of conference for the fine work that they did.

As the gentleman from Pennsylvania has explained to the gentleman from Missouri it was a very long and very arduous conference. I think the position of the House was held.

I would like at this time to mention some of the figures:

The total new budget (obligational) authority for the fiscal year 1972 recommended by the Committee of Conference, with comparisons to the fiscal year 1971 amount, the 1972 budget estimate, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1971	\$17,654,678,500
Budget estimates of new (obligational) authority, fiscal year 1972 (including \$180,641,000 not considered by the House)	20,223,637,000
House bill, fiscal year 1972	20,461,247,000
Senate bill, fiscal year 1972	21,118,317,000
Conference agreement	20,804,662,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1971	+\$3,149,983,500
Budget estimates of new (obligational) authority (as amended), fiscal year 1972	+581,025,000
House bill, fiscal year 1972	+343,415,000
Senate bill, fiscal year 1972	-313,655,000

NOTE.—All 1972 figures include \$100,000,000 advance appropriation for fiscal year 1972 for the National Cancer Institute which was provided in the Second Supplemental Appropriation Act, 1971 (P.L. 92-18).

Mr. MAHON. Mr. Speaker, will the gentleman from Ohio (Mr. Bow) yield? Mr. BOW. I yield to the gentleman.

Mr. MAHON. Mr. Speaker, I think it should be said that in the conference, the other body yielded to the extent of \$314 million. The House went above its figure, because we had to have a conference, and we had to give and take somewhat.

But while the other body gave up \$314 million in comparison the House gave up \$163 million which seems to me to be something of an accomplishment under the circumstances. It is true that this bill is \$581 million above the budget, and I think it worthwhile to consider for a moment some of the reasons why this bill is above the budget.

We are about \$62 million above the budget for vocational rehabilitation, for which the House voted above the budget and above the committee recommendation.

For the National Institutes of Health research activities, which are so popular with the American people generally and with the Congress, we are about \$142 million above the budget.

For hospital construction—and Members are especially interested in the hospital construction program—we are about \$167 million above the budget.

For mental health—and our people are continually appealing to us to do more in the field of mental health including alcoholism programs and drug abuse—the conference report is about \$112 million above the budget.

I think it should be understood by Members of the House that at the time the bill was before the House, the health-manpower programs for the training of doctors, nurses, and so on had not been authorized, and thus the House did not provide for these programs. The other body considered \$180 million of budget requests for this purpose, and increased

the total of the bill on that account. But this, of course, was a budgeted figure.

As chairman of the full committee who is not as familiar with every item in this bill as are the members of the subcommittee, I just want to say that while I, myself, would like to have seen a lower bill, and I, myself, voted against some of the amendments that were offered, nevertheless, under the circumstances, in view of the actions of the House and in view of the actions of the other body, I think Mr. FLOOD, Mr. MICHEL, and the other conferees who work more directly on these matters—with the attendance of Mr. Bow and myself—I think they have done a very good job, and I think the House will be pretty well pleased with the actions of the conferees.

I also want to thank the gentleman from Ohio for his splendid and unflinching cooperation.

Mr. BOW. I thank the distinguished gentleman from Texas.

Mr. Speaker, at this time I would like to yield to the gentleman from Illinois (Mr. MICHEL) the ranking member of the subcommittee, who has done a magnificent job on this committee. The gentleman from Illinois has been devoted to his work in this subcommittee, and I would like to yield to him at this time.

Mr. MICHEL. Mr. Speaker, for those of you who have known me over the years and the general posture I have taken on appropriation measures, I should tell you that I have a rather indescribable wrenching feeling as I stand before you here urging the adoption of this conference report which is \$581,025,000 over the budget.

By way of quick review, Members will recall that we reported our House bill to you some \$321 million over the budget and then with the additions that came with floor amendments, our bill left the House \$418,251,000 over the budget for the items considered.

The Senate considered several additional items, such as health manpower, youth development, delinquency prevention, and several commissions. All told, these items amounted to \$180,641,000, and the Senate added to that another \$42 million. Your conferees cut out all these increases, except \$11,890,000 for health manpower.

So all told we were confronted with a Senate-passed bill that was over the budget estimates by the whopping figure of \$894,680,000. More to the point it was \$657,070,000 over the House-passed bill, but as I said, this also reflects several significant items which were not considered by our House committee.

I think it is fair to say to you in very simple terms that this overall bill is now \$581 million over the budget, which suggests that in our conference we consented to increases over the House bill of \$162 million and got the Senate conferees to back down to the tune of \$313 million.

The more junior Members of this House just as interested if not more so in protecting the taxpayers' interest and in shaving appropriations are probably asking why did we have to give in to the Senate for so much money. But the longer you are here, and the more you will find yourselves personally involved in serving as a conferee, you will come to understand that in our bicameral system we cannot have it all our way—that we have got to compromise—there is a give and a take, and as long as I have served as a conferee on this bill, in cooperation with the distinguished subcommittee chairman, the gentleman from Pennsylvania (Mr. Flood), we have pretty consistently got the Senate to yield to two-thirds of their increases. In other words, rather than consenting simply to splitting the differences, we have pretty generally achieved a 2-to-1 break for our side.

I certainly do not relish the responsibility of asking you to support figures in excess of the budget to the extent that we have these past several years, but I would hope my colleagues would feel that we have done a fairly good job in view of the circumstances.

If I might turn now to a very brief recitation item by item of the 50 amendments that were the subject of the conference.

In the Department of Labor there were just two items. The Senate added \$10 million for occupational health and safety under the Work Place Standards Administration, and we compromised this at \$5 million.

Then in the Bureau of Labor Statistics we held to the House's lower figure, although I think there was some justification for taking the Senate's increase of \$1,250,000 as Commissioner Moore indicated the increase would be used to refine the unemployment statistics by taking a random sample other than during 1 specific week of a month. He feels there is too much chance for the eventual figures to be misleading if the sample is confined to 1 week, and he cited the first week in June as a good example. Many students were still in school the first week in June, but most of them were out of

school during most of the month of June, and that had a definite bearing on the ultimate figure that was publicized for unemployment during June.

Turning to the Department of Health, Education, and Welfare, and the item of mental health, the Senate added \$77 million and our conference agreement was for an increase over the House bill of \$31 million. This means there is \$5 million more for construction of mental health centers, and \$1 million increase for hospital improvement program grants; another \$5 million increase in formula grants for alcoholism, and \$20 million more for project grants.

Under comprehensive health planning and services, the Senate added \$22,899,000, and we cut that increase back some \$15 million. This will provide for another \$4.5 million for health service centers, about \$1 million increase for migrant health, and another \$2.5 million for the National Health Service Corps, although with their \$3 million carryover from last year, I doubt very much whether all of this money will actually be spent.

In maternal and child health, the Senate figure was \$13 million over the House and we agreed to \$3.5 million of the increase, most of it going for grants to the States for crippled children's services.

In the regional medical program, the Senate increased our bill by \$40 million and we split this increase down the middle.

In the disease control item, the Senate added nearly \$19 million to our bill and because of the very significant increases we had already made in the House on this item, we consented to a little over \$4 million of this increase.

Under the item of medical facilities construction, the Senate bill was \$65 million over the House-passed bill. Your conferees agreed to split the \$50 million item of increase for grants for construction of hospitals and public health centers under Hill-Burton and allowed the full \$15 million to complete the experimental hospital now under construction at Georgetown University Medical Center. I should say here that we have certainly gone out of our way to meet the needs of the hospitals in the District of Columbia. It is just too bad that we do not have the resources to do as much for all the other hospitals around the country whose need is just as great if not more so, and whose applications and requests are just as deserving as those here in the Nation's Capital.

In the item of patient care and special health services, the Senate added nearly \$11 million that all would have gone for Public Health Service hospitals and clinics, but Members will recall our having added over \$14 million to this item here on the floor to keep these hospitals open during the entire fiscal year 1972. The Senate receded to our House position of \$85,700,000. Although I suspect a supplemental of something around \$5 million may be required to fulfill this commitment.

Now, amendments Nos. 17 through 29 have to do with the National Institutes of Health and I shall run through each of the Institutes very briefly, Mr. Speaker.

In biology standards, we consented to

\$249,000 of the \$799,000 increase carried in the Senate bill.

In the Cancer Institute, the Senate receded on their \$20 million increase.

In the National Heart and Lung Institute, we agreed to split the difference of \$40,966,000.

We also split the difference of \$3.1 million of the National Institute of Dental Research.

In the Institute of Arthritis and Metabolic Diseases, we agreed to \$1.5 million increase for kidney research, and \$3.4 million to enable the Institutes to fund at least 50 percent of the approved competing research grant applications.

In the Institute of Neurological Diseases and Stroke, the Senate added \$30.5 million to our bill and we agreed to \$8 million of the increase. This increase will provide \$3 million for Acute Spinal Cord Injury Clinical Research Centers, \$3 million for research on multiple sclerosis, muscular dystrophy, and related diseases, and \$2 million for four stroke centers.

In the National Institute of Allergy and Infectious Diseases the Senate added \$6.3 million and we agreed to \$2 million of the increase.

For the National Institute of General Medical Sciences, the Senate added nearly \$11 million and we agreed to \$5 million to enable the Institute to fund at least 50 percent of the competing research grant applications, estimated to be approved in fiscal year 1972.

For the National Institute of Child Health and Human Development, the Senate added over \$16 million and we agreed to \$7 million to enable the Institutes to fund at least 50 percent of the approved research grant applications estimated for 1972.

For the National Eye Institute, there was a \$4 million increase in the Senate and we agreed to \$1 million of the increase plus a couple hundred thousand dollars for 15 additional positions.

On the National Institute of Environmental Health Sciences, the Senate added \$5.5 million, but they receded to our House position.

In research resources, we agreed to \$3 million of the \$4 million increase in the Senate bill.

With respect to the health manpower item, we had not considered this item in the House, although the Senate had \$211 million in their bill, which was \$42.5 million over the budget. We agreed to approximately \$12 million of the increases proposed in the Senate bill.

On the item of rehabilitation services and facilities, Mr. Speaker, Members will recall that the so-called Giaino amendment added considerable to our committee bill on the floor, and this was probably the only item in the entire bill in which the Senate figures were below the House figures after adding this big increase. So, we end up with this item being \$14.7 million below the House-passed bill, but still nearly \$100 million over the appropriation for 1971. As a matter of fact, this item was carried at \$570 million in last year's appropriation and in this conference agreement we have a total figure of \$667 million.

And finally, Mr. Speaker, the House split with the Senate on the \$10.5 mil-

lion increase for special programs for the aging and we split the difference on youth development and delinquency prevention.

As I said, Mr. Speaker, at the be-

ginning of my remarks, we cannot have it all our way when we go into a conference with the Senate, but we try to do the best we can to uphold the House position, and I think dollar for dollar

in the give and take that takes place, we have acquitted ourselves in favorable fashion and would urge you to adopt this conference report.

Mr. Speaker, a tabulation follows:

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1972—CONFERENCE REPORT

Amendment number and item	1971 appropriation	House bill	Conference agreement	Senate bill
Title I—Department of Labor:				
2. Workplace Standards Administration S. & E.	\$58,033,000	\$81,391,000	\$86,391,000	\$91,391,000
3. Bureau of Labor Statistics S. & E.	28,163,000	35,500,000	35,500,000	36,750,000
Title II—Department of HEW:				
4. Mental health	338,572,000	581,201,000	612,201,000	658,201,000
6. Comprehensive health planning and services	251,676,000	312,753,000	320,703,000	335,652,000
7. Maternal and child health	261,493,000	326,651,000	330,151,000	339,651,000
8. Regional medical programs (Grant obligations)	87,730,000	82,771,000	102,771,000	122,771,000
10. Disease control	(70,298,000)	(115,104,000)	(135,104,000)	(155,104,000)
11. through 15. Medical facilities construction (Hill-Burton)	82,340,000	94,425,000	98,590,000	113,340,000
16. Patient care (PHS hospitals)	225,354,000	265,704,000	306,704,000	331,704,000
17. Biologics standards	87,730,000	85,700,000	85,700,000	96,682,000
18. National Cancer Institute	8,725,000	8,956,000	9,205,000	9,755,000
19. National Heart and Lung Institute	233,462,000	337,462,000	337,531,000	358,233,000
20. National Institute of Dental Research	191,627,000	211,624,000	232,107,000	252,590,000
21. National Institute of Arthritis and Metabolic Diseases	34,733,000	41,823,000	43,388,000	44,948,000
22. National Institute of Neurological Diseases and Stroke	131,425,000	148,234,000	153,164,000	163,629,000
23. National Institute of Allergy and Infectious Diseases	99,482,000	1,859,000	116,590,000	139,187,000
24. National Institute of General Medical Sciences	98,124,000	106,662,000	108,710,500	112,979,000
25. National Institute of Environmental Health and Human Development	154,527,000	163,490,000	173,515,000	179,318,000
26. National Eye Institute	93,676,000	109,663,000	116,833,000	126,093,000
27. National Institute of Environmental Health Sciences	30,406,000	36,022,000	37,255,500	40,187,000
28. Research resources	19,990,000	26,436,000	26,436,000	31,991,000
29. Fogarty Center	66,431,000	71,948,000	74,948,000	75,948,000
30. Health manpower	3,682,000	3,763,000	4,288,000	4,288,000
31. Library of Medicine	152,460,000	(1)	180,620,000	211,306,000
32. Buildings and facilities	21,510,000	22,781,000	24,086,000	25,086,000
33. Office of the Director	10,886,000	3,565,000	3,565,000	5,065,000
34. General research support grants	54,200,000	11,442,000	11,442,000	11,792,000
35. Office of Education emergency school construction		55,212,000	60,700,000	60,700,000
36. through 41. Social and Rehabilitation service, rehabilitation services and facilities; Total		(1)		1,592,000
38. Basic State grants	570,390,000	688,836,000	667,301,000	674,051,000
39. Facility improvement grants	503,000,000	575,000,000	560,000,000	560,000,000
40. Formula grants for the developmentally disabled	11,300,000	15,000,000	12,500,000	12,500,000
36 and 41. University affiliated facilities for the developmentally disabled	2,000,000	2,000,000	2,000,000	4,500,000
42. Programs for aging	11,215,000	30,000,000	21,715,000	21,715,000
43. Youth development and delinquency prevention		4,250,000	8,500,000	8,500,000
44. Research and training	27,850,000	33,700,000	38,950,000	44,200,000
45. Social and Rehabilitation Service S. & E.	15,000,000	(1)	10,000,000	20,000,000
46. Office of Child Development	98,140,000	99,163,000	99,163,000	100,140,000
48. National Commission on Libraries	35,882,000	39,537,000	39,537,000	40,481,000
49. National Commission on Marihuana and Drug Abuse	10,817,000	14,251,000	14,251,000	16,251,000
50. Commission on Railroad Retirement	700,000	(1)	200,000	200,000
	300,000	(1)	483,000	483,000
Total, conference items:				
Labor		116,891,000	121,891,000	128,141,000
HEW		4,043,202,000	4,375,617,000	4,689,022,000
Total		4,160,093,000	4,503,508,000	4,817,163,000
Grand total	17,654,678,500	20,461,247,000	20,804,662,000	21,118,317,000

1 Not considered.

LANGUAGE CHANGES

Title I—Department of Labor: 1 Manpower Training Services: Provides that \$20,000,000 of this appropriation shall be used by OEO to finance emergency food and medical services programs in "areas of exceedingly high unemployment" until OEO appropriation enacted.

Title II—Department of HEW:

5. Mental health: Provides that \$75,000,000 of the above shall remain available until June 30, 1973 (grants under Community Health Centers Act).

9. Disease control: Provides language permitting HEW to purchase insurance in Mexico for official U.S. Government vehicles.

47. Sec. 208, general provision: Changes allotment base for vocational rehabilitation basic grants from \$600,000,000 to \$580,000,000.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, not having the benefit of a printed conference report does make it difficult. For example, has there been a change made by the other side in the amount for the occupational safety and health?

Mr. MICHEL. The Senate added \$10 million to the \$81,391,000 we had in our bill and your conferees consented to a \$5 million increase. I personally was opposed to that. We had originally agreed to \$4 million, and it was changed this morning to \$5 million. My feeling was the amount of money we had was for 1,088 positions, the total amount the administration requested, and that increase in the amendment will more than take care of all they can digest, believe me.

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

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

Mr. FLOOD. Mr. Speaker, my friend knows, and I, of course, share what he has in mind, but I am advised it is acceptable.

Mr. STEIGER of Wisconsin. Mr. Speaker, I thank the gentleman from Illinois for his comment on that question.

I have one further question if the gentleman will yield further. That is, in the administration of the Occupational and Health Safety Act specifically what is the figure for the Safety and Health Commission, not for administration, but just for the Safety and Health Commission? Is it over the thousands of dollars that I recall as the figure?

Mr. FLOOD. The gentleman is quite right. It is four. I am advised there is no objection.

Mr. STEIGER of Wisconsin. Mr. Speaker, I thank the gentleman.

Mr. BOW. Mr. Speaker, I have no further requests for time. I would like to take this time to say that the conference report right now, according to the summary presented to us, is \$581 million over the budget. Taking out proposed section 208, the 110-percent limitation on public assistance payments to the States, causes an estimated additional expense of another \$231 million, which makes a total over the budget of \$812,900,000. I did not sign the conference report.

Mr. Speaker, I have no further requests for time. I yield back the balance of my time.

Mr. FLOOD. Mr. Speaker, I yield 5 minutes to the distinguished majority leader.

Mr. BOGGS. Mr. Speaker, I hope not to take the 5 minutes. I take this time first to congratulate the members of the Appropriations Committee on both sides of the aisle. This committee in this first

session of the 92d Congress has established a very enviable record. With the exception of four bills, the committee has completed all its work. All of the bills that have passed the House have gone to conference and have come back here with the exception of the public works bill, which has also passed the Senate.

Mr. Speaker, this is indeed a memorable record, and I am very pleased on behalf of the leadership to congratulate the gentleman from Texas (Mr. MAHON), and the gentleman from Ohio (Mr. Bow), and the other members of the committee on both sides of the aisle.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Speaker, let me express my appreciation for the record of the Committee on Appropriations in the consideration of the budget requests and the action taken in the committee and on the floor and in conference. I think they deserve a great deal of credit.

Mr. BOGGS. Mr. Speaker, I thank the gentleman.

Mr. Speaker, while I am in the well, I would also like to take this opportunity, and I think I speak on behalf of all the Members of the House, to extend to you our congratulations and felicitations on the very splendid job you have done in the months you have been our Speaker.

I believe that this Congress has moved ahead more rapidly and more expeditiously than we have in past sessions. I believe the chairmen of the committees and the ranking members of the committees have been very glad to cooperate with the Speaker and with the leadership.

The Speaker has inaugurated a very fine custom in legislative procedure in meeting regularly with committee chairmen in order to expedite the work of the Congress.

Finally, we have attempted in the leadership to let the Members know what the schedule will be, so that Members can plan the other work they must do in their districts.

We have now met 104 days this year and consumed 433 hours in session. During that time we have passed 437 measures and have answered 124 yea-and-nay rollcalls.

But more than just statistics, we have compiled a record of service to our country and our people and that is what we are here for.

In our welfare reform bill we passed a bill that will affect 25.6 million persons; we extended the right to vote in State and local elections to 11 million of our 18-, 19-, and 20-year-olds; in increasing social security we put needed funds in the hands of 26 million beneficiaries and helped our cities to hire much-needed policemen, firemen, and garbage and hospital workers.

We are hopeful when we come back in September we will be able to continue to move expeditiously so that the Members of this body, we hope, can look forward to an early adjournment. I know in recent years we have been here through November and December. This time we

hope we will have completed our work considerably prior to that time.

I should once again like to express on behalf of the leadership my own appreciation for the very fine cooperation that all of the Members have given us.

This being the last order of business today, I would wish all of you a very happy and successful and enjoyable recess.

Following is the list of our record:

MAJOR LEGISLATIVE ACTIONS, 92D CONGRESS
LEGISLATION PASSED BY HOUSE OR SENATE—TO
JULY 31, 1971

Agriculture

H.R. 8866, H. Res. 471—Sugar Act Amendments of 1971: To extend the Sugar Act through 1974 and to revise the quotas which foreign and domestic sugar producers were authorized to supply to the United States. Passed House. Passed Senate amended.

S.J. Res. 44, H.J. Res. 365—Burley Tobacco Marketing Quota: To extend the time for the proclamation of marketing quotas for burley tobacco for the three marketing years beginning October 1, 1971. Public Law 92-1.

S. 789—Burley Tobacco Poundage Quotas: To establish, subject to referendum, farm marketing quotas for burley tobacco by the pound rather than through restrictions on the number of acres on which burley tobacco could be grown. To provide equitable treatment for all growers regardless of the size of their operations. If approved, quotas would go into effect for 1971-1973 crops. Public Law 92-10.

H.R. 1161—Wine Export Promotion Activities: To amend section 402 of the Agricultural Trade Development and Assistance Act of 1954, as amended, to remove the restriction on foreign market promotion activities for domestic wine. Public Law 92-42.

S. 1316—Federal Meat Inspection Act: To amend the Federal Meat Inspection Act so as to increase from 50 to 80 percent the Federal payment for any cooperative meat and poultry inspection programs carried out by the States.

S. 1483—Farm Credit Act of 1971: To further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent; to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing Farm Credit law to meet current and future rural credit needs. Passed Senate.

Communications

S. 70, H.R. 7—Rural Electrification Act of 1936, telephone financed: To provide an additional source of financing for rural telephone systems where subscriber density per mile enables the system to pay more than two percent for capital funds; to provide that the Bank be patterned after the Federal land banks; to provide that initial capital be invested by the Federal Government and by borrowers; and to provide that the Bank borrow in the private market to obtain resources for loans to Rural Electrification Administration telephone systems. Public Law 92-12.

Consumer affairs

H.R. 5066, S. 364—Flammable Fabrics Act Amendments of 1971: To provide for increased enforcement for the Flammable Fabrics Act by requiring a manufacturer to certify that a product, fabric, or related material offered for sale meets the requirement of any applicable standard or any other regulation. To provide that such certification is to be based on a testing program conducted by the manufacturer or importer which has been approved by the Secretary of Commerce in accordance with the procedures established in this bill. To authorize \$4 million

for fiscal 1972 to carry out the provisions of the Act. Passed House.

Education

S. 1557—Emergency School Aid and Quality Integrated Education Act of 1971: To authorize \$1.5 billion in fiscal 1972-1973 to provide assistance in changing from dual to unitary school systems, in establishing integrated schools and in overcoming educational disadvantages of minority group isolation. To reserve specified amounts for metropolitan area interdistrict programs, educational parks, bilingual programs, educational television, and evaluation. Passed Senate.

Foreign affairs and national defense

S. 581, H.R. 8181—Export-Import Bank Act of 1945 Amendments: To amend the Export-Import Bank Act to exclude Bank receipts and expenditures from the totals of the Budget and to exempt it from any Budget outlay limitations; to increase the Bank's guarantee and insurance authority, and to increase the Bank's guarantee and insurance authority, and to increase its lending authority from \$13.5 billion to \$20 billion. To extend the Bank's charter from the present expiration date of June 30, 1973 to June 30, 1976. Passed Senate. Passed House amended. In conference.

Treaty on Extradition between the United States and Spain: Executive N—91st, 2nd.: To authorize extradition for 23 offenses including airplane hijacking and crimes against laws relating to narcotic drugs. Senate approved resolution.

Bryan-Chamorro Treaty of 1914: Executive L—91st, 2nd.: To provide for the termination of the Bryan-Chamorro Treaty of 1914 regarding a Nicaraguan Canal route. Senate approved resolution.

H.R. 8687—Military Procurement Authorizations: To authorize \$21,069,112,000 during the fiscal year 1972 for development, research and procurement of weapons. Passed House.

Note: House rejected the Nedzi-Whalen amendment which sought to cut off funds as of Dec. 31, 1971, for all items covered in the bill that could be used in Indochina.

H.J. Res. 16, S.J. Res. 10—National Week of Concern for Prisoners of War/Missing in Action: To authorize the President to proclaim the week of March 21-27 as "National Week of Concern for Prisoners of War/Missing in Action." Public Law 92-6.

H.R. 6531—Military Selective Service Act Amendments: To extend the President's induction authority from July 1, 1971 to July 1, 1973. To increase the pay for first-term enlistees at an additional cost of \$2.7 billion, to eliminate undergraduate student deferments, and to extend the period of alternate service for conscientious objectors to three years from the two-year period required by existing law. Passed House. Passed Senate amended. In conference.

Note: Senate passed H.R. 6531 with the Mansfield amendment declaring it U.S. policy to withdraw troops from Indochina within 9 months. House refused to instruct its conferees to accept the amendment.

Protocol II to the Treaty for the Prohibition of Nuclear Weapons in Latin America: Executive H—91st, 2nd.: To oblige nuclear powers party to the protocol to respect the terms of the treaty to prohibit nuclear weapons in Latin America and to oblige them not to use or threaten to use nuclear weapons against the parties to the treaty. Senate approved resolution.

General government

H.R. 8805—Obscene Mail: To prohibit the sending of obscene material through the mail. Defined obscene matter that no longer could be mailed to minors under 17 years of age; defined obscene with respect to other material that was mailed, imported, broadcast or transported in interstate commerce, and provided mail patrons with a procedure

to prevent delivery of "potentially offensive sexual materials." Passed House.

H.R. 6283—Reorganization authority of the President, extension: To extend for two years the President's authority to submit plans for reorganization of executive agencies. Passed House.

H. Res. 411, S. Res. 108—To Disapprove Reorganization Plan No. 1: Action: To disapprove Reorganization Plan No. 1 of 1971 to bring together in a new agency called Action the following programs: Vista, Peace Corps, Auxiliary and Special Volunteer Programs, Foster Grandparents Program, Retired Senior Program, Service Corps of Retired Executives and Active Corps of Executives, the Office of Voluntary Action and the Teacher Corps. House and Senate defeated resolution.

S. 1538—American Revolution Bicentennial Commission: To authorize \$670,000 for the American Revolution Bicentennial Commission for fiscal year 1971. Public Law 92-33.

H.R. 9092—Federal Employees—Rates of Pay: To provide an equitable system for fixing and adjusting the rates of pay for prevailing rate employees of the Government. Passed House.

H. Res. 5—Rules of the House: To re-adopt the Rules of the House with these changes: (1) to make the Select Committee on Small Business a permanent select committee; (2) committees shall adopt written rules; (3) committees shall provide in their rules of procedure for the application of the five-minute rule in interrogating witnesses, until each committee member who so desires has had an opportunity to question the witness; (4) to entitle the minority party on any standing committee to fair consideration in the appointment of committee staff; (5) the Delegate from the District of Columbia shall be elected to serve on the Committee of the District of Columbia and other committees, and shall possess in all committees on which he serves the same powers and privileges as the other Members. Passed House.

S.J. Res. 7, H.J. Res. 223—Lowering the Voting Age to 18: To amend the Constitution of the United States to extend the right to vote to citizens eighteen years of age or older in all elections. Passed Senate. Passed House. Ratified June 30, 1971.

Health and health insurance

H.R. 8629, S. 934—Health Professions Educational Assistance Amendments of 1971: To extend Title VII of the Public Health Service Act of 1944 for three years and to increase authorizations of financial assistance to the health professions. To extend for three years a program of financial assistance to students in the health professions provided by the Health Professions Educational Assistance Act of 1963. To authorize a new program of financial incentives to medical schools to turn out more doctors who would go into family and general medical practices. Included a new loan forgiveness feature cancelling up to \$15,000 or 75 percent of loans for health professional students who agreed to practice in areas where a shortage of health personnel existed. Passed House. Passed Senate amended. In conference.

S. 1828—Cancer Research Agency: To amend the Public Health Service Act of 1944 to establish an independent cancer research agency within the National Institutes of Health. To establish a National Cancer Advisory Board composed of the director of the National Institutes of Health and 18 members appointed by the President with the consent of the Senate. Passed Senate.

H.R. 5674—Comprehensive Drug Abuse Prevention and Control Act of 1970 Amendment: To amend the 1970 Act to provide an increase from \$1 million to \$4 million in the authorization for the Commission on Marihuana and Drug Abuse. Public Law 92-13.

H.R. 7736—Health Professions Student Loans and Scholarship Extension: To amend the Public Health Service Act of 1944 to extend through fiscal 1972 the student loan and scholarship provisions. To authorize \$111.4 million for the various programs. Public Law 92-52.

H.R. 1—Medicare-Medicaid Amendments: To make numerous changes in Medicare and Medicaid in order to improve the operating effectiveness of these programs. Passed House.

Note: See provisions of H.R. 1 relating to Social Security Amendments under the "Social Security and Pension Plans" section and Family Assistance Plan under the "Welfare and Related Areas" section.

H.R. 8630, S. 1747—Nurse Training Act of 1971: To amend the Public Health Service Act of 1944 to extend for three years programs to train nurses. To extend for three years the authorization for assistance to nurses provided in the Nurse Training Act of 1964. To provide funds for construction grants to nursing schools and loan guarantees and interest subsidies to encourage nursing schools to expand their facilities. To provide student loans to nursing schools to encourage them to increase their student enrollments. Passed House. Passed Senate amended. In conference.

Housing

S.J. Res. 52—Authorizations for Open Space Land Grants: To increase fiscal 1972 authorizations for comprehensive planning grants by \$50 million and the open space land program by \$100 million. Passed Senate.

Labor

H.R. 6444—Railroad Retirement Annuity Increase: To provide a 10 percent increase in railroad retirement annuities retroactive to January 1, 1971. Public Law 92-46.

S.J. Res. 100, H.J. Res. 642—Railway Labor-Management Dispute: To provide the Brotherhood of Railway Signalmen a 13½ percent wage increase; to prohibit a further rail strike through October 1, 1971; to direct that contract negotiations continue through October 1, 1971. Public Law 92-17.

Law enforcement and criminal procedure

S. 1732, H.R. 6247—Juvenile Delinquency Prevention and Control Act Extension: To extend for one year the Juvenile Delinquency Prevention and Control Act of 1968. To authorize \$75 million to carry out the Act and to establish an Interdepartmental Council on Juvenile Delinquency to coordinate all federal delinquency programs. Public Law 92-31.

Manpower training and job opportunity

S. 31, H.R. 3613—Emergency Employment Act of 1971: To authorize \$2.25 billion to provide public service jobs for the unemployed at the state and local level. Stipulated that jobs created under the bill must be "transitional" by leading to permanent positions in the public or private sectors. Funds would be released when the national unemployment rate rose to 4.5 percent or more for three consecutive months. Public Law 92-54.

S. 575, H.R. 5376—Appalachian Regional Development Act Amendments of 1971: To amend the Public Works Acceleration Act of 1962 to broaden criteria for designating eligible areas, liberalize the conditions under which assistance can be extended, and authorize an additional \$2 billion for fiscal years after 1970. To extend the Public Works and Economic Development act of 1965 and to authorize \$1,845,500,000 for general and regional economic development. To extend the Appalachian Regional Development Act of 1965 and to authorize \$1,815,500,000 for aid to Appalachia. Passed Senate. Passed House. Presidential veto June 29, 1971. Senate sustained veto July 14, 1971.

H.R. 992—Appalachian Regional Develop-

ment: To extend the Public Works and Economic Development Act of 1965 for 2 years and to authorize \$2,445,500,000 for general and regional economic development. To extend the Appalachia Regional Development Act of 1965 for four years, except for the highway program which is extended for five years, and to authorize \$1,547,000,000 for aid to Appalachia. Total authorizations were \$3,992,500,000. Passed Senate. Passed House.

Monetary, banking, tax and fiscal policies

S.J. Res. 55 (H.R. 4246)—Wage-Price Controls and Extension of Interest Rate Provisions: To extend the President's standby authority to implement wage, price and rent controls to June 1, 1971. To extend to June 1, 1971, authority to regulate the rate of interest paid by lending institutions on savings deposits. Public Law 92-8.

H.R. 4246 (S.J. Res. 55)—Wage-Price Controls and Extension of Interest Rate Provisions: To extend the President's authority to impose controls on wages, prices, salaries and rents through April 30, 1972. To prohibit the President from applying wage and price controls to a single industry unless he determined that wages or prices in that industry had increased in a grossly disproportionate rate compared to the economy as a whole. Public Law 92-15.

H.R. 4690—Public Debt Limit Increase: To increase the temporary ceiling, through June 30, 1972, on the national debt to \$430 billion from \$395 billion. To provide that the debt ceiling would be reduced to a permanent level of \$400 billion on July 1, 1972. Public Law 92-5.

Note: See provisions of H.R. 4690 relating to Social Security Benefits Increase under the "Social Security and Pension Plans" section.

H.R. 5432—Interest Equalization Tax Extension Act of 1971: To provide a two-year extension, through March 31, 1973, of the interest equalization tax. To authorize the President to apply the tax, at his discretion, to bank loans and other debt obligations with a maturity of less than one year. Public Law 92-9.

S. 1260, H.R. 4604—Small Business Loan Ceiling Increase: To amend the Small Business Act to increase from \$2.2 billion to \$3.1 billion the amount of certain loans, guarantees, and other obligations or commitments outstanding in any one time from the business loan and investment fund of the Small Business Administration, thus permitting a continuation of five SBA programs through fiscal year 1972. Public Law 92-16.

S. 1181, H.R. 6077—Relief of Lost or Stolen Securities: To authorize the Secretary of the Treasury to replace lost or stolen bearer securities of the United States prior to their maturity. Public Law 92-19.

S.J. Res. 118—Export Administration Act: To provide a temporary extension of the Export Administration Act to October 31, 1971. Public Law 92-37.

H.R. 8313—Assistance for U.S. Citizens Returned from Abroad—Continuation: To extend for two years, until June 30, 1973, the authorization for the provision of temporary assistance to U.S. citizens returned from foreign countries under certain circumstances. Public Law 92-40.

H.R. 8311—Renegotiation Amendments of 1971: To amend the Renegotiation Act of 1951 to extend the Act for 2 years to modify the interest rate on excessive profits and on refunds, and to provide that the Court of Claims shall have jurisdiction of renegotiation cases. Public Law 92-41.

H.R. 7767—Duty Suspension on Certain Metal Scrap: To continue for two years, until June 30, 1973, the existing suspension of duties on certain metal waste scrap. Public Law 92-44.

S. 1700, H. Res. 514—Purchase of U.S. Obligations by Federal Reserve Banks: To extend for a 2 year period, from June 30, 1971 to

June 30, 1973, the authority of the Federal Reserve banks to purchase U.S. obligations directly from the Treasury. Public Law 92-45.

Natural resources and conservation

H.J. Res. 3, S.J. Res. 17—Joint Committee on the Environment: To establish a Joint Committee on the Environment with six majority and five minority members from each chamber, with the Senate members appointed by the President of the Senate and the House members appointed by the Speaker. The chairmanship of the committee would rotate between House and Senate delegations every two years. Passed House. Senate passed similar resolution S.J. Res. 17.

H.R. 6359—Water Resources Planning Act: To increase to \$1.5 million the ceiling on annual authorizations for water resources planning activities to authorize increased appropriations not to exceed \$6 million for river basin commissions under the Water Resources Planning Act. Public Law 92-27.

H.R. 56—National Environment Data System: To establish a national environmental data system, with a central facility to serve as a clearing house for new and existing information on environmental matters, with links to other public and private computers or information processing systems. Passed House.

S. 1117—Regulation of Public Exposure to Sonic Booms: To amend the Federal Aviation Act to make it illegal to operate a civil aircraft over U.S. territory at supersonic speeds, unless it can be shown that such flight will not cause a sonic boom to reach the surface. Passed Senate.

H.R. 2587—National Advisory Committee on the Oceans and Atmosphere: To establish a 21 member National Advisory Committee on the Oceans and Atmosphere (NACOA), to be appointed by the President, from State and local government, industry, science and other appropriate areas. NACOA shall undertake a continuing review of the progress of the marine and atmospheric science and service programs of the United States, and advise the Secretary of Commerce with respect to carrying out of the purposes of the National Oceanic and Atmospheric Administration. Passed House.

S. 1116—Protection of Wild Horses and Burros: To require the protection, management, and control of wild free-roaming horses and burros on public lands. Passed Senate.

H.R. 5080—Wildlife Hunting from Aircraft: To provide a criminal penalty for harassing or shooting at certain birds, fish, and other animals from an aircraft. To allow States to issue permits for hunting from aircraft under certain conditions when necessary to protect land, water, or wildlife. Passed House.

H.R. 5065—Natural Gas Pipeline Safety Act Amendments: To extend until 1972 the time during which States may qualify to enforce Federal safety standards which were established by the Natural Gas Pipeline Safety Act of 1968. Passed House.

S. 991, H.R. 9093—Saline Water Conversion Act of 1971: To extend the desalting program through fiscal 1977, with an additional three years for phasing out research and completing other aspects of the program. To expand the program to cover chemically contaminated water as well as saline water. To authorize \$27,025,000 for fiscal 1972 for all aspects of the saline water program. Passed Senate. Passed House. Public Law 92.

S. 635—Mining and Minerals Policy Act Amendments: To authorize funds to establish mining, mineral, and related environmental research centers in each State. Passed Senate.

S. 2133—Water Pollution Control Extension: To extend for 3 months, through September 30, 1971, authorizations for admin-

istration of the Federal Water Pollution Control Act. Public Law 92-50.

Social security and pension plans

H.R. 1—Social Security Amendments: To provide Social Security beneficiaries with a 5-percent increase in benefits effective June 1, 1972. Passed House.

Note: See provisions of H.R. 1 relating to Medicare and Medicaid under "Health and Health Insurance" section and Family Assistance Plan under the "Welfare and Related Areas" section.

H.R. 4690—Social Security Benefits Increase: To provide a 10 percent across-the-board increase in Old-Age, Survivors and Disability Insurance (OASDI) benefits, retroactive to January 1, 1971. To raise the minimum monthly payment to \$70.40 from \$64.00. To increase the taxable wage base to \$9,000 from \$7,800 effective January 1, 1972. Public Law 92-5.

Note: See provisions of H.R. 4690 relating to Public Debt Limit Increase under "Monetary, Banking, Tax, and Fiscal Policies" section.

Transportation

H.R. 19—Boat Safety Act: To improve recreational boating safety. To require manufacturers to build recreational boats in accordance with performance standards prescribed by the Department of Transportation, with the advice of the Coast Guard. To authorize appropriations of \$51.1 million (fiscal years 1972-1976) to implement the boat safety act, including \$47.5 million in financial assistance to states to help draft and carry out safety laws. Passed House. Passed Senate. Public Law 92-75.

H.R. 5352—Maritime Supplemental Authorizations: To authorize an additional \$80 million in supplemental appropriations for maritime programs in fiscal year 1971, including \$39.7 million to implement a new subsidy payment schedule and \$40.3 million for liquidation of accrued but unpaid subsidies for fiscal years 1962-1969. Public Law 92-21.

H.R. 4724—Maritime Authorization—1972: To authorize \$507,820,000 in fiscal 1972 for the following: for construction and renovation of cargo vessels; for ship operating-differential subsidies, for research and development activities; for reserve fleet expenses; for maritime training at the Merchant Marine Academy, Kings Point, N.Y.; and for assistance to state marine schools. Public Law 92-53.

Veterans' affairs

H.R. 9265—Veterans, Drug Treatment and Rehabilitation Act of 1971: To relax eligibility standards for servicemen and veterans for drug treatment programs operated by the Veterans Administration. To authorize \$89.3 million for the program for the next five years. To provide that all ex-servicemen (including those dishonorably discharged) would be eligible for VA drug treatment programs. Passed House.

H.R. 4762, S. 2288—VA Medical School Assistance: To authorize the Administrator of Veterans' Affairs to provide certain assistance in the establishment of new State medical schools; the improvement of existing medical schools affiliated with the Veterans' Administration; and to develop cooperative arrangements between institutions of higher education, hospitals, and other public or nonprofit health service institutions, and the Veterans' Administration to develop and conduct educational and training programs for health care personnel. Passed House. Passed Senate. Public Law 92-69.

Welfare and related areas

H.R. 1—Family Assistance: To establish an Opportunities for Families Program for needy families with one employable adult and a Family Assistance Plan for families with incapacitated or unemployable adults.

To set a federally guaranteed \$2,400 income floor for a family of four without any income. Froze state welfare costs at their 1971 levels and provided a partial federal takeover of the welfare program. Passed House.

Note: See provisions of H.R. 1 relating to Medicare and Medicaid under "Health and Health Insurance" section and Social Security Amendments under "Social Security and Pension Plans" section.

Other

H.R. 5257—National School Lunch Act Amendments: To authorize the Secretary of Agriculture to commit an additional \$35 million in fiscal 1971 and \$100 million in fiscal 1972 from Section 32 funds to provide free and reduced-price meals for needy children. To extend the school breakfast program for two years at an authorized level of \$25 million annually. To extend the special food assistance program for children for two years at an authorized level of \$32 million annually. Public Law 92-32.

H.R. 7586—Cabinet Committee on Opportunities for Spanish-Speaking People: To extend through fiscal 1973 the authorization for the Cabinet Committee on Opportunities for Spanish-Speaking People which was established in 1969. Passed House.

SUMMARY OF MAJOR LEGISLATION—92D CONGRESS, AS OF WEDNESDAY NOON, JULY 28, 1971

SIGNED INTO LAW

Emergency Employment Act—H.R. 3613—authorizes \$2.25 billion for public service employment and related training and manpower services.

Social Security Increase—H.R. 4690—increases by 10% Social Security benefits to eligible citizens, retroactive to Jan. 1, 1971.

Wage and Price Control Authority—H.R. 4246—extends until March 31, 1973 the authority of President to issue orders and regulations to stabilize wages and prices to those prevailing May 25, 1970.

Eighteen Year Old Vote—H.J. Res. 223—grants voting rights to citizens who are 18-21 years of age.

Interest-Equalization Tax Extension—H.R. 5432—extends interest equalization tax for a period of two years, until March 31, 1973.

Rural Electrification Act—S. 70—establishes rural telephone bank to meet capital needs of rural telephone systems.

School Lunch Act Amendments—H.R. 5257—appropriates additional \$150,000,000 for reduced-price school lunches.

Maritime Authorization—H.R. 4724—provides authorization for an expanded ship-building program.

Small Business Loan Ceiling Increase—H.R. 4604—increases to \$31,000,000 the limitation of the revolving funds for the SBA.

Commission on Marihuana and Drug Abuse—H.R. 5674—increases to \$4,000,000 the appropriation authorization for the Commission on Marihuana and Drug Abuse.

Water Resources Planning Act—H.R. 6359—authorizes increased appropriations not to exceed \$6 million for river basin commissions under the Water Resources Planning Act.

Railroad Retirement Increase—H.R. 6444—provides 10% increase in annuities paid under the Railroad Retirement Act of 1937.

Public Health Service Student Loans and Scholarships—H.R. 7736 extends for additional year the student loan and scholarship provisions of Title VII and VIII of the Public Health Service Act and extends for one additional year the traineeship program for nurses.

Renegotiation Act Amendments—H.R. 8311—extends the Renegotiation Act of 1951 for two years, until June 30, 1973.

Reorganization Plan #1—ACTION Volunteer Agency—consolidates Peace Corps, VISTA and number of other voluntary action programs into a new agency called ACTION.

Education Appropriation—H.R. 7016—appropriates \$5,146,311,000 for fiscal year 1972 for Office of Education.

Legislative Appropriation—H.R. 8825—appropriates \$529,309,749 for fiscal year 1972 for Legislative Branch.

Treasury-Postal Service-Executive Appropriation—H.R. 9271—appropriates \$4,528,986,690 for Treasury-Executive Branch for fiscal year 1972.

Vetoed

Accelerated Public Works—S. 575, H.R. 5376—amends and authorizes funds for the Accelerated Public Works, Public Works and Economic Development and Appalachian Regional Development Acts.

Bills in conference

Selective Service—H.R. 6531—extends draft two years and eliminates certain deferments.

Health Manpower Assistance Bills—H.R. 8629—amends Title VII of the Public Health Service Act so as to provide increased manpower for the health professions.

Export Expansion Finance Act—H.R. 8181—extends Export-Import Bank to June 30, 1973 and raises Bank's overall commitment authority to \$20 million.

State, Justice, Commerce, and Judiciary Appropriations—H.R. 9272—appropriates funds for the Departments of State, Justice and Commerce.

NSEF Authorization—H.R. 7960—establishes legislative requirements and provides authorization for appropriations for NSF.

Bills out of conference, awaiting House action

Transportation Appropriation—reviews authorization and appropriates \$2,905,310,997 for fiscal year 1972 for the Department of Transportation.

HUD Appropriation—reviews authorization and appropriates \$18,339,738,000 for the Department of Housing and Urban Development.

Interior Appropriation—H.R. 9417—reviews authorization and appropriates funds for fiscal year 1972 for the Interior Department. Conference Report figure was \$2,223,980,035.

Cleared House

Welfare Reform—H.R. 1—establishes guaranteed income and family assistance plan of benefits to needy citizens.

Sugar Act Amendments—H.R. 8866—amends and extends the provisions of the Sugar Act of 1948.

Veterans Drug Treatment Act—H.R. 9265—establishes a Veterans' Administration drug treatment and rehabilitation program.

VA Medical School Assistance—H.J. Res. 748—provides assistance to medical schools through establishment of five new medical schools and authorization of matching grants.

Joint Committee on the Environment—H.J. Res. 3—establishes and authorizes funds for a Joint Congressional Committee on the Environment.

Natural Gas Pipeline Safety Amendments—H.R. 5065—extends until 1972 the time during which States may qualify to enforce Federal safety standards which were established by the Natural Gas Pipeline Safety Act of 1968.

Labor-HEW Appropriations—H.R. 10061—appropriates \$20,455,247,000 for the Departments of Labor and Health, Education and Welfare for fiscal year 1972.

NASA Authorization—H.R. 7109—establishes legislative requirements and provides authorization for appropriations for NASA.

Flammable Fabrics Appropriations Extension—H.R. 5066—authorizes appropriations for fiscal year 1971 to carry out programs under the Flammable Fabrics Act.

Juvenile Delinquency Prevention and Control—H.R. 6247—extends provisions and authorizes appropriations of \$75,000,000 per fiscal year.

Obscene Mail—H.R. 8805—controls obscene mail and salacious advertising.

Cabinet Committee on Opportunities for

Spanish Speaking People—H.R. 7586—authorizes appropriations for 1972 and 1973 for the Act of December 30, 1969 which establishes the Cabinet Committee on Opportunities for Spanish Speaking People.

Desalting Program Extension—H.R. 9093—extends saline water conversion program until June 30, 1977.

Boat Safety Act—H.R. 19—establishes minimum safety standards for boats and creates a National Boating Safety Advisory Council within the Department of Treasury.

Agriculture Appropriation—H.R. 9270—conference report agreed to in House. Appropriates \$13,276,900,050 for the Department of Agriculture.

BILLS WITH RULES

Emergency Detention Camps—H.R. 234—prohibits establishment of emergency detention camps.

International Coffee Act—H.R. 8293—extends until September 30, 1973 the International Coffee Agree Act of 1968.

Equal Employment Opportunity Enforcement—H.R. 1746—grants enforcement powers for Equal Employment Opportunity Commission.

Equal Rights for Men and Women—H.J. Res. 208—provides for a Constitutional amendment to ensure equal rights for men and women.

Appalachia-EDA Extension—H.R. 9922—amends and authorizes funds for the Public Works and Economic Development and Appalachian Regional Development Acts.

Military Construction Authorization—H.R. 9844—authorizes various construction at military installations.

Foreign Aid Authorization—H.R. 9910—extends various programs under the Foreign Assistance Act for one and two years.

Bills nearing committee reporting

Comprehensive Child Development Act—H.R. 6748—provides comprehensive child development program to be administered under the Department of Health, Education and Welfare.

OEO Extension—H.R. 40—extends until 1976 the appropriations for each fiscal year for carrying out the programs under EEOC.

Higher Education Amendments and Institutional Assistance—H.R. 7248—extends and increases and broadens High Education Act of 1965 and other acts dealing with higher education.

Minimum Wage Increase—H.R. 7130—amends the Fair Labor Standards Act to increase minimum wage and extends coverage and establishes procedures to relieve domestic industries and workers injured by increased imports from low-wage areas.

Revenue Sharing—H.R. 4187—authorizes \$5 billion in Federal taxes for State and local Governments.

Pesticide Controls—H.R. 4152—restricts agricultural and other uses of commercial poisonous chemicals.

Peace Corps Extension—H.R. 9166—provides authorization for Peace Corps funding.

Bills in hearings

Rural Development—H.R. —provides a comprehensive framework for Federal guidance of non-urban social and economic growth.

Health Insurance—H.R. 22—provides for additional Federal health coverage benefits.

Voting Representations for D.C.—H.R. —grants home rule to the District of Columbia.

Remaining appropriation bills

Foreign Aid Appropriations.

Public Works—AEC—(Being considered on Floor on Thursday, July 29th).

District of Columbia*
Defense*
Military Construction*

* Continuing resolutions will be passed for these appropriation bills.

House passed bills pending Senate action

Welfare Reform—H.R. 1.
Sugar Act Amendments—H.R. 8866.
Veterans Drug Treatment Act—H.R. 9265.
VA Medical School Assistance—H.J. Res. 748.

Joint Committee on the Environment—H.J. Res. 3.
Natural Gas Pipeline Safety Amendments—H.R. 5065.

Labor-HEW Appropriations—H.R. 10061.
NASA Authorization—H.R. 7109.
Flammable Fabrics Appropriation Extension—H.R. 5066.

Juvenile Delinquency Prevention and Control—H.R. 6247.
Obscene Mail—H.R. 8805.
Cabinet Committee on Opportunities for Spanish Speaking People—H.R. 7586.

Agriculture Appropriation—H.R. 9270.

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

The previous question was ordered.
The SPEAKER. The question is on the conference report.

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

The question was taken; and there were—yeas 280, nays 56, not voting 97, as follows:

[Roll No. 247]
YEAS—280

Abbitt	Danielson	Holfield
Abernethy	Davis, S.C.	Horton
Abourezk	de la Garza	Hosmer
Abzug	Dellums	Howard
Adams	Denholm	Hull
Anderson, Calif.	Dent	Hungate
Andrews, Ala.	Dingell	Ichord
Andrews, N. Dak.	Dorn	Jacobs
Annunzio	Dow	Jarman
Arendis	Downing	Johnson, Calif.
Ashley	Drinan	Johnson, Pa.
Aspin	Dulski	Jones, Ala.
Aspinall	Duncan	Jones, N.C.
Badillo	du Pont	Karth
Baker	Dwyer	Kazen
Baring	Ellberg	Keating
Begich	Erlenborn	Kee
Belcher	Evans, Colo.	Keith
Bennett	Fascell	Kemp
Bergland	Fisher	Koch
Bevill	Flood	Kyl
Blaggi	Flowers	Lent
Biester	Foley	Link
Bingham	Ford, Gerald R.	Lloyd
Blatnik	Ford,	Long, Md.
Boggs	William D.	Lujan
Bolling	Forsythe	McCloskey
Brademas	Fraser	McCollister
Brasco	Frelinghuysen	McCormack
Brooks	Frenzel	McDonald,
Broomfield	Frey	Mich.
Brotzman	Fulton, Pa.	McEwen
Brown, Mich.	Gallifanakis	McFall
Brown, Ohio	Gallagher	McKevitt
Broyhill, N.C.	Garmatz	McKinney
Broyhill, Va.	Gaydos	McMillan
Buchanan	Gettys	Macdonald,
Burke, Mass.	Giaimo	Mass.
Burlison, Mo.	Gonzalez	Madden
Burton	Grasso	Mahon
Byrne, Pa.	Gray	Martin
Byron	Green, Oreg.	Mathias, Calif.
Caffery	Green, Pa.	Matsunaga
Carey, N.Y.	Gubser	Mayne
Carney	Gude	Mazzoli
Carter	Halpern	Meeds
Casey, Tex.	Hamilton	Melcher
Cederberg	Hammer-	Metcalfe
Chamberlain	schmidt	Michel
Chisholm	Hanley	Mikva
Clausen,	Hansen, Idaho	Miller, Ohio
Don H.	Harsha	Mills, Md.
Clay	Harvey	Minish
Collier	Hastings	Mink
Collins, Ill.	Hathaway	Minshall
Conte	Hawkins	Mitchell
Conyers	Hays	Mizell
Coughlin	Hechler, W. Va.	Monagan
Culver	Heckler, Mass.	Moorhead
Daniel, Va.	Helstoski	Morse
Daniels, N.J.	Henderson	Moss
	Hicks, Mass.	Murphy, III.
	Hicks, Wash.	Murphy, N.Y.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 41: On page 23, line 13, insert: "\$8,500,000 for grants under part B of the Development Disabilities Services and Facilities Construction Act, to remain available until expended: *Provided*,".

MOTION OFFERED BY MR. FLOOD

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

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "\$4,250,000."

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 49: On page 33, line 12, insert:

"NATIONAL COMMISSION ON MARIHUANA AND DRUG ABUSE

"SALARIES AND EXPENSES

"For necessary expenses of the National Commission on Marihuana and Drug Abuse, authorized by section 601 of the Act of October 27, 1970 (Public Law 91-513), as amended by the Act of May 24, 1971 (Public Law 92-13), \$1,228,000 to remain available until expended."

MOTION OFFERED BY MR. FLOOD

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

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein.

The motion was agreed to.

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

The Clerk read as follows:

Senate amendment No. 50: On page 35, line 7, insert:

"COMMISSION ON RAILROAD RETIREMENT

SALARIES AND EXPENSES

"For necessary expenses of the Commission on Railroad Retirement, established by the Act of August 12, 1970 (Public Law 91-337), \$483,000: *Provided*, That the unobligated balance of appropriation granted under this heading for the fiscal year 1971 shall remain available during the current fiscal year."

MOTION OFFERED BY MR. FLOOD

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

The Clerk read as follows:

Mr. FLOOD moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein.

The motion was agreed to.

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

GENERAL LEAVE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that I may revise and extend the remarks I made on the conference report and include a very important table, and that all Members may have 5 legislative days to revise and extend

their remarks and include extraneous matter on the conference report.

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

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries.

SEVENTH ANNUAL REPORT ON STATUS OF NATIONAL WILDERNESS PRESERVATION SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 92-156)

The Speaker laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interior and Insular Affairs and ordered to be printed:

To the Congress of the United States:

Today I am transmitting the 7th Annual Report on the status of the National Wilderness Preservation System. The Report spells out the substantial progress which has been made in the Wilderness System, a system which now encompasses more than 10.1 million acres—an increase of over 200,000 acres in the last year.

On April 28, 1971, I transmitted fourteen new wilderness proposals to the Congress. If approved, these proposals would enlarge our Wilderness System by an additional 1.8 million acres. Again, I urge quick and favorable congressional action on these proposals as well as on thirteen other proposals which are also before the Congress and which would add over a million acres to the System. Wilderness designation of all these areas is vital if we are to preserve their natural environment for future generations of Americans.

RICHARD NIXON.

THE WHITE HOUSE, August 5, 1971.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority leader the program for the rest of the day and the schedule for tomorrow, if any.

Mr. BOGGS. Will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Louisiana.

Mr. BOGGS. Mr. Speaker, in response to the inquiry of the distinguished minority leader, I am very glad to tell the gentleman and the other Members of the House that this completes the business for this week. As a matter of fact, it completes the business until September 8. We will have a pro forma session on tomorrow.

Mr. GERALD R. FORD. I thank the distinguished majority leader.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from California.

Mr. ROUSSELOT. Will we also be able to get some kind of rough idea as to what will happen when we return in September?

Mr. GERALD R. FORD. I might say, without preempting what the majority leader has said, that I have discussed the program with him, but I understand it will be announced in its entirety tomorrow.

Mr. BOGGS. That is correct. I would like to add, also, that there is some possibility that since the Senate did not act on the continuing resolution, we might have some problem, although I do not anticipate it.

Mr. ROUSSELOT. I thank the gentleman.

DEATH OF WALTER P. CARTER

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

Mr. MITCHELL. Mr. Speaker, the State of Maryland last week lost one of its most able civil rights leaders in the person of Walter P. Carter. Expressions of sympathy have come from across the Nation and around the world. A cross-section of citizens, moved by Mr. Carter's untimely death, issued statements commending him for his contributions to the community.

Mr. Speaker, I want to bring to the attention of this body the fact that in this time of ferment, racial crisis, and division, those attending the memorial services for this man and the funeral reflected a ratio of about 70 percent black and 30 percent white.

I think this should be a very special lesson to this House to learn that there are whites who recognize the contributions of a man who articulates black identity and black awareness.

The statements referred to follow:

Rep. Parren J. Mitchell (D-7th Md.) said: "Walter Carter was a black man of infinite ability and total dedication whose sole purpose in life was to assist in the final liberation of black Americans.

"He gave of his time, his money, his ability, toward that cause and tragically now he has given his life for it. I especially want young black men and women to know of Walter's contribution.

"They should know of the times he was jailed, the times he was assaulted by racists, the times he was hungry. They should know that he experienced all of these things and more in his herculean struggle against racism.

"He has left us a legacy of hope, achievement and commitment to the cause of black Americans.

"Our task is to enlarge and strengthen that legacy for this generation and for the generations yet to come."

Chester Wickwire, chaplain, Johns Hopkins University:—

"I worked closely with Walter Carter for many years, and considered him in many ways the best friend I had.

"I think he was a great spirit, unusual person. Baltimoreans and Maryland are much

more indebted to him than people realize, he was a selfless person.

"The years I knew him, he sustained this extraordinary concern for human dignity, justice and equality. I never knew anybody who could relate like Walter Carter to different persons and views. He was courageous . . . showed us how to be human.

"His sense of value was so singular, different from the rest of us.

"When he was working as a social worker for the school board, a major part of his life began at 5:00 when he could spend his full time working for civil rights.

"When he was rejected as executive director of Community Action Agency, it was a sad thing, that the man who was better able to relate to all spectrums of Baltimore wasn't given the chance.

"He always tried to do things in a peaceful manner. You don't find another person like Walter Carter around.

"He was the kind of guy who was an interpreter of justice and equality.

"He related to people from all social levels. I considered his death a very great personal loss."

Mayor Thomas J. D'Alesandro 3rd:

"It was indeed with deep regret and shock that I learned of the death of Walter Carter. In my years of public service, I had the opportunity and privilege of observing him as a constructive and active participant in the important public issues and questions affecting this city and state.

"Walter Carter was above anything else a decent man and his basic decency impelled him to be in the forefront of the struggle for justice and equality in our time.

"His passing away at a relatively young age is a deep loss for all Baltimoreans."

Travis W. Vauls, Executive director, Baltimore Urban League: "The Black Movement has lost a very valuable leader. Walter P. Carter was in the struggle for equal opportunity long before it was popular to do so.

"His forthright concerns, thoughts and actions, on behalf of the minority and disadvantaged have made this city a better place in which to live.

"We must continue in the struggle for all is not right yet. We must do this in honor of men like Walter Carter and for the good of humanity.

"Walt's clear thinking and articulate voice will be sorely missed."

Del. Troy Bralley (D, 2nd) said, "I have known and worked with Walter Carter during most of his fight for Civil Rights in Maryland.

"I found him to be one of the most sincere persons in the civil rights movement. We worked personally on many projects. We confided in each other. He would come to my home and we would discuss various problems until the wee hours of the morning.

"I shall always remember we had only \$100 in expenses to give him to coordinate marches for public accommodations around the state. When it was over he gave \$50 of the money back.

"I know the city, state and nation will mourn his passing. He devoted his entire adult life to equal justice and civil rights for all."

The Rev. Joseph A. Sellinger, S.J., president of Loyola College:

"First of all, it was a great shock to all of us here at the college. In his years at Loyola he brought much social consciousness to the student body and faculty. For this we are all grateful. His absence in September will leave us with a gap to fill.

"He was interested in students and in the college's involvement in urban affairs. For this I will always be grateful to Walter."

Dr. Homer E. Favor, dean of urban studies, Morgan State College: "I join with the total community in mourning the loss of Walter P. Carter, one of the city's most outstanding citizens.

"He managed somehow to be all things to all people while at the same time conserving himself.

"Numerous people from all walks of life benefited by the life he so willingly shared with them.

"His memory will live to provide us with continual hope for the day when men can live together as brothers indeed."

Norman V. A. Reeves, president of the William Moore Foundation: "The death of Walter is one of the greatest personal tragedies in my lifetime. He was a beautiful black man whose love for his brothers helped him transcend the limitation of most men. May he now find the peace that eluded him on earth."

The Rev. Vernon Dobson, pastor of Union Baptist Church:—

"The sudden passing of Walter Carter from among us has of course left the community bereft of a free spirit whose leadership among them is unquestioned.

"Walter was never concerned about his personal advantage, always concerned about the disadvantage of others. His life will be a continuing memorial to that unique spirit among humans that seeks the full life of every man through its own sacrifice and death."

John Burchleigh, director of Project Equality: "The community has suffered a tragic loss with the death of Walter Carter, a man committed to people and relieving suffering, poverty, and the full rights of all men.

"In addition to his activities in planning, strategizing, counselling, advising and actively participating in community affairs, he also worked to develop new leadership to make certain that there would be others constantly present to deal with the ever pressing fight for equal rights and human dignity."

Mrs. Kitty Broady, a coworker:—"I was only hoping against hope. He was at the podium and then fell. An ambulance was called. I got in with him. I knew he was gone then. His arm fell down. His hand had begun to get cool. It was a very sad thing. The black people have really lost a true friend. He was interested in the cause."

James M. Griffin, director of Northwest Community Medical Service Center: "Walter Carter's death is a great shock to all of us who knew and worked with him in the area of human rights.

"Unquestionably, over the past 10 or more years, he has been one of the prime movers toward community organization in the black community.

"His death is, therefore, untimely and will unquestionably set us back in our struggle for human dignity.

"Personally I am saddened that he is not physically with us any longer, however, his spirit and his philosophy will be with me forever."

State Senator Clarence M. Mitchell, 3rd (D-4th): "I am shocked and grieved at the loss of my good friend and fellow freedom fighter, Walter Carter. I cannot forget the days when he was chairman of CORE and I was a teenager and we walked many picket lines together.

"When we organized the sit in movement at Morgan State College in 1960, he and his organization were right by our side. Through the years Walter Carter has been a mighty force in the fight for liberation of black people throughout this country.

"His wisdom, courage and tenacity will be sorely missed as we continue the struggle.

"I was with his wife in the hospital when we were told of his passing. He died with his boots on in the way I'm certain he wanted to go."

(By Kiser D. Barnes)

Today, August 1, friends told me a mutual friend's struggle for freedom ended.

They told me Walter is dead. I do not know if he lives, now, in a different time and space. I do know in our time and space freedom has lost a friend.

Those of us who fight for freedom here in Maryland and in the world have lost a freedom fighter, who never stopped paying his dues. Well, his dues are all paid up now.

MR. AGNEW A CREDIT TO THE UNITED STATES

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

Mr. DEVINE. Mr. Speaker, the Vice President of the United States just recently concluded a highly successful world tour as the personal representative of President Nixon and our Government.

Along with my colleague ELLIOT HAGAN, I was honored to be designated as a special ambassador, to accompany Vice President Agnew, as part of the American delegation, attending the inauguration of President Park of South Korea.

Mr. AGNEW was warmly received by thousands of Americans in Honolulu, Guam, and Korea, as well as the many other stops through Asia, the Middle East, Africa, and Europe during this 30-day goodwill assignment.

And the people of all nations visited were high in their praise of the Vice President. He demonstrated keen insight, resourcefulness, and a profound knowledge of international relations and diplomatic insight.

The people of our Nation owe a debt of gratitude to Mr. AGNEW as an accomplished, dedicated, dignified, and polished spokesman for our country, and I am delighted to welcome him back home. He represented his Nation with great credit.

Mr. HAGAN. Mr. Speaker, recently I was highly honored to receive a call from the Vice President informing me that I had been designated by the President along with my friend and colleague, the Honorable SAMUEL L. DEVINE, to represent this great body as part of the U.S. delegation to the inauguration ceremonies on July 1 of His Excellency Chung Hee Park upon his reelection to the Presidency. Vice President SPIRO T. AGNEW headed up the American delegation.

I want to report to my colleagues that it was indeed a privilege to represent our country and our people at this very impressive ceremony and to see firsthand how this growing Republic is progressing under the energetic leadership of President Park.

I was also glad to have had the opportunity of being associated with the Vice President and seeing what a fine job he does in representing the United States. It was a personally rewarding experience to discuss with him some of the problems facing our Nation and the world today.

All in all, Mr. Speaker, this mission was an excellent opportunity to meet with our Korean friends and talk over matters of mutual interest and concern and to project the American desire for peace and understanding among the nations of the world.

Again, I was especially honored to be an emissary for the distinguished Members of the House on this special occasion.

Thank you.

Mr. MYERS. Mr. Speaker, I join our colleague, the gentleman from Ohio (Mr. DEVINE) in congratulating our Vice President for the very successful trip he recently completed.

That trip and the Vice President were criticized by some, and he received some uncomplimentary remarks in this body from one Member, but the success of that trip is told now by the reports coming in from around the world.

Every one of us is concerned about bringing about a lasting peace throughout the world, and we recognize that the United States will have a heavy responsibility in accomplishing that lasting peace.

We also recognize that our Vice President has set a firm foundation upon which we can structure a lasting peace. He must be congratulated for this. I know every one of us here is happy that that trip was the success that it was, and that we now can with determination move forward in a firm manner toward peace.

Mr. KING. Mr. Speaker, I would like to add my voice to the many Members commending Vice President SPIRO T. AGNEW on his highly successful trip as the emissary of the President of the United States.

Mr. AGNEW demonstrated keen insight, resourcefulness, and a profound knowledge of delicate diplomatic posture in his travels to Korea, Southeast Asia, the Middle East, Africa, and Europe.

The Vice President was warmly received throughout the world, and he made a very favorable impression on thousands of people on this goodwill tour, both among the foreign populations as well as American citizens overseas.

Unfortunately, a segment of the media can find nothing favorable to report about anything the Vice President does, but the American people are beginning to recognize TED AGNEW as an astute, intelligent Government official of considerable depth, integrity, and dedication. Press criticism notwithstanding, I am delighted to have Mr. AGNEW as Vice President, as the official spokesman for my Government, and I trust as President Nixon's running mate next year.

Seventy-five percent of the people of my district in a recent poll supported the Vice President in his criticism of the news media. The latter refuses to benefit by such expressions of faith in him. I admire him greatly as do the people of my district.

Mr. DICKINSON. Mr. Speaker, speaking of press sniping at the Vice President on his recent trip, much was made on the floor of this House, July 22, 1971, of a vicious article in a national news magazine that grossly distorted the Vice President's visit to Africa and replete with inaccuracies which since then, unfortunately, have been widely quoted as fact.

The U.S. Ambassador to Kenya, Robinson McIlvaine, has said of that article:

I now understand better the Vice President's reputed aversion to the press. A more inaccurate, innuendo-filled piece would be hard to imagine.

The Ambassador cited these examples which I quote:

Item: "After hacking up the local golf course . . . Fact: The Vice President played with two leading Kenyans, the Minister of Foreign Affairs and the head of the University of Nairobi and myself. While I did a certain amount of "hacking," the Vice President won more than half the holes played and, in the process, he got to know these two Kenyan leaders better than if he had spent equivalent time in calls at their respective office.

Item: The account stated that his other "outing" was a night at a hunting lodge with his private physician and his pretty, red haired secretary.

Fact: The night in question was spent with the Kenyan Minister of Tourism and Wildlife, the Provincial Commissioner, the Director of the National Parks, five or six leading authorities on conservation, three senior U.S. Embassy officers including myself, the senior members of his staff, 15 members of the press and, to be sure, his private physician and secretary whose hair is, in fact, red.

Item: "Agnew spent . . . all of 15 minutes with Kenya's Jomo Kenyatta and his cabinet."

Fact: Agnew spent two hours and twenty-five minutes with President Kenyatta and his cabinet and had an interesting if not world shaking exchange on a number of subjects.

Item: "Cargo plane carrying two bullet-proof Cadillacs for Agnew's dash from airport to Hotel to Golf course."

Fact: The Vice President went everywhere in my official car, a four-year old Chrysler.

Fact: We get many official and unofficial American visitors in Kenya each year including numerous congressmen and senators. The Vice President spent more time with top level Kenyans and did the U.S. position more good than any other visitor I can recall in the past two years.

The passages I have just quoted are from a letter that Ambassador McIlvaine sent to the editor of that magazine 3 weeks ago, immediately after the appearance of the article, but it is obvious that the magazine has no intention of printing such a refutation of its credibility.

Mr. DEL CLAWSON. Mr. Speaker, not all the press comment on the Vice President's recent trip was unfavorable, even if it appears that way. Aside from being unhappy that he was not mingling with crowds more in the countries he visited—which would have enlivened their news stories—most of the reporters who accompanied the Vice President gave him generally high marks on his performance. Here are some samples from the traveling correspondents:

Peter Kumpa, Baltimore Sun:

In all he performed the job that President Nixon assigned him with credit. Ceremoniously, he was close to flawless.

Robert Semple, New York Times:

Mr. Agnew, it seems, is not trying to make political capital of this trip and is doing his best to be a deferential diplomat. He has turned out to be rather good at it, and the host governments have seemed delighted by his presence and by what he has said.

Hays Gorey, Time magazine:

He has done his homework. In private talks and ceremonial functions, Agnew, from all available evidence, has performed flawlessly. Perhaps too flawlessly.

Edward W. O'Brien, St. Louis Globe Democrat:

Agnew's visits to Kuwait and Saudi Arabia were the first by an American official of such rank, and the Arab leaders used the opportunity to speak with unusual candor . . . Agnew made the 32-day journey not to create colorful publicity or for handshaking but to talk seriously with the heads of 11 governments which are good friends of the United States and whose good will Washington wants to retain.

There were many other observations in a similar vein from writers accompanying the Vice President, but they were generally overshadowed by the more numerous efforts to belittle his mission and him personally.

It was said by some of his critics that the trip was inconsequential and meaningless and unimportant, but it was not so considered in the countries he visited. Take, for instance, this example in an AP dispatch from Lisbon, Portugal:

Wherever he goes, the red carpet will be rolled out for Vice President Spiro T. Agnew . . . The inclusion of Portugal in his itinerary has caused particular pleasure to the Portuguese government which for long has been quietly nursing a grievance—that in American global policy the United States appeared to regard Portugal as expendable. The government regards Agnew's visit of special significance.

And fortunately, in the United States, we still have some newspapers that are willing to make a fair appraisal of a high Government official on an important diplomatic mission.

The Columbus Dispatch, for example, noted that "reports from stops made by Mr. AGNEW have been loaded with plus signs," and it added:

If he is hard-nosed in selling Americanism abroad and if the reception is cordial, then it must be assumed foreign dignitaries see America as remaining firm in its beliefs. Can we expect more of any goodwill ambassador?

I join, Mr. Speaker, in commending the Vice President for a job well done, under very adverse conditions—not the least of which was a hostile press which would like nothing better than to remove him from the national scene. And as long as he continues to perform so effectively, I am sure he will sit in the top councils of this Government for a long time to come.

Mr. CLANCY. Mr. Speaker, much of the inaccurate and biased reporting of the Vice President's recent foreign trip is directly attributable to a thinly veiled attempt by some columnists, editorialists, and commentators of the liberal news media who have felt the sting of the Vice President's rebukes and his public exposure of their biases, inaccuracies, and distortions.

It is understandable why these self-appointed kingmakers desire the demise of the Vice President. It is unique to find a public official who dares to do battle with these media superstars who are determined to sink him into political oblivion.

Knowing our President and the history of abuse that was heaped upon him, these wishful kingmakers will find that they will be just as unsuccessful in 1972 as they were in 1956.

Mr. GROVER. Mr. Speaker, the Vice President has recently returned from a

diplomatic venture that took him literally around the world. He visited 10 countries on three continents—widely disparate in many respects. The President, his Secretary of State, and indeed, every high official in this Government have indicated great satisfaction with his performance. The mission is universally categorized as highly productive and completely successful from a diplomatic point of view.

ACCOMPLISHMENTS

First, Korea: Attendance of inaugural of President Park. Natural sequel to visit last August with American redeployment from Korea successfully negotiated. This year's visit, in face of lack of bilateral problems, is an important contribution to strengthening relationships between two governments.

Second, Singapore: Visit intended to continue strong personal relationship established earlier during previous visit by Vice President and in return visit here by Prime Minister. We justly value the Prime Minister's insights into the various complex problems of Southeast Asia.

Third, Arabian Peninsula: In both Kuwait and Saudi Arabia useful exchanges were continued with their leaders in support of the efforts of Secretary Rogers and others to bring about peaceful settlement in the Middle East problem. These key Peninsula nations have great importance for our position in the lower gulf as well.

Fourth, African visit to Ethiopia, Kenya, Congo, Kinshasa: Natural sequel to President's extended African travel when Vice President and to Secretary Rogers' recent trip. Provided outstanding opportunity to convey administration views on the importance of self determination and reassurance of American interest in promoting African unity and national cooperation.

Fifth, Morocco: Visit permitted discussion of matters of significant, mutual interest and served, importantly, as timely sample of U.S. support in aftermath of unsuccessful coup attempt against King Hassan's Government. Valuable particularly in view of Moroccan importance to our strategic position in North Africa.

Sixth, Iberian Peninsula: Spain and Portugal have strongly supported our efforts in Vietnam. Both provide important bases strengthening our strategic position. Also important to share with them our latest assessment of mutual security goals.

There was hardly a day during the entire trip when substantive discussions with high foreign dignitaries were not on the agenda. This was not a tourism view of the world—most of the time was engaging in preparation of his performance of diplomatic duties. The element of personal contact with important foreign leaders remains one of the most important foundations of our efforts to obtain ever greater international cooperation and finally lasting peace.

And despite press emphasis on less consequential incidents, the Vice President performed his mission with a high degree of diplomatic skill.

Mr. HUNT. Mr. Speaker, words of praise are in order for our Vice President,

SPIRO T. AGNEW, for the high caliber, statesmanlike manner in which he conducted his good-will mission abroad.

From all accounts, Mr. AGNEW's tour was highly successful. Not only was he well received wherever he went, but I am confident that he has strengthened ties with our allies and made new friends for the United States. A loyal and true American, Vice President AGNEW has once again carried out his public duties as one of the better spokesmen for the United States abroad, being frank about our weaknesses, but proud and unhesitating about our strengths.

Notwithstanding his vituperative critics whose sensitive nerves have once again been touched with valid observations, the Vice President deserves our gratitude for his truly worldwide mission of good will.

GENERAL LEAVE

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks relative to Vice President AGNEW's world tour.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

TIME TO STOP CIA SECRET WARS

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

Mr. BADILLO. Mr. Speaker, the Nixon administration has now acknowledged, through a Senate subcommittee staff report, that the Central Intelligence Agency is financing and directing a 30,000-man army in Laos. This confirms news reports which have come from Laos in recent months and confronts Congress and the American people with some very basic questions involving our foreign and military policy, the war powers of the President, and the role of the Congress in determining where and under what circumstances this Nation will become involved in military combat operations abroad.

If our tragic and costly involvement in Vietnam has taught us one lesson it must be that Congress can no longer abdicate to the executive branch the power to commit this Nation to war, either overt or covert.

Earlier this year, I introduced legislation aimed at closing a glaring loophole in the National Security Act—a loophole which permits the CIA to organize, finance, and direct military combat operations if that is related to its intelligence mission. I feel strongly that the CIA should confine itself to the gathering, analysis, and dissemination of intelligence and I urge my colleagues to support my bill, H.R. 8371 when it is circulated for cosponsors after the August recess.

I would urge my colleagues also to examine carefully the debate in the House on June 17 of this year when I offered an amendment to the military procurement bill to prohibit use of the funds that bill authorized for CIA-run military or para-

military operations in Southeast Asia. During that debate, the distinguished chairman of the Committee on Armed Services asserted in response to a question:

The activity of the CIA in all sections of the world, in Laos, the Middle East and everywhere is the gathering of intelligence for the protection and security of the United States.

Only the most generous interpretation could construe the organization, financing, and direction of a 30,000-man army to be intelligence-gathering. The CIA is running a full-scale war in Laos and its army has become the main fighting force there. Unless the Congress specifically prohibits this kind of activity, the power of any President to commit U.S. men, materiel, and funds to war will remain virtually unbridled.

I have nothing but respect for the achievements of the CIA in the intelligence field, and certainly its reputation in this area was greatly enhanced by the disclosures in the Pentagon Papers. For its own sake and the sake of our Nation, the CIA must be kept out of a combat role. Talk of preventing future Vietnams is idle rhetoric unless we are willing to take that step.

THE CONTAGIOUS ANIMAL DISEASE BILL

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

Mr. MELCHER. Mr. Speaker, the Subcommittee of the House Agriculture Committee handling livestock legislation reported out a bill yesterday dealing with the threat of highly contagious diseases carried by animals, some of which may also infect man, giving the Secretary of Agriculture specific authority to work out cooperative programs of control and eradication when these diseases pose a threat to livestock, animals or people here in the United States. There are a number of diseases which are not present in this country which are invasion threats to us.

Venezuelan equine encephalomyelitis, a disease primarily of horses but also infectious to humans, spread out of Venezuela to Central America and reached Mexico 3 years ago. While equine owners, American veterinarians and public health officials were cognizant of the threat it posed for our country, no effective cooperative program was initiated successfully in Mexico, and we now have the disease in this country.

The Department of Agriculture testified last week before the committee that they wanted new legislation authorizing the Secretary to take broader action to prevent the spread of these types of diseases into our country. The Department should have asked for this 3 years ago before VEE made its way over a thousand miles north through Mexico to this country. If a prod is needed to move the Department into action more quickly in controlling contagious diseases that threaten us, then this bill should serve that purpose. It must be passed promptly.

Passage of the bill would authorize the Secretary of Agriculture to work out

cooperative agreements with foreign countries in the Western hemisphere if in his judgment the health of animals or people in the United States are threatened.

African swine fever, now rampant in Cuba, has reached the Western Hemisphere for the first time. There is no vaccine, no treatment, and the only control is to kill all the swine that are infected, exposed, or anywhere within miles of known cases. It is highly contagious, and its presence in Cuba poses a real threat to the pig producers of this country. Department of Agriculture officials fear hoof and mouth disease, which affects all cloven hoofed animals, domestic and wild, is also present in Cuba.

Again, this disease is only controlled by killing all of the animals either infected or exposed. Only 90 miles away from our shore, the invasion of either of these diseases from Cuba would have devastating effects on the animals that are affected by it. The livestock industry and ultimately consumers would pay dearly for meat products if either of these diseases spread in our country. It would require the immediate killing and burial of the diseased or exposed animals to halt the outbreak.

There is a great need for us to be sure that all means of effective control and eradication are being followed in Cuba for African swine fever and also for hoof and mouth disease if it is also present, as U.S. Department officials fear.

Despite the lack of diplomatic relations with Cuba, our own best interests require that we leave no stone unturned to be sure that Cuba's efforts to eliminate these diseases succeed and her needs for assistance are met. Canadian officials are working through the Pan American Health Organization to assist Cuba, but their threat to Canada is not nearly as great as the threat to us, only 90 miles away. Either of the diseases can easily be hijacked into this country, brought in by refugees or carried in by boats which still travel between our country and theirs. American relationship with Cubans is not so strained but what our athletes and theirs cannot compete in Cali, Columbia. Certainly we can also establish direct communication between our Department of Agriculture scientists and theirs to make sure that neither of these diseases escape from Cuba and that both are eradicated on their shores.

The threats posed by these highly contagious diseases—VEE infecting equine, African swine fever infecting hogs, and hoof and mouth disease, infecting all cloven hoofed animals including deer, antelope, elk, and moose, are not to be shrugged off lightly. Control and eradication of the diseases may cost millions of dollars but to ignore them and let them spread throughout our country would stagger us with billions of dollars loss besides the threat to human health that VEE poses.

GUIDEPOSTS TO DEMOCRACY

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

CKVII—1876—Part 23

Mr. WHITTEN. Mr. Speaker, as a Mississippian I take great pride in the fine young people of our State, and it is with warmth of feeling that I share with you and our colleagues the award-winning speech of Miss Lydia Ruth Hodges of Dorsey, Miss. Miss Hodges, a senior in high school, presented this speech in the American Legion Oratorical Contest. She was the winner of the initial contest in Fulton, Miss., and then the winner in the district contest, the area contest, and the Mississippi State contest; and was runner-up in the regional competition.

I commend her to you for her fine spirit of patriotism and responsibility, as so clearly expressed in her fine speech, "Guideposts to Democracy," which is herewith presented in full:

GUIDEPOSTS TO DEMOCRACY

Freedom, liberty, justice, patriotism, heritage—are these just sentimental words from History? No! These are direct and vibrant challenges to all of us, the "Now Generation." We, as American citizens, have the potential to benefit all mankind, but the only way to change this potential into progress is to maintain the rights and privileges that have made and kept us free.

How do we accomplish this seemingly impossible task in today's complex world? Our forefathers who built this country have laid clearly-marked guideposts to show us the way. These guideposts are stated in the Preamble to the Constitution:

"We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity do ordain and establish this Constitution for the United States of America."

Our first Guidepost to Democracy is to form a more perfect union. The original thirteen colonies were already loosely united under the Articles of Confederation, but this first form of American government gave the states too much authority; therefore the Federal government had hardly any power. The outcome of the Constitutional Convention in 1787 was our great United States Constitution, which is today the oldest standing political document in the world. This Constitution sets forth a unique system of checks and balances. It balances authority among the (1) executive, (2) legislative, and (3) judicial branches of government; and is so organized that each governmental department limits (or checks) the power of the others. Article IV, Section 3 of our Constitution provides that no new state shall be formed from existing states without the consent of state legislatures involved and of Congress. In the 1800's, our Nation survived a Civil War, and today, April 19, 1971, we are still united—"One Nation under God, indivisible, with liberty and justice for all."

Our second Guidepost is to establish justice. Reinhold Niebuhr said, "Man's capacity for justice makes democracy possible, but man's inclination to injustice makes democracy necessary." Our democracy is a government of the people, by the people, and for the people. Because of this great American principle which is the foundation of our government, we, as average American citizens, yes, we are the American government. If justice is not established, then we are at fault. Article III of our Constitution provides for our Judicial Branch of government, and that all trials except in cases of impeachment shall be by jury.

Our third Guidepost is to insure domestic tranquility. As we view our world today, we must agree with Thomas Paine who said:

"These are the times that try men's souls." It may seem to many that our Constitution has failed to insure this domestic tranquility, but we must remember that peace is not the absence of conflict, but the ability to cope with it. And how does our Constitution cope with internal conflict? There are two ways: (1) The amendment process has provided for a way that our laws can change with the times. Over 3,000 amendments have been proposed, and twenty-five have been added to the Constitution. (2) By power given through the elastic clause, Congress is permitted to pass any laws "necessary and proper" to carry out its enumerated powers to meet changing conditions.

The fourth Guidepost is to provide for the common defense. General Douglas MacArthur once said: "The inescapable price of liberty is to preserve it from destruction." And we might add "no matter what the destructive force may be." Our Nation has, in the past, been called upon to provide for the common defense of the Free World, and Article I, Section 8, of our Constitution provides for our armed forces to carry out this Guidepost.

Our fifth guidepost is to promote the general welfare. The first ten amendments or Bill of Rights are often cited as the cornerstone of individual freedom in the United States. These privileges include Freedom of Speech, Petition, Press, Religion, and the Right to Peaceably Assemble. We are also guaranteed free elections by which the will of the people becomes the Voice of America.

The last and perhaps most important guidepost to Democracy is to secure the blessings of liberty to ourselves and our posterity. Our forefathers did secure the blessings of liberty through the establishment of the Constitution, but, in order to maintain this freedom, we must continue to pay the high price of Liberty. The price? Daniel Webster once stated: "God grants Liberty only to those who love it, and are always ready to guard and defend it." It is therefore up to us to guard our country's freedom and defend the principles set forth by our Constitution.

Freedom, liberty, justice, patriotism, heritage—No, these are not just sentimental words from history, but these are the words for which our Constitution stands:

"We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity do ordain and establish this Constitution for the United States of America."

Yes, our Guideposts have been established, but the question remains, "Will they be maintained?" The answer to this question, young people, lies in us—the Youth of Today, the Leaders of Tomorrow.

ESTABLISHING NATIONAL STANDARDS FOR WAGES AND PRICES

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

Mr. LLOYD. Mr. Speaker, President Nixon should be applauded for statements which he made at a news conference yesterday when he said that he would consider establishment of a Government board to suggest national standards for wages and prices.

This is a field in which our President has special experience and knowledge. Early in World War II, he was an attorney for the Office of Price Administration and witnessed firsthand the reluctance of the people in a free society to ad-

just to compulsory economic controls, even when those same people were virtually completely dedicated to our national defense following the invasion of Pearl Harbor.

Later President Nixon, as candidate for Vice President of the United States following the Korean war, joined with the new President, Dwight D. Eisenhower, in bringing to an end the mandatory controls operative during the Korean conflict, and he remembers the relief of the people when the free economy was restored.

It is understandable, therefore, that President Nixon would not join in the enthusiasm of bearers of bad tidings regarding the Nation's economy, such as John Galbraith and others, who have been beating the drums for restoration of mandatory wage and price controls to our free system.

However, this country is in my judgment faced with grave danger of excessive inflation which strikes at the very foundations of the traditions of savings, thrift, and consistent production which undergird our free economy. The labor-management negotiations this summer are a stark warning that much of American industry is no longer dedicated to holding the line on wages and prices when Government on behalf of the citizenry appears not sufficiently concerned.

As chairman of the House Republican Task Force on Labor-Management Relations, my colleagues and I recently heard from Mr. Roger Blough, former president of United States Steel, and now chairman of the Construction Users Roundtable. Mr. Blough reported that the committee which was established by Executive order of March 29 to review wage settlements in the construction industry had been successful in materially reducing inflationary increase in that strategic industry.

I have become increasingly concerned that both industry and labor are in competition for maximum profits and maximum earnings regardless of the inflationary effect upon the public, and several weeks ago, I encouraged President Nixon in a personal letter to keep open the options of further Federal participation in all anti-inflation efforts short of the mandatory controls of a closed society.

President Nixon announced yesterday that he would indeed study the evidence and listen to the data submitted by those who like myself favor increased Federal Government activity in this field.

It should be noted that despite the apparent inflationary labor settlements occurring during this summer, which have immediately resulted in increased costs in many cases, the Nation's economy also shows great signs of strength. The monthly unemployment figure for June was 5.6 percent, a reduction of $\frac{1}{2}$ of 1 percent under May. While the July figures are expected to be slightly more, the picture over the last several months has indicated increased stabilization in the labor market. Consumer Price Index increases, while not particularly encouraging, do not indicate a runaway out of control.

Better results must be secured. This President has the experience, technical know-how, and leadership qualities to produce these better results, and the announcement which he made to the press conference yesterday indicates that he is willing to completely discharge this responsibility of leadership consistent with the preservation of a free economy.

FREEDOM FOR CZECHOSLOVAKIA

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

Mr. VIGORITO. Mr. Speaker, the streets of Prague will be quiet today. Quiet, not because the people of Czechoslovakia are content, but because the tanks and soldiers of the Soviet Army extinguished all hope of freedom and liberty 3 years ago. This calm may deceive the casual observer, but for the millions of people who remember that tragic day, August 21 will be a reminder of the tyranny of the Soviet Union. Alexander Dubcek ruled Czechoslovakia for only one brief "spring of freedom," while he tried to give Czechoslovakian communism "a human face." Even this limited objective proved to be too daring for the reactionary and encrusted leadership in Moscow. Anything other than abject subservience to the Soviet Union could not be tolerated.

If the Soviet system had any real validity, the people of Czechoslovakia would have accepted it long ago. For over 20 years the Soviet Union imposed their strict rule over the Czechs, but the Czechs rejected the Russian leadership at their first chance. Only with the aid of tanks and soldiers could Moscow reassert its harsh and tyrannical rule. The Czech people have shown their disgust time and again with work stoppages and outright defiance. The puppet regime of Gustav Husak must continue to bend to every Soviet whim, realizing his only hope for political survival is the never-ending threat of a return of Soviet troops.

Yes, the streets of Prague will be relatively quiet today, but behind the facade of peace lies the continued resistance of Czech patriots. The Czechoslovak National Council of America has named August 21, 1971, a Day of Soviet Shame. On this day let us remember and support the noble people of Czechoslovakia as they continue to resist the repression of the Soviet Union and to fight for the freedom they so richly deserve.

BETTER DISCLOSURE OF FISCAL OPERATIONS IN FEDERAL BUDGET

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

Mr. FASCELL. Mr. Speaker, the phrase "reordering our national priorities" has unfortunately become a cliché before becoming a reality.

Two factors presently unaccounted for in the Federal budgetary process cause the Congress to be given less able to gage

and direct the allocation of our national wealth and resources.

The first of these unaccounted factors is tax expenditures—that is, the amount of revenue which would have been received in the Treasury in the absence of existing tax exemptions, deductions, credits, deferments, and preferential rates.

While the entire budget presentation of the President for fiscal year 1972 comprises more than 2,000 pages of data, it does not contain any information on tax expenditures. Tax exemptions and credits would seem to involve no cost to the Government, but, in fact, there is a real cost in terms of foregone revenue, or the amount of revenue that would be collected were tax-exempted beneficiaries taxed at the same rate as fully taxable sources.

It has been estimated that tax expenditures in 1969 totaled \$44 billion compared with total Government expenditures of \$184 billion. An adjustment for tax concessions reveals that, in many cases, a particular sector of the economy receives a greater or lesser share of current national wealth than is reflected by budget figures.

In fact, in a number of Government functions tax expenditures equal or exceed direct expenditures through the appropriations process.

In 1969, direct expenditures for the natural resources function of the budget were estimated to be \$2.1 billion, while the tax expenditures for that function—primarily depletion allowances—were approximately \$1.7 billion. In the Commerce and Transportation function, the respective totals were \$7.8 billion for direct expenditures and \$9.2 billion for tax aids; for example, investment credit and surtax exemption.

Clearly tax expenditures must be taken into account if the Congress is to make intelligent decisions concerning the allocation of scarce fiscal resources. We cannot talk about reordering priorities when we do not fully understand the comparative share of current national output available to the beneficiaries of tax aids.

In order to provide the Congress with that essential information, I am today introducing legislation which requires that the budget for each fiscal year contain information with respect to indirect expenditures made through the Federal tax system. This would include estimated tax expenditures for the ensuing fiscal year and the fiscal year in progress, as well as actual tax expenditures for the last completed fiscal year.

This legislation, along with a second bill which I will presently describe, was originally introduced in the Senate by my colleague and fellow Floridian, Senator LAWTON CHILES. Senator CHILES is an outstanding legislator who has proven the wisdom of the voters of Florida by his actions since coming to the Senate. It is an honor to join him in sponsoring this important legislation.

The other bill which I am privileged to sponsor in the House deals with a second factor presently unaccounted for in the Federal budgetary process. It would require the Comptroller General of the

United States to gather and compile information with respect to the reprogramming of appropriated funds and furnish such information to Members of Congress.

The Congress and the public need to know the amount and type of funds which are reprogrammed by Federal agencies. That means funds which are utilized for a purpose other than that for which the funds were intended when appropriated. The congressional responsibility of appropriating moneys for specified program areas, which has its genesis in the Constitution, carries forward, in my opinion, to an evaluation of the ultimate utilization of those moneys.

The principal concept underlying the measures which I am introducing today is that the Congress needs to know on a continuing basis the full scope of the Federal Government's fiscal operations. This must include not only direct expenditures and indirect expenditures through credit programs which are already contained in the annual budget, but also indirect expenditures which result from the operation of our tax laws and reprogrammed expenditures which are channeled in a direction other than that for which they were appropriated.

Mr. Speaker, these are eminently reasonable proposals. They will aid the Congress as we strive to make our actions correspond with our words concerning the "reordering of national priorities."

DEATH OF ADMINISTRATIVE ASSISTANT, MISS MARY C. HIGGINS

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

Mr. BELCHER. Mr. Speaker, on Friday, July 30, I experienced a very sad and sadening loss with the death of my administrative assistant of over 15 years, Miss Mary C. Higgins.

I can state unequivocally that Mary was the most loyal and dedicated person that I have ever known. She worked tirelessly, sometimes putting in as many as 80 to 90 hours a week. She was virtually my right arm and there was absolutely nothing in the world that she could not do.

Mary first came to Washington back in 1955 and I believe that I can say without question that she was dearly loved by all those who had the privilege to know her. I think that she was one of the most efficient administrative assistants on Capitol Hill. She was so dedicated that I had an argument on my hands whenever I would raise her salary. She loved her job and all the people around her.

Mary was a great admirer of President Nixon, and her faith in him was of long standing. When he ran for the Presidency in 1960, Mary supported him and worked hard in his behalf. She hung a large picture of him on the wall over her desk; and when he was defeated, everybody urged her to "turn it to the wall." When asked why did she not take it down, she said, "It stays. He will be President some day." The same picture still hangs there, accompanied by several

others with personal autographs inscribed by President Nixon to Mary.

The admiration that Mary had for President Nixon was mutual. This past spring when Mary was in the hospital, President Nixon took time from a very crowded schedule to call her and cheer her up. I know she will be greatly missed by everyone.

I would like to express my condolences to her mother, Mrs. Agnes J. Higgins, and her two brothers, Ed and Charles, who are the only people on this earth that will miss her more than I.

THE GROWING CRISIS IN OUR DOMESTIC TEXTILE INDUSTRY

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from North Carolina (Mr. MIZELL) is recognized for 30 minutes.

(Mr. MIZELL asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. MIZELL. Mr. Speaker, I appreciate this opportunity to bring to the attention of the Congress and the Nation the growing crisis in our domestic textile industry.

For the past 2 years, the American textile industry has been in critical condition, with the rate of textile-related unemployment rising sharply and with scores of plants being forced to close or convert to other kinds of product manufacture.

Mr. Speaker, I have in my hand an article which appeared in the Greensboro Daily News on Thursday, June 3, 1971. The headline says "Textile Imports Increase 42 Percent Above the 1970 High."

The article is as follows:

TEXTILE IMPORTS INCREASE 42 PERCENT ABOVE 1970 HIGH

WASHINGTON.—Textile imports in the first four months of this year were 42 per cent above the record levels of 1970, the Commerce Department reported Wednesday.

The biggest increase continued to be in the category of manmade fiber yarns, used by U.S. textile manufacturers to produce cloth and in some cases not directly competitive with United States yarns.

However, there were also large increases in imports of textile fabrics and finished apparel, particularly in manmade fiber category. The new fibers are bound to add to the pressures for some kind of limitation on textile imports.

The four leading suppliers, all from Asia, accounted for 57 per cent of total imports, and their increase was 43 per cent in 1971 over the same period of 1970. They are Japan—with almost half the total from the four countries—South Korea, Taiwan and Hong Kong.

Total textile imports in April alone were 53 per cent above the same month a year ago.

The dollar value of textile imports for the first four months was \$741 million—an annual rate of more than \$2 billion—compared with \$569 million in the first four months of 1970.

The Japanese textile industry is supposed to institute a program of voluntary restraint on exports to the United States starting July 1, but there have been problems within the Japanese industry in working out the export allocations. In addition, some parts of the Japanese industry are insisting that there should be no export restraint by Japan

unless there is comparable restraint by the other three Asian producing countries.

I have been attempting, in every way possible, to alleviate this crisis through legislation. In the 91st Congress, I was a sponsor of legislation to establish a system of import quotas on foreign textile products. Legislation similar to mine was passed by the House, but died in the Senate during the rush to adjourn late last year.

I have introduced identical legislation in this Congress and have called for action on that bill on several occasions since.

Last week, with the gentleman from Ohio (Mr. BETTS) and others, I introduced new legislation authorizing the U.S. Tariff Commission to impose such quotas on foreign imports whose distribution in this country is found to cause serious injury to domestic manufacturers of the same product.

Today, Mr. Speaker, with some two dozen of my distinguished colleagues from both sides of the aisle, I am again calling for action on the textile problem.

The situation grows worse each day we choose to delay. The time has long since passed for us to act decisively in this matter.

In the past few days, we have heard some pretty discouraging news with regard to our balance of trade. The Secretary of Commerce has reported that for the third consecutive month, our balance of trade has run a deficit. He further warned that unless the situation is reversed, this country will finish the year 1971 with the first overall balance of trade deficit since 1893.

This development has serious implications where our vast international commitments are concerned. It also poses a serious threat to the integrity of the dollar in world monetary circles.

The only encouraging note about all of this bad news is that it might finally wake some people up to the fact that some of our international trade policies are leading us down the road to serious trouble.

One of the major contributors to this seriously deteriorating international trade picture is our trade in textiles. A trade deficit is nothing new in textiles. The American textile industry has not shown an export surplus since 1957, 14 years ago.

What is more alarming about the textile trade deficit is the fact that it continues to grow, at a rate that increases every year. It is not only contributing to the overall trade deficit, but, just as important, it is causing the systematic destruction of one of our most basic industries.

Look at what has happened in just the last decade. In 1960, textile imports were valued at \$866 million, and our exports were \$618 million. This left a deficit of \$248 million.

Last year, textile imports had grown in monetary value to a staggering \$2.4 billion, while exports had risen only slightly to \$776 million. This left an incredible deficit of \$1.6 billion. And current statistics indicate that we are well

on our way to an even larger deficit this year.

While these figures are startling, the impact they are having on our domestic economy in terms of jobs is even more alarming. Last year, the textile and apparel industry lost some 100,000 jobs. It has been estimated that the current level of imports is displacing the equivalent of 300,000 jobs a year.

During this period of increased national unemployment, the result of our moving from a wartime to a peacetime economy and of our efforts to fight the incredible inflation of the 1960's, we simply cannot afford to see a major job-producing industry be destroyed by unfair trade policies of our own making.

The American textile industry has made a strong and valuable contribution to our national economy for generations. The fiber-textile-apparel industry provides jobs in nearly every State in the Union. There are some 2.3 million jobs directly in textiles and apparel, and another million in those industries which support and supply the manufacturing of textiles.

In my own State of North Carolina, the textile industry is our largest employer, providing us with our only billion-dollar annual payroll. In 1970, 267,000 people were employed in the textile industry, and they earned \$1.2 billion. The textile industry accounts for 39 percent of all manufacturing in North Carolina.

Textile plants are located in 81 of our 100 counties. We depend on this industry. In countless communities, textiles are the only source, or at least the major source, of manufacturing employment. The industry provides jobs at every level of skill.

One of the major assets of the textile industry in our area has been its ability to help workers make the transition from farmwork to manufacturing.

In many cases, workers who have been displaced on the farm by mechanization can find work in the textile industry.

With 3 to 6 weeks training, they can move into a new occupation and start learning a valuable trade. Those who are ambitious and hard workers can advance their careers at a rapid pace.

With these facts in mind, it is difficult, if not impossible, to understand how some people can say this country might be better off without a textile industry of its own.

Mr. Speaker, I cannot stress too strongly my firm belief that this country needs a textile industry, that thousands of men and women need the jobs that a sound and growing textile industry can provide, and that the American textile industry has not brought the present crisis on itself.

The American textile industry is by far the most efficient in the world. Many of our foreign competitors have carefully studied American methods and implemented many of them in their own manufacturing procedures. Charges of inefficiency, then, are not only unfair, but totally inaccurate.

The reason foreign competitors are able to succeed so well in this country is the vast difference between the wages paid a textile worker in America and those earned overseas.

There is a vast wage gap, as wide as the trade deficit, and like the trade deficit the wage disparity continues to grow.

Japan, the largest single exporter of textiles to this country, pays its textile workers an average of 45 cents an hour. The American textile worker earns \$2.54 an hour, a wage gap of \$2.09 an hour. In 1960, the wage gap between the United States and Japanese textile industries was \$1.44.

Even the \$2.54 wage earned by the American textile worker is considered low, when compared with the wages of practically every other industrial worker in the Nation today. One never reads of an inflationary settlement of a wage dispute in the textile industry.

But the textile crisis persists. If the problem is not efficiency, and it is not, and if the problem is not too high wages, and it is not that either, it must be our trade policy.

Japan is a prime example of how we have let our textile trade policies get out of hand. At the end of World War II, Japan had virtually no textile industry. They had to build a textile industry, literally, from the ground up, and we helped them do it.

We even sent a mission of some of our leading textile industry people to Japan to help them rebuild their textile industry.

This was highly commendable. It was a gesture on our part that helped Japan along the road to recovery. Today, Japan has the second largest gross national product in the free world. It is a strong and powerful nation, and much of this is due to what the United States did to help.

But by no stretch of the imagination can Japan be regarded today as a developing nation. Yet, Japan has strongly resisted any change in the trade policies we adopted in an effort to help speed Japan's postwar recovery.

Japan today accounts for roughly one-fourth of the 6 billion square yards of textile imports entering this country. The Japanese have participated in the long-term arrangement for cotton textiles, and have agreed to limit their shipments of cotton textiles.

They have entered into agreements with seven other nations covering exports of manmade fiber or woolen textiles. But they have flatly refused to enter into any similar agreements with the United States.

Instead, the Japanese Textile Federation has come up with a unilateral plan to limit exports of manmade fiber and woolen textiles. This is a totally unsatisfactory arrangement.

It is not a government-to-government agreement as has been the case with cotton textiles. There is nothing in the world to prevent the Japanese Textile Federation from backing off of the arrangement unilaterally at any time it chooses.

What is needed is a multilateral or a series of bilateral government-to-government agreements, which will place a ceiling on imports by product and by category.

There should be a provision for growth of imports when growth occurs in the American market. No one is asking that

textile imports be shut off or that they be rolled back drastically.

We are simply seeking a mechanism which will control the future growth of textile imports in such a way that the American textile industry will have an opportunity to enjoy healthy growth.

In 1970, there was no growth in the American textile market. As a matter of fact, sales were down. But textile imports rose by 23 percent, just the same. This gave the exporting nations a bigger slice of a shrinking pie. It is no wonder we lost 100,000 textile and apparel jobs in 1970.

Mr. Speaker, we just cannot afford to wait any longer to find a solution to the impasse on this textile import problem.

How many more jobs do we have to lose before critics are convinced that our current trade policies are wrecking one of our best sources of employment?

How many more records do imports of manmade fibers have to set before they are brought under control?

This is a problem that just will not go away by itself. It requires action on the part of the Congress, and that is why we are here today, to call for action.

I urge immediate consideration of the legislation I have introduced, which would place fair but effective quotas on textile imports. I call for hearings on this legislation at the earliest possible time, and I strongly request that my colleagues who are gathered here today do likewise.

This is not only the fairest and most responsible course open to us; it is the only course we can take to insure that the American textile industry is not totally destroyed.

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

Mr. MIZELL. Mr. Speaker, I yield to the distinguished gentleman from North Carolina.

Mr. RUTH. Mr. Speaker, I thank the gentleman for yielding, and I would like to congratulate my colleague, the gentleman from North Carolina (Mr. MIZELL) for addressing himself to the subject of this special order today.

Mr. Speaker, recent reports indicate that our country is about ready to lose another war. This one is not Vietnam, but the trade war. If this battle is lost then so is America.

But I would like to limit my remarks to that portion of the trade war that already has cost industry and jobs in my State of North Carolina.

First, I would like to also point out that the textile industry is our largest employer in North Carolina. It is a billion-dollar payroll and accounts for 39 percent of all manufacturing in North Carolina. These may not be dependable statistics a year from now because of the damage foreign textile imports continue to do to our basic industry.

We still seem to be at an impasse over setting quota limits on textile imports from the Far East. While I congratulate the Japanese Government for attempting to reach a settlement, that country's plan for voluntary restraints on the importation of textiles is not acceptable, not only to me but to the textile industry and the

267,000 textile employees in North Carolina.

The Japanese Textile Federation would use the year 1970 as the year for averaging out textile imports. This was a bad year to pick for averaging out imports because by this time, cheap, foreign imports had already gained a solid hold in the marketplaces of this Nation. Equally bad is the proposal that imports would be increased 5 percent for the first 12-month period of restraint, and 6 percent for the second and third 12-month periods.

In 1970, the import figure of wool, cotton, and manmade apparel and textiles amounted to 1,153,000 square yards. The 1967-69 equivalent averaged 912,000,000 yards. That shows an increase of textile imports and why the voluntary restraints of the Japanese Textile Federation are unacceptable.

Mr. Speaker, the United States does not legislate textile import quotas. But I and the people of North Carolina believe that the time has come to do so.

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

Mr. MIZELL. I yield to the gentleman, my senior colleague from North Carolina (Mr. JONAS).

Mr. JONAS. Mr. Speaker, I appreciate the gentleman yielding to me.

Mr. Speaker, I am pleased to join some of my colleagues today in another discussion of the critical textile import situation. I have made many speeches in this forum in recent years on this subject, the last being delivered on June 29, 1971. But I think it will serve a useful purpose for those of us who are interested in preserving the domestic textile industry to call attention again to the need for affirmative action to curb the growth of textile imports.

I point out once more, as I have done on many previous occasions, that the domestic textile industry does not advocate building a high wall around the United States and barring the importation of textiles. All this industry seeks is a fair opportunity to compete in our own market with foreign producers who operate their plants under sweatshop conditions. The industry is not proposing a rollback of imports and is willing to share the domestic market with foreign producers on a reasonable basis. But what the industry cannot understand is the unwillingness of those not directly involved in textiles to agree that some reasonable limitation on the future growth of imports is necessary if this vital industry is to prosper.

In my June 29 speech in the House, I commended Ambassador David M. Kennedy, and his team of U.S. negotiators, for efforts they are making to work out some voluntary agreements with foreign producers to restrict the future growth of their exports of textiles into the United States. Reports indicate that Ambassador Kennedy, in each of the countries visited, made forceful presentations of the textile industry problems facing this country, and placed particular emphasis on the unemployment that is resulting from the ever-increasing flood of imports. Reliable statistics indicate that the vast buildup of imports has contributed to

the loss of 100,000 textile and apparel jobs in the United States.

In North Carolina alone, where the textile industry is the largest industrial employer, we have seen 30 plants close recently. Many textile plants have also closed in other States of the Union as a result of the increasing pressure of imports.

The record shows that last year textile and apparel imports reached a record level of 4.5 billion square yards. More than half of these products come from Japan, Taiwan, Korea, and Hong Kong. Yet, with the exception of Taiwan, with regard to which Ambassador Kennedy reported that some progress had been made, the other major importing countries apparently have adopted a very hard line with regard to proposed export restraints.

I am indebted to my friend, Morris Speizman, one of the leading textile machinery dealers in the United States, for the following information:

The textile and apparel industry in the United States employs 2.4 million people out of a total work force of approximately 20 million manufacturing employees. In other words, about 1 in 8 of all the workers in manufacturing are directly affected by the welfare of the textile world.

According to Davidson's Textile Directory, a total of 8021 plants in the U.S.A. are actively engaged in one phase or another of producing textiles for the apparel and other markets. In North Carolina, a loose census indicates there are 1041 plants of various types engaged in textile manufacturing.

According to the Federal Trade Commission and the Securities and Exchange Commission, the textile industry in 1970 produced profits on sales of 2.1¢ per dollar compared with 4.1¢ for all manufacturing.

Mr. Speizman pointed out in a recent address on this subject that about a decade ago he saw the handwriting on the wall and decided that it was foolish to keep fighting foreign producers of textile machinery and decided to join them. So today his business has become primarily one of importing textile machinery from abroad. Many textile producers in this country have followed suit, and today we witness the sad fact that many domestic textile producers are locating plants abroad and exporting their products back into the United States. This results in the exportation of jobs and is contributing to the growing unemployment in the United States.

This is a trend that will undoubtedly continue unless a way can be found to limit the future growth of textile imports into the United States. The textile industry is today fighting for its life. If that life is to be saved affirmative action is imperative and soon.

The United States can no longer tolerate the situation brought about by unrestricted imports of textiles because the ever-increasing volume of textile imports is leading this country down the road to longer and longer unemployment lines.

As a part of my remarks I include the following excerpts from an important speech delivered on March 31, 1971, by Hon. Stanley Nehmer, Deputy Assistant Secretary of Commerce, before the American Footwear Manufacturers Association, in which he discusses this important subject of imports:

IMPORT COMPETITION—TODAY'S CHALLENGE FOR AMERICAN INDUSTRY

(Excerpts of remarks by Stanley Nehmer, Deputy Assistant Secretary of Commerce for Resources, prepared for delivery to the All Directors' Congress, American Footwear Manufacturers Association, Palm Springs, Calif., March 31, 1971)

Many economic theorists do not find cause for alarm over the influx of imports. To these academicians, it is simply a case of the more efficient producers competing successfully against the less efficient producers and the results of such competition are passed on to customers who benefit through a saving of purchasing power. Here I am reminded of the statement attributed to the late Lord Keynes who on having his writings subjected to criticism as "short term economics" replied that "in the long term we will all be dead."

So it is with our domestic industries and their workers who face economic distress of growing dimensions as a result of import competition. What do we tell these firms who under the impact of such competition face cutbacks in production, lower profits, and closures of plant? What do we tell the workers in these firms who face lower wages or no wages at all through layoffs or loss of jobs? For these workers the effect of import competition is to reduce or destroy their purchasing power and thereby to reduce the overall level of effective demand for all goods and services.

Many people who express concern about the adverse impact of disruptive imports on workers, firms, and industries have been labeled as "protectionists." It has been used as a term of derision by those who call themselves "free traders." The latter suggest that any action to relieve the impact of imports will lead to "trade wars" and "retaliation."

I submit that what is involved in dealing with international trade is not so simple. International trade problems are not solved by the labels of "free trade" and "protectionism" nor by threats of "trade wars" and "retaliation." We are not facing a simple choice between "free trade" and "protectionism." Neither one of them exists anywhere in the world. Every nation has its trade barriers, and some more than others. The rules of GATT—the General Agreement on Tariffs and Trade—have been observed by many countries more in the breach than in the observance.

In this connection let us not lose sight of the trade policies of the European Economic Community and of Japan. The Community has, in effect, through the proliferation of its preferential trading ties, come close to abandoning the most-flavored-nation principle that underlies the GATT. These preferential trading systems, as well as the Community's agricultural policies, are a matter of great concern to the U.S. because of the impact they have on our exports.

Japan's trade policies similarly create problems for the U.S. Japan maintains an elaborate system of controls on imports which permits imports of goods which are not produced and restricts imports of goods which compete with those produced in Japan. There are import quotas, acknowledged by the Japanese Government to be in contravention of GATT, on 80 product categories. The list is to be reduced to 40 next October 1. Among the key items of interest to U.S. exporters which will still remain under quota will be computers, integrated circuits, and several agricultural products.

It is also important to note what is perhaps the most unique control exercised by the Japanese—so called "administrative guidance." Under this approach, the close cooperation between government and business in Japan permits the government, if it so desires, to exert influence to inhibit imports. Some have referred to "administrative guidance" as the lower part of the iceberg

insofar as Japan's import policies are concerned.

IV

Looking at the range of products in our foreign trade it is a little disturbing to see that even in those categories of manufactured goods that are considered "technology intensive" in which we have enjoyed a traditional surplus, there is also growing import impact. Concerning manufactured products that are not technology intensive, we have had an unfavorable trade balance that has steadily widened since the mid-1960's. These trends must give us concern.

The electronics industry is a good example of a high technology industry. In the field of components, we have been able to maintain an overall favorable balance of trade, with our exports totalling \$780 million in 1970 and still moderate imports of \$285 million.

On the other hand, in the consumer electronic product lines such as radios, TV sets, phonographs and tape recorders, imports exceeded exports by almost \$1.3 billion in 1970. Our exports in 1970 were only \$130 million while imports were \$1.4 billion, up from \$521 million in 1967. Last year imported radios and TV sets represented 68 percent and 32 percent of domestic consumption respectively. In the case of black-and-white TV sets import penetration is substantially higher.

In 1970 42 percent of the imported radios and 73 percent of the imported TV sets came from one country—Japan. The determination of Japanese industry to dominate the U.S. TV market is seen in the fact that export sale prices proved to be actually lower than those offered to Japanese consumers in the home market, as the recent U.S. Treasury Department finding of dumping revealed.

Turning to goods that have a smaller technology content and are more labor intensive, we see an even more disturbing trend of a widening gap in an already deficit trade position. Textiles and shoes are prime examples: United States' imports of textile and apparel products in 1970 reached 4.5 billion square yard equivalent—an increase of 72 percent over 1967. Imports of man-made fiber textiles and apparel rose to 2.8 billion square yards—54 percent greater than the amount imported in 1969 and an increase of some 195 percent over 1967. In 1970, we had an unfavorable trade balance for textiles and apparel made from cotton, wool, and man-made fibers of almost \$1.3 billion, up from just under \$1 billion in 1969. The textile and apparel industry employs about 2.3 million workers, one out of every eight in manufacturing, throughout all 50 states, an employment figure which was 100,000 higher at the beginning of 1970. About 550 apparel and textile plants closed in 1969 and 1970, many of these as a result of the impact of growing imports.

These are some of the factors that have influenced this Administration to take strong steps—including Presidential support for legislated import restraints on textiles and apparel—to provide meaningful solutions to the import problem. The Administration has not supported similar legislation to restrict footwear imports, but it is no less concerned over the general welfare and future of the footwear industry, whose importance within the U.S. manufacturing structure is certainly recognized.

On the opening day of the current session of Congress, the chairman of the House Committee on Ways and Means, who steered through the House of Representatives last year a reasonable bill designed to regulate and stabilize the growth of textile imports, reintroduced that bill. It is my understanding that this bill languishes in the Ways and

Means Committee. I strongly urge this committee to bring that bill to the floor for House action as soon as possible after we return from the August recess.

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

Mr. MIZELL. I yield to my distinguished colleague, the gentleman from North Carolina (Mr. LENNON).

Mr. LENNON. Mr. Speaker, I want to commend my colleague, the gentleman from North Carolina (Mr. MIZELL), for reserving this time for a discussion of a matter that is of tremendous economic importance to so many employees in the textile industry in North Carolina and throughout the Southeastern United States.

Mr. Speaker, I share the concern of many of my colleagues over the constant rise in textile imports, and I would like to point out some of the more salient facts associated with textile imports.

In January 1970, we had about 1 million textile mill workers in the United States. In the apparel and related-products industry, there were about 1.42 million employees. In April of 1971, the Bureau of Labor Statistics reported 942,000 textile mill employees and 1.39 million employees in the apparel and related-products industry. These figures represent a loss of about 58,000 jobs in the textile mill industry and a loss of about 30,000 in the apparel industry within a 16-month period.

During this same time, imports of bulk and finished textile products reached 3.6 billion square yards in 1969. In 1970, textile imports rose to 4.4 billion square yards, and based upon the imports of the first 3 months of 1971, it is projected that approximately 6 billion square yards will be imported this year. This will represent a 40-percent increase over the 1969 imports.

Sales of textile and apparel products were in excess of \$44.6 billion in 1969, and fell to \$43.6 billion in 1970, for a billion-dollar loss in sales.

Our textile industry has suffered drastically and unfairly by import competition, and we must correct the situation consistent with the best interest of our Nation.

The preponderant portion of the textile industry is located in the Southeastern United States, but there are approximately 2.4 million jobs in the textile and apparel industries scattered throughout the country. It is one of the 20 major industries in the United States. Loss of sales and jobs in this industry results in an adverse impact on other industries and becomes a national rather than a sectional problem.

There are strong arguments for free trade throughout the world. However, we must protect those industries which are in financial jeopardy due to unrestricted imports. Just as in the shoe industry, voluntary curtailment of imports could be arranged which would promote a more orderly world textile industry. However, the failure of our lengthy appeals to the Japanese, the largest importers, demonstrates that legislation to achieve a fair and reasonable solution to the problem is required.

Mr. Speaker, the General Assembly of

North Carolina recently memorialized the President and the Congress to restore order to international trade in textiles and apparel, and I would like to include their resolution which relates the serious economic consequences of foreign imports in my State:

GENERAL ASSEMBLY OF NORTH CAROLINA—
RESOLUTION 46, HOUSE JOINT RESOLUTION 574

A joint resolution memorializing the President and the Congress to take steps necessary to restore order to international trade in textiles and apparel and commending the President for his rejecting the unsatisfactory Japanese proposal to unilaterally restrain textile exports to the United States

Whereas, the importation of textiles and apparel from foreign nations is seriously undermining the whole economic structure of the State of North Carolina, and

Whereas, thousands of North Carolinians have lost their jobs or, because of short-time operations, are earning below their normal wages, and

Whereas, the revenues of the State are seriously jeopardized, which may result in a decrease of services, thereby affecting all citizens in the State, and

Whereas, foreign competition markets its textiles and apparel in this country under conditions which are illegal in the State of North Carolina and the United States, and

Whereas, the Japanese have offered a most unsatisfactory proposal to restrain, unilaterally, its textile and apparel exports to the United States, and

Whereas, the Japanese proposal has been rejected by the President of the United States, by many Members of Congress, including Senators and Representatives from North Carolina, by the American Textile Manufacturers Institute, by the North Carolina Textile Manufacturers Association, by numerous newspaper editorials, and by many others, and

Whereas, the textile markets of the United States are virtually wide open to foreign imports while many of the governments representing the major textile exporters to this country rigidly protect their own markets against American textile exports, and

Whereas, in the United States we have numerous laws and regulations which affect the cost of American textiles while our foreign competitors are not subject to any such regulations by their governments, and

Whereas, the recent Japanese offer is based upon imports at the highest level in history, and

Whereas, the Japanese plan destroys the vitally important concept of categories and government-to-government agreements, and

Whereas, the percentage growth rate under the Japanese proposal would be nearly double the percentage growth rate of the American textile industry since World War II, and

Whereas, the Japanese proposal would undercut the long-term arrangements on cotton textiles that have been in effect for ten years, and

Whereas, the wages in the American textile industry are approximately two dollars an hour more than they are in the Japanese textile industry, with the difference being considerably more in some other Asian nations, and

Whereas, the General Assembly and the people of North Carolina are not willing to see these most unfair conditions continue to weaken their largest industry which, together with its numerous suppliers and related industries, have been good responsible corporate citizens over the years, and

Whereas, these unfair conditions have largely been created by a combination of policies of our Federal Government: Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. That the General Assembly of North Carolina respectfully memorializes the President of the United States and the Congress of the United States to do all in their power, through legislative and administrative action, to see that order is restored to the chaotic textile and apparel import situation; and

Sec. 2. That the General Assembly of North Carolina express to the President of the United States its appreciation for his forthright statement in which he rejected the recent Japanese proposal and gave strong support to the textile quota legislation (H.R. 20) now pending before the Congress, and, also, express to the Members of the North Carolina Congressional Delegation, and other Members of the Congress who continue to work for a solution to this problem, its deep appreciation for their dedication to this vital effort; and

Sec. 3. That copies of this resolution be forwarded to the President of the United States, the Chairman of the House Ways and each Member of the House of Representatives from North Carolina, the Secretary of Commerce, the Secretary of State of the United States, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Finance Committee, the Clerk of the United States Senate, and the Clerk of the House of Representatives of the United States.

Sec. 4. This resolution shall be effective upon its ratification.

In the General Assembly read three times and ratified, this the 13th day of April, 1971.

H. P. TAYLOR, JR.,

President of the Senate.

PHILIP P. GODWIN,

Speaker of the House of Representatives.

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

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

Mr. GAYDOS. Mr. Speaker, I thank the gentleman for yielding for a few remarks on the import problem, particularly as it relates to the steel industry and the voluntary restraint arrangement, which expires at the end of the year.

I will not go into detail about that arrangement. It will suffice to say it has not been satisfactory, in its present form, to the steel industry or its workers. They have appealed to the Government for assistance in protecting their markets and their jobs. They want help either through a new and meaningful voluntary arrangement or, if necessary, through legislated quotas.

Congress has responded to their pleas. The entire Pennsylvania delegation in the House expressed its concern over the import penetration into steel markets last month when it cosponsored the Steel Trade Act of 1971. Just last week identical legislation was introduced in the Senate.

On the other hand, the State Department, which negotiated the existing voluntary restraint arrangement in 1968, has been holding discussions with major foreign steel producers in an attempt to obtain a more satisfactory limitation on goods they ship to the United States. There has been considerable speculation as to what has been achieved to date.

Tuesday morning, I had my office contact the State Department to obtain a legitimate status report. I thought my colleagues would be interested to know just where we stand, in view of the fact

the present arrangement has less than 4 months to run.

I was informed that Mr. Nathaniel Samuels, Deputy Under Secretary of State for Economic Affairs, had just presented Mr. Tad Yamada, representative of the Japanese steel industries, with the latest proposals from our steel people. Mr. Yamada, I understand, will give the proposals to Mr. Inayama—In-e-ama—chief negotiator for the Japanese and the man who spearheaded the 1968 negotiations. Mr. Samuels has said he is anticipating the Japanese reply in the near future.

Because of the importance of the negotiations now underway, I don't think it necessary to reveal details of the various proposals. I would not want to jeopardize any progress in the discussions; nor comment on them until after we have a concrete arrangement. I believe I can say, however, that there has been progress although there are certain areas of complication, particularly in regard to specialty steel imports, which need to be resolved.

The steel industry, as you may have read, is seeking a rollback on tonnage and reduced annual growth in imports from the present 5-percent rate. Japan, according to Mr. Samuels, recognizes that something must be done in both areas but specific levels are still under discussion.

On the other hand, European manufacturers are reported to be adamant in their opposition to a reduced growth rate. They want to retain the present 5-percent rate; free access to certain domestic markets, such as welded pipe. I understand Europe also wants restriction on U.S. exports and built-in safeguards to reopen the arrangement with the United States should Japan begin to substantially increase its exports to Europe.

One of the greatest problems, I would think, in these discussions is the problem of enforcing the provisions as well as the intent of any voluntary arrangement. The intent, if not the provisions, of the existing arrangement was drastically violated in the area of specialty steels. You will remember the limitations contained in the arrangement were on tonnage, not dollars. While the parties to the arrangement may have stayed close to their tonnage limits, they began shipping huge quantities of specialty steels although they had said they would try not to change the mix of their products "too greatly."

The United States has no recourse, legally that is, to correct the circumvention of the arrangement. Nor will it have any legal recourse under the new arrangement, except through legislation by Congress. In other words, mandated quotas.

The new arrangement, if the State Department is successful in its discussions, will still be a voluntary one. It will still be based on the word of the producers party to it. They, and they alone, will decide whether or not they will live up to the spirit as well as the letter of the arrangement.

If they do not, it is apparent the final

solution lies with the Congress. The Steel Trade Act may yet prove to be the answer to predators who prey on the international market.

I would also like to congratulate my colleagues who have also reserved time to discuss this critical situation in the textile industry here today, as well as for the efforts and the contribution that they are making to this very important segment of our American industry.

Mr. PREYER of North Carolina. Mr. Speaker, since World War II the United States has espoused a strong policy of "free trade." Undoubtedly, this policy has helped our economy to develop to the extent that we are the world's No. 1 economic power by a notably wide margin. We have maintained the lowest trade barriers in the free world, and we have done so at a time when the best market in the entire world is unquestionably the United States.

In the light of this background the recent discussions of textile and apparel quotas have been met with screams of "protectionism" and "retaliation." Are these emotion-ridden slogans helpful in the analysis of this most critical and complex of problems? Certainly they are not. To jump from "free trade" as a basic assumption to the conclusion that textile quotas would be a restraint of "free trade" is wholly illogical syllogism. The truth is that our trade relationships with Japan and, perhaps to a lesser extent, other textile importers is anything but a model of "free trade."

Japan simply is not playing by the same rules. We are asking our textile companies to compete with foreign manufacturers whose practices would be sharply curtailed by antitrust laws, if exercised in this country. Nor is the classical "free trade" model applicable because of discrepancies between the United States and its competitors in the area of labor costs coupled with the standard of living they support, and because of the social consequences of the rapid destruction of large segments of our textile industry. Of the scores of textile plants that have closed down over the past 2 years, most were located in small towns and were employers of workers who have traditionally been old, poorly educated, low skilled, women—many of whom are married—cutting down on their mobility—and blacks. Twenty percent of the textile workers in North Carolina alone are blacks. These workers do not compose a good example of a mobile working force. These small towns may have little if any other industry so these poorly educated minority groups just do not have the job mobility that the comparatively high turnover of textile workers might indicate to the too casual observer.

Every college freshman in America studying economics is quickly introduced to the "free trade" doctrine of Dr. Paul Samuelson and his peers. Since the end of World War II the United States has encouraged a free flowing world market. Such an approach to foreign trade is the healthiest to pursue over the long run, or the short run for that matter. Everyone benefits from a truly free trade sit-

uation, so the argument goes; individual countries can concentrate on those products which they can most efficiently produce; this more diverse competition of a world market gives the consumer a wider range of goods and at prices kept as low as possible through the theory of supply and demand.

The question I would like to raise at this point is "What, if anything, should be done about the dramatically increasing textile imports, most notably from Japan?" Ostensibly, our old friend the "free trade" doctrine would force us to conclude that our textile industry should fend for itself; if some other country can produce the goods more cheaply, then we should give our consumers the benefit of the bargain. For the sake of argument I will agree with this conclusion, though I feel that regardless of the free trade doctrine we must keep some degree of textile production, limited though it may be, in this country for reasons of national security and to keep the prices of foreign imports "honest."

But the real problem facing the American textile industry from Japan is that they are not playing by the same rules. Consequently, I strongly believe that this drastic influx of Japanese imports is not a true model of the "free trade" doctrine at work.

Those who disagree point to the low number of complaints of "dumping" filed with the Bureau of Customs and simply assume that there is no "dumping"; that if "dumping" did exist it would have been proven. This is a dangerous and foolish conclusion to make. The very nature of Japan's business organization makes cost comparisons extremely difficult to calculate. And even if pursuant to a complaint filed with the Bureau of Customs, it can be shown that a Japanese corporation is selling its goods more cheaply here than in Japan, there is no penalty imposed on them. They must pay a duty in the future to make up the difference. Or in the complaint involving televisions this past year, the Japanese firm was able to expand its rates to the United States so much that by the time dumping was proven, the Japanese firm simply reduced its home market prices. Consequently the American television complainant won his case but it was a hollow victory.

However, the practice of dumping itself is not the major threat to the textile industry. Rather, it exposes the real problem: a textile company in Japan can produce goods at significantly lower costs than it could in the United States. In essence, we are asking our domestic corporations to compete in a world market system that we would not allow to exist on the domestic scene. To be more specific, there is, at this moment, an injunction preventing America's largest textile manufacturers from acquiring any more textile subsidiaries. Our Government has concluded that these companies are as big as they should get in the textile field. But at the same time, these companies along with the rest of the industry must compete with a company many, many times larger than the largest textile corporation in the

United States. I am speaking of Japan Incorporated.

Obviously Japanese firms are not government owned, but they are in close partnership with the government, which gives them low-cost financing. It also regulates its exports to a large degree, giving specific companies certain amounts of Japan's exports to the United States. Thus, we are saying that our companies must respect the antitrust laws, but that foreign companies, which are operating with no such restrictions and are selling in our country, find themselves immune from any consequences of these practices.

Of course, there are several other reasons for lower-cost production in Japan. Probably the most cited is the higher cost of labor in the United States, for despite the greater productivity per man hour in the United States, this margin is not large enough to compensate for the tremendous difference in wages.

Let us assume that a Japanese corporation has captured a large segment of the textile market in this country. More specifically, let us assume that all synthetic carpeting sold in this country is imported from the Far East, and that most of it comes from Japan. Let us further assume that it is 1975 and that this development in imports has been in the making since approximately 1965. What have the consequences been during this transition?

The American companies have had to tighten their belts a little. The smaller companies simply dissolved their business; those who were able, shifted to a different line of production, adapting their machinery where possible and the larger firms liquidated their related subsidiaries and either reinvested the proceeds here in the United States or perhaps in textiles overseas.

What has happened to labor? Assuming that the carpeting industry in this country was representative of textiles as a whole, then the pattern went like this: Most of the workers were either old, women, low skilled, poorly educated and/or part of the growing percentage of blacks. It seems obvious that as a group, these people are simply not a mobile work force, especially in a turndown economy. When they lost their jobs at the carpeting plant they left the work force and many joined the growing ranks of unemployed and welfare cases.

The blacks were particularly hard hit. According to the Labor Department in 1964, 5.5 percent of the textile workers were black; in 1970 the figure was 14 percent. Many of these workers joined the work force for the first time when they started in the textile plants. Now they are out of work and poorly prepared for any other type of work. Because of their lack of seniority these black workers were also among the first to go in those plants, which stayed open but were forced to cut back production.

Besides putting many blacks in the work force for the first time, men in the Labor Department credit this increase in black textile workers with having helped to stem the emigration of these people

from the South—where most of this Nation's textile production is located—to the Northern ghettos.

We are not talking about just a few workers. Between January 1970 and June 1971 the number of textile workers dropped by more than 100,000. Undoubtedly the downturn in the economy is partly responsible, but considering the extent that Japanese imports have increased each year over the last several years, the imports are definitely a major contribution to the problem. United States imports of textiles amounted to 1 billion square yards in 1959, but by 1970 this figure had more than quadrupled to 4½ billion yards. First quarter imports for this year were up 38 percent over the same period in 1970.

What happened to the consumer? At first he got his carpeting much more cheaply. But later after the U.S. firms stopped making synthetic carpets the prices really inflated. No one in the United States would go back into such carpet manufacturing to force a moderation in prices since they could be forced out of the market again. In essence we would protect our consumers from domestic monopolies but leave them at the mercy of a foreign located monopoly.

This is really just the tip of the proverbial iceberg. But I hope it will help to get us past the stage of sloganism. Merely placing the labels of "free trade" or "protectionism" on different aspects of this import problem gets us nowhere and actually prevents us from analyzing the problem intelligently.

If we are to maintain a viable textile industry which employs 2.3 million workers, many of whom are too poorly educated or limited geographically to work in other industries, we must put some form of a quota system on textile imports. This can in no way be viewed as protecting a "fat cat" industry. The American textile industry is by far the most efficient and productive per man-hour in the world.

The highly competitive domestic producers are responsible for increasing the productivity even more; the 10 largest textile companies produce only 25 percent of all textiles made in this country. Since 1957 the hourly wage index went up 58 percent but wholesale prices are virtually unchanged. While many technological advances have been made, technology in textiles as well as other industries has been spreading around the world at a rapid pace. Even if we innovate here in the United States that innovation is quickly copied elsewhere.

This shrinking edge in technology coupled with the wide discrepancy in hourly wages is producing nothing less than a full crisis in the United States. In 1960 the average textile wage in the United States was \$1.61 while in Japan they were \$0.17. In 1970 the figures were \$2.43 and \$0.45 so that the gap has actually widened from \$1.44 to \$1.98.

The social consequences alone make the destruction of our textile industry unacceptable. Just when thousands of blacks were starting to enter our economic system for the first time they are thrown out of work.

Mr. PATTEN. Mr. Speaker, in the past decade, over 60,000 textile workers in New Jersey lost their jobs because of the severe impact of textile imports.

We all know about the great competitive advantages that foreign nations enjoy in wages, material costs, and in general working conditions. For example, textile workers in America earn over \$2.50 an hour, but in Japan, they receive only about 50 cents an hour.

The Middlesex County, N.J., area, I represent in Congress contains several major chemical firms whose prosperity depends on the vigor of the American textile industry. These chemical firms produce a substantial amount of apparel-related items and are being seriously hurt by the growing number of textile imports.

Congress should take legislative action now to protect our textile workers and firms from the mounting threat of textile imports. I think that a realistic solution is to establish quotas that will help protect American workers and plants from this foreign competition which has such a great competitive advantage. I also favor free trade, but when we are being seriously affected by foreign imports, we should not ignore our own people.

Mr. HATHAWAY. Mr. Speaker, the textile industry in the State of Maine as well as the rest of the Nation continues to suffer because this body has not yet come forth with an effective means to control the large import flow. Talks continue in the Far East but they remain unsuccessful. In the meantime textile imports are increasing at an accelerated pace—a pace which is deadly to our Nation's textile industry.

Textile industry employment has trended downward, generally, since the second quarter of 1969, according to the American Textile Manufacturer's Institute. By April of this year, the number of employees on textile payrolls had declined to a seasonally adjusted 944,000. This was 59,000 fewer than were employed 2 years earlier. The April employment figure was up slightly from March, 0.3 percent, but was 3.6 percent below the same month in 1970 again according to the American Textile Manufacturer's Institute. In 1970, production dropped 3.5 percent, sales 0.5 percent, profits 31 percent, and employment 3.3 percent.

The Maine textile industry has suffered a great deal from the flow of these foreign imports. Our most recent loss in this economic crisis was the closing of the Hill Division of the Bates Manufacturing Co., in Lewiston which was reported to you by me on the House floor on March 31, 1971. Many more textile plants are awaiting action by this body while remaining in an unsound financial condition. The people of Maine and the Nation are demanding action. They cannot wait any longer for this body to take positive action. Mr. Speaker, I will ask again as I have many times in the past, that the current Congress support import quotas to protect our vital textile industry. Unilateral action by the United States is the only way to save the Ameri-

can textile industry. The condition of this industry is such that we cannot wait for rhetoric promising action which is coming from the Far Eastern talks. Countless numbers of men and women who have spent a lifetime in this industry are awaiting our action. Our positive action will save thousands of jobs. These people deserve our immediate attention.

Mr. BOW. Mr. Speaker, I second the statement by the distinguished gentleman from North Carolina with regard to the textile situation and the growing threat of imports.

As I have said repeatedly over the years, the time has come when the Congress must reassume its constitutional obligation "to regulate commerce with foreign nations." For the past 35 years that authority has been delegated to others with disastrous results to the American economy and the American workingman.

The difficulties that beset the textile industry are well known to most Americans. They have been described in accurate detail by the gentleman this afternoon.

I have constituents who feel the impact of the textile problem.

Also, I have constituents, many of them, who are feeling increasingly the damaging effects of competition in steel, steel specialty products, electronic products, parts and components, rubberbands, flatware, ceramic tile, ferro alloys, automobiles, roller bearings, vaults and safes, shoes, handtools, cheese and dairy products, and many, many other products including the latest to come to my attention—the porcelain insulators used on high tension electric powerlines. Foreign producers have taken over half the domestic market for these insulators in a matter of 2 or 3 years.

Mine is a district of highly diversified industries. The China and pottery industry has already been destroyed by cheap foreign imports. Others will be unless something is done and swiftly. If there is any product in my district not already adversely affected by our foreign trade policies, I confidently expect in the next few days or weeks to hear that it is under siege.

I commend the gentleman from North Carolina for the excellence and timeliness of his statement today, and assure him of my unqualified support in his efforts.

Mr. GOODLING. Mr. Speaker, I will not burden the record with statistics on imports of textiles, for I am certain that other Members will provide these data. It is a well-recognized fact that textile imports are at a level where they are imposing a severe economic strain on our domestic textile manufacturers. I would also like to point out that American footwear manufacturers, a substance of which are located in my congressional district, are confronted with the same problem that torments our makers of textiles.

These imports are pressing our textile and shoe manufacturers against the wall, because, while the price of these imported commodities is lower than the American charge, the quality of the ma-

terials essentially is the same. The lower price results from the fact that the imports are made with low-wage labor, while the machinery used in the manufacturing process is as efficient as that used in the United States.

For those who contend that the American consumer benefits from these imports of textiles and footwear, I would like to point out that the consumer does not always benefit from these low-cost imports because, in many instances, the retailer sells them for a price identical to that of the products made in the United States.

There is a vital need for legislation designed to control imports of textiles and footwear so that American industries engaged in these businesses are not forced out of business and workers are not put out of work. Such legislation should provide for a schedule of quotas when imports are of such a volume as to harm our home manufacturers of these commodities.

I would like to make it clear that our textile and shoe manufacturers do not fear fair competition in the marketplace. They are, in the American tradition, eager to compete under conditions that are equitable in all aspects. They do, however, abhor unfair competition occasioned by dismally low wages paid to some workers in textile and shoe plants abroad. The importation of these low-priced commodities, predicated on substandard wages, is unfair not only to our American manufacturers of these goods but also to the workers abroad employed in these sweatshop operations.

This importation of textiles and shoes also involves another matter of vital importance to the United States, and that is our balance-of-payments posture. An unfavorable trade balance would promote a lack of confidence in the American economy, visiting negative effects on U.S. commodities in general.

There is some dismal evidence that we are now standing on the threshold of such an unfavorable trade balance, because our merchandise exchange balance for June 1971 was in the red by \$362.6 million, and this was the third month in a row that the U.S. Department of Commerce had reported a deficit. There was a deficit of \$205 million in May and \$233.5 million in April 1971. In June 1970, there was a healthy balance of trade surplus of \$361.7 million. For the first 6 months of 1971, the total deficit was \$372 million, as contrasted with a \$1.5 million surplus for the comparable period in 1970.

It is apparent that something needs to be done to correct these obviously negative economic circumstances. I strongly urge that serious consideration be extended by the Congress to import control legislation for textiles and footwear.

Mr. WAMPLER. Mr. Speaker, the U.S. textile industry is in trouble. Producers point to the growth rate of imports with alarm. Free trade, or low tariff policy, has had serious repercussions. Dozens of industries are urgently asking for protection in terms of higher tariffs.

I am convinced that excessive imports of textiles are causing widespread damage and that the American textile in-

dustry and its employees are faced with a fundamental threat to their future.

Foreign producers of textiles pay wages only one-fifth the rate paid workers in this country. Even after including shipment costs, fabrics are often half as expensive as their American-made equivalents. This difference allows retailers to hold to extremely high profit margins and still sell the foreign textiles for less than the American product.

The biggest stakes in this situation are the well-being and living standards of over 2 million citizens employed in the textile industry and millions more in related industries. Even more, the very existence of their jobs and the solvency of thousands of small firms are threatened.

The old longstanding contention of free trade economists, that foreign competition is needed to help keep prices charged by domestic manufacturers "in line," is entirely unjustified. Competition from thousands of domestic producers in all segments of the industry is so severe that foreign competition is not now, and never has been, necessary to keep prices competitive.

I realize that the President, and many of my colleagues, support the free trade concept. I, too, advocate an orderly sharing of our domestic markets with friends abroad. But textile imports present a unique problem. Most exporting nations do not permit imports. Trade which goes only one way, and which destroys jobs and working conditions, cannot be defended. It is particularly vital to our Nation, in this time of economic distress, that our policy on textile imports be altered to lessen their impact on our domestic producers of textiles.

Mr. QUILLEN. Mr. Speaker, this whole matter of textile imports boils down to a question of priorities.

We are in the midst of a major economic downturn in this country. Unemployment is up. Investment in new plants and equipment is flat and our traditional favorable balance of trade has disappeared.

All of these factors are closely related to our international trade policies. These trade practices simply are not serving the best interests of our country, and as a matter of fact, they are aggravating an already serious economic downturn.

There is no area which better illustrates the futility of our trade policies than our international trade in textiles.

When the Commerce Department announced recently that this country was facing an international trade deficit for the first time since 1893, it made big headlines. But we have had a textile trade deficit every year since 1957. The trade gap grows wider each year, and in 1970 was a staggering \$1.6 billion.

The deficit has grown particularly fast since 1967. In that year, it was \$801 million, and it has doubled since then.

The result has been a decline in employment, earnings and investment in new plants and equipment. In 1970, alone, textile and apparel employment fell by 100,000 jobs. Plant and equipment expenditures were at a 5-year low, and sales were below the previous year.

At the same time, textile imports increased by 23 percent.

The time has come to reappraise our international trade policies in the light of urgent priorities here at home.

The textile industry is one of the cornerstones of our economic structure, because it provides one in every eight of our manufacturing jobs, about 2.3 million jobs presently. These jobs are spread across a wide geographic area, and in most cases are located in small towns, where the industry is the major or only manufacturing employer. It provides jobs for people with all types of skills, from very limited skills through highly trained computer experts, chemists and engineers.

We need more jobs in all of these areas if we are to continue the economic growth, which has made ours the wealthiest country in the world.

Through the years of sustained prosperity, we have made a major contribution to the economic development of the less prosperous nations of the free world. While this has been a healthy thing for all concerned, we cannot continue these policies at the expense of economic growth in our own country.

No one is asking that textile imports be stopped. But unbridled growth cannot be tolerated, either. We simply must slow down the rapid rise of imports in the interest of employment and economic growth here at home.

Mr. HUNGATE. Mr. Speaker, this is not the first time we have confronted the problem of the adverse affects foreign textile imports are having on our own textile industry.

We have heard and we have seen the evidence of suffering at all levels of the industry—from the great monetary losses of companies to increasing job terminations at all levels of employment.

I can tell the hundreds of concerned citizens in my congressional district who have written me that I have continually supported and sponsored legislation to stop the flooding of the U.S. market with cheap imports produced under conditions that would not be allowed in our Nation. But, what reason can I give them for Congress delaying passage of such urgently needed legislation to protect our textile workers?

We have talked about these problems before in the Congress, but I believe it is certainly the time to take positive and responsive action to rectify this injustice to so many Americans. It is our responsibility to protect the men and women of the textile industry who are only asking for a chance to be secure in an honest day's work. And, is this too much to ask when they are the ones who, without a choice, must carry the greatest burden in the present economic crisis.

In behalf of these men and women and their families, I appeal to the Congress to take action to remove the specter of unemployment and halt the export of jobs.

Mr. BARING. Mr. Speaker, I have spoken out in the past about my fearful concern for the American trade market. I do so again today, along with many of our fellow colleagues on the subject of textile imports—woolens and worsteds

from foreign nations which are seriously degrading the American wool-producing and manufacturing industry with American jobs disappearing.

Two years ago, when I spoke in this House Chamber about the growing need at that time for a more equitable and protective trade legislation by this country to protect America's economic interests, and that the State Department and the Commerce Department were not paying attention to what I called and still do, "intemperate tariff reductions."

At that time, September of 1969, I also stated:

The other countries, the leading industrial ones, have been overrunning our market at will. Japan, Canada, and West Germany have turned their trade deficits with us into fat surpluses.

Mr. Speaker, I see no change necessary in that statement today and it still holds true for 1971 with woolen imports alone reported to be accounting for more than one-fourth of the American textile market for woolens and worsteds.

Statistics from the American Textile Manufacturers Institute state that in 1961 textile imports, overall, were 956 million square yards. In 1971 they had grown to 4.5 billion square yards. This is an alltime record level, according to the institute, which also adds that similar growth has taken place in the area of woolen imports which amounted to 85 million square yards in 1961 and had grown to 168 million square yards today, 1971.

Another fact that is bearing down hard on the textile industry is the attack on the raw-wool-growing industry by the rapid growth of manmade fiber textile imports.

The Institute says today that the manmade fibers yarns and fabric blend with wool and other products. The most rapid growth is taking place in the area of manmade fiber textiles, which in 1971 are five times their 1961 level.

The State of Nevada, which I represent, is one of the large wool growing States which is being severely affected economically at the markets by the deplorable import problems which are directly affecting every State.

The country is experiencing a drop in the purchases of raw wool as a result. This fact is forcing the closing of wool manufacturing companies as well as hitting hard at the livestock industry.

The administration talks about expanded trade programs for the United States. But, I ask, Expanded trade for whom? We are already giving away billions of American taxpayers' dollars in the form of goods and services in the various rotten foreign aid programs of the United States. Why should we also give away American jobs and industries to the foreign countries?

I would also like to point out, Mr. Speaker, that in 1962 when the Free Trade Act passed this House, I voted against it and predicted that the act would result in overwhelming numbers of foreign goods, produced by low-wage foreign labor, coming into the United States and underselling American-made products to the serious economic detriment

of the American manufacturing community and resulting in a huge U.S. trade deficit.

Mr. Speaker, this is exactly what has happened and it is crystal clear to me that the United States is facing the worst trade deficit in over 70 years.

I urge the Members of the House to take on the task of trying to halt the spiraling imports.

Mr. KYROS. Mr. Speaker, I wish to associate myself in the concern expressed by so many of my colleagues today in regard to the special problems encountered by the total textile industry. This encompasses all facets of the wool, cotton and manmade fiber sectors as well as the apparel industry.

The problem of excessive and hence injurious textile imports touches all of us because the 7,000 textile and the 27,000 apparel plants are to be found in all the 50 States. The total industry contributed over \$25 billion annually to our gross national product. One out of every eight manufacturing workers in the United States of America is employed in the textile industry—a total of 2.4 million workers. Yet last year there was an attrition rate of 3.6 percent in this work force—a total of over 86,400 positions were displaced, unemployed, or in fact eliminated.

The question is: Why were they eliminated? We are supposed to be living in an expanding economy, increasing population and rising demand. They were eliminated because of ever-increasing textile imports from low-wage countries. My own State of Maine has been particularly hard hit in this area. Ten years ago total textile imports approximated scarcely a billion square yards—by 1965 this total had doubled; yet by 1970 the total was over 4.6 billion square yards. Conceivably this means that we have exported over 300,000 jobs in the textile industry. The flood of imports has caused the closing of over 60 textile plants and 100 knitting mills; several of these were located in my own State.

We are told that our textile negotiators are unable to get major textile exporting nations voluntarily to curb their exports to us. It is time that we come to the support of this nationwide industry. Certainly a new trade bill should be fair to all industries. By firm action here in Congress we can impede the injurious flow of textiles into our markets and put ourselves back into a bargaining position of "fair" trade with all nations.

Mr. SPENCE. Mr. Speaker, I commend the gentleman from North Carolina (Mr. MIZELL) for taking this time to spotlight the increasing difficulties facing our domestic textile industry. As the gentleman well knows, the economy of my State is also heavily dependent upon a healthy textile industry and I am pleased to associate myself with the remarks which he and others have made here this afternoon.

Mr. Speaker, the United States is rapidly losing its position of leadership in world trade. We are losing it because we have refused to come to grips with the realities of the world as it exists today. Instead, we have kept our head in the sands of an outdated trade policy

while the rest of the world has passed us by.

This is a problem which can no longer be ignored. The Secretary of Commerce announced last week that for the third straight month our balance of trade, that is, our imports versus our exports, was a deficit. And furthermore, he stated that there is a good possibility that in 1971 we may have the first yearly trade deficit since 1893.

If this situation continues, if we continue to import more than we export, the dollar will be in serious danger as an international currency. Furthermore, we will find it increasingly difficult to live up to our international commitments if our trade balance, which has been the means by which we financed many of our overseas activities, continues to deteriorate.

As a representative of an area with a high concentration of textile manufacturing, I have firsthand knowledge of what a runaway imports situation can do to a domestic industry. We have been running a textile trade deficit since 1957. Last year the textile trade deficit amounted to a whopping \$1.6 billion.

There has been a small rise in textile exports in recent years, but this huge deficit has developed primarily because of the virtually unregulated growth of manmade fiber and woolen textile imports.

Textile imports have more than doubled since 1967, and they are six times greater than they were 10 years ago.

As a result, textile employment has failed to keep pace with the rest of the economy. It has actually declined in recent months. Profits and earnings are off, and capital spending has been in a sharp decline.

The situation in textiles and other products has become so bad that many of those who are dedicated "free traders" are starting to have some second thoughts. The Washington Star, which has been critical of efforts to control textile imports in the past, pointed out in a lengthy editorial last Sunday that the U.S. international trade situation is deteriorating rapidly. It called for a re-evaluation of some of the policies which are aggravating this situation.

I sincerely hope that we do not have to sacrifice hundreds of thousands more jobs before more people come to the realization that our trade policies are contributing heavily to the deterioration of our large job-producing industries.

Mr. NICHOLS. Mr. Speaker, I approach my colleagues today to discuss the textile import situation, a situation which is becoming increasingly critical with each passing month. Let us first look at a few simple facts which amply show why the U.S. textile industry and its 2.3 million employees are in such a serious predicament.

In 1970, imports of textile and apparel reached an alltime high of 4.5 billion square yards. At the same time this record-level import situation was occurring, textile and apparel employment declined by 100,000 jobs, and sales, profits, and capital investment in the textile industry were markedly off. In 1970, the House passed a bill encouraging negotiated

agreements; similar legislation was approved by the Senate Finance Committee but Congress adjourned before the bill could be brought to a vote.

The Nixon administration had been trying to obtain a voluntary, negotiated agreement with the Japanese Government to control Japanese exports which account for approximately one-fourth of the U.S. textile import market. On March 8, 1971, the Japanese textile industry announced a unilateral, and I might add, wholly unacceptable "declaration of intent" to voluntarily restrain imports to the United States. Japan then promptly terminated its negotiation with our Government.

The time, I say quite frankly, has come to face the textile import problem squarely. Fifty textile mills have closed in the last 18 months, three of which are in the Fourth Congressional District which I represent. The town of Roanoke, Ala., has seen its two largest employers, Handley Mills and Rolane Mills, close down putting nearly 1,200 persons out of work, and Childersburg, Ala., has seen Beaunit Mills close also putting 850 persons out of work. I say that it is time to understand clearly the human factor involved. The Congress must pass this session a textile trade bill to limit this unending flood of imports which is causing more and more textile mills to close their doors. We already have an unacceptable national unemployment rate of 5.8 percent. How much higher is the Congress willing to see this figure go? I strongly urge action on this matter, this session, without delay. As elected Representatives of the people, we have been sent to Congress to represent the interest of the people of the United States, not the Japanese textile industry. I, for one, am not willing to sit idly by and watch the textile industry and its 2.3 million employees destroyed in such a senseless fashion.

The U.S. textile industry is the most competitive major industry left. However, in Japan, cartels and monopoly are actually encouraged by the Japanese Government. Thus low wages can be paid to Japanese textile employees and low-priced products can flood our markets, bringing the textile industry to its knees; and this is already happening. The Sherman and Clayton Antitrust Acts do not apply to the Japanese, of course, and thus the leaders in the Japanese textile industry can meet and raise prices in a freewheeling fashion without any regard to our antitrust laws. Are we to continue to permit this to happen? I say, "Absolutely not."

Mr. Speaker, we are thus faced squarely of deciding whether or not we are willing to watch the American textile industry and its employees brought humilatingly to its knees due to inaction on passage of a bill to curb a flood of textile imports. I would urge this session of Congress to enact the appropriate legislation to deal with this urgent human problem. Our economy is not in the best of health at the present time, and failure to act now can only serve to further contribute to its deterioration. Five and eight-tenths percent may be only a figure to some, but to this Congressman it is easily translated into human beings—human beings who have a right to expect

that their Government will protect them from foreign competition which is cut-throat and cares little for the interest of the citizens of the United States.

Mr. GALIFIANAKIS. Mr. Speaker, we come today to call attention to a severe crisis which confronts our Nation. I speak of the textile import crisis. My own State is at the forefront of the textile industry, but whether you come from a textile State or not, the textile industry affects you. In 1970, American textiles turned out \$21 billion worth of products. The textile industry is the largest aggregate employer in the United States. This industry is responsible for 2.5 million jobs.

In spite of its vital role in the economic health of the United States, thousands of textile workers from all over North Carolina and the Nation have been forced to forfeit their jobs and wages because of layoffs and short workweeks, and many mills have been completely shut down because of the severity of the problem.

The textile industry has acted in an extraordinarily responsible manner during these very trying times, and those involved with the industry are to be highly commended. In an inflationary period where prices are rapidly rising in other industries, textile wholesale prices remain virtually unchanged from the 1957 price index. Textile costs have risen substantially since 1957, but the industry has not contributed to the inflationary spiral by raising its prices.

Imports continue to pour in, and every year they consume an even larger part of a shrinking market. For example, in 1961 cotton textile imports totaled 720 million square yards. In 1970, they were up to 1,534 million square yards—an increase of 113 percent. Manmade fiber textile imports rose from 151 million square yards in 1961 to 2,752 million square yards last year. This trend must be reversed for the economic survival of North Carolina and the economic health of the Nation.

Clearly the efforts of administration spokesmen and others to persuade those nations who are the chief source of this flood of textile imports to curtail their sales to the United States have met with only limited success. Therefore, it is now incumbent upon the Congress to intensify its own efforts toward solving this pressing problem.

It is increasingly evident that we need an enforceable textile import system. We should lose no more time here. It is time for the Congress to take positive action on legislation to establish textile import quotas. And it is time for the executive branch to fulfill its pledge to help the textile industry out of its plight by lending its full support to this effort.

I wish to thank my colleagues for this opportunity to call to the attention of this body the urgent need to protect our domestic textile industry and its workers.

Mr. STEIGER of Arizona. Mr. Speaker, I strongly believe that the United States should remain committed to the objective of expanding mutually advantageous world trade while at the same time defending vigorously the well-being of our traders and our domestic industries.

A commitment to expanding world trade does not preclude the use of selective and limited trade restrictions. Occasionally these are demanded by the requirements of our domestic economic health.

The United States must accept its responsibility to meet legitimate problems of adjustment in some industries affected by rapidly increasing imports. For instance, the U.S. textile industry is faced with stiff competition from foreign manufacturers, in particular those in Far Eastern countries, who pay only a small fraction of the wages paid in the United States. In recent years the situation has reached the point of creating unemployment and underemployment in the domestic textile industry. Nevertheless, we have maintained an open market in manmade textiles while many European countries subject them to quantitative import restrictions.

Clearly, a country that imposes fewer restrictions on imports than do its major trading partners makes its own industries bear a disproportionate share of the burden of adjustment to changes in the pattern of international trade. The time has come for us to accept our responsibility to our textile industry.

Mr. DOWDY. Mr. Speaker, the latest figures on manmade fiber, cotton, and wool textile imports reveal a record high level of imports for the month of May, a full 46 percent above the level for May in 1970. Through the first 5 months of this year, we have accumulated a textile trade deficit of \$642 million compared with \$424 million during the same months of 1970. The situation becomes increasingly critical as each day passes, and more and more men and women find themselves out of jobs. This is a problem that affects more than just the textile industry or one particular section of the country. It should be of concern to all Americans. Further weakening of our domestic textile industries can only lead to greater reversals in our overall economic picture.

Something must be done to bolster this vital sector of our economy. It is time for us to dust off our old positions and face the realities of this dire situation. We in this body have a responsibility to take the initiative in this area. If we are to protect 2.3 million American jobs, we must begin to enact reasonable controls that will allow the American textile industry to fairly compete with low-wage foreign nations.

Mr. FLOWERS. Mr. Speaker, the textile and apparel industry is one which is widely spread across the country. It directly employs 2.3 million people and has strong indirect ties with millions of other jobs. One out of every eight manufacturing jobs in the United States is in the textile-apparel industry.

Throughout the last century, the textile industry has been one of our strongest and most stable. Furthermore, and this is especially important today, it has traditionally been one of our least inflationary industries. While textile wages have been upped by 58 percent since 1957, wholesale prices for textile mill products have never varied more than 2 percent and are actually lower now than in 1957. This is in sharp contrast

to the average wholesale price increase of 17 percent for all manufacturing industries.

For over a decade now, textile imports have been flowing into this country at an ever-increasing rate. Also, while flooding our market, these foreign countries have virtually closed off their markets to our trade. It is by paying such low wages and pursuing closed-door policies at home that these nations, mainly in the Far East, have been able so successfully to compete with U.S. textile industries. At this stage, our textile industries are in grave trouble. Last year alone, 100,000 textile workers lost their jobs. Both profits and capital investment continue to decrease. It is time for us to take steps to correct these serious injustices under which U.S. textile industries are forced to operate. I am not advocating that foreign competitors be cut out of our market; certainly, they deserve a reasonable proportion of it. What I am suggesting to insure the continued survival and growth of our domestic textile industries, are reasonable quota limitations on imports. If we establish these, then perhaps meaningful agreements with foreign governments can be reached.

Mr. EILBERG. Mr. Speaker, I rise in support of the proposal by the Honorable WILMER MIZELL that protective legislation be enacted as soon as possible to safeguard our textile industry in the national interest as well as to keep its tens of thousands of employees gainfully employed in the future.

Despite the fact that former Secretary of the Treasury, now Ambassador-at-Large David Kennedy is trying to negotiate a viable agreement with those countries whose textile exports are currently dislocating our textile market, we are confronted with the fact that thus far nothing substantial has been achieved.

For the last 7 weeks, Mr. Kennedy has visited the political leaders of Japan, South Korea, Taiwan, and Hong Kong, and has also held discussions with the major textile exporters of these four countries. Mr. Kennedy has reported his findings to the President and has been urged to return to the Far East and persist in his endeavors to achieve some type of a voluntary agreement to restrict their textile exports. I note that he has not been able to negotiate anything substantive in the way of cotton textiles, woolen goods, artificial fiber textiles, or even apparel exports. Mr. Speaker, we are being confronted by governmental plus private business combinations who simply ignore our request for a voluntary restriction of textile exports. I go even further and say that we are being confronted by a willful denial of our friendly overtures for a renegotiation of textile export totals.

We have been asked particularly by a defiant Japan, to prove that our textile industry is being injured by their excessive exports. Palpably this is merely an evasion on their part to face the reality of the situation that currently obtains in the United States. We know that many textile plants are being closed every week and that thousands of our textile workers are being retrenched. As I say, we know it and they know it, but they are abso-

lutely unwilling to do anything on a voluntary basis to stop it.

At the end of 1970 we were confronted by a textile export deficit out of all proportion to our position as a major world trader. During 1970 we imported 4 billion square yards of textiles with a value of \$2.4 billion. This was 11 percent more than during calendar year 1969 which already was a banner year. During 1970 we exported scarcely \$800 million worth of textiles leaving us with a textile trade deficit of \$1.6 billion. The first 6 months of 1971 have shown a steadily worsening situation. If this condition is allowed to flourish unabated we may well be confronted by a \$2 billion trade deficit in 1971 in textiles alone. This will be caused by the four countries who refuse to abide by "fair" competitive channels of trade and are using every subterfuge imaginable to increase their textile sales in our domestic market.

All of us are aware of the much-vaunted claims by the Japanese that they are voluntarily restricting their textile exports to the 1970 total plus a 5-percent increase for 1971, and 6 percent for 1972 and 1973 respectively. I must ask in all sincerity whether the Japanese trade ministry is the final arbiter as to the amount of textiles we must take from Japan. This so-called restriction is also in total disregard of switching between classes. If they lose out on one type of textile they merely switch to a more profitable line regardless of the fact that by so switching they probably dislocate a few more competitive plants in the United States.

Mr. Speaker, at the risk of restating the obvious, is it not time that we, the elected representatives of the textile producers, textile workers as well as the textile consumers, step in and protect our own? High-level negotiators sent by the present administration have achieved nothing in the way of curtailment of textile imports. The initiative belongs to us in Congress to safeguard our textile industry. We are being told that a fair and equitable trade bill for 1971, must be enacted before we tackle the problems of a particular industry. I say the textile industry cannot wait. We use all our influence to stop a transportation strike, or a steel strike. In regard to textile imports, our indifference will not allay the problem or let it simply disappear. We have to act, the sooner the better. Maybe by doing so now, and by imposing a rigid quota on all types of textile imports we can show that we mean business. If our trading partners want trading concessions from us they simply will have to give reciprocal concessions. This they have been unwilling to do in the shape of textile curtailment; hence our only recourse at this time is unilateral action by drastically imposing a quota on textile imports to protect our own. This I support and will vote for.

Mr. BAKER. Mr. Speaker, I want to thank the gentleman from North Carolina (Mr. MIZELL) for his leadership in obtaining this special order so that we might again focus much needed attention on the rapidly worsening textile import problem.

In my own Third District of Tennessee, five textile plants have closed during the past 3 years. Next to this put the fact that the cumulative total of manmade fiber, cotton, and wool textile imports in the first 5 months of 1971 was 2,453 million square yards, 43 percent above the level in the same months of 1970.

According to the Department of Commerce, the value of these textile imports in January-May of this year totaled \$931 million compared with exports valued at \$289 million. The trade deficit of \$642 million compares with \$424 million in the same months of 1970 when imports were valued at \$710 million and exports at \$286 million. Compared with January-May of 1970, yarn imports were 107 percent higher, apparel imports increased 31 percent, fabrics 26 percent, and made-up and miscellaneous goods 3 percent.

The Department of Commerce has also noted that imports of these textiles from Japan, Hong Kong, and the Republics of China and Korea increased 44 percent over the levels of the same 5 months of 1970 and represent 57 percent of the total imports.

And—are you ready for this?—in May of this year, imports of manmade fiber textiles totaled 382 million square yards, 90 percent higher than in the same month of 1970. The cumulative total of manmade fiber textile imports in January-May 1971 was 1,761 million square yards, 83 percent greater than in the same months of 1970.

Yes, I am concerned—deeply concerned—as are the good people of the Third District of Tennessee, whom I have the privilege of representing in this Chamber.

Yet, this is a matter of deep concern not only for the Third Congressional District of Tennessee or for the State of Tennessee—it is a most serious problem for our total economy.

Many of us have watched the imports situation, mostly with sadness, often with anger, for a decade now.

The alarming statistics published last week have been commented on before; they will be commented upon again, and again, and again.

And, it was recently brought to my attention that the system used by the Commerce Department to figure our trade balance is weighted in favor of showing a surplus. Exports are figured on a c.i.f. basis and include products paid for by foreign governments using aid funds. Imports are figured on an f.o.b. basis which minimizes their value.

Despite this, the Commerce Department figures show imports exceeded exports by some \$363 million in June; our official trade deficit total for the quarter is \$803 million; and we ended up with a \$372 million deficit for the first half of this year.

Now, the Commerce Department is warning that there may be a deficit for calendar year 1971—making this the first year since 1893 this Nation has had an official trade deficit.

The problem will not just fade away. Daily we are losing ground.

We cannot, and should not, want to isolate ourselves. Yet, our trading position clearly shows the deep trouble we

are in. We must face facts. In world markets, including our own country, our domestic products are losing their share of the market.

Key sectors of American labor and industry are seeking some measure of trade restraint. Please don't confuse this with America-first protectionism. This is a simple plea for equal trade laws for all. We all believe in the theory of free trade—but let it be fair free trade. There is a point where free trade stops and unfair competition begins.

We must have a firm policy to end unfair trade practices by foreign manufacturers. Congress must act on proposed legislation to bring some equity in world trade. We must demand reciprocity.

On the international level, we need substantial strengthening of international institutions—new rules for GATT, new rules on nontariff barriers, faster procedures—really fair free trade.

On the domestic level, we will have to face the fact that as long as we permit ourselves such luxuries as prolonged strikes, inflationary pay hikes, outmoded industrial processes and, yes, careless management, we are not going to make it.

In this many faceted and complex trade picture, I would like to take particular note—and strongly urge favorable consideration of—the legislation introduced by our distinguished colleague from Ohio (Mr. BETTS) and cosponsored by many of us here today, which would make the findings of the Tariff Commission in escape clause cases binding upon the President.

Summing up, then, it is vital that government, business, and labor show great flexibility in adjusting policies to meet changing circumstances. I believe government has a most serious obligation to our domestic textile industry. In fact, our public policies must be modified in order to provide the appropriate climate for exports and investments. Given such a climate, given fair free trade policies, our domestic industries can and will do the job.

Mr. CLEVELAND. Mr. Speaker, I cosponsored and supported the Trade Act of 1970—the Mills bill—because I believed it carried out a necessary reform of our trade policies.

A principal immediate benefit of this act would have been to give people engaged in domestic footwear and textile production, as well as production of other sensitive items, a chance to compete on fair terms with foreign producers.

In recent years, the cause of "free trade" has been championed in opposition to any proposals to assist domestic industries against unfair competition from imports. In truth, the degree of subsidy and assistance given to foreign competitors by their respective governments has made the cause of free trade more important in terms of rhetoric than it proves to be in the realities of our trade situation.

FAIR TRADE, NOT FREE TRADE

If trade is not truly free, then it should at least be fair; yet as we see all too clearly, fair trade does not exist for our domestic manufacturers, either. Our present trade policies have enabled im-

ported goods to expand their share in our markets at the expense of our own products, while we are forbidden to exercise the same advantage in foreign markets. Today's world is far different from what it was in the 1930's or even the 1950's and 1960's. The time has now come to reform our tariff and trade policies to reflect the realities of the present situation.

Ideally, I believe that tariff rates should be set for each country according to that country's wage scales, working conditions, and the degree of government subsidy, if any, to the industry involved.

In such a system, a shoe from Hong Kong, for example, would face a higher tariff rate than a shoe from West Germany, where wages and costs are higher. With such a sliding scale, competition between domestic and foreign footwear could be fair. The same principle would hold true for textile tariff rates.

As our tariff system now works, a country—including our own—is penalized if it improves the standard of living for its workers and its people as a whole.

We in America take great pride in steps we have taken to improve working conditions, such as minimum wage, safety, and child labor laws, in addition to our regulations on total working hours. However, our antiquated trade policies are encouraging poor working conditions in other countries, sometimes to the extent of slave labor. This is the height of inconsistency on our part, and it simply does not make good sense.

THE TRADE ACT OF 1970: THOROUGH AND CAREFUL STUDY

The Trade Act of 1970—H.R. 18970—also known as the Mills bill, contained many proposals for the renovation of our trade policies. I was one of approximately 180 sponsors of this bill.

The Mills bill dealt with Presidential authority for new trade agreements, tariff adjustment and assistance, textile and footwear quotas, the American selling price system, export incentives, anti-dumping provisions, countervailing duty provisions, and other matters involved in our trade and tariff policies. This was a massive bill which had been subject to extensive public hearing and study.

During consideration of the bill, I proposed an amendment which was adopted by the Ways and Means Committee. The Cleveland amendment requires that the Office of Emergency Preparedness render its decisions on petitions affecting the national security promptly. This amendment resulted from the long and inexcusable delays encountered by two miniature ball-bearing manufacturers in my district in their petitions to OEP.

The statistical and other background information, which was compiled by the staff of the House Ways and Means Committee prior to the hearings, included 425 pages of resource material.

The committee held public hearings for 23 days and heard more than 400 witnesses. The testimony of these hearings was printed in 16 volumes with a total of 4,651 pages. The committee was in executive session for 21 days to decide on provisions to be included in the bill.

The bill itself when printed was 96 pages in length, and the report on the bill was 190 pages long.

Thus, it is clear that this bill was thoroughly considered and thought out. Its goal was nothing short of updating our out-of-date trade policies. Far from marking a return to protectionism, the trade act sought to assure fair international trade for all.

U.S. FOREIGN TRADE: GENEROUS TO A FAULT

The inequities in international trade did not spring up overnight; rather, there is a firm historical basis for this complex situation. U.S. trade policies today tend to reflect circumstances which no longer exist in the world market.

In the years after World War II, our policies were based on the fact that we alone were economically strong. Europe and the Far East were rebuilding their productive capacity, and they were able to do so largely through generous American assistance. Part of our assistance was in the form of liberal trade policies, which provided markets for foreign products in the United States. We thus enabled other countries to earn foreign exchange. In addition, international currencies were geared to the U.S. dollar. Of all nations in the world, we alone have been unable to correct our trade imbalances by devaluing our currency. We have to wait for the action of other countries, and we are at their mercy if they do not act.

As the war-torn countries were being rebuilt, the United States embarked upon a large program of assistance to underdeveloped countries around the world. We have given and loaned billions of dollars every year, and we have worked to assure access to American markets for these countries.

NEW ECONOMIES, OLD POLICIES

As we enter the decade of the 1970's, however, the world situation is vastly different from that of the immediate post-war period. The most war-ravaged nations have become economic giants. Japan is a world trade power, Europe is rebuilt and strong, the European Common Market has become an international force, and countries around the world are producing goods for the most open market in the world, the United States. As these countries have taken advantage of our long outdated open market policies, they have developed preferential trade agreements, quotas, complex licensing procedures, and other nontariff restrictions on imports from the United States. The willingness of other nations to make use of our liberal market conditions has not been matched by an equal willingness to open their own markets under similar terms.

The American trade situation regarding Japan is particularly distressing. As President Eli Callaway of Burlington Industries has said—

What industry, let alone company, can compete with an economic system that fosters monopolies, price-fixing, and disruptive trade practices?

Japan now controls 15 percent of the total American import market, and Japanese trade with the United States showed a surplus of \$1.2 billion in 1970. Such power in our markets has been

acquired through ruthless exploitation of our outdated trade policies. Whereas we have opened our markets to Japan, Japan has blocked the return flow of American goods and investments. As Secretary of State Rogers said recently in a speech before the Japan Society in New York—

In our bilateral economic relations, Japan cannot expect privileges in the U.S. which it is not itself prepared to extend.

American efforts to obtain fair trade are grounded in the all-too-obvious assumption that the Japanese and Western Europeans have developed strong and viable economies since the end of World War II. It is essential for the future of American commerce that this fact be recognized and embodied in our trade policies.

SHORTSIGHTEDNESS IN TRADE POLICIES

A major roadblock in our trade negotiations with other countries is the lack of government assistance or backing of any sort for our industries. We are placed at a distinct disadvantage in dealings with the Japanese, for example, whose government stands firmly behind both the restrictions on our products and the subsidies and aid to their own industries.

American trade policies, as they affect competition with imports, have proven to be the very antithesis of the "free trade" model; American industries have been severely hamstrung because of the fear of many people to support any policy which might be labelled as "protectionism." In his brilliant testimony before the Subcommittee on Foreign Trade of the Senate Finance Committee, Kenneth N. Davis, Jr., former Assistant Secretary of Commerce, emphasizes how shortsighted American trade policy has been. Even where provisions exist for the possible relief of some industries, says Mr. Davis, there remains "a 'built-in bias' . . . against helping U.S. business if any sort of action against foreign competition might be needed." As an example of this, Mr. Davis cites the case of the miniature and precision ball bearings industry, which applied for assistance under the provisions of the Trade Expansion Act of 1962. I am acutely aware of this situation, since two of the major domestic manufacturers in the industry are in my district. Such a case definitely involves the national interest, particularly in light of the high usage of precision ball bearings in defense. Despite the clear danger of foreign competition, the industry application was rejected. What is paradoxical, as Mr. Davis points out, is that the rejection acknowledged "(the) existence of significant Japanese competition—Can anyone remotely imagine that the Japanese Government would have so accommodated one of our industries if a reverse situation existed?"

As Ken Davis states so eloquently—

If we cannot help a vital, small U.S. industry when so significant foreign relations or economic harm could result to another nation, how can we face the much bigger problems? We must change our attitudes and biases from hindering American business to help it thrive in world competition.

NEW POLICIES BASED ON REALITIES

Thus, the time has come for new trade policies, to reflect the three dominant

facts of the 1970's: first, that Japan and Western Europe are now strong and able to compete on equal terms with the United States. This means that they must open up their markets as much as we have, or else we must close ours to match theirs. This is not trying to get an advantage for the United States, only fairness and equality. Second, that many countries are gaining a major advantage by paying low wages and keeping bad working conditions. We should adjust our policies to reward improvements in working conditions, rather than encouraging unfavorable conditions as we do now. Third, we must acknowledge the major role that foreign governments are playing in the export economies of many of our trading partners. The problem of unfair trade becomes all the more severe in light of the massive subsidies and protective barriers set up by foreign governments for the benefit of their manufacturers.

What was true last year in the field of international trade is just as true this year. For this reason, because the necessary reforms have not been enacted, I am today reintroducing the Trade Act in the same form as passed by the House last year.

THE TRADE ACT: FACTORS FOR CONSIDERATION

This statement does not purport to explain the entire proposed Trade Act. It is intended only to cover those areas which have been the subjects of the most debate and discussion.

It may be helpful to state several facts about trade and the proposed bill:

THE WAGE GAP

First. There is a substantial wage differential between what workers in this country are paid and what workers in other countries are paid.

Production workers in the United States in 1969 earned an estimated \$3.19 an hour. Their Japanese counterparts were being paid 76 cents an hour. The average hourly pay in Hong Kong was 26 cents. In France, it was 97 cents. The spread in terms of dollars and cents continues to grow.

In this country, wages are a major item in the cost of goods. There is nothing wrong with this. We have managed to achieve a greater distribution of national wealth than any other nation in history. We have raised the standard of living, a goal which we maintain for all people. Many of our gains, however, are now threatened.

IMPORTING GOODS, EXPORTING JOBS

Second. Our imports have been growing at a much faster rate than our exports because of our generous trade policies, which were fashioned in the 1940's and 1950's.

To add to this tipping of the scales, the major portion of our exports have been in items of low labor content; that is, they require fewer workers than items of high labor content. Our imports, meanwhile, have been goods which require more workers in their manufacture. The result, in effect, is an export of jobs. It is particularly ironic that those jobs lost are the very type we need in order to employ the unskilled and

semiskilled workers and to supply work for the hard-core unemployed.

The loss of jobs in a town affects the whole community, the State, and in the end, the Nation. The unemployed and their families often move to urban areas in the hope of finding employment. This migration compounds the problems already faced by large cities.

Most people want to work—to earn their way. We must provide jobs if we are to enable them to do so.

U.S. TRADE: LOW TARIFFS, FEW BARRIERS

Third. The United States has the lowest average tariff level and the fewest nontariff barriers in the world.

Since I have been in Congress, I have urged governmental action toward the negotiation of voluntary agreements with other nations to maintain a proper balance between world, national, and regional interests.

We have worked toward freer trade, but our major trading partners, most notably Japan and the members of the Common Market, have been moving in the opposite direction, all the while paying lipservice to free trade.

We have maintained our commitment to the General Agreement on Tariffs and Trade—GATT. Other countries have reduced tariffs in line with this agreement, but they have added or maintained nontariff barriers instead.

As Representative JOHN BYRNES of Wisconsin said during debate in the House—

With one hand they have taken down a fence, with the other they have built a wall, which is even more effective in shutting out United States goods.

The list of nontariff trade barriers in other countries is quite extensive. For instance, France has restrictions on numerous goods from textiles to electronics. Japan, in turn, is the most tightly-closed market in the free world. The Japanese maintain a great number of import restrictions, including quotas and licensing restrictions on almost every conceivable type of product.

BIG BUSINESS: THE "LITTLE GUY" SUFFERS

Fourth. As our tariff system now operates, we are not only exporting American jobs, we are also exporting American capital. Many American manufacturers apparently subscribe to the old theory "If you can't lick them, join them." They have opened plants abroad to take advantage of the low wage rates in other countries. The result is an increased flow of jobs overseas. Many large American firms are thus benefiting economically at the expense of our own workers.

As is usually the case, it is the small businessman, the man most in need of relief from the cost spiral, who is least able to take advantage of such an opportunity. Big business has a far greater ability to absorb losses, and it possesses the capital and resources necessary to set up successful operations overseas. Thus, once again, it is the "little guy" who is caught in the squeeze. The report on foreign trade prepared for the Subcommittee on International Trade of the Senate Finance Committee in May of this year puts the matter in its proper perspective:

While large firms, with mobility of capital and management, can often adjust to import competition, by going abroad for example, the inability of small business and of the U.S. labor force to adjust to these changes is a major problem.

Many people will argue that imports cut prices for the average consumer in this country. However, a growing dependence on imported goods gives only temporary price relief. To cite the Senate Committee report once again—

The consumer must also consider the effect of a growing dependence of imports on price and servicing. Once imports capture a substantial share of the U.S. market, foreign producers can easily increase prices and the consumer advantage tends to diminish. Also, owners of foreign products—automobiles, for example—often have difficulties in getting spare parts and adequate servicing.

TRADE ACT NOT A TRADE WALL

Fifth. The regulations and reviews required by the Tariff Commission and the President under the Trade Act of 1971 will not permit an automatic quota on a wide variety of goods. Any industry which believes it is being seriously injured by increased imports is governed by strict regulations in its efforts to gain relief.

The Trade Act of 1971 provides for a thorough study by the Tariff Commission of any requests for relief. If the Commission finds that increased imports are a substantial cause of injury, it must recommend that the President impose such increases in duties or other restrictions as are necessary to alleviate the injury. This does not say, or mean, quotas.

In addition, the President is given authority to ignore recommendations for relief if such action would not, in his opinion, be in the national interest.

The Tariff Commission has the responsibility to review conditions to insure that an industry makes every effort to adjust to the import competition efficiently so that the import restrictions can be removed or moderated. A point worthy of discussion is whether an industry should be required to make strides towards increasing productivity as a condition of its receiving relief. This would insure that protection would not encourage inefficiency and outmoded facilities in the future.

The quota provisions on textiles and footwear in the Trade Act of 1971 are very generous to other countries. 1971 quotas would be set on the average level of imports of each article from each foreign country during the base period of 1967-69.

THE PATH OF NEGOTIATIONS

Under the Trade Act, the President would be given greater authority to alleviate injury through multilateral or bilateral negotiations. In addition, he would be permitted to increase import quotas by up to 5 percent a year, and he could eliminate them completely on items which were not disrupting the U.S. market. There is also a provision that the quotas would be superseded by any international agreement.

There are many safety valves, which unfortunately have not received adequate publicity, included in the Trade Act. The debate over the bill which

passed the House in 1970 was laden with fears of a "return to the old protectionism," fears which I believe were unwarranted.

To me, the Trade Act of 1971 is a compromise. It is not perfect, but it does represent realistic reforms which are necessary if we are to look ahead to the future. This bill reflects today's realities in foreign trade.

VOLUNTARY AGREEMENTS IDEAL BUT
UNREALISTIC

I have long favored the formulation of voluntary restrictions on exports to the United States by our trade partners, but I have concluded that it would be unrealistic to expect this to be the solution today. A case in point is the recent footwear restriction announced by the Italian manufacturers. The Italians waited until their shipments had reached an all-time high before setting limitations. In addition, our domestic shoe industry believed that Italian imports would not rise much more than 5 percent this year, anyway. Thus, we find that this much-publicized step by Italian manufacturers was not as dramatic as it appeared. In the words of a U.S. shoe industry official, "It is basically meaningless."

WE MUST ACT NOW

The United States must take steps to update its foreign policy with regard to trade. I supported the Trade Act of 1970 because I believed it to be a much-needed step in the right direction. I find such legislation even more vitally needed in 1971. We cannot afford to delay action on this issue any longer. Action to revise our trade policies is long overdue. The Trade Act of 1971 is a major effort in this direction. The world has changed considerably in the past 20 years; it is now time for our outmoded trade policies to catch up with the times.

Mr. JONES of North Carolina. Mr. Speaker, I am happy to join with other Members this afternoon in attempting to call to the attention of this Congress and the American public the extreme danger which confronts the American textile industry at this very moment. Of course, all of this has come about by permitting the American industry to be placed in direct competition with foreign manufacturers and with no definite or rigid plans to curtail the ever-growing imports of textiles and their substitutes.

In many areas, especially in small communities, the textile plants afford the largest payroll in that given community, and where a few years ago employment was running approximately 6 days a week, we now find this has been reduced in many cases to 3 or 4 days. Even more appalling is the fact that some mills have ceased production altogether, thereby adding immeasurably to the growing unemployment figure which threatens the economy of our Nation at this time.

I am not suggesting that we become a nation of isolationists, but certainly it is incumbent on the Congress as well as the present administration to take steps to at least see that our domestic producers receive the same treatment that we are all too prone to afford those who are exporting their textile products into this country.

If American textile labor is to continue to receive a living wage, something must be done in a protective manner to assure them of continuous employment. I ask all who are concerned with the economy of this Nation to join in finding ways to reverse this treatment of an unfavorable balance of trade, especially as it relates to the textile trade industry.

Mr. ANDERSON of Tennessee. During July, the Commerce Department released the most recent trade statistics for the first 6 months of this year. These added but another dark cloud to the stormy economic situation presently prevailing.

According to Secretary Stans, imports exceeded exports by \$363 million in June, raising the cumulative foreign trade deficit to \$803 million for the April-June quarter and \$373 million for the first half of this year. Available records indicate this was the first deficit for a 6-month period in this century—and perhaps the first full year deficit since 1893.

Despite these figures, the administration remains optimistic that the situation can be righted by sticking to its economic game plan for a full employment budget. I do not share the administration's optimism.

In the area of foreign trade, we are being literally engulfed by floods of imports from cars to bicycle wheels to plastic toys. Many of our home markets are severely affected, but none more so than the textile and footwear industries.

Consider that within the first 4 months of this year there was a 22.2 percent increase in footwear imports over the same period for 1970. While imports forge ahead, domestic production lags more than 3 percent behind last year. The textile industry suffers from the same fate.

This rush of imports coupled with the bite of the present recession has added to the already severe economic situation faced by these industries. Production decreased and employment is off. In 1969-70 alone, the increase of footwear imports amounted to 40,000 jobs lost. This is but one industry. Employment in footwear, apparel and textiles has declined by at least 74,000.

We suffer from a disadvantageous trade pattern. We prosper in the trade of products which are capital and technologically intensive, but in the mid-South we have a very high proportion of labor intensive industries. These industries are gravely threatened by a flood of imports from countries with easy, cheap labor conditions which have marked competitive edge over our industries. And, inflation makes it increasingly difficult for United States products to compete with foreign sales at home or abroad. Clearly, exporters to the United States have the advantage and we cannot compete with them on that level. It would mean a drastic change in the standard of living for our workers, and in human terms, that price is simply beyond the asking.

Action must be taken now to retard the flood of imports which are further contributing to our present state of stagnation, and also continuing to depress our employment picture for these industries. Italy has announced that it will voluntarily restrict its shoe imports to about the \$280 million level of last year. Earlier reports indicated that Italy

planned a 5-percent increase in shoe shipments. This is one step in the right direction and I would hope that other countries involved in textile and other imports would voluntarily act to restrict their exports to the United States. If not, then Congress must act to restrict the flood.

The administration has the power to influence the flow of imports, but the President has chosen time and again to ignore this authority.

Until an equitable balance is found in the import market, unemployment will continue, prices will rise, and people will lose faith in their Government. In a Government rooted in the people, the people have a right to know and a right to decide their future.

Mr. LANDGREBE. Mr. Speaker, the toll being taken by our ever growing volume of textile imports is tremendous.

Last year, for example, more than 50 textile mills closed. Some 100,000 textile and apparel jobs were lost. Comparing the second quarter of 1971 with that of 1970, textile mill earnings are down 24.5 percent. Retrenchment in the industry continues. Just recently J. P. Stevens announced reduced operations in Milledgeville, Ga., affecting the jobs of some 400 people.

The growth of our textile-apparel imports must be limited. Last year they reached a record level of 4.5 billion equivalent square yards. This year they are running at a level of 6 billion yards. If 100,000 jobs were lost last year, how many more will go by the board in 1971?

I realize that the President has tried to meet the problem. Ambassador David Kennedy has been trying since the last of May to reach agreements with Japan, Korea, Taiwan and Hong Kong, the leading offenders. Thus far he has not met with success because of intransigent attitude of these Nations.

It rather amazes me to contemplate this situation. Taiwan and Korea, for example, exist at the sufferance of the United States. And it is the United States which built Japan's economy after World War II, and which still provides an umbrella of defense for her. It is extremely difficult for me to understand their attitudes with regard to limiting their textile exports to us. Perhaps the time has come for the United States to cease its generosity to these Nations.

What is at stake here is the future potential of a vast and basic industry skill levels of those persons who most need them. The textile-apparel industry employs one of every eight people engaged in manufacturing employment. But how can the industry keep its head above water, much less realize its tremendous potential if it continues to be bombarded by imports of the magnitude we are describing here?

If Japan, Taiwan, Korea, and Hong Kong continue shipping at their average annual rate of growth for the last 6 years, these countries alone, by 1975, would be exporting to the United States more than 8 billion square yards of textile products. The sheer volume is hard to imagine.

The time has come, it seems to me, for Congress to act and to act responsibly on this subject. We have a duty to provide the kind of atmosphere which will

enable this and other industries affected by low-wage foreign imports to grow and to meet fair competition. If this can only be done through legislation, then so be it.

The important thing before us now is to get about the job of protecting American jobs and the American economy.

Mr. YATRON. Mr. Speaker, the necessity for passage of a trade bill during the 92d Congress is becoming even more pressing as we venture into these last months of this session. The question of textile import quotas is a matter that must be solved and must be solved quickly. I must express my concern about the serious problem facing the textile industry from a standpoint of the overwhelming increase in imports, and especially from low-wage countries. There is a growing awareness of this problem by a majority of Members in the House and the Senate that legislation is the only solution to resolving this problem in a meaningful way. There are some signs of other action, however, and I am pleased to see that the administration is giving them special consideration.

Ambassador David Kennedy has been given the assignment of negotiating agreements with importing countries covering wool and manmade fiber textile articles which are not covered by the long-term cotton textile arrangement. This is a move in the right direction and I commend the administration for these efforts to bring textile imports to a manageable level.

Mr. Speaker, the apparel manufacturers in Pennsylvania and throughout the Nation cannot compete with low-wage rates that prevail in Asian countries. Even Japan, with an average textile wage rate of 54 cents per hour is finding it difficult to compete with textile wage rates of 28 cents per hour in Hong Kong, 14 cents per hour in South Korea, and 11 cents per hour in Taiwan. Therefore, the American textile industry has major import problems which, it appears, may take more than talk to settle.

Over the last decade—in boom and recession, in war and peace—the textile import trend has been relentlessly upward. Future viability of the American fiber-textile-apparel complex is now threatened unless reasonable controls over imports are put in place promptly. To illustrate the urgency of the import dilemma, the following statistics illustrate the stark reality of the immense growth of foreign products.

U.S. imports from all countries of textile products—including yarn, fabric, apparel—manufactured of cotton, wool, and synthetic fibers, amounted to the equivalent of 1 billion square yards in 1959. Such imports more than doubled by 1965 and, by 1970, they had redoubled to 4½ billion yards. First quarter imports in 1971 were up 38 percent over 1970 and, regrettably, the present level of imports represents one-third of a million jobs in the U.S. employment market.

Many of us will agree that among the national goals of present domestic policy are price stability, full employment, a rising standard of living for all citizens, and the economic development of our country's underdeveloped areas. In the achievement of each of these goals, the domestic textile-apparel industry must

play a key role. The dramatic increase in imported square yards of material mentioned above represents an increase of 700 percent in the area of manmade fiber products since 1964, and proves conclusively that a textile control program must be established. Therefore, these figures illustrate not only the severity of the problem, but also allude to another problem: because of these imports, unemployment in the industry is running at a rate of 7.2 percent for textiles, and 10 percent for the apparel industry. Imports are also discouraging capital investment and cutting deeply into textile profits.

Moreover, while yarn and cloth prices at the mill level are actually lower now than they were in the late 1950's, the wholesale apparel price has only kept pace with the general inflation. Wages also in the industry, which have only risen approximately \$1 in a decade, remain relatively stable. The major point implied here is that the U.S. public is hurt two ways by uncontrolled importation: American workers are thrown out of work and retained personnel have to contend with lower wage rates than the general population.

The best way, therefore, to hold the textile price line for American consumers is to encourage healthy competition among our 7,000 textile plants and 27,000 apparel plants. It has been indisputably recognized that once control over the major part of a product line falls into the hands of foreign interests, provisions of U.S. law, which normally protect the consumer—antitrust regulations prohibiting price-fixing conspiracies and the like—go out the window. A good example of what happens under these circumstances is the silk industry. Imports having killed off the American silk producer, Japan and Italy now dominate the world's silk market.

We have not yet reached the point where foreign pricing influence dominates most of our textile market as it did the silk trade, but unless prompt control action is taken, that point could soon be reached with respect to many different textile products—and the U.S. consumer will be the loser.

The industry also directly employs 2.5 million persons, in a broad range of occupations. Another million workers are employed in producing the raw cotton and wool, cornstarch, machinery, chemicals, and myriad other materials used by the industry. Of the 20 million manufacturing employees in this country, the industry directly employs one in every eight and pays them \$12 billion annually.

The industry's impact on the economy of the United States goes ever further when one considers the revenues generated for Government. It buys \$4 billion worth of fiber each year, including: two-thirds of the output of this country's 300,000 cotton farms; all of the domestically produced wool; and almost all of the synthetic fiber produced by the U.S. chemical industry. In addition, it spends \$600 million in dyes and other chemicals and several hundred millions annually on new plants and equipment.

The American textile industry and the American public have, therefore, a strong common interest in establishing and

maintaining reasonable restraints on competitive imports produced abroad under cost structures which would be illegal in this country. The raw cotton producers and the raw wool producers, through their organizations, including the National Cotton Council and the National Wool Growers Association, have strongly supported textile quota legislation for example.

We can readily recognize the devastating impact of imports which, in the case of textiles, already amount to 15 percent of U.S. consumption and since it has been found necessary to set import quotas for such products as cotton, wheat, and dairy products at around 1 percent of domestic production, the precedent for action in this matter is at hand.

The only real solution to the textile import problem is a system of import quotas negotiated under authority similar to that contained in the trade bill passed by the House in 1970. Such a solution has GATT precedent and need not injure American export industries. On the contrary, a firm and reasoned U.S. stance on textiles would restore American credibility in the international trade arena—and it is an arena. Such restoration of credibility is the necessary first step in securing proper access for U.S. products in the world market while at the same time protecting our domestic interests.

I want it understood that I am not speaking for the textile industry but am calling attention to a situation which, if not resolved, can lead us into greater economic isolation with more harmful results to our already distressed domestic industry. The threat to our economy is from excessive imports which result not from free trade among nations, but from unfair trade practices. It is our hope that the discussion of the problem today will make others aware of the situation and thereby precipitate action.

Mr. BLANTON. Mr. Speaker, I join with my concerned colleagues to deplore the dangerous situation now existing with the escalating trade deficit this country is experiencing.

I endorse the remarks of my colleagues that the major reason for this deficit is the increasingly high volume of low-wage textile imports flooding this Nation.

The American textile industry provides employment for more than 2.4 million people. Their jobs are becoming threatened by the continued influx of cheap import products.

I, for one, endorse the fair trade bill introduced earlier during this session by the chairman of the Ways and Means Committee, the Honorable WILBUR MILLS.

There is no doubt in my mind that, if leadership comes on this matter from the Government, it will come from the most knowledgeable man on fiscal affairs that we have in Washington. And that man is Representative WILBUR MILLS.

The President has the power to act under the national security clause of the Reciprocal Trade Act. But, as usual, the events must mesh together to be of crises proportions before the White House ever acts.

I say to you that it is a crisis that we face now. The textile industry—an im-

portant segment of our economy—is about to be smothered. We need to act, and act now before the situation results in catastrophe.

Mr. WYMAN. Mr. Speaker, for the first time in 78 years, the United States has suffered a balance-of-payments deficit. This starkly contrasts with a \$5 billion plus surplus as recently as 1960. Despite being charged with promoting the common good, the Congress has responded by doing virtually nothing to correct this alarming trend.

While awaiting action, hundreds of American businesses have been forced to close their doors, and more are declaring bankruptcy each day. Many of those firms remaining are rapidly transferring their capital into the ownership of foreign production facilities. What else can they do? In the shoe industry, for example, where labor accounts for 40 percent of production costs, U.S. wages and fringe benefits approaching an average of \$3 per hour cannot hope to compete with foreign labor available at 30 cents an hour or less.

Widespread factory shutdowns directly attributable to foreign imports have created staggering unemployment. Last year in the textile industry alone 86,000 workers lost their jobs. Much has been said lately about unemployment. Congress recently enacted legislation creating 150,000 jobs at a cost of \$1 billion a year. To continue to ignore the dumping of foreign imports is to openly invite still more unemployment.

The dramatic and crippling increase in imports over the past 15 years is not limited to one or two industries calling for protective measures. Foreign penetration of the American market cuts across the board: steel, 15 percent; automobiles, 16 percent; TV receivers, 30 percent; flatware, 49 percent; calculating machines, 60 percent; tape recorders, 64 percent; shoes, 67 percent; radios, 90 percent. How much longer must the American worker be sacrificed for the illusion of free trade? How many more jobs must be lost before we realize free trade is in practice a unilateral policy subsidizing foreign industrial development at the expense of our own? Foreign nations protect their import levels.

The theory of free trade is based on the assumption that manufacturers compete with one another across international boundaries on the strength of their own efficiency and technology. For American industry this is not the case. Today in America we can point with humanitarian pride to the legislative controls which have raised the standard of living of the American working man to the highest level in the world. American citizens rightfully enjoy the benefits of the 40-hour workweek with time and one-half for overtime, a legal minimum wage, workmen's compensation, child labor laws, social security, and many other benefits. We also realize that every product manufactured in the country includes these costs in its selling price, as well as the high cost of effective Government. The cost of any American-made commodity is therefore higher than its foreign counterpart, even if the cost of material and processing is actually the same, or less. Our humanitarian standards im-

pose a heavy burden on the shoulders of the American manufacturer that is equaled in no other nation, and so long as he carries this burden without minimal protection there can be no free market for Americans.

To preserve American jobs action is needed now. Yet the administration continues to heed the advice of the Department of Commerce and State that our trading partners will lose respect for us if we limit imports. How can we command the respect of any nation, friend or foe, if we flagrantly continue to disregard the welfare of our citizens?

Orderly marketing legislation to responsibly and fairly correct this situation awaits congressional action. This does not seek to erect a wall around the American marketplace. It merely limits foreign participation to an equitable percentage of the domestic market, and would allow imports to expand with the market. Yes, minimal restrictions would be placed on imports, but would be substantially more liberal than those restrictions currently placed on American exports by our so-called friendly trading partners. But, of paramount importance, the enactment of orderly marketing legislation would allow American industry to continue to provide jobs for American workers; it is an opportunity to replace relief checks with pay checks.

If it becomes necessary, I am willing to circulate a discharge petition to force a legislative remedy. The House, by a substantial majority, passed the Mills bill in the last Congress only to have it founder in the other body. Perhaps this year the host of presidential candidates in the other body will be more closely attuned to the needs of the American people. In any event, the Members of this House should be given the opportunity to discharge their obligation to legislate for the common good.

In the meantime, I am urging my own administration to take action at the executive level to curb excessive foreign imports in the shoe and textile industries—not to keep poorly managed firms alive, but to keep thousands of middle-aged job holders at work rather than out of a job and on welfare.

Mr. KUYKENDALL. Mr. Speaker, I welcome this opportunity today to participate with my distinguished colleagues from the State of North Carolina, Congressmen WILMER MIZELL and JAMES BROYHILL, in their special order calling attention to the need for prompt consideration of legislation to alleviate the problems that the American textile industry is facing. As the Representative of Memphis, Tenn., the largest spot cotton market in the world, I feel it vital that I express the interest and viewpoints of a portion of the industry which is vastly affected—the raw cotton industry.

Cotton's future may well turn on whether or not an acceptable solution to the problem of continuing increases in imported textile products is found. No one can better describe the impact of textile imports on the U.S. raw cotton industry than the National Cotton Council. Therefore, I submit a statement which has been carefully prepared by the economic and market research division of the council. It is certainly worthy of

my colleagues' attention and consideration:

TEXTILE IMPORTS AND THE RAW COTTON INDUSTRY

A basic statement prepared by the Economic and Market Research Service of the National Cotton Council, July 30, 1971

Raw cotton people are more optimistic recently because of the improvement in the market situation for their product. But a strong threat to that better outlook is posed by the upswEEP of textile imports into the domestic market.

In spite of a fiber market that grew faster than the Gross National Product in the 1960's, cotton consumption declined slightly. But in 1970, for a variety of reasons, cotton's share of U.S. fiber consumption had no drop at all—for the first time in a decade.

There are a number of new things in the picture that encourage cotton people to feel that they may now be able to hold their present share and begin to take advantage of the growth in the fiber market that we hope will continue:

Cotton Incorporated, with its resources at least doubled as a result of the new farm legislation;

The opportunity for cotton production to move into more efficient hands under the new legislation, and greater incentive to do a better job of growing and harvesting cotton;

The fact that foreign cotton acreage has shown a tendency to level off at the prices of recent years.

All these things point to the fact that the stage is at least set for some growth in the markets for U.S. cotton. If U.S. mill consumption in the years ahead grows at an average rate of only five percent a year, rather than the 6.4% rate of increase it averaged in the last decade, and if cotton just holds its present share of the market, this would mean that domestic mill consumption of cotton would rise by about 400,000 bales in the average year.

This kind of healthy market growth is a distinct possibility unless some roadblocks are thrown up to prevent it. One such roadblock that is a grave threat to the domestic market is textile imports. These imports hurt cotton's markets in two ways: First, they eat into cotton's share of the fiber market; and second, they stifle the growth in the domestic fiber market.

Let us deal first with how textile imports affect cotton's share of the fiber market. Since wool textiles do not compete very strongly with cotton, we will consider only the man-made fiber and cotton textile imports in this part of the analysis. At the beginning of the decade of the sixties, cotton textile imports comprised over 83% of the sum of the two types. By 1970 these imports were just 41% cotton. Unless something is done, it seems almost certain that cotton's share of textile imports will continue to drop, since the cotton portion is under the mild controls of the Long Term Arrangement, while we impose no restraints at all on the man-made fiber portion. Thus, as an increasing share of our nation's textile needs are satisfied by imports, and cotton's percentage of those imports drop, cotton's share of the whole domestic fiber market suffers.

In some cases, the very fact that cotton textile imports are restrained while man-made fiber imports can come in freely, has caused foreign mills to shift from all-cotton to blends. There is evidence that when cotton product quotas were filled, some foreign mills turned to blends in order to continue selling their products in the U.S. And once they got into the production of blends, they also began to promote them in their own countries. This, of course, reduces the overseas market for cotton and hurts our exports.

In many domestically-produced textile items, those made with the higher-priced synthetic fibers often sell in higher retail

price brackets than all-cottons, thus leaving the lower brackets mainly to cotton. But when the synthetic fiber items are made abroad with labor that costs only a fraction as much as U.S. workers are paid, the synthetic items can move right into the same price brackets with domestic cottons and take over a portion of a market that was formerly dominated by cotton.

In 1968 textile imports of man-made fiber were equal to 8.6% of domestic cotton consumption. These imports moved up strongly in subsequent years, while cotton consumption dropped. By 1970, this class of imports represented 17.7% of cotton consumption. In the same period cotton textile imports' percentage of domestic consumption changed very little. The man-made fiber imports were simply usurping all the market growth. Cotton growers cannot afford to spend their scarce dollars to build markets and then have their efforts wiped out by imported textiles, particularly when the growth of those imports is concentrated in man-made fiber textiles.

Let us move now to the effect of textile imports on the growth of the domestic fiber market. For this purpose, the decade of the sixties divides into three distinct periods. From 1960 to 1964 textile imports had a relatively mild rate of growth, from some 900,000 bale equivalents to about 1.1 million, or an increase of 20% spread across four years. In that period U.S. fiber consumption increased 25%. Under the stimulus of a tax cut, heavy military purchases, and a rapidly growing economy, fiber consumption rose nearly 31% from 1964 to 1968. But textile imports virtually doubled to about two million bale equivalents. From 1968 to 1970 fiber consumption had no net growth, but textile imports increased another 600,000 bales. And most of this growth was in the recession year of 1970 when fiber consumption by the mills had its only decline of the last ten years. Increasingly, the market growth is being taken over by the imports. If present trends continue, the imports will not only take all the growth, but cause domestic fiber consumption to turn downward.

This situation is reflected in the profits of the textile industry. Official government figures collected by the Federal Trade Commission and the Securities and Exchange Commission show that profits reached a peak of 3.8% of sales in 1965. This percentage has declined every year except one since that time, dropping to 1.9% in 1970.

The drop in profits makes less money available for the modernization that is necessary for the survival of any industry in today's competitive situation.

The textile industry's expenditures for new plant and equipment rose steadily in the early part of the sixties, reaching a peak of \$820 million in 1966, according to the U.S. Department of Commerce. By 1970 this had dropped to \$570 million, and the projection for the first quarter of 1971 was \$510 million. This is quite in contrast with the reported new investment or all non-durable goods manufacturers, which has risen every year but one since 1966. The uncertainty about the future, as imports cut deeply into domestic markets, is obviously causing textile management to make only those capital outlays that are necessary for short-run plans.

The following quotation from the leading textile trade newspaper¹ sums up the current situation in the industry:

"The American textile industry is being hurt by an increasing profit squeeze. In the South it means the closing of marginal woven mills while in New York even the biggest mill organizations are tightening their belts and in many cases cutting down on the number of salaried employees."

There are no up-to-date figures available on research and promotion expenditures in

the textile industry, but these quotations from the article mentioned above provide some insight:

"It was said that several positions in corporate long-range planning had been eliminated."

and—

"An advertising manager for a mill company said he had been forced to reduce his budget for the year, and he had some bitter words about unimaginative top-management that cuts advertising at a time when its need is greater than ever."

His management was probably not as unimaginative as it was strapped for funds.

The pattern seems clear: smaller profits lead to less modernization to improve efficiency and smaller expenditures for research and promotion, which in turn lead to smaller markets and still lower profits. If the cycle is repeated long enough, the company faces one of two choices: it goes out of the textile business or it joins the competition overseas so that it can take advantage of the vastly lower wage rates and stay in the market on the basis of lower prices.

To this point in time the first alternative has been chosen for the most part. Witness another quotation from the same article:

"Southeastern textile mills, squeezed by disappearing markets, imports, and the prolonged economic slump, are closing their doors at a record rate. The long-predicted 'shakeout' of marginal woven operations is in full swing. The frequency of announced closings has quickened since the first of the year and more shutdowns appear inevitable as financially stressed mills prune unprofitable operations. At least 50 textile plants in the Carolinas, Georgia and Alabama have expired since early 1969.

and this—

"Thirty-two textile mills in New England closed in 1970 in one of the biggest shakeout years in a decade in this nation's textile birthplace."²

The option of moving overseas has not yet been exercised to an extensive degree in the textile industry. Other U.S. industries have done so, however. The following quote from an article³ on overseas operations of U. S. companies is indicative:

"Almost all of the major consumer electronics makers have packed up and moved their entire operations overseas. They have gone to Mexico, Hong Kong and Taiwan to obtain low-cost labor. About one-fifth of the imported radio and tape recorders are made in overseas American plants and sold under their own brand names in the United States."

Last year two of the largest textile manufacturers formed joint ventures with Japanese firms, with plants to be located in Japan. One company spokesman said that the products—

"Would be sold only in Japan and other Far East markets for the 'foreseeable future'."⁴

The other company will also produce for Japanese and Far Eastern markets, but the president of the Japanese partner firm was quoted as follows:⁵

"We will discuss with (name of U.S. company) the export of the carpets to the U.S. . . . For the time being the new firm will restrict itself to carpets, but in the future we want to expand into the various fields in which (name of company) presently is operating."

Both these American firms already have subsidiaries in Latin America and other non-Asian countries. Perhaps the situation is summed up in the following quotation:⁶

"If New Year's is a time for resolutions it

is also the place for questions, and the textile industry has and will continue to engage in considerable soul searching in 1971. The most important question concerns widespread speculation that the industry will decide to move offshore in 1971; construction costs are less expensive abroad and wage rates are a fraction of 1970's average of \$2.44 per hour."

The president of a large U.S. textile firm said that it was conceivable that his company might take steps to produce goods overseas for U.S. consumption.

"Our first obligation is to protect the investment of our stockholders, and we are going to live up to it", he said.⁷

When U.S. cotton people look at their two markets—domestic and export—they have to face the fact that for a number of years ahead it appears that the domestic portion is going to be a whole lot bigger and much more dependable. The export market, of course, is highly important to the U.S. cotton industry, and it needs to be nurtured and expanded. But U.S. cotton people should remember that they have a virtual monopoly in supplying raw cotton to mills in this country because of the strict import quota of about 30,000 bales of upland cotton and 95,000 of extra-long staple. In supplying a mill overseas, however, the situation is radically different. The fifteen countries that supply about 90% of our textile imports consumed a total of 17.9 million bales of cotton in the 1969-70 season. Of that total, less than 1.9 million bales, or 10.4%, came from the U.S. This is just about the same percentage that total U.S. cotton exports were of total consumption in the non-Communist foreign world. Thus, if cotton consumption in the U.S. increases, U.S. producers supply all of the growth. If hoped for increases come abroad, the percentage likely to be supplied by our farmers will be much less.

The solutions to the textile import problem that now appear to be politically feasible seem quite mild. The precedent has already been established by the Long Term Arrangement on Cotton Textiles, an international agreement signed late in 1961 under which annual increases in cotton textile imports are subject to negotiation between countries. Although it would seem logical that imports should only share market growth, the LTA requires that any quotas agreed to must increase at least 5% each year, regardless of whether there is any growth in the market into which the imports come.

The LTA came into being without any legislation on the part of the U.S., and if a similar arrangement could be agreed on covering man-made fiber and wool textiles, this would probably be satisfactory. But unsuccessful attempts have been made to accomplish this for several years.

The other approach is that contained in the textile section of the Trade Bill, which was painstakingly hammered out in the last session of Congress and re-introduced in the new Congress as H.R. 20 by Congressman Mills of Arkansas. The effect of this bill would be to require that exporting countries negotiate agreements with the U.S. It is hard to conceive of such negotiations resulting in anything more restrictive than the current cotton textile agreements, under which these imports increased 2½ times in five years.

Nevertheless, opponents of the Trade Bill, especially the Japanese, have used every tactic at their disposal to delay the bill and confuse and divide the American people. Every time there seemed to be some progress in the Congress, the Japanese have put forward some new proposal or changed the tempo of negotiations, which has led people to believe that they were serious about reaching an agreement. But nothing has been accomplished. The proposal in March 1971 by the Japanese Textile Federation to limit uni-

¹ *Daily News Record*, February 25, 1971, p. 1.

² *Daily News Record*, March 3, 1971, p. 1.

³ *Miami Herald*, December 5, 1970, p. 20A.

⁴ *New York Times*, March 27, 1970.

⁵ *Asahi Evening News*, March 5, 1970.

⁶ *The Charlotte Observer*, January 3, 1971.

⁷ *Daily News Record*, April 17, 1970.

laterally its textile exports to the U.S. is obviously another tactical move that is totally unacceptable. The proposal, which went into effect July 1, has a few broad category limits, but no limits at all on individual categories. This would permit the Japanese to concentrate their exports in items that are especially strong in this country, like cotton denims and jeans, put domestic producers out of business, and then move on to something else. This proposal would undercut the LTA on cotton textiles, which, incidentally Japan is no longer a party to; would not include yarn; would not have the force of an international agreement; and would last only three years.

Opponents of the legislation have made irresponsible statements concerning the effect of the Trade Bill. They point to the quotas based on 1967-69 imports contained in the bill and say it would roll back imports. But they neglect to mention that these quota provisions are voided for countries having agreements with the U.S. The quotas are simply the tool to force exporting countries to the bargaining table for serious negotiations.

Another argument used against the Trade Bill is that it would result in retaliation against U.S. exports. If this were valid, cotton people would be the first to draw back from it. The Japanese, who are mainly responsible for spreading this word, are the largest foreign customers for U.S. cotton. But cotton people know that the Japanese are hard-headed businessmen who buy wherever they can get the best deal. They know that in spite of a virtual prohibition on textile imports into Mexico, the Japanese buy as much or more cotton there as from the U.S. So the trade retaliation talk is not aimed at raw cotton people.

Instead, the opponents of the Trade Bill have aimed their propaganda at soybean interests. Does it seem likely that Japanese soybean crushers will go against their own best interest in seeking other sources of oil and meal because Japanese textile interests are upset with U.S. policy? This seems highly unlikely. Beside, consider the fact that the U.S. produces 76% of the world's soybeans and supplies 91% of world exports. The Japanese government would have to take the lead if retaliation were to become a reality. Japan depends far more heavily on her exports than most countries. Nearly a third of her exports go to the U.S.—nearly \$6 billion worth—while she buys only \$4.6 billion in goods from us. Would Japan risk upsetting a market of this size by retaliating against extremely mild restrictions on the textiles she sends us? The Japanese government knows that retaliation is a two-way street, and she has far more to lose than she has to gain from it.

Threats of retaliation against soybeans have also come from the Common Market. But this group of countries has been threatening to impose an import tax on soybeans for well over two years, long before the Trade Bill was ever conceived. This tax would be designed to help their own farmers, and the decision does not turn on whether or not the Trade Bill is passed. If the tax is imposed, whatever excuse seems handiest at the moment will be used, but it will be an excuse, not a reason.

Cotton farmers should not feel that they are asking for preferential treatment when they seek reasonable restriction for cotton product imports and materials that directly depress markets for their products. Imports of wheat flour and other millers' products are under strict import quotas along with wheat. Meat product and dairy product imports are restricted to a much smaller fraction of the domestic market than anyone is seriously proposing for those of textile products.

Neither the LTA nor the Trade Bill seeks even to hold textile imports level, much less cut them back. These approaches are only

means of holding annual increases within reasonable bounds. Cotton farmers can support either the textile section of the Trade Bill or realistic international agreements as solutions of the import problem knowing that the result will be of great value to them and pose no real danger to producers of other products.

Mrs. ABZUG. Mr. Speaker, a number of our domestic industries, as well as our economy as a whole, are facing severe crises. In part, these difficulties are a result of competition from goods produced in whole or in part outside the borders of the United States. Two such industries are the textile industry and the garment industry. It is becoming increasingly apparent that some adjustments in our trade and tariff policies will have to be made in order to give domestically produced goods at least an even shake in the competitive marketplace.

I want to make it clear at the outset of my remarks what I am not talking about:

I am not talking about the erection of tariff walls against foreign-made goods.

I am not talking about "protectionism," or about repeating the disastrous example of the Smoot-Hawley Act of 1930.

I am not—at least at the present moment—talking about imposing quotas on goods made abroad. In my opinion, quotas should be imposed only in the direst and most extreme circumstances. I do not believe that we have reached that point. I hope that the effect of the less drastic measures which I do support, coupled with a reversal of the Nixon-led economic downspin, will obviate the need for any system of quotas.

The reason that I am not talking about any of these affirmative barriers to free trade is that, despite our perilous economic situation, our laws are structured in such a way as to encourage American corporations to go overseas to produce the goods which are then imported and sold here. Before we consider taking steps to bar goods from entering the United States, we should try doing away with some of the incentives which lead domestic companies to set up foreign subsidiaries and carry on foreign operations. The major incentives of this sort to which I wish to address myself are:

First, the problem of multinational, American-based corporations;

Second, low wages for workers abroad;

Third, the special low tariff rates given to foreign-assembled goods which use parts or raw goods shipped to assembly points from the United States;

Fourth, deferred taxes—which are often "deferred" forever—upon foreign subsidiaries of American corporations; and

Fifth, foreign production using technology developed at the expense of American taxpayers.

MULTINATIONAL CORPORATIONS

It has been correctly stated that trade is changing drastically, that we are today competing not with foreign companies, but with foreign-based divisions of American corporations. Many major American manufacturers have opened

plants abroad to take advantage of cheap labor.

Foreign investment by U.S. corporations is not new. The first wave of investment began as far back as 1879, but the new wave which began in the 1950's is a phenomenon causing great concern because of the rapidity of its growth. At the end of World War I, there were about 250 foreign subsidiaries of U.S. corporations; during the year 1970 alone, more than 8,000 such subsidiaries were established. In 1950, the investment in these foreign subsidiaries was about \$4 billion; in 1970, it came to some \$70 billion. Furthermore, it has been suggested that if the amount of foreign capital controlled by these American enterprises is added, the total for 1970 is more like \$100 billion in overseas investments. About half of this money is in the European Common Market, and about 40 percent is in Great Britain.

There are other contenders for the foreign markets of the European countries, but the position of the U.S. firms is overwhelming. In the three biggest European markets—France, Germany, and Great Britain—40 percent of direct investment is accounted for by three American firms—Esso, General Motors, and Ford. In all of Western Europe, 20 U.S. firms account for two-thirds of the investment. The internationalization of capital among giant U.S. firms is at present very high.

About 70 percent of the value of the direct foreign capital stake in the United Kingdom—£3½ billion, or \$8.4 billion—was American-owned in 1968. The largest 50 American finance firms in Britain account for more than four-fifths of the total capital stake, and of this, three-fourths is directed to four industries—oil refining, motorcars, chemicals, and electrical engineering, which also happen to be the most research-intensive industries.

The \$70 billion invested in 1970 produced at least \$200 billion of business in that year; some economists have suggested that the total approaches \$500 billion, or about one-fourth of the gross product of the non-Communist world. It has been estimated that at their present rates of growth, the multinational corporations will produce one-half of the entire world's output of commodities by the year 2000.

The sheer size and magnitude of these multinational enterprises gives them the advantage of permanence. They have a higher rate of growth, as well as a higher return on capital, than do U.S. firms in similar industries which confine their activities to domestic markets. They are growing faster and producing more efficiently than the local competition they face in the overseas markets where they are located. The gross product of these corporations surpasses that of every nation in the world but the United States and the Soviet Union.

In international economic relations, the multinational corporations have bypassed the United States; their exports dwarf ours and will continue to do so if they are not curbed.

Clear legislative direction is necessary to give the President authority to regulate, supervise, and curb the outflows of

American capital. Criteria to guide the President in his exercise of such authority should include considerations of the kinds of investment proposed to be made abroad, the products involved, the countries in which the investments would be made, the linkage of the investments to the flow of trade and the effect of the investments upon our domestic economy and employment.

RUNAWAY SHOPS IN THE GARMENT INDUSTRY

The garment industry, which has long been one of the principal industries of my congressional district, is composed of nearly 30,000 firms ranging in size from large garment houses down to contractors and subcontractors who work on no more than a shoestring. The garment business has a long history of "runaway" shops seeking to evade union organization and union labor standards of wages and working conditions. When labor was not organized in the South, they moved there seeking cheap labor, but now that that section of the country is becoming organized, they are leaving the United States for foreign countries whose labor standards are greatly inferior to ours—even taking into account their lower standards of living.

Formerly, most or all of the operations—designing, cutting, sewing, finishing, pressing, and so forth—in the manufacturing of garments took place in one or two shops. But now, the cutting job may be done in an American shop and the fabric then shipped abroad to be assembled and finished by foreign labor. Under existing law, the manufacturer may choose whether to establish his own subsidiary contracting operation abroad or to rely upon the services of an independent foreign contractor. In most of the 18 countries in which American garment contractors operate, the wage differential exceeds \$2 per hour.

Since 1965, numerous firms in the garment industry have set up plants in Mexico. Thousands of Mexicans have been put to work at very low wages—about \$1.95 per hour less than their American counterparts. Along the length of our 1,800-mile border with Mexico, a 12-mile deep border zone has been established for the assembling and processing plants of U.S. firms. Industries within this zone are not subject to the usual requirement that 51 percent of the capital invested in an enterprise be Mexican. Under present arrangements, these firms are allowed to import raw materials from the United States duty free, so long as the assembled dresses or other garments are shipped back into this country for sale.

In order to gain a fuller understanding of the foreign labor situation, we might consider requiring the making of detailed reports to the U.S. Department of Labor on the wages, hours, and working conditions of foreign workers. In addition, the United States should press, in appropriate international forums and agencies, for the establishment of international fair labor standards. Finally, we should consider the possibility of levying excess profits taxes upon those companies which take advantage of cheap foreign labor.

ITEM 807 OF THE TARIFF CODE

In addition to the incentive provided by low foreign labor costs, item 807 of

the Tariff Code, adopted in 1963, has been a major factor in encouraging the development of operations such as those south of the border. Item 807 provides that if a garment is cut here in the United States with material produced in the United States, and is shipped outside the country to be assembled and returned here for sale, then the customs duty is to be paid only on "the added value" of the foreign operation. That is, the tariff will be levied only on the very low cost of the Mexican labor in the case of the border zone plants. Obviously, the smallness of the tariff cost makes it quite profitable to use this cheap labor, despite the additional charges for shipping the goods.

Item 807 requires that in order to be eligible for the special tariff rate, the cut textiles going abroad for assembling must be U.S. made. Once a bolt of material has been cut, however, its country of origin cannot be ascertained, as the original labels are cut off. Therefore, textiles which are produced overseas and cut in the United States are managing to reap the benefits of item 807.

What we are talking about here is of extremely significant import to garment workers. Cutting operations involve perhaps one out of every 20 workers needed to produce a finished item; therefore, moving all but the cutting operation outside the country can affect as many as 95 percent of the employees in a full-scale garment operation. Figures reported by the International Ladies' Garment Workers' Union suggest that 250,000 potential jobs were lost between 1956 and 1969 solely because of imports. The economic effects of the war in Vietnam are also part of the reason for this loss of jobs, but there is no doubt that the actual losses attributable to imports are quite substantial.

Given present circumstances, the incentives and potential for abuse offered by item 807 are unwarranted, and the provision should be eliminated, at least for the foreseeable future.

TAX "DEFERRAL" OFTEN MEANS TAX FORGIVENESS

Another strong incentive for overseas production by subsidiaries of American corporations is that of tax deferral. Under the present Internal Revenue Code, taxes on these foreign subsidiaries are levied not upon income, but upon distributed dividends. By the simple device of reinvesting most or all of the profits in their operations, these corporations are able to defer paying taxes on them; furthermore, if dividends aren't distributed at all before the subsidiary is liquidated, the funds derived from the liquidation may be treated as capital gains, rather than profits, thus obtaining an additional tax break.

At the very least, these subsidiaries should receive treatment no more favorable than that accorded corporations functioning within the United States. Profits earned by these foreign operations should be taxed at the time they are earned.

EXPORT OF TECHNOLOGY

Another force working in favor of foreign production is the export of American technology. The way in which this works is that scientific theories are developed and tested in the United States

using American facilities. The bulk of the cost of this development is borne by the American taxpayer, not only through direct Government funding of research and development, but also by virtue of the fact that development expenditures are tax-deductible as business expenses.

Once these new methods and machines are developed to the point where they can be used in production, they are often exported through licensing and patent agreements, joint ventures with foreign producers, and the building of subsidiary facilities in other countries. Thus, the benefits of these new techniques, developed at the expense of the American public, do not flow to our economy. The American textile industry, for example, is among the leaders in applications for new patents. The garment industry now includes the use of laser beams to cut garments. In order to equalize this essentially one-way street, we must give the most serious consideration to imposing a tax on the value of any patents, licenses or other technology exported and to levying a tax upon the royalties received by U.S. companies which export them.

CONCLUSION

I have touched on several of the aspects of our foreign policy which may be in need of adjustment, keeping in mind my belief that we should remove some of the incentives for foreign investment on the part of American and American-based corporations before we give any consideration to active attempts to prevent the importation of goods produced by truly foreign companies.

I commend to my colleagues a report on unemployment in the garment and electrical industries. It is the work of Dr. Betty Traum, a political scientist with a distinguished academic record, and I include it in the RECORD at the conclusion of my remarks today.

It is my intention, during this session of Congress, to introduce legislation dealing with the areas I have discussed, with special emphasis to be placed upon the need to supervise and control the foreign investment of funds by American-based multinational corporations.

I do not claim to have all the answers, but there is no doubting the fact that we are in trouble. Congress must take a hard look at the situation as it exists today—without regard to old traditions or ringing slogans—with an eye toward restructuring our trade policies to meet the needs of a changing Nation and a changing world.

The material referred to follows:

REPORT ON THE ELECTRICAL AND GARMENT WORKERS UNEMPLOYMENT PROBLEM

(By Dr. Betty Traum)

INTRODUCTION

The United States has used a liberal "free trade" policy since 1934, culminating in the General Agreements on Tariffs and Trade (GATT) of the 1960's.¹ Unemployment and decreased profits in the textile-garment and electrical-electronics industries, however, have caused unions to re-examine their traditional support of free trade policies. They have applied to Congress for amelioration of their plight by way of restrictions imposed by a quota system. This plea for a protectionist policy has met stiff resistance from law-makers (although a good number do

Footnotes at end of article.

support it), economists, newspaper editors, and industries which produce commodities for export or which import raw materials from abroad. All of them fear a retaliatory trade war through the cutting off of both export trade and importation of vitally-needed raw materials if quotas are introduced. Essentially, it is only the industries which produce commodities for domestic consumption which are exerting pressures for a restrictive trade policy, but this group is not the dominant group in the country.

The unions place primary emphasis upon imports as the cause of their troubles, but imports are not so much the cause as the result of other causative factors. The primary cause of unemployment in the United States, recognized by economists, its inflation created by the outflow of dollars for a Vietnam War, the stationing of troops abroad, foreign aid given for political purposes, and the flow of capital investment abroad. U.S. giant corporations have established subsidiaries abroad, and in the process have eliminated jobs for U.S. workers. There are the multinational and international corporations, about which more will be said in the second part of this report.

CHAPTER 1.—INFLATION AND RUNAWAY SHOPS

The sole reason for the flow of cheaper imports into the United States in the textile-garment and electrical-electronics sector of industry is that inflation is rampant in the United States for reasons already given. As prices and taxes pushed higher, workers pushed for higher wages to offset these rises. Since labor costs are the highest component in the cost of producing a commodity, the cost of production in the United States is higher than in any other part of the world. But businessmen are always seeking for the lowest unit cost in their search for profits.

The giant corporations of America who own their own ships and tankers left the U.S. flag for foreign flag registry to escape the high Union wages and labor standards on shipboard. The same thing has taken place in almost every sector of U.S. industry and for the same reason—to escape inflationary costs brought on by bad government policies which they supported in the first place, the effects of which they now seek to escape.

Those U.S. corporations which "run away" hit U.S. workers twice: first, by moving plants abroad, completely shutting down shops here as in the electrical and garment industries, and, second, by shipping back their cheaply-produced foreign-made products as imports into the United States, against which the higher-cost domestically-produced product has to compete at a disadvantage, and must therefore go out of business or also "run away". To add insult to injury, the U.S. government itself aids and abets the runaway shop by way of tax privileges. In June 1970, Mr. Nixon added still further injury to American workers when he ordered a review of Government purchasing policies to see if more goods from abroad could be used to meet federal needs. He stated he was using imports as an anti-inflation weapon. The trade-policy debate was bitter inside the Administration, and one official lost his job for advocating protectionism.²

The electrical-electronic workers and the multinational corporation

William Bywater, President of District 3 of the International Union of Electrical, Radio and Machine Workers (AFL-CIO) appearing before the House Ways and Means Committee stated the case for the electrical workers. Historically, the union had always supported a free trade policy.

"But trade is changing. We are no longer competing against foreign companies. Our competitors are divisions of domestic corporations. Almost every major American manufacturer has opened plants abroad to take

advantage of low wage rates. They have shifted production from the United States to new foreign plants built with American capital and run by American management. General Instrument Corporation is in Taiwan with 12,000 workers. Philco-Ford Corporation produces radios in Taiwan. International Business Machines Corporation, RCA, Admiral Corporation, Motorola Inc., and Ampex Corporation are all in Taiwan. Wage rates are 15 cents to 35 cents an hour. The United States \$3.75 per hour rate means we can't compete. When their products—TV sets, transistor radios, typewriters, eyeglasses, and a whole range of consumer goods are brought into this country they are given the brand-name label of the domestic corporation. They are sold on the American market at domestic prices."

The process has been so successful that the flight of American capital to foreign lands has become an avalanche. In electrical-electronics \$2.5 billion has been invested in new plants and equipment abroad, principally in Taiwan, Hong Kong, South Korea, and the Mexican border zone, or they have licensed Japanese firms to use basic American technology. Profits earned and accumulated are reinvested abroad. Over one-half of black and white TV sets come from American-owned foreign plants; ninety percent of radios and tape recorders; two-thirds of sewing machines; all portable transistor radios. As a result, 5000 jobs per month have been lost in the last three years in the United States, and the trend continues. "What 'free trade' means today," says Byswater, "is the export of American jobs for the import of American company products. No economy can survive that kind of international trade for long. If there is to be free trade, then let it be between free nations, and not between the various subsidiaries of the same international corporation."

Mr. Byswater continues with the statement that it does no good to have United States corporations open plants overseas to exploit local workers. Oak Electronics Corporation opened a TV plant in South Korea. After a few years the workers organized for a strike against the 15 cent hourly wage. So the company simply closed up shop and moved to Taiwan. Thereafter, South Korea passed a law forbidding strikes against American corporations. "Now that has nothing to do with free trade," says Mr. Byswater, "it is nothing but old-fashioned wage exploitation."³

The latest shop closure has been the Emerson TV plant in Jersey City. Zenith is starting construction on a big, new plant in Taiwan. This company's employment was down 4,000 in 1969, "because of the competitive necessity of making, or having made offshore, products which we had planned only a year and a half ago to produce here in the United States."⁴ Thus, a trend has produced an avalanche abroad, as firms like Zenith are actually forced to leave the United States through competitive practices.

Paul Jennings, President of the International Union of Electrical, Radio and Machine Workers Union (AFL-CIO) appearing before a Congressional Economic Committee stated that Japanese corporations are learning from U.S. entrepreneurs and are telling Japanese workers who are unionized to keep wages down or they will move to Taiwan or Hong Kong or elsewhere.⁵

Asked by one of the Committee members whether American consumers are getting a better price from the product produced overseas by U.S. companies, Mr. Jennings said:

"We have just the opposite proof. We have been able to put together pieces of information where Westinghouse is now bringing stuff back from overseas, and components, and mostly these higher TV operations are put together overseas. There is no reduction in the price. There is an incredible amount of saving that goes to the company but there is no reduction in the price, and the consumer gets no break at all."⁶

Upon request, Mr. Jennings produced the following list. Note the markup in price between "Price landed in the U.S." and the "Suggested retail price."

ONE COMPANY'S LIST¹

Product	Price in Japan	Price landed in United States	Suggested retail price
Portable radio.....	\$11.66	\$13.81	\$39.95
AM-FM tuner amplifier.....	(?)	39.10	119.95
Do.....	31.74	38.80	159.95
Stereo cassette tape recorder.....	(?)	52.63	149.95
Stereo reel tape recorder.....	70.65	90.00	219.95
Portable cassette.....	(?)	27.73	89.95
Stereo cassette tape recorder with speakers.....	(?)	66.00	189.95

¹ Name of company not given.
² Unknown.

The International Ladies Garment Workers Union and the runaway shop

The case of the garment workers is somewhat different from that of the electrical workers. The latter work mainly for large corporations which have established subsidiaries abroad, but the garment industry is composed of 28,000 firms ranging in size from large firms downward to the contractors and sub-contractors, some of whom work on the proverbial "shoestring".

The industry has a long history of runaway shops seeking to evade union organization and union labor standards. When labor was unorganized in the southern section of the country, they went South looking for low labor costs. But now that the South is becoming organized, they are leaving the United States for foreign countries where wage standards and labor conditions are distinctly inferior to those in the United States.

A new trend is presenting itself in the garment industry. Where formerly all operations entailed in manufacturing garments took place in a single shop (or was shared with a contractor)—the designing, cutting, sewing, finishing, pressing, etc.—now the cutting job alone is being done in many shops, after which the cut material is banded up and shipped abroad to be assembled and finished by foreign labor.

The garment manufacturer who seeks to go abroad has two choices: he may establish a contracting operation in a foreign country which will be controlled by outright ownership, in whole or in part, or through the use of dummy stockholders, American or foreign. (New companies with a majority control of Mexican nationals get tax advantages under the Mexican law not available to companies that are controlled by non-Mexicans). Or he may rely on the services of a foreign contractor and even back him financially as is done in the United States. Tight secrecy is kept on this activity by the American firm so that workers, the union, and even customers do not know that the contract work is being done outside the country, and it is difficult to get the facts about such operations.

Garment firms located in the Eastern and Middle sections of the United States establish contracting shops in the Caribbean (Jamaica, Trinidad, Barbados, Haiti), the Canal Zone, Panama, Costa Rica in Central America, and some go as far as the Philippines. West Coast firms establish these shops in the Mexican border zone. Worker productivity is basically the same in all the areas. There is no difference in the work put out abroad from that domestically-produced when technology and managerial know-how are internationalized.

Wage differentials

For thirteen of the 18 countries where U.S. garment contractors are to be found the wage differential equaled or exceeded \$2 an hour. For 3 countries, including the Mexi-

Footnotes at end of article.

can border area the average U.S. hourly wage was higher by \$1.95 or \$1.96. Only for two areas was the wage differential down to \$1.76 or \$1.71 per hour. In Canada, where wages are much higher, the wage differential was 56 cents an hour less. Table I shows why American entrepreneurs leave home.

Since 1965 270 firms in the textile and electronics industries have set up plants in Mexico and another 70 or 80 will enter by the end of this year. In an area of high unemployment, 25,000 Mexicans have been put to work at very low wages, and about \$35 million added to the Mexican economy by way of salaries, rents, taxes and services. Mexico is trying to get European and Japanese companies to its border region in order to reach the Southern U.S. market. It has an unfavorable balance of trade situation with the U.S., had an \$800 million deficit last year.

Along the length of its 1800 mile border a border zone twenty kilometers deep has been opened for the assembling and processing plants owned by American citizens. Under present arrangements U.S. firms located in this zone are allowed to import raw materials from the United States duty free. But the assembled dresses or other garments must then be shipped out of Mexico back to the United States. The Mexican government does not intend to create competition for its own manufacturers. This is Mexican law.

The AFL-CIO is strongly opposing Mexico's border industrialization program. The ILGWU made an investigation of the border region stretching from Mexicali to Tijuana, south of the California border, and found apparel contractors mushrooming in the area. More than 2,000 workers were being employed. Some 30 shops were licensed and registered with the authorities, thus making them "legitimate," and were known locally as "Maquilladores."

In most cases these shops were well ventilated and even air-conditioned. But a much larger number of shops locally described as "Ensembladores" were neither registered nor licensed, operated clandestinely in all sorts of locations like garages or little unheated store fronts. Their total number was not known because they do not display names or addresses and have no phones in most cases. Agents in Los Angeles pick up the work for these two types of shop. Typically, new workers are hired as learners, and in the small Ensembladores, often these new employees are paid nothing during the initial period of employment, and the length of this period is not spelled out, all in violation of the law.

In the countries shown on Table I, subsidizing of apparel contracting operations as well as other export industries by the host country is widespread. Income and other taxes may be remitted in full or in part. New Plant construction may be subsidized, or customs duties waived on machinery, equipment and building materials used in plant construction there. Special credit terms may be arranged for purchasing machinery and equipment, or to bolster working capital. Although under Mexican law at least 51 percent of the capital of an enterprise must be Mexican, this is waived for the border region. If they do have a Mexican majority (arranged through dummy stock ownership), they get additional tax concessions for up to 10 years, with the possibility of another five-year extension. There are other taxes which are forgiven, and, with some variation this holds true for the countries listed in Table I.

There is no doubt that the promulgation of Item 807 of the Tariff Code, which was adopted in 1963 served as a catalyst for run-away shops in addition to the subsidies offered by foreign governments and the low labor costs. Item 807 states that if a garment is cut here in the United States with material produced in the United States (emphasis added because this is an important point), and is shipped outside the country

to be assembled and returned to the United States, then the customs duty at the border is to be paid only on "the added value" produced abroad. In other words, the tariff will be placed only on the very low cost of labor which was added abroad. Obviously, the added tariff cost will be so low as to make it very profitable to use cheap labor abroad even though shipping charges must also be added. As a result, the dollar value of Item 807 imports (valued at the point of entry) rose by a stupendous 2,243 percent in five short years.⁸

Table 2 shows the speed with which Item 807 was taken advantage of after 1963. It shows the dollar volume of imports, with Mexico leading with 42.5 percent of the total in 1969. Jamaica was next with 15.8 percent; Philippines 12.9 percent; Canada 5.8 percent; Trinidad-Tobago 5.8 percent; Costa Rica 4.4 percent. Twenty-seven other nations accounted for the remaining 12.8 percent.

Dr. Teper of ILGWU points to the section of Item 807 which states that the cut textile going abroad for assembling must be of U.S. make for Item 807 benefits to be available. He states that once a bolt of material has been cut on U.S. cutting tables you can never tell from what country it originated since the labels are off. Foreign-produced textiles cut in the United States are therefore illegally coming within the scope of the low tariff benefits of Item 807, although it is impossible to physically determine the national origin of the cut materials.

Meanwhile, the jobs of garment workers in the United States are eroded, since it is mainly the cutting operation which is left. Roughly, one production worker of twenty does the cutting in garment manufacturing. The other nineteen do the other operations. When cut piece goods are shipped out, so are 19 other jobs, Mexico being the largest recipient.⁹

The ILGWU figures show a net loss of potential jobs, which they attribute solely to imports, reaching a figure of -248,500 for the years 1956 to 1969. The author of this report views this figure with some scepticism, since other factors producing unemployment were at work during these years besides imports.

The Union is hoping to get Item 807 nullified on the ground that other operations besides "assembling" to go into the finished product, such as buttonholes, trimmings, stretching of fabrics, pinking of seams, pleatings, smocking, shirring, etc. All of these operations enhance the value of the component parts and are unrelated to "assembling". The Union is particularly anxious to have Item 807 removed from the books. And where foreign governments offer subsidies to lure firms, countervailing duties should be imposed against them.

CHAPTER 2.—THE PROS AND CONS OF PROTECTIONISM VS. FREE TRADE

The opinions of economists, newspaper editors and officials on protectionism vs. free trade policies for the United States will be included in this chapter, to be followed by union proposals for Congressional action on their unemployment problems.

The classic approach to free trade is based on the principle of *Comparative Advantage*. This means that if England can produce woolen goods at less cost than in American factories, then the American consumer gains from the English imports. Market forces lead producers in each area of the world to specialize in the production of goods on which their costs are lower. Then each area imports the goods that are costlier for it to produce. Such a policy leads to the greatest total worldwide production, so that consumers receive the largest possible supply of goods.

Foreign trade helps every country make the best use of its economic resources and thus worldwide levels of living are raised. It brings new products to consumers in the less technically advanced countries. It is supposed to lead to world understanding and to world peace. For these, and other reasons, economists for two hundred years have argued for free trade, pointing out the advantages of expanded total income, increased productivity, and a generally more efficient economy. They have always been opposed to most man-made restrictions against free trade. But they have failed to convince everybody, and the trend toward protectionism is growing in this period of recession, inflation, and unemployment. More and more the economists are warning of the dangers inherent in a protectionist policy for the United States.

Richard N. Gardner, economist, writing in the War/Peace Report of April, 1971 states that the United States is faced with three alternatives on the question of imports. The first approach would be the protectionism for which pressures are building up. If such a policy is pursued then five results would follow:

- 1) It would disrupt worldwide economic links.
- 2) Isolation would follow, both politically and economically.
- 3) It would result in higher domestic prices for consumers.
- 4) Domestic inflation would be aggravated.
- 5) Any gain in the relatively low-wage jobs in our import-competing industries would be offset by the loss of relatively high-wage jobs in our export industries resulting from foreign retaliation.

The second approach is that used by the Executive branch of our government since 1967. It consists of small steps forward while buying off the most insistent demands for protection. It consists of voluntary quotas or other special deals such as for Japanese textiles. It is a temporary device only. "But in trade policy, as in other fields, you can die from an overdose of pragmatism," he says. History shows it is difficult to contain protectionist pressures.

For the third approach the author calls for free trade by stages after the 1972 Kennedy Round cuts tariffs to 10 percent or less for Europe under the GATT agreements. But with this, he warns, must go a program for assistance of workers, communities, and firms adjusting to international competition; new rules covering the rights and responsibilities of multinational companies and the conflicting efforts of governments to regulate them; improvements in the international monetary system to provide greater flexibility in exchange rates. *But such a program cannot get under way until the economic and psychological burdens of Vietnam are removed.*¹⁰

Richard Farmer of the Indiana University Graduate School of Business writing on tariffs, quotas and class structure, joins the academic group for free trade. There are winners and losers in a free trade situation, he points out. The winners tend to be high productivity firms, and the high-wage persons connected with them. These are exporting firms. Other winners include all consumers, because the effect of trade restrictions is to raise prices of consumer goods, as in the present textile case. The losers are the firms with lower productivity who are not in a position to take proper steps when foreign competitors invade their markets. These firms do not seek our foreign markets, and therefore seek protection. Protectionist sentiments are dangerous for a rapidly rising standard of living, making this goal more difficult to achieve. Yet people lose their jobs and blame it on imports. "How do you convince the worker otherwise?" he asks.¹¹

Lawrence Krause, economist, states that

Footnotes at end of article.

protection would increase prices, sacrificing consumer interests to textile and shoe interests.¹²

Professor Samuelson of M.I.T., foremost academic economist of the United States whose text books are required classic reading in the Economics Departments of colleges and universities, sharply declared his opposition to the protectionism being demanded by the steel industry. He told 1000 executives at the annual meeting of the Steel Institute last week that he "didn't come 250 miles just to tell you what you want to hear." He declared that he was one of the academic economists who oppose "the sort of quota arrangement you want so badly you can taste it."¹³

Robert Heilbroner is one economist who has looked at the "free trade" theory with a critical eye. The "free trade" theory was based on the concept that the flows of trade between nations would "balance" with no blockage by way of tariffs or other impediments (except where infant industries of emerging nations had to be protected). In practice it has not really balanced because of the monetary problems of balance-of-payments. It hasn't really worked because it is not only a matter of flow of commodities from one nation to another, but also a flow of capital with its transfer from one country to another, waging wars overseas, going into Swiss banks, and investing in foreign enterprises. So some nations have trouble "financing" their imports and others have trouble selling their products because they do not want the currency of the other country. Then there is the theory that if the other fellow could produce a cheaper product than you could, then you had better turn to another type of industry. Those who raise bananas best, or coffee best, found the disparity with rich countries widening.

It is an era where domestically-produced goods which used to be shipped internationally, is being largely replaced by an era where nations affect one another by directly producing "foreign" goods within each other's economies. Corporations from the United States are producing commodities abroad, and foreign corporations are producing commodities in the United States.¹⁴

GATT's General Director, Olivier Lang, disturbed at the current trend, states that:

"Protectionism invites legitimate retaliation by other countries. If not successfully resisted, it might provoke a chain reaction that could put at risk the multilateral trading system and any possibility of further progress. Restrictions breed restrictions, to the commercial and economic disadvantage of all."¹⁵

World trade would slow down and shrink and the world economy would become more unstable.

And a high U.S. official (unnamed) stated: "Since we're richer, I suppose you could argue that we could most easily weather the economic warfare, but we would pay stiff penalties for many decades in lost prestige and opportunities."¹⁶

Europeans are warning United States Diplomats that a trade war among industrial countries will result from protectionism. In 1970, the European Common Market (European Economic Community) threatened reprisals.

Representative Boggs (Dem. La.) said that the United States, Japan, and the Common Market must work together or a trade war follows which can hurt both sides. Japanese leaders concede that a sharp cut in exports can heavily damage her industries. The result could be that nations blocked from United States markets would "shove" harder into the remaining markets abroad. Brazil buys its wheat from Canada rather than the United States; it sells its coffee direct to

other countries rather than through United States markets. If United States protectionism gets any worse there will be more of this. Also, there could be possible reprisals against U.S. companies in Latin America and elsewhere. In an all out trade war the United States would lose three jobs based on exports for every one gained by domestic industries taking back markets lost to imports.¹⁷

The editors of our leading newspapers have been much disturbed by the protectionist pressures. The Wall Street Journal has been editorializing intensively on the evil results of protectionism, citing all the consequences which have been given above by the economists.¹⁸ The New York Times shares this opinion and ran a special article titled "Smoot-Hawley revisited," the gist of which is as follows:

Forty years ago, during a period of high unemployment, Congress put import quotas on textiles, shoes, oil, and many other products, under the Smoot-Hawley Tariff Act of 1930. "Labor realized that higher prices would result, but succumbed to the chimerical hope that the bill would relieve unemployment." One thousand and thirty-eight leading economists urged the President to veto the bill, warning that it would bring retaliation, but the bill was passed. Retaliation by all countries followed. The United States trade barriers against Japan frustrated the efforts of the liberal Japanese Government to improve economic conditions through expanded trade. Japan is a mountainous island which is incapable of raising sufficient food for her population, and must therefore export manufactured goods to survive. Trade barriers led to a more nationalistic and militant policy as military elements gained control. The next step was the overrunning of Southeast Asia which would supply rice for Japan, and thus the Smoot-Hawley Act sowed the seeds of the Japanese Asian Co-Prosperty Sphere.

The position of the United States was worse off after Smoot-Hawley than it had been before. A world depression followed the collapse of world trade. The Act worsened unemployment for labor, industry and agriculture on a world-wide scale. Its repercussions contributed to the growth of nationalism and economic autarchy in many countries, and to the deepening political crisis of the 1930's which led to the rise of a Nazi Germany.

The 40-year old petition which had been signed by more than 1,000 economists in 1930 was reissued in September 1970 by 4,000 American economists, together with a new petition reaffirming the damage that protectionism would do. If the United States goes protectionist, severe retaliation from Europe and other countries would follow, and history would repeat itself.¹⁹

Positions of the Unions

Economists are saying that the sooner inflation can be curbed, the sooner can the economy resume its solid growth. But the unions are saying that the liberal trade policies which began in 1934 and extended through the GATT agreements are unrealistic today. When interviewed, Dr. Lazar Teper, research director of the ILGWU, downgraded the contention of the economists that quotas would mean higher prices for consumers, more inflation, more unemployment, as domestic manufacturers no longer faced with competition from abroad would have no incentive to keep down costs. "We have 28,000 firms in competition with each other, and that's enough to keep down prices," he said.²⁰

It is recognized now by the AFL-CIO and the economists that the problem of the multinational corporation and the American entrepreneurs who flood the market with their low-cost foreign-made goods at a high profit must be dealt with,—but the unions are calling for quotas, and the economists are

saying that quotas which catch every import in its net are not the answer since trade wars would follow.²¹ This fact is recognized by Europe, Japan, and the United States and that is why nothing has happened thus far, despite the pressures. President Nixon's strategy of heading off tough import controls (except for textiles) is to ease access to "import relief". The 1962 Trade Expansion Act contained an "assistance" escape clause which provided that an industry or its workers can qualify for Federal adjustment assistance if they can show damage "in major part" due to past tariff cuts. From 1962 to 1969 the Tariff Commission had rejected pleas for assistance, but in 1969 three groups of steelworkers were declared eligible for assistance because past tariff cuts had inflated imports. The laid-off workers were to get \$80 a week for 52 weeks, and a few won lump sums of \$5000.²² To ease the granting of this assistance, Nixon has now stated that the hardship would not have to be related to a prior tariff reduction as currently required—it will be enough if increased imports are involved as a "substantial cause" rather than the current "primary cause", and the companies are seeking protectionism in order to be eligible for assistance.

Adjustment assistance is granted to specific companies or workers in the form of loans, tax relief, relocation and job training grants, but as Dr. Teper pointed out, "What good does it do the worker to be retrained, only to find that there are no jobs available for which to use that training?"

The question of protectionism is a serious one. For one thing, if Congress restricts textiles and shoes, a host of other products will intensify pressure. At the present time there is a demand for import limitation in seventy general product categories. And the powerful Steel Institute meeting now in New York is raising strong demands for quotas for steel.

UNION PROPOSALS

The United Electrical, Radio, and Machine Workers has a program to meet the foreign runaway menace:

"To curb the unlimited power of corporations to destroy American jobs, without inciting an international trade war which would harm the American people by further reducing exports and encouraging price increases at home:

- 1) the immediate prohibition by the United States of the establishment of any new runaway foreign plants by American firms.
- 2) An excess profits tax levied on profits made by American corporations in the overseas plants they now own which employ workers at conditions inferior to those in the Fair Labor Standards Act—\$1.60 minimum hourly wages, for a 40 hour week.
- 3) Closing the tariff loopholes in Items 806.30 and 897.00 of the law which gives American companies special exemptions on duties on goods they produce abroad.
- 4) Negotiation by the United States of fair agreements with other countries, mutually advantageous to all parties and prohibiting unfair trade practices as dumping, and the use of sweatshop labor and the like.
- 5) An immediate end to the Vietnam War and a sharp cutback in military spending as the major step in ending inflation and improving the price position of American products here and abroad.
- 6) Sharp cutbacks in the heavy research and development spending now wasted on military and space developments and transfer of the funds, the scientific and engineering personnel, to the development of improved civilian products for the domestic and export trade.
- 7) Workers displaced by imports should be granted the equivalent of Supplementary Unemployment Benefits for 52 weeks.

Program of the International Union of Electrical Workers (IUE) presented by Mr. Paul Jennings

1) Regulate and supervise export of capital to all countries.

2) Remove tax incentives now in law to spur foreign investment. This includes requiring taxation of profits wherever earned at the time they are earned.

3) Require labeling of products by country of origin from any country—including U.S. brand items and all components.

4) Tax the export of capital to create a disincentive to produce abroad.

5) Make U.S. government-subsidized patents the property of the United States government with royalties paid to the United States Treasury.

Proposals of the ILGWU given by Dr. Lazar Teper

1) Limitation of capital export and control of it.

2) Determine the extent to which corporate policy is causing unemployment.

3) Taxation of profits realized abroad to reduce incentives.

4) Quotas.

A few globally-minded labor theorists suggest world unions to raise pay and living standards world-wide. For the 1970's it is considered to be still a "dream", but Walter Reuther had talked of this for the automobile industry.²³ In 1970 representatives of electrical and electronics unions from 21 countries met at the Hague to co-ordinate bargaining with multinationals.²⁴

TABLE 1.—AVERAGE HOURLY EARNINGS, APPAREL INDUSTRY, UNITED STATES AND FOREIGN COUNTRIES EXPORTING UNDER ITEM 807.00 TSUS, 1969

[Expressed in United States currency]

Country	Average hourly earnings
United States	\$2.31
Canada	1.75
Barbados	.22
British Bahamas	.55
British Honduras	.23
Colombia	.20
Costa Rica	.28
Dominican Republic	.36
French West Indies	.35
Guatemala	.29
Haiti	.19
Honduras	.23
Jamaica	.31
Leeward and Windward Islands	.21
Mexico (border region)	.35
Netherlands Antilles	.31
Panama	.60
Philippine Republic	.23
Salvador	.29
Trinidad and Tobago	.26

Note: The figures do not take account of earnings of cottage workers (i.e. industrial homeworkers) in foreign countries. In some areas their number is significant. Homeworker wages are but a fraction of the earnings of factory workers in the same countries.

TABLE 2.—DOLLAR VOLUME OF IMPORTS UNDER ITEM 807 [In valuation at point of entry into United States]

Principal countries	1965	1967	1969
Canada	24,670	489,717	2,360,247
Costa Rica		91,813	1,803,792
Haiti	208,135	136,864	817,305
Honduras		74,629	806,258
Jamaica	1,017,239	4,521,671	6,398,810
Mexico	9,325	3,977,424	17,235,333
Philippines		805,468	5,234,993
Trinidad-Tobago		790,116	2,338,853
Total dollar volume from imports			
from U.S. firms			
abroad	1,259,369	10,887,702	136,995,591

Footnote at end of table.

TABLE 2.—DOLLAR VOLUME OF IMPORTS UNDER ITEM 807—Continued [In valuation at point of entry into United States]

Principal countries	1965	1967	1969
Imports from 27 other countries	471,008	1,328,127	3,542,259
Total	1,730,377	12,215,829	40,537,850

¹ Note that the imports from 27 countries from foreign firms was only 1/12th the total coming from U.S. firms abroad.

FOOTNOTES

¹ The "free trade" is not really free because these are restrictions, and the United States never signed the GATT treaties, although it adheres to the agreements.

² United States News, Vol. 69: 43-4, July 6, 1970.

³ New York Times, January 3, 1971.

⁴ Mr. Wright of Zenith, in *United States News*, July 6, 1970, p. 44.

⁵ Hearings before the Subcommittee on Foreign Economic Policy of the Joint Economic Committee, Congress, 91st Congress, Second Session, 1970, July 27-30, 1970.

⁶ *Ibid.*, p. 841.

⁷ New York Times, May 19, 1971.

⁸ Lazare Teper, *Item 807.00 of the Tariff Schedules of the United States and the Apparel Industry*, ILGWU, New York, May 1970, p. 34.

⁹ Garment workers questioned state there are still many firms in the industry which produce the entire garment here in the United States.

¹⁰ Richard N. Gardner, "Free Trade by 2000 A.D.?" *War/Peace Report*, April 1971.

¹¹ Richard N. Farmer, "Tariffs, Quotas, and Class Structure", *Business Horizons*, Indiana Univ. Graduate School of Business, vol. 13, No. 6, Dec. 1970, pp. 29-34.

¹² New York Times, May 27, 1971, p. 55; New York Times, Nov. 17, 1970.

¹³ New York Times, May 27, 1971, p. 55.

¹⁴ Robert Heilbroner, "The Multinational Corporation and the Nation-State", *New York Review of Books*, Feb. 11, 1971, pp. 20-5.

¹⁵ United States News, Sept. 14, 1970, p. 48.

¹⁶ Wall Street Journal, Nov. 13, 1970, 2:3.

¹⁷ United States News, vol. 69, Sept. 14, 1970, pp. 46-8.

¹⁸ Wall Street Journal, 6/24/70; 7/16/70; 10/14/70; 11/23/70; 11/27/70; 12/3/70; 12/7/70; 3/15/71; 3/30/71.

¹⁹ New York Times, September 23, 1970. The 4000 economists are members of the American Economic Association.

²⁰ There were thousands of garment firms in business at the end of World War II when the author of this report was active in price control programs with the OPA. When controls were removed prematurely, competition did not stop the ever upward spiralling of garment prices.

²¹ See footnote at bottom of Table 2.

²² Wall Street Journal, Nov. 18, 1969, 1:5.

²³ On May 24, 1971 Leonard Woodcock, president of the UAW announced that Japanese auto workers would merge in 1972 into one big industrial union. By speeding up their gains in wages and their standard of living, labor costs would become more nearly equal than now between the United States and Japan, and this would stop the growth in the number of imported cars in the U.S. which had been increasing rapidly.

²⁴ *Business Week*, "Why Unions Fear the Multinationals", Dec. 19, 1970, p. 95.

Mr. DICKINSON. Mr. Speaker, I regret deeply that I feel it necessary once again to participate in a special order to bring to the attention of the Members of this body the serious situation which exists in our textile industry due to foreign imports. I would much rather be able to rise in support of legislation being

considered to correct the situation or, better still, to rise to congratulate my colleagues for passing legislation to bring a halt to the merciless rape of our textile industry.

I am not going to belabor you with facts and figures, with examples of closing factories, jobless textile workers, small towns facing financial ruin—the figures and examples are a matter of record having been cited time and again in this very place. Instead, I am going to appeal to you Members of this House and to your sense of justice and ask that once and for all you take steps to assure our textile industry, and related industries facing similar ruin, of a chance to compete fairly in the market.

It is inconceivable to me that we as a nation have created a situation in which high wages are a way of life but companies paying those wages are penalized by having to compete with foreign manufacturers who pay very low wages. We are appalled at the idea of men working for almost nothing, and yet we make it impossible for the companies who are paying the wages we expect them to pay to make a living. We are cutting our own throats—and while the textile industry is slowly bleeding to death, the Congress sits on its hands talking about being fair to nations that never give a thought to being fair to us.

Furthermore, it is inconceivable to me that we can pass legislation to create a guaranteed income, public service jobs, and countless other giveaway programs on the one hand, but we refuse to pass legislation to allow an industry to maintain itself—an industry which supplies a great number of necessary jobs and sustains the income of a great number of families. I fail to understand how we continue to give to the undeserving with one hand and take from the deserving with the other.

The situation is continually worsening and there is little hope of improvement without assistance from the Congress in the way of import quota legislation. I urge you to give that assistance. Voluntary quotas are a joke. What we need—what we must have to survive—are realistic enforceable quotas. We must act now.

Mr. MANN. Mr. Speaker, this afternoon the Department of Commerce released figures showing that textile imports deluged the American market with 571 million square yards during June of this year. The figures show that June's imports represent an increase of 47 percent over the June 1970 level and an increase of 10 percent over May of this year. This country now faces the prospect of the first annual trade deficit in 78 years, and we recently had our first quarterly deficit since 1950. Already this year we have a textile trade deficit of \$820 million, an increase of 50 percent over a comparable period last year. Many of us in the Congress have warned that a trade deficit was imminent, and I hope that the gloomy statistics which have been released will cause us to reevaluate America's position in the trade world.

Like many of you, I was disappointed that the 91st Congress did not enact legislation to protect American industries

which find their markets disrupted by foreign imports. This House passed an adequate bill, but a combination of factors in the Senate provided the death knell for meaningful legislation.

Our domestic textile industry is one of the industries most severely affected by rising imports. In 1970, textile production dropped 3.5 percent, sales 0.5 percent, profits 31 percent, employment 3.3 percent, and the industry had its ninth annual wage increase. Yet for textile imports it was a record year. They rose 13 percent to reach a total value exceeding \$2.4 billion while exports totaled only \$776 million, leaving a trade deficit of more than \$1.6 billion in textile products.

Mr. Speaker, these figures are especially disheartening when one considers that jobs in the textile and apparel industries represent one out of every eight manufacturing jobs in this country. The textile and apparel industries have become one of the Nation's largest employers of Negroes. Black employment is now over 14 percent of the textile work force, a figure significantly higher than the 10-percent average for manufacturing in general. In addition, almost 80 percent of the apparel workers and 45 percent of textile employees are women—compared with 27 percent in all manufacturing. The textile-apparel industries are large and widespread, and they provide jobs at all skill levels. According to classifications established by the Department of Labor, over two-thirds of textile workers and three-fourths of apparel workers fall into the semiskilled category, compared with 44 percent in manufacturing generally. Therefore, I think we can easily see that the textile and apparel industries have served as a gateway to industry for people without prior work experience and have taken the lead in providing employment for minority workers.

Among the foreign nations flooding the American textile market, Japan possesses easily the largest textile complex. In fact 35 percent of all foreign-made textile goods come from Japan alone. I was pleased that President Nixon recently rejected the unilateral declaration by the Japan Textile Federation that imports would voluntarily be limited. The Japanese declaration fell far short of the requirements for a viable arrangement to deal with the import problem and reinforced my belief that voluntary restraints will never satisfactorily resolve the problem.

I am fearful that the resumption of trade with the People's Republic of China will worsen the condition of America's textile industry. I have been informed that certain domestic firms have already placed substantial orders for textile goods and apparel from Communist Chinese manufacturers. Recently I wrote to the President requesting that he be mindful of the necessity of preventing further disruptions in our textile industry and that he take appropriate steps in that direction while trade relations with China are developing.

With regard to the Japanese and other importers, I have called upon President

Nixon again today to take executive action to limit textile imports using the authority granted in the national security provision of the Trade Expansion Act of 1962. If the administration does not choose to employ current legislative provisions, then I believe that it is incumbent upon the 92d Congress to enact legislation which will set realistic import restrictions.

For years the United States has steadfastly pursued a policy of freer world trade, and we have recognized that competition cannot stop at the ocean's edge. It should now be clear, however, that the trade problems of the 1970's will differ significantly from those of the past and new developments in the world economy will require new responses and new initiatives.

Mr. FOUNTAIN. Mr. Speaker, I want to thank my able colleagues from North Carolina, Mr. MIZELL and Mr. BROYHILL, and the distinguished gentleman from South Carolina (Mr. DORN), for focusing attention today on the critical economic problems of the textile industry, including especially the textile import problem, which is causing so many of our people to lose their means of earning a livelihood.

Last year we saw the economic position of the textile industry get worse and worse. And this year has been a repeat performance with production, sales, profits, and employment still suffering.

One of the major causes of these extremely unwelcome developments is the flood of cheap textile products which continue to pour into this country from all corners of the world, especially from low-wage Asian countries.

Billions of yards of foreign textiles come across our borders—more every year—and, as a consequence, tens of thousands of our people have lost their jobs this year and last. Mills have had to close their doors, forcing some entire communities to become little more than ghost towns.

The time has long since passed for our country to look after its own interest in the textile trade, a highly important segment of our national economic life.

Apparently the trade limitations in force now have so many loopholes in them that little good is accomplished. And, I am told that most proposals to deal with this distressing problem would not help substantially. This is not a healthy prospect for the textile industry.

This process of steady deterioration in an industry whose roots go back to the beginning of the industrial revolution should not continue. It is time for the administration to act in a positive, responsible way to stem the tide of foreign imports.

Unilateral agreements on the part of Japan are just not enough, no matter how fancy the package they are presented in. Inevitably too many loopholes are left and our people will continue to suffer.

Clearly, there must be official governmental action to regularize our textile trade relations with other countries of the world, particularly the low-wage Asian countries. No longer can we afford

to stick our heads in the sand and think the problem will go away by itself. It will not.

There was a time when America made many trade concessions to nations such as Japan in order to give them a helping hand in recovering from the ravages of war. Unquestionably we served well the cause of humanity by doing so.

But now the need for such help has passed—vanishing in the smoke of industrial progress. Japan is now a towering giant, economically—one of the richest nations in the world.

In fact, Japan is reputed to be well on the road to overtaking the industrial supremacy of the United States in many regards.

The administration, therefore, should not hesitate to act swiftly and firmly to negotiate equitable and proper agreements with Japan, as well as the other nations involved.

I believe in the Cordell Hull philosophy on reciprocal trade. It is a two-way street. This is a basic principle of economic life, as we must never forget it, nor allow others to do so.

Mr. BUCHANAN. Mr. Speaker, at a time when the United States is facing the worst trade deficit since 1893 and when the problem of unemployment is uppermost in the minds of most of us, it is past time for the Congress to do something about one of the major contributors to this adverse situation—the rapidly increasing inroads being made into the American product and job markets by foreign imports.

As those of us concerned about these problems have repeatedly stressed, the tremendous growth in imports during recent years has not only had an extremely adverse effect on our Nation's trade balance and on many of our domestic industries, but is costing the jobs of countless American workers in many vital industries as well. This situation is particularly true of our Nation's textile industry and I commend my distinguished colleagues, Representatives BROYHILL of North Carolina, DORN, and MIZELL, for arranging an opportunity to discuss this critical problem again at this time.

As indicated, no meaningful discussion of our Nation's trade policies can ignore the effect of these policies on the American labor force. The threat to jobs held by American workers in such labor-intensive industries as the textile industry is, furthermore, especially great. It must be remembered that one of the greatest obstacles to effective competition between American-made and foreign-produced goods lies in the significant production cost differential which is, in turn, due largely to the wide disparity in worker compensation between the United States and the various other countries with which we compete on the world trade market. Again, this disparity is particularly great with respect to textiles.

The production techniques of the American textile industry are widely recognized as being the most efficient in the world. In 1969, for example, the British Textile Council published an exhaustive study of the relative productivity in ma-

for textile industries around the world which showed American labor productivity—in spinning and weaving—as being over three times that of Japan, four times that of Hong Kong, and over five times that of India.

The tremendous wage differential between the United States and other countries in the textile industry, however, more than wipes out our technological advantage. The major portion of U.S. textile imports come from countries with extremely low wage levels and no amount of superior American efficiency can overcome the cost advantages which these low wage levels give to their textile products. The average hourly U.S. wage is five times higher than in Japan—the largest source of our textile imports—for example, and eight times greater than in Hong Kong, Korea, Taiwan, and other Asian countries show an even wider disparity. The wage gap between the United States and its major foreign competitors is widening, furthermore, rather than narrowing. U.S. Labor Department statistics indicate that the wage gap between Japan and the United States experienced a 37-percent increase between 1960 and 1970.

Before examining the actual growth in textile imports during recent years and the resulting effect on our domestic industry and employees, I would like to reiterate what I have often stated and believe to be a fundamental factor of the wage differential situation. It is too easy to dismiss the tremendous wage differential between the United States and its competitors in the world trade market as being merely a reflection of our different standards of living and let it go at that.

It is more than that, however, for it is an inherent aspect of American society and American ideals that those who labor to produce the products which have and continue to contribute to our high standard of living shall share in this standard of living. It is unacceptable for our workers to be forced to receive substandard wages in order to compete with products produced in other countries by workers receiving such wages.

The result of the above factors: rapid increases in the quantity of textiles imported into the United States and the consequent loss of hundreds of thousands of American jobs.

During the 10-year period from 1960 to 1970 the volume of textile imports—textiles and apparel made from manmade fibers, cotton, and wool—more than tripled from 1.3 billion yards in 1960—then an alltime record—to nearly 4.5 billion in 1970. Figures just released this month by the Commerce Department, furthermore, indicate no change in this trend. These figures show that textile imports in May of this year set a record for the month of 519 million square yards equivalent—46 percent above the level in May 1970.

The Commerce Department also reported that the cumulative total of these imports in the first 5 months of 1971 was 2,458 million square yards, 43 percent above the level in the same months of 1970. During this same 5-month period the textile trade deficit was reported at \$642 million, compared with a \$424 mil-

lion textile trade deficit in the same months of 1970.

As so many of us are well and painfully aware, the tremendous inroads which these textile imports have made into the American market have already absorbed hundreds of thousands of jobs. It should go without saying that, with the continuation of the trend of increased textile imports, countless more jobs are seriously threatened.

And in considering this threat, let us not forget that we are talking about an industry of very significant proportions with respect to its labor force. Of the 20 million manufacturing employees in the United States, the textile-apparel industry employs directly some 2.4 million people—or one in every eight manufacturing workers. There are, furthermore, additional hundreds of thousands involved in fiber production and a great variety of supply and service activities.

Mr. Speaker, what more can I say than that the above facts should speak clearly and well for themselves. If we are concerned about maintaining the viability of a very significant American industry—as indeed we should be—and if we are sincere in our concern about unemployment in the United States, then the Congress cannot and must not fail to take action toward correcting the critical situation with respect to textile imports.

The House of Representatives wisely lived up to its responsibility in this area last year by approving the Trade Act of 1970. With the Senate's failure to act, however, we are still faced with the same responsibility and, unfortunately, an import situation which is still deteriorating.

The situation which exists in the textile industry is a vivid illustration of the need for trade legislation and, unfortunately, there are many other domestic industries confronted with a similar situation. Appropriate action must be taken by the Congress and it is my profound hope that it will be taken very soon.

Mr. BRINKLEY. Mr. Speaker, in view of Secretary of Commerce Stans' statement last week that we may be facing a trade deficit for the first time since 1893, this discussion is particularly appropriate.

While textile imports perhaps have received the greatest attention, this is becoming a problem affecting more and more industries. That the textile import problem has received the greatest publicity is not unusual, since it employs one of every eight U.S. manufacturing workers, and because it is uniquely located to provide jobs at all skill levels to those people and in those areas most in need of them.

Currently our textile imports are running at an annual rate of almost 6 billion equivalent square yards. Compare this with last year's record volume of 4.5 billion yards. Although cotton textile imports are restrained to some extent by the GATT long-term cotton arrangement, neither wool nor manmade fiber imports are limited in any way. And these, more specifically manmades, are soaring.

There are very good reasons for the substantial growth in our textile imports. Perhaps the two most important are these:

First, our imported textiles are produced under wages and working conditions that would be both illegal and intolerable in this country. As such, superior American efficiency cannot overcome the wage gap between this country and foreign nations.

Second, the United States, unlike virtually every other developed country of the world, maintains no limitations on its textile imports, other than the very mild restraints imposed by the LTA on cotton textile imports. The result, we take an exorbitant share of the world's textile exports.

What has all this meant to the textile industry? It has meant a loss of 100,000 jobs in 1970 alone, and the closing of more than 50 textile plants.

In addition, textile mill profits are off. The July 30 issue of the Wall Street Journal reported earnings in the textile industry were down 24.5 percent in the second quarter of 1971 compared with the same period in 1970. Obviously, earnings are essential if any industry is to make the heavy investment in new plants and equipment to keep it efficient.

All indicators point to the magnification of our import problem, unless restraints are applied. This administration has sought to achieve this through negotiations. So far, it has been unsuccessful.

I suggest, it is time that the President propose and that Congress act. What we really need is a thorough reexamination of trade policy in light of conditions in the world today and with a view toward encouraging the growth of our basic and economically vital industries.

Mr. RARICK. Mr. Speaker, I thank the gentlemen from North Carolina for arranging this special order so that we Members can have this opportunity to focus public attention on the grave threat to our U.S. textile industries from foreign imports.

The ever increasing volume of cheap foreign products inundating our domestic markets poses a threat to the stability and existence of many American industries. The U.S. textile industry is foremost in presently feeling the brunt of the avalanche of foreign imports.

In all of the discussion of international trade policy during the past year, nothing has been more misunderstood, more misinterpreted and more maligned than the question of textile import controls. Many people overlook the significance of the textile industry on the job market and unemployment.

To put this problem into perspective—of the 20 million manufacturing employees in the United States, the textile-apparel industry directly employs 2.4 million people, or one in every eight manufacturing workers.

A broad employment base such as this comprises a national asset of tremendous significance. In terms of opportunities for people, regardless of race, sex, educational background or their lines of interest, the textile-apparel industry is remarkably unique as to what it can

offer—that is, provided it has a reasonable chance to grow and progress along with the Nation's economy as a whole.

The textile import problem has been growing for more than a decade. It has now reached proportions which threaten future viability of the American fiber-textile-apparel complex. The growth potential of this industry is threatened when in a 10-year period the volume of imports has more than tripled from 1.3 billion yards in 1960—then an alltime record—to nearly 4.5 billion in 1970.

When expressed in terms of dollars, the penetration of woolen and manmade fiber textiles becomes even more apparent. Wool textile imports have captured more than 25 percent of our domestic market, and, in the case of worsteds, 50 percent. It is for this reason that an all-fiber approach to controlling imports is so essential.

Since 1962, cotton textile imports have been subject to control under the GATT long-term cotton textile arrangement—LTA. So, we are not talking about any new or revolutionary plan in seeking an all-fiber arrangement.

When any plan for controlling the flow of shipments fails to cover all textiles regardless of fiber content it only shifts the burden of imports from one area to another. This has happened under the LTA—incidentally this shift would be further encouraged by the Japanese unilateral declaration of March 8. The LTA was not geared to the dramatic changes in fiber use occurring since 1962. The Nixon administration has tried—diligently, but unsuccessfully—to negotiate a similar control arrangement for imports of manmade fibers and wool textiles. Imports of textiles and apparel manufactured from manmade fibers skyrocketed so fast that they now exceed those of cotton products. They have grown 54 percent in 1970 over 1969. Unless restrained, manmade fiber textile imports can be expected to continue to take even larger shares of this important market.

The reason for impact of imports on the U.S. market is that items made abroad at wages far below the legal U.S. minimum give foreign producers cost advantages that cannot be overcome even by superior American efficiency. U.S. wages are five times higher than in Japan and about eight times greater than in Hong Kong, while Korea, Taiwan, and other Asian countries show a wider disparity.

It is this factor alone which gives appeal to imports. Generally speaking they are copies of American products made at these lower wages without innovative features.

Contrary to claims often heard, the wage gap between the United States and its major foreign competitors is not narrowing, but widening. Figures show that the hourly wage gap with Japan in 1960, for example, was \$1.44. In 1970 it is up to \$1.98—a 37-percent increase in the gap over the 10-year period, and Japan pays the highest wage of the Asian nations.

All this has occurred while wholesale prices of all manufactured commodities have risen 17 percent above the 1957–59

base, in contrast with no change in textile prices.

One of the most alarming aspects of this entire import situation is the impact it is having on capital investment. In our competitive economy, industry must constantly innovate and modernize. No industry can stand still. As matters stand, it is extremely difficult for U.S. manufacturers to plan ahead with any degree of certainty. In the past, when Government actions created confidence, the textile industry invested heavily in the future. Outlays for new plant and equipment rose from \$380 million in 1962, when the cotton LTA controls went into effect, to \$820 million in 1966. After that they began to decline—a situation which cannot be tolerated for very long. Capital spending is currently estimated at \$500 million for 1971.

Our profits picture is equally gloomy. In 1970, textile industry profits on sales were 2 cents per dollar of sales compared with 4.1 for all manufacturing. Our profits on equity were 5.2 percent, while all manufacturing profits were 9.5. This is hardly the “record” profits we have read about in some of our newspapers.

Profits such as those do not encourage the type of investments a growing industry needs. This, is why I believe our Government needs to move decisively to bring about fair and reasonable controls over the future growth of textile imports.

What the textile industry and the administration have been seeking is very simple. No one is asking that textile imports be stopped; no one is asking for any drastic rollbacks. The textile industry is simply trying to develop a mechanism which will slow the relentless rise in imports in a way that will restore confidence in the future of our domestic industry—and protect 2.4 million jobs. This can best be accomplished through government-to-government negotiated agreements.

What I am suggesting is that as we move into what might be a new phase of our industrial development, we give some hard thought to how we are going to provide the jobs this country is going to need in the years ahead.

Before trading off any more of our textile and apparel jobs, we all need to give careful consideration to what 2.4 million American jobs at all levels of skill mean to the future growth and development of this country.

GENERAL LEAVE

Mr. MIZELL, Mr. Speaker, I ask unanimous consent that all Members desiring to address themselves to this subject matter may have 5 legislative days during which to extend their remarks and to include extraneous matter.

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from North Carolina? There was no objection.

TEXTILE IMPORTS

The SPEAKER pro tempore (Mr. GONZALEZ). Under previous order of the House, the gentleman from North Caro-

lina (Mr. BROYHILL) is recognized for 30 minutes.

Mr. BROYHILL of North Carolina. Mr. Speaker, my colleague from North Carolina and I have requested this special order today to bring to the attention of the House the increasingly drastic situation which exists in our Nation's textile and apparel industry. A very serious threat to the existence of this domestic industry has been caused by increasing levels of foreign textile imports over the past decade. We feel strongly that congressional action is required to alleviate this problem, which adversely affects a large number of American workers in many sections of the Nation.

At the beginning of the 1960's our textile and apparel imports totaled 1.3 billion yards. In 1971, they are running at a rate of at least 6 billion yards, about 4½ times the volume of 1960. This is a record level, surpassing the previous record set in 1970 by over 1½ billion yards.

I have often spoken out concerning this dangerous rate of growth. In the past 10 years, over 550 textile plants in the United States have closed down, and jobs were decreased by more than 100,000 in 1970 alone. It is estimated that the current level of imports is displacing at least 250,000 jobs annually, and the rate continues to climb. It seems tragic that many people have only now begun to realize the widespread effects of this situation. This flooding of our market with foreign imports must be controlled, and we cannot afford further delays. There is too much at stake for the Nation's lagging economy to let this problem continue any longer.

Perhaps the most distressing aspect of these statistics lies in the fact that the tremendous growth in imports is taking place in those products which require the highest amount of labor. In this period of unemployment—especially among minority groups—this country can hardly afford to permit this flood of textile imports to continue displacing American jobs. In terms of opportunities for people, regardless of race, sex, educational background, or their lines of interest, the textile-apparel industry is unique as to what it can offer, provided it has a reasonable chance to grow and progress along with the Nation's economy as a whole. Consider, if you will, that non-white employment in the textile industry has grown from 3.8 percent in 1960 to 14.3 percent at the present time. In some areas, this rate is as high as 40 percent. This ranks well above the present national level of about 10 percent minority employment for all manufacturing. The rate of advancement in black employment in the textile industry has been four times that of the national average for manufacturers during the same period.

Another significant aspect of the textile and apparel industries is the large number of women employed. Women constitute about 45 percent of the textile labor force and 80 percent of the apparel workers. This compares with the all-manufacturing average of 27 percent and is particularly significant when we consider retraining or moving textile workers. They simply are not as mobile

as one might think. One out of every four textile jobs is in Appalachia, an area that offers limited alternative employment opportunities. Overall, more than 60 per cent of the industry's workers are employed in nonmetropolitan areas, many in small towns and villages that must depend on the textile industry to maintain their very existence.

On July 24, 1970, the Charlotte, N.C., Observer reported that "this northwest Georgia town—Aragon—of 1,400 has been hit by a disaster. It may cease to exist." Why such tragedy? It is very simple. In the words of the article, "Aragon is about to lose its mill." To further illustrate what can happen to an entire community when a textile mill is forced, by unfair import competition, to close its doors, I call your attention to an article from the Daily News Record, a textile trade paper, describing a situation in High Shoals, N.C., a small town in my congressional district:

MILL TOWNS GET MORE THAN JOBS FROM
"BIG DADDY"

(By Bill Allen)

HIGH SHOALS, N.C.—When a large textile mill stops operation, small towns sometimes lose more than just jobs.

Residents of High Shoals have recently learned that their monthly water and sewer bills will probably increase about 900 per cent in the months to come.

The residents received their water at "rock bottom" rates when Burlington Industries operated the system. But Burlington was forced to close down its High Shoals plant, the Carolinian, earlier this year.

The system of providing water and electricity free of charge or at nominal fees was one of the characteristics of the old mill village, a thing that today has all but been swept into oblivion.

Southeastern Water and Utilities Co., Charlotte, a private utilities company, has taken over the water and sewer operations in High Shoals. The company has applied to the North Carolina Utilities Commission for a rate increase.

"The people of High Shoals have been used to getting sort of a paternalistic treatment from a big employer," said Leslie B. Cohen, president. "I doubt if total gross income would have paid for the maintenance of the system."

When Burlington operated the system, residents paid only \$1.50 to \$3 every two months for their water. Southeastern proposes to charge residents a minimum of \$9 each month for the combined water and sewer service.

The proposed hike will increase bills about 600 per cent for residents who paid the most for their water under the old system. Residents who have paid the lowest bills face a 1,200 per cent increase in their monthly bills.

The new rates have not been put into effect yet. They have to be approved by the State Utilities Commission first. Cohen said a substantial rate hike will have to be enacted for the system to show a profit. "The Commission can change them or amend them in any way they want," he noted.

Southeastern proposes to charge \$5 for the first 2,000 gallons, 75 cents for the next 3,000 gallons and 65 cents for the next 5,000 gallons. The sewer charge would be 80 per cent of the water bill.

The \$9 minimum monthly bill would include \$5 for water and \$4 for sewage (80 per cent of the water bill).

However, statistics show that the average family uses about 6,000 gallons of water each month. The average family, then, would be charged \$14.22 under the new rates.

Southeastern plans to have meters installed in the houses of all customers and charge uniform rates. High Shoals currently has 206 houses on the water system.

It shows how critically dependent countless small communities are on their textile mills for many vital services in addition to the jobs the mills provide. My district, which contains the largest concentration of textile and apparel operations of any congressional district in the Nation, has been especially hard hit by problems such as the one described in this newspaper article. I have seen too much economic hardship afflict an entire town because its mills have closed, and I must speak out to urge corrective action.

It is inevitable that displaced textile workers have a difficult time finding new jobs in the small, limited opportunity areas that they are most likely to work in. This is one major reason textile jobs must be protected in their existing locations. Another reason that is frequently overlooked also evolves from the non-metropolitan concentration of the textile industry. The textile industry is one of very few doing something significant to help prevent increasing urban, inner-city concentration, and migration from our underpopulated rural areas to these big cities. Everyone recognizes the woe of problems our central cities are experiencing. The survival of an industry with over three-fifths of its 2.3 million employees located outside the large cities is a necessity that must concern us all.

In looking at the area of the world where these textile imports are coming from, it is easy to understand why such phenomenal growth in imports in taking place. More than half of the textile imports come from the low-wage countries of the Far East. In these countries, wages are only a fraction of those paid in the United States. The average textile worker in Japan earns 54 cents an hour. In Korea and Taiwan, the average textile wage is 11 cents per hour. This obviously offers no comparison to the \$2.54 per hour average earned by U.S. textile workers. This wage gap gives foreign producers cost advantages that simply cannot be overcome by superior technology. That this technological superiority still exists, incidentally, is well documented. An exhaustive study published by the British Textile Council in 1969 showed spinning and weaving productivity efficiency in our two closest competitors, Great Britain and Japan, to be, respectively, 37 percent and 32 percent of U.S. productivity efficiency. We can take pride in U.S. textile technological expertise.

It has been argued that American consumers benefit from lower prices as a result of low-cost textile imports. Is it beneficial when a total of 300,000 American jobs are displaced or lost? Do we save money by watching our welfare rolls grow? Of course, the answer to both these questions must be an emphatic "no." Any short-range bargains we may think we are getting with low-wage imports of today's magnitude will prove worthless and empty as American men and women continue to lose their jobs.

What the textile industry and the administration have been seeking is very

simple. No one is asking that textile imports be stopped, no one is clamoring for drastic cutbacks. The textile industry is simply trying to develop a mechanism that will slow the ever-increasing rise in imports in a way that will restore confidence and faith in the future of our domestic industry and, above all else, protect 2.3 million jobs. Such a mechanism can best be accomplished through government-to-government negotiated agreements. The Nixon administration has worked long and diligently to reach some settlement with other nations, especially the Japanese. However, time and time again, Japanese negotiators have proved to be stubbornly intransigent and unwilling to enter meaningful bargaining discussions. This House can take pride in the fact that well over half of its Members, representing all sections and interests of the Nation, took the initiative in sponsoring responsible, reasonable legislation last year to maintain a fair level of imports coming into this country. Unfortunately, these measures did not become law. Until strong and meaningful legislation is enacted, our foreign competitors will have no reason or incentive to negotiate in good faith.

While negotiations continue, the men and women in our textile industry continue to suffer job cutbacks. We must not be misled by the unilateral decision that the Japanese have made to voluntarily limit their textile imports into this country. First of all, yarn and manmade fibers, two very important import items, were not even included in the plan. Furthermore, an overall ceiling was set, with no limits on categories of textile products mentioned. This means, in effect, that the Japanese are free to pick off our markets one at a time, just like ducks in a shooting gallery. The restraints are to be based upon import levels from the year ending March 31, 1971, and figures clearly show imports to have been at an alltime high level during that period. Perhaps the most unacceptable and humiliating part of this decision to limit imports is the fact that in accepting it, our Government's responsibility and right to regulate trade has been abrogated by the Japanese Government. To accept this proposal as any kind of solution to the problem is foolish and unrealistic.

If anything, it is a step backward. Until we enact into law meaningful steps to control imports, we can hardly expect the Japanese to limit imports on their own in any significant way.

Looking ahead to the future, I think we can all agree that there is a universal, or at least growing demand for peace in the world. If we attain this goal, if we succeed in achieving peace over a sustained period of time, the industrial leaders of this Nation must make adjustments in their thinking. We must take another look at the type of labor force our defense- and space-related industries have created.

We see symptoms of a serious problem already in California, Massachusetts, and the State of Washington, which have for long based much of their economic growth on defense needs. These so-called "glamour industries" have thrived on

cost-plus and other types of noncompetitive contracts.

Obviously, we could produce battle-ships cheaper in the Orient, but for national security reasons we have not. The SST is another example. When the Federal subsidy was removed, no one came forth with the wherewithal to go ahead with construction.

What I am suggesting is that as we move into what might be a new phase of our industrial development, we give some hard thought to how we are going to provide the jobs this country is going to need in the years ahead.

Free trade is an admirable objective, one that the United States has sought in the past and should continue to seek in the future. However, what we must never forget is that the concept of free trade must be a reciprocal arrangement that implies fair trade. So long as some nations pay wages that in this country we consider criminally low and continue to invade our markets while maintaining a strict closed-door policy toward our own goods and investments, true free trade cannot exist.

Before trading off any more of our textile and apparel jobs, we need to give careful consideration to what 2.3 million American jobs, encompassing skills at all levels, mean to the future growth and development of this country. It is imperative that we act now.

THE CRISIS IN THE TEXTILE INDUSTRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Carolina (Mr. DORN) is recognized for 60 minutes.

Mr. DORN. Mr. Speaker, I do want to commend my distinguished and able colleagues from North Carolina (Mr. MIZELL and Mr. BROYHILL) for their persevering efforts in behalf of the textile industry and, indeed, all American industry threatened by cheap, low-wage foreign imports. My friends from North Carolina, both of them, have done an outstanding job of calling this problem to the attention of the American people and in very diligently pursuing this matter, which grows daily worse.

I want also to commend my great colleague from Massachusetts (Mr. BURKE) who joined with us last year and again this year in introducing legislation which I think would save thousands and, indeed, hundreds of thousands of American jobs. Our colleague, Mr. BURKE, also has been very diligent, dedicated, and devoted to American industry and to the employees of American industry.

Mr. Speaker, when I was a child I heard my father talk about the panic of 1893. A few days ago I noticed that the Department of Commerce issued some statistics to the effect that if imports continued as presently this year, at the end of this year we will have a deficit, the only one since 1893, the year of the panic—and that was 78 years ago. We will have a deficit, I am told, if it continues, of over \$2 billion.

Mr. Speaker, no business—retail, wholesale, or any kind of business—can exist if it buys more than it sells. The

United States is in the same category. We cannot continue everlastingly to bring in these cheap, low-wage imports and sell less than we take in. The United States will go bankrupt the same as any business or any individual.

It is time that the Congress act.

I want to commend again all of my colleagues who have participated. As my dear friend from North Carolina is well aware, it is my honor to be one of the officers of one of the textile committees, one of the organizers. This committee is composed of over 200 Members of the House who are dedicated to saving American jobs.

It is ridiculous for us to appropriate—and we voted for it and I was for it—to provide a 4-year extension of Appalachia to help reduce the poverty level of people in Appalachia, and then to turn around and jeopardize 400,000 textile jobs in Appalachia. It does not make sense. In my State and in the gentlemen's State we employ more minority people than the national average. These are jobs that are being threatened. We employ in South Carolina 50,000 women in the textile industry. These jobs are threatened. We cannot compete with low-wage, cheap, foreign imports, while at the same time maintaining our own American standard of living.

So I wish to commend my colleagues for the great job they are doing. And I believe you are going to be successful in getting something done. The American people are aroused as never before about this threat to our security, to our economic well-being, and to the jobs of the American people.

Mr. Speaker, just this afternoon figures were released showing that the flood of low-wage textile imports continues at an ever-increasing rate.

Also, Mr. Speaker, just this afternoon the President signed into law a bill that authorizes hundreds of millions of dollars for economic development and for the Appalachia program. At a time when the Congress has just passed legislation to continue special economic development programs for Appalachia it is incongruous for the Nation to let the 400,000 textile industry jobs in Appalachia fall victim to the flood of low-wage imports. The textile industry has afforded the first opportunity for well-paying industrial employment to several segments of our population.

The percentage of minority group workers and women employed in the textile industry is high above the national average. There are in South Carolina 47,000 women in the textile industry, approximately one-third of the total work force. The percentage of black employees is 20 percent—almost double the national average. One of our national goals is to reverse the migration of people to the overcrowded urban areas, and the textile industry is making a unique contribution to this goal. When mills close—and we hear more and more reports of closings—the result is ultimately more crowded cities.

And when the textile worker is out of work, or his work week is curtailed, the entire national economy suffers. In my own area every businessman and every

professional man is affected by curtailment in the textile industry. When out of work the textile employee does not pay taxes; he does not purchase consumer goods. The entire economy suffers, as nationally one of every eight manufacturing jobs is in textiles and apparel, a total of 2.4 million workers.

And today, Mr. Speaker, every segment of our great textile industry is feeling the brunt of unfair competition from foreign low-wage imports. Cottons, woolens, yarns, synthetics—every component of this industry has been affected. Industry profits and dividends are down, well below the national average.

Mr. Speaker, the American people were shocked by the recent U.S. foreign trade figures which showed a June 1971 trade deficit of \$362.6 million. Furthermore, for the months of April, May, and June 1971 we experienced the first quarterly deficit in 25 years, and we have been warned that, for the first time since 1893, the United States might for the entire year import more than it exports.

A significant part of this trade deficit is accounted for by the flood of low-wage textile imports, for in 1970 U.S. textile trade was out of balance by more than \$1.6 billion. We imported \$1.6 billion more textile products than we exported. The figures released today show that the imbalance has grown. The United States imported in 1970 4.4 billion square yards of textiles, a 23-percent increase over 1969. The early 1971 figures and figures released today show an even higher rate of textile imports.

An alarming as these statistics are, Mr. Speaker, the effect on our people of the flood of textile imports is much more distressing.

Something must be done, Mr. Speaker to limit this disastrous flood of textile imports before whole regions of our Nation, including urban areas where textile-apparel industry is centered, are thrown into economic depression. The situation steadily grows worse.

Mr. Speaker, we welcomed the President's recognition in 1968 that the textile industry is in a special category and requires special relief. We have hopefully observed efforts by this administration to negotiate meaningful government-to-government agreements with the major textile exporting nations. It has become apparent, however, that these efforts have failed. On July 21, 1971, I wrote the President requesting that he exercise his authority under the national security clause of the Reciprocal Trade Act of 1962 to impose quotas on textiles in the interest of national security.

As organizer and secretary of the House Informal Textile Committee I and a number of my group supported the 1962 act largely because of the national security clause. Under the clause the President, acting on the advice of the Director of the Office of Emergency Preparedness, has the authority to impose quotas in imports in the interests of maintaining national security. We relied on the language of the act and on its legislative history, both of which indicated that for the purpose of triggering action under the national security clause the definition of "national security" was

to take into account the economic welfare of the Nation.

The language of the clause, first added in 1958, itself clearly provides that—

The President shall further recognize the close relation of the economic welfare of the nation to our national security, and shall take into consideration the impact of foreign competition on the economic welfare of individual domestic industries. The legislative history of this addition clearly indicates that the National Security Clause was intended to provide a remedy "whenever danger to our national security results from a weakening of segments of the economy through injury to any industry, whether vital to the direct defense or a part of the economy providing employment and sustenance to individuals or localities. . . . (1958 U.S. Code Congressional and Administrative News, p. 3614)

It was the clear congressional intent that the internal economic welfare of the Nation be a component of "national security."

Textiles are currently being imported in quantities and under circumstances which undermine the internal economy by displacing domestic products, causing constantly increasing unemployment, loss of skills and investments, and the closing of mills. The resulting damage to this most basic industry does constitute a clear and present danger to our national security. I urge the President to initiate prompt action under the procedures provided in the national security clause. The President has been granted the authority by the Congress, and I would hope that he would invoke national security quotas on a category-by-category basis. Any overall textile product limitation, whether unilateral or by agreement, which does not contain categorical restrictions would allow foreign producers to overwhelm individual segments of the American textile industry, one segment at a time. The categorical limitations would prevent this destructive switching.

Mr. Speaker, if relief is not forthcoming by administrative action, I believe that the Congress will act to pass statutory quotas. Presently pending before the Ways and Means Committee, among many other trade bills, is H.R. 20, the Trade Act of 1971, which was introduced by Chairman MILLS on January 22. I joined the chairman in introducing this bill, which is identical to the Mills trade bill which passed the House in the 91st Congress. Members of Congress from all sections of the Nation are becoming more and more alarmed by the increasing volume of imports of all manufactured goods. What form legislation would ultimately take in the 92d Congress is hard to predict, but, if relief is not otherwise forthcoming, there will be legislation.

The hour is late. The situation is critical.

Mr. BURKE of Massachusetts. Mr. Speaker, I rise today to join my colleagues who have requested a special order to discuss the critical textile import situation. I wish to compliment my good colleagues for the singular service they are performing not only Congress, but the Nation in focusing our attention today on this serious problem. The job loss problem in America continues to grow worse day by day. The unemployment fig-

ures show it, the rising welfare rolls show it, the increased unemployment compensation claims show it, and above all, the balance of trade figures show it. But, in the end, it is not a problem which can adequately be explained in percentages and statistics because the human misery and despair that result from unemployment cannot be measured statistically.

The role of U.S.-owned multinational corporations in the job-loss problem in America is, perhaps, too little understood and appreciated. These huge corporations salute no flag, save the corporate profit and loss charts. They export American capital, American technology, and American jobs to countries with cheap labor pools. And the American consumer—who these corporations sometimes forget also is an American worker—does not realize the savings resulting from the cheaper labor costs. No, these corporations retain that amount as further profit.

On July 12 I was privileged to participate, with my colleague Mr. BETTS, in the AFL-CIO Conference on Jobs. During this conference, the role these multinational corporations play was examined in depth. It is a subject which we all must concern ourselves with at the earliest opportunity.

One of the most prominent experts on this problem, AFL-CIO Research Director Nathaniel Goldfinger, was recently interviewed on the Mutual Broadcasting System on this same subject. I am inserting the text of this interview in the RECORD at this point because I believe it to be of interest to my fellow Members of the House.

LABOR NEWS CONFERENCE

(Subject: International Trade.

(Guest: Nathaniel Goldfinger, director of the AFL-CIO's Department of Research.

(Reporters: Murray Seeger, Washington correspondent for the Los Angeles Times; Tom Joyce, economic correspondent for Newsweek Magazine.

(Moderator: Frank Harden.)

MUTUAL ANNOUNCER. The following time is presented as a public service by this station and the Mutual Broadcasting System.

HARDEN. Labor News Conference. Welcome to another edition of Labor News Conference, a public affairs program brought to you by the AFL-CIO. Labor News Conference brings together leading AFL-CIO representatives and ranking members of the press. Today's guest is Nathaniel Goldfinger, director of the AFL-CIO's Department of Research.

In the view of the AFL-CIO, the United States must substantially reshape its international trade policies to effectively meet serious problems this country faces in international trade and investment. Finding effective solutions to this country's international trade and investment problems is a major issue in Congress this year, as it was in the 1970 session. Here to question Mr. Goldfinger about the AFL-CIO's position on international trade and investment, and the charges it believes are possible and necessary to meet the already serious and worsening problems, are Tom Joyce, economic correspondent for Newsweek magazine, and Murray Seeger, Washington correspondent for the Los Angeles Times. Your moderator, Frank Harden.

And now, Mr. Seeger, I believe you have the first question?

SEEVER. Mr. Goldfinger, has the issue of international trade shifted from dollars to jobs?

GOLDFINGER. In our view, Mr. Seeger, the

current issue is certainly the displacement of large numbers of workers—jobs.

What's been happening in the past number of years—and to a very extreme degree—is that production is being displaced by imports—a rising flood of imports. With this flood of imports, jobs are just going down the drain—by the scores of thousands per year.

I can give you some examples.

A congressional estimate, which was put into the Congressional Record recently, indicates the degree to which imports have displaced large portions of U.S. production.

We think these congressional figures are rather conservative.

They indicate that 20% of automobile sales in the U.S. are now imports; 30% of television sets; more than 40% of glassware; and about 60% of sewing machines and calculating machines—all of these are imports.

Here are some additional facts. As far as we in the AFL-CIO can learn, about 100% of all cassettes that are sold in this country are now imported; nearly all radios—95% or more of all radios sold in the United States are imports.

At the same time, large portions of other U.S. production are being displaced—men's shirts, workclothes, shoes, knit-goods, and so forth.

Now, with this kind of development—and this has all been happening very rapidly—this wasn't true 10 years ago—all of this came on very fast in the decade of the Sixties. Now with all of this there is job displacement—as production is displaced—and it's happening on a very wide-spread basis.

JOYCE. Mr. Goldfinger, can you tell us, specifically, how many jobs have been lost to foreign competition in this "new ballpark?"

GOLDFINGER. Unfortunately, Mr. Joyce, the trade experts—in both government and business—and also in the universities—have shown very little interest in what happens to American workers as a result of trade.

So, we are compelled to rely upon some rough, overall estimates from the U.S. Department of Labor.

These estimates—without going into great detail of how they are built up—these estimates of the U.S. Department of Labor were presented to congressional committees within the past couple of years by the Secretary of Labor. They indicate that in three years—just the three years between 1966 and 1969—about 500,000 American job opportunities were lost, on a net basis, considering the import displacement and the increased employment that would be due to exports.

There was a net loss, according to these estimates, of about 500,000 job opportunities. We can document a lot of this.

Look at what's been happening in the consumer-electrical area—television sets, radio sets, cassettes, and various other kinds of product. All of these are being displaced very rapidly by imports.

With the displacement of U.S. production, jobs are going.

JOYCE. Would it be fair to say, Mr. Goldfinger, that you have changed your position—really 180 degrees—whereas the unions used to be completely in favor of free trade, you are now asking for controls and for new legislation, because of the jobs?

GOLDFINGER. Well, we have changed our position considerably, Mr. Joyce.

But, we didn't do it suddenly—we began to shift very sharply back in 1965. We have been asking the United States government and the Congress to take cognizance of this very serious and growing problem—to start acting—to shift policies—shift government measures.

But, the United States government, unfortunately—neither the Administration nor the Congress—has seen fit to act as yet.

It is true that we have been demanding a change of policy and we continue—to an in-

creasing degree—to demand a sharp change in U.S. government policy.

SEGER. Can you be more specific—tell us what these changes in policy that the AFL-CIO wants are?

GOLDFINGER. Well, I'd have to explain, Mr. Seeger, why we are recommending some of these policies. I'll indicate a few.

For example, one key problem in this whole area of international trade is the fact that that in the post-war period—in the past years—governments have been managing their economies to a very great extent. In doing so, they set up direct and indirect subsidies for their exports, and they set up direct and indirect barriers to imports.

Now, the result is that a flood of imports moves into the United States, which is, relatively, the most open market among all the major industrial countries of the world.

At the same time, our exports are hampered and barred by the policies of foreign governments. That is one problem.

Another key problem is that American business, in the past 25 years—and particularly in the past 10 years—has been exporting American technology and exporting American know-how. They've been setting up subsidiaries of the firms—operating in Taiwan, Mexico, Europe—around the globe.

In the past 25 years—according to Professor Raymond Vernon of Harvard—American business set up something like 8000 foreign subsidiaries, mostly in manufacturing industries, and these foreign subsidiaries of American firms are shipping the goods back into the United States. We are losing foreign markets, because they are selling in foreign markets as well.

So, that is a brief introduction, Mr. Seeger.

The AFL-CIO has been posing that the U.S. government stop its assistance to American business in setting up foreign subsidiaries. The truth of the matter is, the United States government provides tax incentives and other assistance and encouragement to American businesses to set up foreign subsidiaries.

We think that kind of assistance should end.

Moreover, we think the United States government should set controls on the export of capital—on the export of American dollars to set up foreign subsidiaries.

We also think that the United States government should set up controls and regulations on the export of technology—on the export of American know-how.

Also, we believe that the United States government should press through international channels for the development of fair labor standards in world trade.

And finally, we believe that the United States government should set up an orderly marketing mechanism—with quotas—to bar the sharp rise of imports that are disrupting American markets—and set up such quotas on those products, the imports of which are displacing large percentages of U.S. production and employment.

That, in brief, is the kind of thing that the AFL-CIO is demanding of the U.S. government.

SEGER. Historically, Mr. Goldfinger, economists and other trade experts have always said that if the United States set up bars to foreign trading in this country, it would set off an international trade war. In other words, barriers against our products. And they say the result of that would be higher unemployment among American workers. Do you have any fears about an international trade war?

GOLDFINGER. No, Mr. Seeger, I think that's scare talk—trade war.

In a sense, you can say that there is a "trade war" going on right now. Other countries have bars to our products—they follow all kinds of practices that either hamper or bar American products—they have all kinds of practices that subsidize, directly and in-

directly, their exports into the open United States market.

I'm not concerned about that—a trade war. I think that is a lot of scare talk. I think it's time that the United States develop an American international economic policy.

We cannot go on, in my opinion, for another decade, permitting American corporations, in effect, to set the international economic policy for this government.

This is affecting the entire American economy, and particularly, it's affecting American workers.

JOYCE. Mr. Goldfinger, isn't there the danger—the possibility—that if the measures you are asking for were enacted, we would have higher domestic prices in this country? And, would that not lead to demands for higher wages?

GOLDFINGER. I think that the whole price aspect, Mr. Joyce, has been utterly distorted and grossly exaggerated.

Just look at the record. Within the past year, there has been a very sharp rise of auto imports into the U.S. At the same time, the U.S. auto companies increased their prices.

I think it's false to claim that expanding imports of manufactured goods are somehow always a benefit to the American consumer. The case of the auto prices is one example.

Another is shoes. Shoe imports shot up over the past ten years to the point where they now account for something like 1/4 or more of American shoe sales—that's up from a very small percentage ten years ago. But at the same time, the retail price of shoes—according to the U.S. Department of Labor—increased 38% between 1960 and 1970.

So, here you have the case of a very sharp rise in shoe imports, and shoe prices rising 38% in the period—which was considerably faster than the overall increase of the Consumer Price Index.

SEGER. Haven't the imports of foreign automobiles, Mr. Goldfinger, offered the only real competition to the U.S. auto industry, which is a highly concentrated organization? I heard a White House man say, not many weeks ago, that if it weren't for foreign automobiles coming into this country, all American cars would be Cadillacs—they would all be big, over-sized automobiles. The foreign imports have supplied a wholly different version of the auto market.

GOLDFINGER. To some extent that's true, but not in terms of price competition. There has been some competition, but I think that the way it's posed by this White House person is grossly exaggerated.

We produce small cars in the United States—we produce compact cars—all of our cars are not the huge Cadillacs.

Moreover, the whole picture of the national origin of products is utterly confused.

Just take the automobile as an example.

With the help of Madison Avenue-type advertising techniques, the American consumer no longer knows where a product comes from. Now let's take the Pinto—Ford's answer, so-called, to the imported small car. Major parts of the Pinto are imported from England and Germany, and some of the Pintos that are sold in the United States are assembled in Canada.

Now, is this an import, or, is it an American-made product, or, is it in reality—as I think it is—a combination of both imported parts, American parts, largely American-assembled and partly assembled in Canada?

JOYCE. Mr. Goldfinger, you are talking about what is termed a new phenomenon—the multi-national corporation. Is there any motivation beyond cheaper wages—any business motivation beyond that?

GOLDFINGER. Well, some companies, I guess are—depending on the nature of their product—some of the companies, like the big oil companies, are obviously looking for oil reserves.

But, by and large, the big increase in the spread of world-wide operations of American

companies in the past ten years has been, in our view, a search for low wages. Look at all of the big electrical consumer companies that are now operating subsidiaries in Taiwan, Singapore, and Hong Kong.

The obvious reason for doing that is the fact that wages in those places are as little as 10 cents—15 cents an hour.

SEGER. How does the United States get wages raised for other workers around the world?

GOLDFINGER. Well, we think, Mr. Seeger, that the United States government should press—in appropriate international channels, such as the International Labor Organizations and others—for the development of fair labor standards in world trade—some kind of standards to be applied to the wages and working conditions on products that are shipped in world trade.

But the key factor here—that Mr. Joyce raised—the multi-national company—Mr. Seeger, is that the American company that operates in Taiwan, Singapore, Hong Kong, or elsewhere around the globe—paying as little as 10 or 15 cents an hour, or maybe as much as 50 cents an hour.

Remember, those wages are much less than half—maybe 90% less—than the wages paid in the United States. Yet at the same time, they are using American machinery, American know-how, American technology, and American inventions. As a result, their productivity levels—their levels of efficiency—are as high, or nearly as high as those in American plants. But, at the same time, they have the advantage of infinitely lower labor costs—and frequently, they also have lower taxes and so forth. They are able to produce these items in these overseas subsidiaries much cheaper than they can in the United States.

Yet when the goods are shipped into the United States, they are sold at the American prices. That produces great big profit margins for the companies.

The drive here, in our estimation, is greed—it's a profit-drive—and the profit-drive on the part of these companies is blind—they apparently don't give much concern to what's happening to American workers, and, in effect, to the buying power of the American people, because the basis of American buying power is workers' wages.

JOYCE. Mr. Goldfinger, has the changing role of international banking contributed to the new international industrial milieu?

GOLDFINGER. It certainly has, Mr. Joyce.

Just look at the big flurry a few weeks ago—in Europe—where there was a run against the American dollar in favor of the German mark, look at what happened. That run was not entirely the result of the manipulation of foreigners. To a very great degree, Mr. Joyce it was the flow of American dollars, manipulated by American banks, through their own foreign subsidiaries—their branches in London, in Zurich, in Frankfurt, Germany and elsewhere. It was also the result of the manipulation in the European money market of the treasuries of these U.S. owned, multi-national companies, which move not only products from one place to another around the world, but also manipulate money around the world.

We're convinced that this is a very serious problem—this is not simply a problem confronting American workers.

The membership of the American trade union movement feels this problem most directly. But, it is a serious problem confronting the entire American economy and the American people in general.

SEGER. How much of what we are talking about, Mr. Goldfinger, is a big historic shift in the American economy away from a manufacturing economy to one providing services, and that there are parts of the world that can manufacture more efficiently and cheaper than we can, and that we can do other things more efficiently?

GOLDFINGER. Well, Mr. Seeger, the situation is not just happenstance—it's not occurring under some kind of pre-ordained law.

This is happening because of the conscious design and conscious efforts of American business, to a great extent, helped along by the direct policies of foreign governments.

Let's take the example of Taiwan. What is there on the island of Taiwan that gives it any special expertise in producing radios, television sets and other kinds of consumer electrical products for the American market?

There isn't anything in Taiwan that gives the Taiwanese any special expertise.

The expertise is exported by American companies—the big, giant electrical manufacturers in the United States that have exploited American technology, American machinery, American know-how, into the Far East—used the labor over there, at 10 or 15 cents an hour, with American know-how, and to get the advantage of the big, wider profit margins.

HARDEN. Thank you, gentlemen. Today's LABOR NEWS CONFERENCE guest was Nathaniel Goldfinger, director of the AFL-CIO's Department of Research. Representing the press were Murray Seeger, Washington correspondent for the Los Angeles Times, and Tom Joyce, economic correspondent for Newsweek Magazine. This is your moderator, Frank Harden, inviting you to listen again next week. LABOR NEWS CONFERENCE is a public affairs production of the AFL-CIO, produced in cooperation with the Mutual Broadcasting System.

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REMARKS OF JAMES A. BURKE

It only remains for me to add that I pledge my continued allegiance today to the grand alliance between the textile and shoe industry. Recent announcements and rumors from Spain notwithstanding, I know that a lot of this has been designed to drive a wedge between us with open speculation in the press. Congressmen representing northern districts with unemployed shoe workers will lose interest in the textile industry's plight. If there was the intent behind the ballyhoo surrounding the Italian shoe announcement, then it has failed and failed miserably. I still feel that there is need for quota legislation. The voluntary agreements announced to date both in textiles and shoes still fail to meet our objectives and I think that it is worth noting that I am supported in this position by the leaders of organized labor in the shoe industry as witnessed in the press release which follows:

SHOE UNIONS HIT "VOLUNTARY" IMPORT QUOTA

The "voluntary" Italian shoe export quotas to the United States, recently announced by the White House, were criticized as "far from being a workable solution to the imports problem" by the heads of two AFL-CIO unions last week.

Presidents John E. Mara of the Boot & Shoe Workers and George Fecteau of the United Shoe Workers called the quotas a "fraud" and said that only agreements with teeth in them could be of value.

"Italian shoes have already cost 65,000 American shoe workers their jobs," they said as they pledged to work to get quota legislation through Congress.

The two leaders of more than 80,000 shoe workers declared that the agreement limiting 1971 Italian shoe imports to 5 percent over the 1970 level is worthless because imports are already running about 22 percent over 1970.

Both men suggested that the agreement could be easily circumvented by the Ital-

ian shoe industry because its exports to the United States are in terms of dollar value. Simply downgrading the value of the shoes would enable the Italians to increase the actual amount of footwear shipped to this country.

"The American shoe industry can be saved," they stated, "only with hard-nosed quotas supported by tariff restrictions." (July 29, 1971)

RATIONING OF QUOTAS

Quotas, whether voluntary or legislative, have a single problem: who gets how much of what?

In the recent announcements concerning the voluntary quotas to be established by Italy, the Italian Ministry of Foreign Trade announced it will limit exports of footwear to the United States "to avoid the eventuality of unilateral restrictive measures by American authorities." Shoe shipments to the United States will be approved by the Ministry of Foreign Trade only if the volume of exports doesn't exceed the total of 1970 exports by more than 5%.

An export visa from the Italian Chamber of Commerce is now required on all footwear exports. The Chamber of Commerce will also compile statistics on the volume of footwear exports. Companies exporting shoes will have to furnish reports on their 1970 and 1971 shipments at the time they apply for their first visa.

The nitty-gritty comes when that last few percentage points are rationed as to companies. Imports from Italy are already well ahead of last year, so it will take a juggling act to keep all Italian footwear exporters happy.

The establishment of voluntary quotas should be considered a step in the right direction, except for two factors. What happens if domestic footwear production continues to decline? What about rapidly expanding imports from other nations?

To answer the first question, footwear imports from Italy will continue to grow regardless of what happens to domestic production. If domestic production declines, then the 5% permitted growth of Italian would actually be capturing a larger share of the market than the 5% permitted growth would seem to indicate.

Had the import quota been based on domestic production, then a fairer quota would have been set.

Talks with Spain are underway to establish voluntary quotas there. Theoretically, they should be based on the same format as the Italian Quotas.

How about Brazil whose exports to the United States have jumped 400% within one year? The production potential in Brazil is fantastic, and reports from various sources point out the facts that labor is cheaper and labor conditions poorer than Italy or Spain is or was reputed to be.

How is Italy, and Spain should she consent to voluntary quotas, going to accept this extremely rapid growth of Brazilian exports to the United States? Not to mention other nations such as Korea, Taiwan, Hong Kong, and possibly India and Red China.

Somewhere along the line someone is going to get a little upset and the whole situation could once again revert to an open export situation.

It would have been better for all concerned, domestic footwear manufacturers and exporting nations had the United States government applied fixed import quotas on one and all. It would have permitted a predictable growth and given other nations the opportunity to expand their export markets to other nations.

So, whoever has to decide "who gets how much of what?" is going to need the wisdom of Solomon.

Mr. FISHER. Mr. Speaker, as a mem-

ber of the Armed Services Committee and as Representative of the largest wool producing district in the Nation, I have become increasingly concerned over the failure of our Government to achieve reasonable controls on the flood of wool and man-made fiber textile imports. The situation has grown more and more serious and is now in fact critical.

The Congress, in enacting and extending the National Wool Act of 1954, has declared the production of wool in the United States to be necessary to the national defense. But raw wool has no defense potential unless facilities exist in the United States to manufacture it into apparel, blankets and other products which can be utilized by our military and civilian population in the event of an emergency. This has been recognized by the Defense Department, which has termed the textile industry second only to steel in military importance.

And what has been happening to this industry which is the second most essential to our national security? You have heard from some of my colleagues who have described the utterly astonishing growth in the rate of man-made fiber textile imports, and the seriously disruptive effect which they are having on the domestic industry.

Let me give you a few facts about the wool situation, in which my constituents and I have a most direct interest. Domestic production of wool textiles in 1970 was off 25 percent from 1969. In the first 5 months of 1971, production was off another 36 percent from the equivalent period of 1970. Yet imports continue to supply over 28 percent of the U.S. market, a record high. Such a level of imports would be seriously damaging to the American industry if it were prosperous and healthy. In a period of recession in the industry, this level of imports is devastating.

The 200,000 wool growers and their families in Texas and elsewhere suffer from this situation. The price of domestically produced raw wool is now about 23 cents per pound, a level which we have not seen since the great depression.

The economic plight of the wool growers, textile manufacturers, and their employees is sufficient in itself to render the textile import problem a matter of grave national concern. I am equally concerned over the effect this situation is having on the defense posture of the United States. As an example, I doubt that the great worsted industry, which performed so admirably in supplying military and essential civilian needs in World War II, has the capacity presently to meet these needs in the event of a national emergency. And it would assuredly be foolhardy to look to the countries of the Far East to meet them for us.

For all these reasons, Mr. Speaker, I join with my colleagues in stressing the need for immediate and effective action by the administration to bring the flood of textile imports from low wage foreign countries under reasonable quantitative control.

Mr. HENDERSON. Mr. Speaker, once again, those of us who represent States and districts where the manufacture and process of textile goods is an important

and vital part of the economy want to call to the attention of this body and to the American public the plight in which this industry finds itself.

This industry must build and maintain its plants at inflated American costs. It must purchase machinery, equipment, and supplies at constantly increasing prices. It must pay inflated wages and salaries to its workers. And it must meet strong domestic competition. These are normal. They are problems faced by every American industry. But in the case of textiles, to compound the situation, the industry must compete with a virtual tidal wave of cheap textile products imported from abroad.

The foreign processor or manufacturer does not have to build and maintain his plant at inflated American costs. He does not have to purchase his machinery, equipment, and supplies on the high-cost American market. The wage rate he pays is a mere fraction of the rate imposed by law and inflationary pressures upon the domestic industry.

And so when we place our American industry in direct competition with this foreign adversary, it is a little like matching Mohammed Ali against Joe Frazier when Frazier has one hand tied behind him and is bound by the Queensbury rules while Ali has the use of both hands and is free to kick, bite, gouge, and use any other tactic available.

But the question is raised, Why should textiles be singled out for any special form of relief? What about other industries?

The answer is simple. There is no other single major American industry which has lost as high a percentage of domestic market to imports in recent years as has the textile industry, unless it is shoes.

We all know and realize that we must deal in world trade and deal on world markets; that we must negotiate reciprocal trade agreements and that we cannot be isolationist in our trade policy. But we can and must insure that we do not permit an entire American industry to be made bankrupt by foreign imports, and the textile industry faces just that clear and present danger.

If we had gained anything significant in our balance of trade generally over the past decade by the steadily increasing textile imports, it certainly should be showing up by now in a generally favorable balance of trade, and yet at the end of the fiscal year just past, we had the worst balance-of-payment deficit we have experienced during the past 10 years.

Political promises have been made. Bills and resolutions have been introduced. Voluntary agreements have been announced with great ceremony. But the textile industry continues to suffer.

It has been interesting to me to notice of late that the Congress has shown a willingness to bail out the aircraft industry and, in at least one instance, from its own mistakes and mismanagement. It is being called upon to save a major railroad company from financial ruin—like-wise caused at least in part by mismanagement. The President tells us, and many agree with him, that these indus-

tries are vital to our defense and to our economy and must be preserved.

In my judgment, the textile industry is equally vital and equally deserving of consideration. And it does not come to Congress seeking a handout. Instead, it comes seeking only a fair deal and an opportunity to compete with foreign producers on more even terms. Surely, it deserves no less.

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may be permitted, if they so desire, to extend their remarks on the subject of my special order today.

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

There was no objection.

FOREIGN IMPORTS

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Ohio (Mr. CARNEY) is recognized for 5 minutes.

Mr. CARNEY. Mr. Speaker, the first thing I want to do is thank the distinguished gentleman from North Carolina. He is not only a great athlete but a great Congressman.

Mr. Speaker and Members of Congress, on July 17, United States Steel's Ohio works plant in Youngstown, Ohio, which is located in my district, shut down throwing 2,700 steelworkers out of work, plus about another 1,000 supervisors and office workers.

A week later I received word that the Ohio Leather Co. in Girard is going out of business in September, throwing over 200 more people out of work.

In both of these cases the problem was foreign imports.

Today, five men from the Youngstown Welding & Engineering Co., came to my office with a petition signed by 1,200 workers protesting the awarding of a U.S. Navy contract to a Canadian company. The contract was for torpedo tubes, which the Youngstown Welding Co. has been making since 1958. Four other companies bid on this contract. Yet, the contract went to the Vickers Co., a company located in Toronto, Canada. Mr. Speaker, here we have a case in which the U.S. Navy awarded a defense contract to a foreign-based firm instead of to an American firm which has a proven track record of making the product here.

Here we have a case in which American citizens, American taxpayers, the ones who want to work, are being denied the opportunity to work.

Mr. Speaker, the American people are fed up with these policies that favor foreign companies and foreign workers over American companies and American workers.

We had better start putting the interests of American workers and American companies first. I call upon the Navy Department to reconsider its decision and to award this contract to an American-based firm.

Mr. Speaker, yesterday we passed a law for make-work upon which we are spending hundreds of millions of dollars to make work for American people. These are people who do not want make-work; they are proven tradesmen, they are proven American workers making good American products, and American wages under American conditions. When our Navy Department gives a contract to somebody else then America had better start waking up.

We are talking about the inflation, the cost of living; we are talking about people we have to give welfare to, but these are people, Mr. Speaker, who are homeowners. The 2,700 workers at United States Steel are American workers, and we had better start thinking about doing something to correct this situation.

Once again, Mr. Speaker, I call upon the Navy Department to reconsider this vile action.

EMERGENCY STRIKE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. HARVEY), is recognized for 5 minutes.

Mr. HARVEY. Mr. Speaker, I am pleased to announce that I have today reintroduced emergency strike legislation with the backing of six additional cosponsors. Our legislation, first introduced as H.R. 8385 back in May, now has the bipartisan support of 61 Members of this body. It has been previously reintroduced as H.R. 9088, H.R. 9089, H.R. 9571 and H.R. 9820.

While the recent crippling rail strike has been settled, the need for a permanent solution to protect the public is particularly obvious. As I mentioned in recent testimony on our bill before the Subcommittee on Transportation and Aeronautics of the Committee on Interstate and Foreign Commerce, what is needed—and what is provided in the legislation which my cosponsors and I propose—is that the right of selective strike be circumscribed with appropriate safeguards for the public interest.

Both the burden of unlimited selective strikes, and the threat of nationalization of the railroads require that this Congress find a solution to rail industry disputes.

Let me quote from an editorial which appeared in the August 3 edition of the "Evening Star." The editorial closed by saying:

In the aftermath of the rail strike, the losses of agricultural produce and mining and industrial income should reinforce efforts at providing a last-resort mechanism for ruling out nationally prohibitive stoppages. Congress should attend to this neglected duty when it returns from its recess.

LIST OF COSPONSORS OF EMERGENCY STRIKE LEGISLATION

1. John B. Anderson (Ill.)
2. William S. Broomfield (Mich.)
3. Garry Brown (Mich.)
4. James T. Broyhill (N.C.)
5. J. Herbert Burke (Fla.)
6. Omar Burleson (Tex.)
7. John W. Byrnes (Wis.)
8. Elford A. Cederberg (Mich.)
9. Charles E. Chamberlain (Mich.)
10. Harold R. Collier (Ill.)
11. Barber B. Conable, Jr. (N.Y.)

12. R. Lawrence Coughlin (Pa.)
13. John Dellenback (Oreg.)
14. Edward J. Derwinski (Ill.)
15. Samuel L. Devine (Ohio)
16. John J. Duncan (Tenn.)
17. John N. Erlenborn (Ill.)
18. Jack Edwards (Ala.)
19. Joe L. Evins (Tenn.)
20. Peter H. B. Frelinghuysen (N.J.)
21. Bill Frenzel (Minn.)
22. Louis Frey, Jr. (Fla.)
23. James R. Grover (N.Y.)
24. Tom S. Gettys (S.C.)
25. Gilbert Gude (Md.)
26. Seymour Halpern (N.Y.)
27. Michael Harrington (Mass.)
28. James Harvey (Mich.)
29. Craig Hosmer (Calif.)
30. Edward Hutchinson (Mich.)
31. William J. Keating (Ohio)
32. Hastings Keith (Mass.)
33. Norman F. Lent (N.Y.)
34. Sherman P. Lloyd (Utah)
35. Delbert L. Latta (Ohio)
36. Robert McClory (Ill.)
37. Paul N. McCloskey (Calif.)
38. John Y. McCollister (Nebr.)
39. Jack H. McDonald (Mich.)
40. James D. McKevitt (Colo.)
41. F. Bradford Morse (Mass.)
42. Charles A. Mosher (Ohio)
43. Thomas M. Rees (Calif.)
44. J. Kenneth Robinson (Va.)
45. Howard W. Robison (N.Y.)
46. Edward R. Roybal (Calif.)
47. Herman T. Schneebell (Pa.)
48. William L. Scott (Va.)
49. Fred Schwengel (Iowa)
50. Keith G. Sebellus (Kan.)
51. Garner E. Shriver (Kan.)
52. Robert T. Stafford (Vt.)
53. J. William Stanton (Ohio)
54. William A. Steiger (Wis.)
55. Charles Thone (Nebr.)
56. Guy Vander Jagt (Mich.)
57. Victor V. Veysey (Calif.)
58. G. William Whitehurst (Va.)
59. Lawrence G. Williams (Pa.)
60. Bob Wilson (Calif.)
61. Clement J. Zablocki (Wis.)

THE MODERN VOLUNTEER ARMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 5 minutes.

Mr. KEMP. Mr. Speaker, we are fortunate to have a number of outstanding congressional intern programs from which we can draw upon as a resource of youthful and brilliant talent, particularly during the summer months. One is the Washington Workshops Foundation "Advanced Seminar on the American Legislative Process."

This summer, the workshops sponsored as one of my interns, Miss Karyl Nancy Berger, a recent graduate of the Park School in Buffalo. Next fall, Karyl will enter the school of government and public administration at American University.

I was very fortunate to have Karyl on my staff this summer and I feel it is fitting and proper to share her outstanding contribution with my colleagues. She did her research paper on the modern volunteer army and I think we would all do well to analyze this difficult question with the detail and diligence exercised by Karyl.

Mr. Speaker, I include her paper at this point:

THE MODERN VOLUNTEER ARMY

(By Karyl N. Berger)

ACKNOWLEDGMENTS

I would like to express my deep appreciation to Sherrie Sievers, the Washington Workshop II administrator, for her wonderful understanding; to Representative Jack Kemp for the opportunity to work in his office and to my parents, Mr. and Mrs. Louis Berger, for their encouragement and affection. (Karyl N. Berger, July 24, 1971.)

INTRODUCTION

"The military draft has a greater impact on the lives of our young people than perhaps any other government activity. . . It is hardly surprising, consequently, that the young people of this nation are vitally interested in the draft—not only because under its operation they might be called and sent to Vietnam, but also because its operation today is unfair, disruptive, and unpredictable."¹

The draft system is badly in need of some kind of reform. The question of whether the reform will come from the inside of the present system, or if the system will be completely overhauled will ultimately be in the hands of the United States Congress.

This paper will try to prove that The Modern-Volunteer Armed Force, which the United States has had in peacetime, would be the best answer to this volatile issue that confronts our nation today.

The Selective Service System was established by The Military Training and Service Act of 1947. It required that all males between the ages of 18 and 26 register for military service. It also provided that the President, Commander-in-Chief of the Armed Forces, select and induct the number of men necessary to maintain the strength of our forces, and also to select and induct men in specialized fields that are needed.²

Except for a few minor changes, The United States Selective Service operated under this law up until 1967 when The Congress of the United States passed The Military Selective Service Act. In 1969, the new President, Richard Nixon, put some pressure on The Congress to bring about some reforms. In November of that year, The Congress passed some revisions that remain the policy of this agency. Under the new law, The Selective Service Director was ordered to place in effect a simple random selection based on the random sequence of the 365 or 366 days of a year. Also, the period of draft vulnerability was reduced from seven years to one year.³

The Draft Bill expired on June 31, 1971. The Senate and The House of Representatives have both agreed on a two year extension of the draft, but because of differences between the two Houses on The Mansfield Amendment, the draft extension has been stalled.⁴

A proposal for a Modern-Volunteer Force has been mentioned, and the idea has attracted people from both sides of the political spectrum. They include such conservatives as Senator Barry Goldwater, Republican from Arizona, and William F. Buckley, Editor-in-Chief of *National Review Magazine*, and such liberals as Senator Mark Hatfield, Republican from Oregon and John Kenneth Galbraith, the economist.

On March 27, 1970, President Nixon created a commission to look into the possibility of an All-Volunteer Armed Force under the chairmanship of Thomas S. Gates, former Secretary of Defense. The committee was designed to develop a plan to end the draft, and to move forward in creating an All-Volunteer Force.⁵

The arguments that have been presented in favor of an All-Volunteer Force are varied. One basic issue concerns the civil liberties of an individual. Europeans fled their homelands because of military conscription. They

brought their strong beliefs to America, and applied them in opposition to forced labor.⁶

Milton Friedman, a member of *Newsweek Magazine*, a conservative economist, and a member of "The Gates Commission" said:

"I do not believe that the government has the right to compel individuals to perform designated physical services as a condition of citizenship."⁷

There is one reason that governments conscript their men into The Armed Forces, and that is "to provide the manpower which is the sine qua non of war-making". Many people believe that conscription shows the concurrence between drafting and militarism. If a country has an aggressive military policy, there is usually a draft to back it. Napoleon, Mussolini, and Hitler all used conscripted armies to back their regimes.⁸

The argument that there will not be enough volunteers to maintain our strength is virtually non-existent. There are about 2.1 million men who are true volunteers. Many men who have a slim chance of being drafted because of their high lottery numbers join on their own volition. In The Air Force, all of the men are volunteers, and 65% of the men in The Marine Corps are not drafted.⁹

Secretary of Defense, Melvin Laird, said:

"If military pay and other incentives are adequate, and if conditions of service life and personnel utilizations are improved, I believe we can obtain a sufficient number of volunteers to meet our military manpower needs in the post-Vietnam period."¹⁰

The pressure for a Modern-Volunteer Army has caused complications at every level. Testing and research has been rushed, large sums of money has been spent uselessly, and people have been duplicating others and past work.¹¹

One of the biggest objections to a Modern-Volunteer Force is the cost that it would entail. This argument is basically unsound because the figures that the Defense Department released were inaccurate. They realize that the initial cost will be higher, but once the system is in full operation, the costs will reverse themselves. Estimates at this point are in the area of two to seventeen billion dollars. Today, there are many hidden expenses of the draft system that do not appear in the budget.¹²

Another problem that people foresee is that The Modern-Volunteer Force will lack flexibility to expand in times of a sudden crisis. Secretary Laird realizes that this might occur. He said of this problem:

"Even after the draft calls are reduced to zero, the draft machinery must be kept on a standby basis, continuing to register and classify young men as they reach the age of 19."¹³

One of the biggest complaints raised against The Modern-Volunteer Army is that it will be constituted of all blacks. People claim that because of the fewer career opportunities and the high money incentives, blacks filled with resentment will control the forces. Many studies have shown that the black military population will only increase by 2-3%. Blacks only make up 10.6% of the army population which is a lower proportion than the black population in the nation. Studies have also shown that 14% of the conscripted army is black with a total population of 2.5 million men, and the percent will only rise one percent in an All-Volunteer situation of the same capability.¹⁴

If so many people fear that the incentives will be an attraction for a special group, then it is the obligation of those people to fix the discriminations that exist in civilian life. The complaint most often raised against The Voluntary Force is that it will pose a threat to civilian authority of the Armed Forces. This argument is rather weak because an All-Volunteer Force will not effect the frame-

Footnotes at end of article.

work of The Department of Defense and the military services. The President will still remain the Commander-in-Chief of The Armed Forces, and the civilian secretaries will still be responsible to the President. The Congress will be the independent overseer of these agencies.¹⁵

Again, it is the responsibility of the general population to keep a watchful eye on the influence that the military establishment has on the nation.

There have been other proposals other than the reform of the present system, or the Modern-Volunteer Army. National Service, which is basically a supplement to The Voluntary Force, has many approaches. Some advocates of this system say that males as well as females, including those with handicaps, should take part in some sort of required duty. This system would be very costly because of the large amount of people involved. Other proposals state that some people can be excused, but that only creates the same problems that the present system is battling with concerning deferments and draft exemptions. Mandatory National Service ultimately causes forced labor.¹⁶

The Universal Military Training program and the present draft-lottery system are inadequate possibilities because they are merely extensions of what people are trying to reform.¹⁷

The feasibility of The Modern-Volunteer Force is becoming a reality. Secretary Laird says that he hopes to end draft calls by the middle of 1973. Although the system has been temporarily halted. The Selective Service is continuing its activities in moving toward a Voluntary Force.¹⁸

The members of the Gates Commission summarize my thoughts most accurately. They say,

"We unanimously believe that the nation's interests will be better served by an All-Volunteer Force, supported by an effective Stand-by Draft, than by a mixed force of volunteers and conscripts . . ."¹⁹

I have taken an affirmative stand on this issue because The Selective Service, which is vital to the security of our nation, needs more than inside reform. We can no longer change things to suit the present; we must change them for the future. The fascinating evidence that I uncovered while researching this has shown that there is no question that The Modern-Volunteer Armed Force is the best answer to this question that is foremost in the minds of young men today. It is necessary to realize that this new system can not be put into operation until we are completely out of The Indo-China war. I feel that this system must be instituted not only because it is in the best interest of a democratic nation.

FOOTNOTES

¹ 92nd Congress, 1st session—Committee on the Judiciary, Subcommittee on Administrative Practices and Procedures. "Selective Service System" October–November 1970 Page 3.

² Committee on Armed Services, U.S. House of Representatives "Military Selective Service Act of 1967" with analysis. December 1, 1967 Page 5638.

³ Files of Jack F. Kemp m.c. *The New Draft Selection System*. March, 1970.

⁴ John W. Finney, "Draft Extension Still Deadlocked" *Washington Evening Star* (New York Times News Service) July 13, 1971.

⁵ Files of Jack F. Kemp m.c. *The Draft*, July, 1970.

⁶ Young Americans for Freedom, *The Draft*, January, 1970.

⁷ Milton Freidman, *Congressional Record—The Senate* May 11, 1971.

⁸ Repeal The Draft Organization, *An All-Volunteer Professional Army*. October, 1970.

⁹ *Ibid*.

¹⁰ Melvin Laird, "All-Volunteer Force Requires New Outlays" *The Courier Express* November 8, 1970 Herein as "New Outlays."

¹¹ *The Washington Post*, "Selling The New Army Image" May 21, 1971.

¹² Report of President Nixon's Commission on The All-Volunteer Force, *The Gates Commission*, February 20, 1970 Herein as "Gates."

¹³ "New Outlays."

¹⁴ "Gates" page 17.

¹⁵ "Gates" page 129.

¹⁶ "Gates" page 175.

¹⁷ "Gates" page 176.

¹⁸ *Buffalo Evening News*, "U.S. Hopes To End Draft By 1973": Laird Says. November 10, 1970.

¹⁹ "Gates" Introduction.

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ACCURACY IN MEDIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 10 minutes.

Mr. CRANE. Mr. Speaker, on August 4, 1971, I participated in a series of special orders with more than 100 of my colleagues from both sides of the aisle. These special orders dealt with the deteriorating situation regarding the national defense. The same morning I participated with many of these same colleagues in a press conference on the same subject.

The reason why I mention these facts, Mr. Speaker, is that neither the *Washington Star*, *Washington Post*, nor *New York Times* saw fit to cover this event despite the fact that the bipartisan participation made it one of the largest special orders in the recent history of the House and despite the fact that this issue has to be the No. 1 priority of our Government at any time.

This, I would contend, is a fine example of what many would consider bias in the media, and it leads into a very important study which I have recently read by the group called Accuracy in Media.

The study is based on hearings of the House Committee on Internal Security. These hearings were to examine the activities and the extent of subversive leadership in the two groups that sponsored the violent May Day demonstrations in Washington at the latter part of April and early in May—the National Peace Action Coalition—NPAC—and People's Coalition for Peace and Justice—PCPJ.

The analytical survey was undertaken by a group calling itself Accuracy in Media, or AIM for short. AIM has a headquarters at suite 1012, Warner Building in Washington and was formed in 1969 by a group of public-spirited citizens who were growing ever more concerned that what they were reading in the print media and seeing and hearing on electronic news coverage lacked accuracy, fairness, objectivity, and an unbiased view of events.

AIM is a nonpartisan, nonprofit citizens' organization with the stated purpose of encouraging the news media to maintain high standards of accuracy in reportage and news commentary.

One of the prime motivations for the organization of AIM was media—particularly television—coverage of the disturbances at the 1968 Democratic National Convention in Chicago.

This report is perhaps the most detailed and cataloged analysis of any congressional committee hearing and the ensuing media coverage that I have ever seen. It runs to 15 pages, some of it text and some of it charts, graphs, and statistical surveys.

Among the more surprising revelations in it, to me at least, was that despite the *Washington Post's* editorial page opposition to the Internal Security Committee, particularly the NPAC-PCPJ hearings, such opposition was scarcely reflected in the paper's news coverage. In fact both the *Post* and the *New York Times*, which also editorially opposes the committee, received high marks in their news coverage.

There are many more surprises in the report and I think my colleagues in this House would do well to peruse it in detail despite its length and depth.

This is a singular, scholarly, and valuable effort undertaken by private citizens to seek accurate, objective, nonbiased news reporting, and commentary; in other words to keep the press honest with itself and the American public. I stress the "private" nature of the inquiry. This is no effort by Government to muzzle or stifle the press, nor do the individuals who compose AIM seek to muzzle or censor the press. They merely wish to insure that what they are reading and hearing in the media is objective and true.

ACCURACY IN MEDIA REPORT: NEWS MEDIA COVERAGE OF HOUSE INTERNAL SECURITY COMMITTEE HEARINGS ON ANTI-WAR PROTESTS

The last week of April and the first week of May 1971 saw large-scale anti-war demonstrations in Washington, D. C. These caused considerable disruption and great expense to the citizens and the government of Washington. They were the subject of extensive news coverage in the local and national press.

In the wake of these demonstrations, the House Internal Security Committee, chaired by Congressman Richard Ichord (Dem., Mo.), announced that it would probe the demonstrations in three days of public hearings beginning May 18, 1971. The Committee indicated that it would try to determine whether those who had taken the lead in organizing the demonstrations were motivated solely by the desire for peace, as they publicly insisted, or whether they were connected with subversive organizations whose goal was to destroy America's free institutions.

In view of the great interest the media had

shown in the demonstrations, it seemed clear that this probe into their background deserved widespread news coverage. Accuracy in Media decided to make a careful study of the way in which the media reported the hearings. AIM sent a press release to the principal media representatives in the Washington area informing them of its intent to make this study. The release pointed out that while the demonstrations were going on, the media failed to convey to the public important information about the background and the political objectives and affiliations of the leaders of the demonstrations. We noted that information was readily available to the media through the Congressional Record, but it was largely ignored. AIM said one reason the study was being undertaken was because in recent years the media had tended to ignore the substantial findings of the House Internal Security Committee. We said there had been a tendency to focus on the antics of those who wanted to disrupt the hearings or distract the press.

The press took no public note of the AIM release, but it evidently helped stimulate additional interest in the hearings. They were well attended by the press. Mr. Abraham H. Kalish, Executive Secretary of AIM, who attended all the hearings personally, was told by HISC staff members that press attendance was unusually large.

EVALUATION OF MEDIA COVERAGE

AIM focused mainly on the coverage provided by the Associated Press, the United Press International, *The New York Times*, *The Washington Post*, *The Washington Star* and *The Washington Daily News*. It monitored the three network evening news broadcasts, most of the news broadcasts of the local Washington television stations, and some radio news broadcasts. It also checked the coverage provided by *Time*, *Newsweek* and *U. S. News and World Report*.

The coverage provided by the wire services and newspapers will be discussed below at considerable length. The reporting of the hearings provided by most of the other media can be disposed of in a few words.

Network TV: The coverage was totally inadequate. If the hearings got 15 seconds on the evening network news programs they were doing well. This was in great contrast to the extensive coverage the networks gave to the demonstrations themselves. Testimony at the hearings revealing the role of subversive groups and individuals in organizing the demonstrations was almost completely ignored by network TV news programs.

Here are some examples of network TV coverage. The testimony at the first day of the hearings was given by Washington Police Chief Jerry Wilson and Park Superintendent Russell Dickenson. They testified on the cost to the Government of the demonstrations, the damage done, a potential threat to the Washington Monument, the reasons for the mass arrests and other important matters. Here is how ABC's Howard K. Smith summed all of this up on his evening news program:

The House Internal Security Committee, formerly the House Un-American Activities Committee, ignored cries of "witch-hunt" today and began its probe of the Mayday protests. Demonstrators then kept Washington on edge for three weeks. Chairman Richard Ichord hopes to expose involvement by the Communist Party. Today, however, the witnesses were much more concerned with damage to the trees and shrubs. Park superintendent Russell Dickenson testified it will cost \$100,000 just to get the Washington Monument grounds back in shape.

Of 21 points of information brought out by Chief Wilson and Mr. Dickenson and reported by either the wire services or the Washington papers, Mr. Smith managed to mention only one in this 25-second statement. Still that was better, perhaps, than the treatment of the hearings by NBC. NBC's

Carl Stern used Chief Wilson's statement justifying the mass arrests of demonstrators as a takeoff for a little editorializing about the lack of justification for the arrests. Stern commented:

With almost 2,000 cases now processed the figures seem to confirm too many people were arrested on too little evidence of wrongdoing. More than a quarter of the charges were dropped by the government . . .

CBS provided its audience with more information about the hearings than either of the other two networks on the first day. From then on they all went downhill. For example, all networks ignored the testimony of Lawrence Cott, including his charge that the National Peace Action Coalition (NPAC) was completely controlled by Trotskyite communists. The day after Cott testified, NBC's morning TV news took two minutes to report on a debate in a committee of the Illinois State Legislature that was debating a resolution asking for an immediate pull-out from Vietnam. Zero time was devoted to reporting Cott's testimony on the subversive ties of the organizers of the Washington demonstrations.

A call to the NBC Washington office elicited the explanation that NBC had not reported on Cott's testimony because he was "a professional communist hunter," he was unknown and he was a "right-winger." The NBC employee explained that the network had no obligation to air the wild charges of "an unknown professional communist hunter." In response to a question, the NBC man said it was wild to allege that communists were involved in the April 24 demonstration sponsored by the NPAC. The following day NBC Nightly News did give a one-sentence report on the testimony that two members of the Trotskyite Communist Socialist Workers Party were the only persons authorized to draw checks on the NPAC bank account. AIM learned that the NBC Washington office had prepared a more extensive report on this testimony but that New York had decided against using it. AIM wrote to NBC asking why they did not feel that the information brought out at the hearings deserved more attention in view of the wide coverage they gave to the demonstrations and their failure to provide the public with information about the background of the persons and groups that organized the protests. This query was never answered by NBC.

Washington's Local TV and Radio: In comparison with the networks, the local broadcasters monitored by AIM gave good coverage to the hearings. In the view of AIM's monitors WTTG (Channel 5) gave the most comprehensive coverage, but WTOP (Channel 9) and WRC (Channel 4) were not far behind.

Washington's two all-news radio stations gave a fair amount of attention to the hearings, but their coverage left much to be desired. WAVA devoted a disproportionate amount of time to airing baseless criticisms of the hearings. For example, on the day the hearings opened, WAVA repeatedly broadcast a statement by Bella Abzug to the effect that the Committee was subpoenaing leaders of the "peace" movement. The Committee did not subpoena any witnesses, a fact that WAVA should have known. This false statement was broadcast at least five times and no correction was ever made. WTOP appeared to give more information about the hearings themselves and focused less on the critics than did WAVA. AIM rated its coverage well above that of WAVA.

Time, *Newsweek* and *U.S. News and World Report*: The news weeklies gave almost no coverage to the hearings. However, *U.S. News and World Report* published an article on the cost of the demonstrations that brought out some of the figures revealed at the hearings. This article mentioned that HISC was going to hold hearings. *U.S. News & World Report* subsequently described recommendations

made by Park Superintendent Dickenson at the hearings without saying where they were made. *Newsweek's* coverage was limited to the sentence in an article on the Justice Department:

"On Capitol Hill, Rep. Richard Ichord's House Internal Security Committee heard testimony that domestic communists had controlled funds for the recent Washington protests."

Newsweek had devoted over nine pages, including four pages of color photographs, to the demonstrations themselves. It could spare only 23 words buried deep in another story to inform its readers that the funds that financed what it had considered to be such an important event were under the control of known subversives.

Time did not even tell its readers that much.

The weekly news magazines were inferior even to network TV in their coverage.

Newspapers and Wire Services: AIM made an in-depth analysis of the coverage provided by the AP and the UPI and four daily newspapers—*The New York Times*, *The Washington Post*, *The Washington Star* and *The Washington Daily News*. A system of scoring was devised to measure the depth and accuracy of coverage. Points were awarded for items of information reported, and penalty points were deducted for errors, inappropriate headlines and leads, and poor placement of the stories. The scoring system is described on pp. 6-7 of this report. It should be noted that AIM did not give papers points for reporting on criticisms of the hearings. The AIM press release noted that in the recent past there had been a tendency for the media to focus on the antics of critics and their denunciations of the House Internal Security Committee at the expense of reporting facts revealed by the Committee's hearings. The critics counted on this. No other investigative Congressional committee is subject to this ritualistic barrage of criticism which tends to impede the flow of information to the public. AIM believes that these criticisms have long since ceased to be news; they are "anti-news." They are a kind of spokesperson thrown up by those who would prefer that the public did not learn the kind of information developed by the Committee's hearings. AIM therefore reversed the normal scoring and gave points to the papers that avoided or minimized providing space to these criticisms.

AIM RATINGS

Newspaper or wire service	Gross score	Penalty points (-)	Net score
1. Washington Post.....	23	1.0	22.0
2. United Press International.....	22	1.5	20.5
3. Washington Daily News.....	21	3.0	18.0
4. Associated Press.....	16	0	16.0
5. Washington Star.....	20	5.0	15.0
6. New York Times.....	17	2.5	14.5

The Washington Post gave far better coverage to the hearings than the other newspapers. It provided more information, and its reports were not marred by slanting or editorializing. Its coverage of the critics was very restrained, showing that it too recognized these attacks for what they were. The Post has long been noted for its critical editorials on the House Internal Security Committee, but it did not permit its editorial position to influence its coverage of the news in this case.

The UPI outscored the AP by a wide margin even though it was guilty of some serious factual errors. The AP was accurate, but it devoted a high percentage of its space to the critics of the hearings and the Committee. Its coverage of the information developed at the hearings suffered as a result of this.

The Washington Daily News, a Scripps-

Howard tabloid, outpointed both the New York Times and the Washington Star. However, coverage by the News was uneven, and it did not do a good job of covering key points relating to subversive influence and control of the demonstrations. (See p. 6.) The New York Times' stories were quite informative, accurate and generally free of slanting. The Times fared badly on the score because it carried no story at all on the second day of hearings. It suffered penalty points for poor placement of stories and for one inappropriate headline and lead.

The Washington Star is considered a more conservative paper than the Post or the New York Times, but it barely edged out the Times to avoid last place in the ratings. This was despite the fact that the Star carried four stories to only three for the Times. The Star's coverage was far inferior to that of the Post. It had five penalty points. This reflects the fact that the Star, to a high degree, tended to focus on the critics of the hearings rather than the hearings themselves. The Star devoted 37 per cent of the space relating to the hearings to report of what critics of the House Internal Security Committee said or did. This compares with a comparable figure of 14.5 per cent for the Washington Post and the Daily News. In some cases the stories in The Star were marred by a lack of objectivity, and a number of penalty points were given for inappropriate headlines and leads and for poor story placement. AIM considered headlines and leads inappropriate if they focused attention on the critics rather than on the hearings.

FACTUAL ERRORS

AIM found few factual errors in the press reports of the hearings, but there were some that were serious. The UPI made three errors in the story on testimony about the bank accounts of the two groups that had organized the demonstrations—the National Peace Action Coalition (NPAC) and the People's Coalition for Peace and Justice (PCPJ). One of the main points of the testimony was that the only two people authorized to sign checks for the NPAC were both members of the Socialist Workers Party, a Trotskyite communist group. The UPI story failed to make the point that SWP members had exclusive control over the NPAC bank account, and it incorrectly said that SWP members could sign checks for the PCPJ. It then incorrectly identified the individuals authorized to sign checks. For example, Sidney Peck, one of those who could sign checks for the PCPJ, was identified as a former member of the Communist Party and as a member of the SWP by the UPI. Peck had been identified as a former leader of the Communist Party in Wisconsin, not as a former member, and he was not a member of the SWP. These errors were corrected by the UPI the following day, but it is likely that many of the newspapers and broadcasters that used the original UPI story did not make the corrections.

The Washington Daily News, perhaps relying on the UPI story, said the two SWP members were "among those NPAC and PCPJ officials" authorized to sign checks. This blunted the force of the revelation of exclusive SWP control of the NPAC checking ac-

count. The error was never corrected by the News.

Both *The Times* and *The Star* said that Sidney Peck was formerly identified as a member of the Communist Party, missing the point that he had been identified as a former leader of that party. Peck's leadership rank was of some relevance since it was claimed by the witnesses that through Peck and others the Communist Party exerted a significant influence on the PCPJ.

These errors were probably the result of carelessness, but the Washington Star was charged with errors that appeared to be deliberate. The Committee invited Lawrence Cott, editor of *Combat*, a newsletter that reports on activities of subversive groups and individuals, to testify as an expert witness. Unlike the other papers, the Star did not tell its readers this. It described Cott as a "self-proclaimed expert on radical movements." At the conclusion of his testimony some little pleasantries about the fact that he and Mr. Cott were graduates of the same university was made by Chairman Ichord. The Star actually reported this with the serious implication that Mr. Cott and his qualifications were completely unknown to Mr. Ichord. The Star then added: "Cott said he published twice monthly a newsletter in New York which observes radical activity." This seemed to be contrived to give the impression that Mr. Cott was responding to a statement by Chairman Ichord to the effect that Cott was unknown to him. This was a distortion with a purpose. It reinforced the false statement that Cott was a self-proclaimed expert. It would appear that the Star's reporter was seeking to discredit the witness.

ERRORS OF OMISSION

Each of the newspapers and wire services failed to report many items of information that their competitors considered newsworthy. Since the main object of the hearings was to reveal the extent of subversive influence and control of the demonstrations, AIM picked out 36 significant items of information relating to this. It compared the reporting of these 36 points by the wire services and the four newspapers.

The paper that did the best job, *The Washington Post*, covered only half of the 36 points. *The New York Times* covered only a little more than a fourth of them. Here is how the papers and wire services ranked.

Newspaper or wire service	Key points relating to subversive influence	
	Percentage covered	+AP and UPI
Washington Post.....	50	86
UPI.....	47
AP.....	39
Washington Star.....	39	75
Washington Daily News.....	33	75
New York Times.....	28	67

The four newspapers combined provided coverage of 83 per cent of these points. The Washington Post and any one of the other papers combined gave coverage ranging from 69 to 72 per cent. No combination of papers that did not include the Post, i.e., Times-

Star, Times-News, News-Star, gave better than 53 percent coverage.

All of the newspapers could have improved their coverage of these points very substantially if they had simply used all the information made available to them by the AP and the UPI. What they could have done is shown in the second column in the above table. The reporters for the Post were the only ones that added much information that was not covered by either the AP or the UPI. The other papers gained nothing in their coverage of this area by relying on their own correspondents rather than on the combined reports of the wire services. They overlooked more items of information than they gained.

THE SCORE CARD

AIM devised a unique system to score press coverage of the hearings objectively. It culled the stories carried by the two wire services and the four newspapers for items of information brought out by the hearings. These were consolidated under eight categories. Reported comments of critics of the hearings were consolidated under three categories, one of which included legitimate news. The other two critical categories covered remarks that served only to distract and divert attention from the information brought out at the hearings. AIM treated these categories as "anti-news."

Each of the categories included from six to ten items of information reported by the newspapers or wire services. The number of items in each category mentioned by each of the papers and wire services was totaled and an average was calculated. Each paper was then scored by comparing the number of items of information it reported with the average for the category. Points were given as follows:

	Points
Outstanding (twice the average or better).....	4
Above average.....	3
Average.....	2
Below average.....	1
No coverage.....	0

This scoring system was applied to nine categories, including one that covered legitimate news about one of the critics of the hearings. However, scoring was reversed for the last two categories. These covered the anti-news of the critics. For these two categories three points were awarded for zero coverage, 2 points for below average coverage, one point for average, and no points for above average coverage.

Demerits were given for factual errors, inappropriate headlines and leads and poor story placement. AIM takes the position that information cannot be effectively transmitted if it is buried under a misleading headline or placed where many readers are unlikely to notice it. Headlines and story leads that focused on the critics of the hearings rather than the content of the hearings were considered to be inappropriate. Placement deep in the inside pages of the paper was considered poor, since the demonstrations themselves had been treated as front-page news. One penalty point was given for each two demerits.

The following is a summary of the scores by category.

SUMMARY OF SCORES

Category	AP	UPI	NYT	Post	Star	News	Category	AP	UPI	NYT	Post	Star	News
1. Cost of demonstrations.....	1	2.0	4.0	2	1	1	Hearings subtotal.....	15	18.0	13.0	18	15	15
2. Threat to Washington Monument.....	3	1.0	0	3	2	2	9. Gordon comments on hearings (news).....	1	1.0	1.0	1	3	1
3. Defense of arrests and recommendations.....	1	3.0	3.0	1	3	3	10. Gordon comments (anti-news, reverse).....	0	3.0	1.0	1	1	2
4. Cott testimony on NCAP and PCPJ.....	2	1.0	0	4	2	3	11. Congressional critics (reverse scoring).....	0	0	2.0	3	0	3
5. Congrol of NCAP and PCPJ bank accounts.....	3	3.0	2.0	1	3	1	Critics subtotal.....	1	4.0	4.0	5	4	6
6. Comments by committee members.....	2	1.0	2.0	2	3	2	Gross score.....	16	22.0	17.0	23	20	21
7. History of PCPJ and its leaders.....	2	4.0	2.0	2	1	0	Penalty points.....		-1.5	-2.5	-1	-5	-3
8. Veterans, People's Peace Treaty, etc.....	1	3.0	0	3	1	3	Net score.....	16	20.5	14.5	22	15	18

APPENDIX A—PRESS COVERAGE OF INFORMATION RELATING TO HEARINGS

The following are the items of information included in each of the 11 categories used by AIM in its analysis of the coverage of the

hearings by the wire services (AP and UPI), The New York Times (NYT), The Washington Post, The Washington Star and The Washington Daily News. If the item was mentioned by the paper this is indicated by an

"x" in the columns on the right. An "e" means that the item was mentioned but that an error was involved.

1. COST OF DEMONSTRATIONS

	AP	UPI	New York Times	Post	Star	News	Average
(a) Amount of damage to Washington Monument Grounds.....	x	x	x	x		(1)	
(b) Cost to Park Police excluding damage.....		x	x				
(c) Over \$3,000,000 cost to District of Columbia police.....	x	x		x	x	x	
(d) Cost to Pentagon of \$1,200,000.....			x		x	x	
(e) Total cost of \$5,500,000.....			x				
(f) Charge that 1 aim of protestors was to burden Government with costs.....				x			
Total.....	2	3	6	3	2	2	3
Demerits.....			1			1	
Score.....	1	2	4	2	1	1	

¹ Error.
Note: The New York Times provided outstanding coverage on this category, but it was given 1 demerit for placing the story back on p. 23. The Post and Star put it on p. 1. The Times was the only paper to go beyond what was brought out at the hearings and put a total cost figure on the

demonstrations. The News made an error in confusing the amount of damage to the Monument Grounds with the cost to the Park Police for overtime pay. The damage to the grounds was estimated at \$100,000.

2. THREATS TO WASHINGTON MONUMENT AND RECOMMENDATIONS

	AP	UPI	New York Times	Post	Star	News	Average
(a) Details of damage to equipment and trees.....				x		x	
(b) Danger posed to Washington Monument itself.....	x	x		x	x	x	
(c) Tearing down flags and putting up VC flags.....	x	x		x	x	x	
(d) Police fend off attack on Monument.....				x			
(e) Bomb threat to Monument.....	x						
(f) Park head wants to bar camping on grounds.....	x						
(g) Park head wants to bar all-night concerts.....	x				x		
Total.....	4	2	0	5	3	3	3
Score.....	3	1	0	3	2	2	

Note: This information came from the testimony of the superintendent of the National Capital Parks, Russell Dickenson. The Post clearly gave the best coverage. It was the only paper to report that the demonstrators tore down American flags around the Washington Monument and put VC flags in their place. The Star failed to tell its readers about the damage done at the Monument

Grounds. The News did a better job of conveying some idea of the character of the crowd that gathered at the Monument on the night of Apr. 24 and the damage that it did. The New York Times reported only the cost of the damage (included in category 1).

3. CHIEF WILSON ON ARRESTS AND RECOMMENDATIONS

	AP	UPI	New York Times	Post	Star	News	Average
(a) Mass arrests prevented closing down Government.....		x	x		x	x	
(b) Many troops needed if mass arrests not made.....			x		x		
(c) 13,500 arrests made.....		x	x			x	
(d) Opposed building special detention facilities.....	x	x		x	x	x	
(e) Defended detention facilities used.....						x	
(f) Opposes automatic suspension of arrest process.....					x		
Total.....	1	3	3	1	4	4	2.6
Score.....	1	3	3	1	3	3	

Note: It is striking that neither the AP nor the Washington Post saw fit to report on Police Chief Wilson's defense of the mass arrest tactics used by the Washington police during the demonstrations. These tactics had been the object of considerable criticism which had been reported in the press. Only the New York Times and the Star reported Wilson's statement that 20,000 to 25,000

troops would be needed to control 15,000 demonstrators if mass arrest tactics could not be used. Wilson testified on the same day as Mr. Dickenson. The AP and the Post focused more on Dickenson than on Wilson, while the New York Times and the Star focused more on Wilson.

4. TESTIMONY OF LAWRENCE COTT ON ROLE OF COMMUNISTS IN ORGANIZING DEMONSTRATIONS

	AP	UPI	New York Times	Post	Star	News	Average
(a) Cott identified as editor of newsletter on revolutionary activity, combat.....	x			x	(1)		
(b) Socialist Workers Party identified as subversive Trotskyite Communist group.....	x			x		x	
(c) SWP control of NPAC charged.....					x	x	
(d) April 24 march leadership dominated by SWP.....					x		
(e) Banners in march showed Trotskyite control.....				x			
(f) Described Trotskyite beliefs.....				x			
(g) CP backing essential to PCPJ.....	x			x			
(h) PCPJ under strong Communist influence.....		x		x	x	x	
(i) Media failed to expose Communist role.....				x			
(j) Leaders of NPAC want Communist victory, not peace.....					x		
Total.....	3	1	0	7	3	4	3
Score.....	2	1	0	4	2	3	
Demerits.....				1	4		

¹ Error.
Note: The Post gave by far the best coverage to Cott's testimony, but it did not report his positive statement that the NPAC was completely controlled by the Socialist Workers Party, a Trotskyite Communist group. It also put the story back on p. 16, for which 1 demerit was given. The AP and UPI also failed to report Cott's positive assertion of SWP control of NPAC. The AP had him saying only that the SWP had significant membership in the NPAC. The UPI reported that he said the Trotskyites played a role in the NPAC disproportionate to their numbers. While correct, these state-

ments alone do not report correctly what Cott said about SWP control. This is a misrepresentation of Cott's position and might even be scored as an error. The New York Times carried nothing on Cott's testimony. No story was filed, and the New York Times reporter declined to tell AIM why. The UPI, Star and News failed to identify Cott in a way that would establish his credentials as an expert witness. As described on pp. 5-6, the Star tried to cast doubt on Cott's credentials by some very questionable distortions. AIM conservatively gave the Star 2 demerits for its inaccurate and unprofessional treatment of Cott. It also gave demerits for putting the story under a headline that read: "D. C. protest aftermath resembles Chicago" and for an inappropriate lead.

5. BANK RECORDS SHOW CONTROL OF NPAC AND PCPJ FUNDS

	AP	UPI	New York Times	Post	Star	News	Average
(a) Ichord announces bank records subpoenaed.....	X				X		
(b) Said records would show SWP-NPAC link.....	X	X		X	X		
(c) 2 SWP members only ones able to sign NPAC checks according to bank records.....	X	1,2	X	X	X	(C)	
(d) Sidney Peck, one of 4 able to sign PCPJ checks.....	X	X	X	X	X	X	
(e) Peck, a former official of Wisconsin Communist Party.....	X	1,2	(C)	X	(C)	X	
(f) Identity of others able to sign PCPJ checks.....	X	X	X	X	X	X	
(g) Amounts passed through NPAC and PCPJ bank accounts.....	X	(C)	X	X	X	X	
(h) Ichord says control of funds means control of organization.....	X	X	X	X	X	X	
Total.....	7	6	5	4	6	4	5
Score.....	3	3	2	1	3	1	
Demerits.....		3	2	1	4	3	

¹ Error.
² Error later corrected.

Note: The newspaper treatment of this story was very strange. Considerable publicity had been given to Chairman Ichord's statement that the bank records would reveal some surprising information. This was fully borne out by the revelation that 2 members of the Socialist Workers Party, both of them former candidates for public office on that party's ticket, had sole authority to sign checks for the NPAC. This was certainly strong confirmation of Mr. Cott's assertion that the SWP had complete control of the NPAC. Since most of the media had shrunk from reporting Cott's charge and an NBC reporter had gone so far as to tell a caller that allegations of Communist involvement in the NPAC's Apr. 24 march were "wild charges," the revelation of complete SWP control of NPAC funds should have been a bombshell to the media. The UPI and the News mangled the report in a way that blunted its force. The New York Times, Post, and Star reported

the information correctly, but they all buried it in the back pages. The Star put it under a headline that read: "Rep. Drinan Boycotts Probe of Peace Groups by House" and relegated it to the local-news section of the paper. The New York Times put it on p. 21 and the Post on p. 26. Demerits were given these papers for poor placement. The Star was given demerits for an inappropriate headline and lead. The New York Times and the Star were also given demerits for saying that Sidney Peck was identified as a Communist Party member rather than as a former official of the party. Peck was said to have a key role in the PCPJ, and the fact that he had leadership rank in the Communist Party was of some significance as an indication of Communist influence in the PCPJ. The best coverage was provided by the Associated Press. The UPI mangled the story badly, AIM charged them with 3 errors, 2 of which were corrected the following day. The News was given demerits for an error and an inappropriate headline and lead.

6. COMMENTS BY REPRESENTATIVE ICHORD AND COMMITTEE MEMBERS

	AP	UPI	New York Times	Post	Star	News	Average
(a) NPAC dominated by SWP; PCPJ leadership infiltrated by Communist Party (CPUSA).....	X				X		
(b) SWP and CPUSA persuaded to cooperate in staging demonstrations by North Vietnamese.....	X						
(c) Leadership of demonstrations wanted U.S. defeat.....						X	
(d) Regret failure of media to inform about SWP.....				X			
(e) SWP revolutionary and subversive; not to be confused with Norman Thomas-type socialists.....		X	X		X	X	
(f) SWP a growing force, appealing to youth.....				X	X		
(g) NPAC did not refute charges in Congressional Record of Apr. 6, 1971.....				X			
(h) Members of Congress who supported demonstrations unaware of their subversive leadership.....			X				
Total.....	2	1	2	2	3	2	2
Score.....	2	1	2	2	3	2	

NOTES

The comments made from time to time throughout the hearings by Chairman Ichord and members of the committee were clearly not well reported. Three of the above points had been made and reported as statements of witnesses, but 5 were new points. The description of the struggle between the SWP and the CPUSA for control of the demonstrations and the compromise brought about by the North Vietnamese would appear to be highly newsworthy. It cast valuable light on the contention that the demonstrations were led by subversives whose true goal was a Communist victory and a U.S. defeat. It is very surprising that it was reported only by the AP. Only the New York Times reported Congressman Schmitz's statement that several Members of Congress were duped into supporting the demonstrations without knowing of their subversive leadership. The Times took the trouble to check with the offices of 1 Senator and 1 Congressman to see if this was true. It reported that Senator Vance Hartke thought the charges against NPAC were ludicrous. Important information about the leadership of the NPAC had been put into the April 6 Congressional Record by Chairman Ichord. The chairman expressed regret that this had been almost completely ignored by the press. Only the Washington Post, the one paper that had published some of this information, mentioned this comment. Mr. Ichord pointed out that the facts in his

April 6 statement had never been refuted by the NPAC. Only the AP and the Post neglected to report the statement about the importance of not confusing the SWP with Norman-Thomas-Socialists. However, both the AP and the Post identified the SWP as a revolutionary Communist group in reporting the Cott testimony. The others had not done so. The committee put its finger on a serious deficiency in news reporting. It spotlighted the failure of the media to inform the public about important facts about subversive groups and individuals even when the information is given to them in a readily available publication like the Congressional Record. Chairman Ichord noted that the Washington Post had published some of his revelations about the NPAC, but even that was done days after the demonstrations were over, while the material had been available more than 2 weeks before they began. Other detailed material exposing the role of subversives in the demonstrations had been put in the Congressional Record prior to the demonstrations. AIM supporters had called this to the attention of many media representatives in Washington while the demonstrations were going on, suggesting that it was background the public should have. None of the media made use of it.

7. THE PEOPLE'S COALITION FOR PEACE AND JUSTICE (PCPJ)

	AP	UPI	New York Times	Post	Star	News	Average
(a) History of the PCPJ, its predecessor groups.....	X	X	X	X	X		
(b) Seven Communists on PCPJ Coordinating Committee.....	X	X	X	X			
(c) Names of these Communists.....	X	X	X				
(d) 35 to 40 Communists took part in organizing PCPJ.....	X	X		X			
(e) PCPJ became vehicle for Communist Party.....	X	X					
(f) PCPJ advocates civil disobedience and focuses on many issues besides Vietnam War.....	X	X					
(g) The Communists are among most influential and active members of PCPJ Coordinating Committee.....	X	X					
(h) Other members of committee sympathetic to PCPJ.....	X	X					
Total.....	3	8	3	3	1	0	3
Score.....	2	4	2	2	1	0	
Demerits.....			2		2	2	

Note: This analysis and history of the PCPJ was brought out in the testimony of 2 staff members of HISC, William Foote and Herbert Romerstein on the added 4th day of the hearings. The UPI give outstanding coverage to this testimony. It also corrected the more serious errors that it had made in reporting the testimony of the previous day. The Star and Daily News virtually ignored the testimony about the PCPJ. These papers and the New York Times elected to focus mainly on a press conference held by an NPAC spokesman and on the court action barring further subpoenaing of bank records by the House committee. This was reflected in their headlines and leads. The Times headline read: "Red 'Smear' Laid to House Inquiry." The Star headline said: "Peace

Unit Denies Socialist Control." These headlines were unrelated to the continuing important story the revelations at the hearings. They could be criticized on other grounds. The use of the word "smear" by the Times conveyed the impression that unfounded charges had been made at the hearings. The committee had actually been very careful to document the charges that had been made. The Star's use of the word "Socialist" in referring to SWP control of the NCAP ignored all that had been said at the hearings about the importance of not confusing the Communist SWP with Socialists. The Times, Star and News were each given 2 demerits for misfocused headlines and leads.

8. VETERANS' GROUP, "PEOPLE'S PEACE TREATY," CAPITOL DEMONSTRATIONS AND NPAC-PCPJ HEADQUARTERS

	AP	UPI	New York Times	Post	Star	News	Average
(a) Link between PCPJ and Veterans against the war		X					
(b) "People's peace treaty" was a Communist idea				X			
(c) Negotiation of "treaty" a possible violation of law				X			
(d) Over 1,000 arrested at Capitol on May 5	X	X				X	
(e) Capitol group called "riotous mob out of control"	X	X			X		
(f) SWP leader reported "boss" at NPAC headquarters		X				X	
(g) NPAC and PCPJ evicted from District of Columbia offices				X	X	X	
(h) SWP leader chief marshal of April 24 march				X			
Total	2	4	0	4	2	3	2.6
Score	1	3	0	3	1	3	

NOTES

AIM believes that the 2 most interesting points in this miscellaneous category were points (a) and (b). A letter was produced at the hearing signed by Al Hubbard, a leader of Vietnam Veterans Against the War. The letter revealed that the veterans' group had been using PCPJ facilities. It urged the recipients to give financial support to the PCPJ. The press had given very extensive coverage to Hubbard's group, but it had never mentioned the PCPJ connection. Hubbard and another leader of the group, John Kerry, had appeared on NBC's Meet the Press, but that normally inquisitive panel had not explored the connection between the Vietnam Veterans Against the War and the PCPJ. (The Meet the Press panel also failed to discover that Hubbard had falsified his military rank and that he had never actually served in Vietnam.) It is a reflection on the reliability

and thoroughness of the press that only the UPI reported the discovery of this important link between the highly publicized VVAW and the PCPJ.

Similarly, only the Washington Post reported on testimony given about the background of the negotiation of the so-called People's peace treaty with Hanoi. A witness said that this idea had been discussed in Communist circles for some time. The Post reported this, but none of the media discussed the testimony of Charles Stephens and Neil Salonen of American Youth for a Just Peace who exposed as false claims made that the treaty was supported by South Vietnamese student organizations.

9. JERRY GORDON COMMENTS ON TESTIMONY (NEWS)

	AP	UPI	New York Times	Post	Star	News	Average
(a) Denies being a Communist		X			X		
(b) Says anyone, including Communists, may join NPAC	X	X	X	X	X		
(c) Admits Trotskyites in NPAC. Says, "So what?"	X		X	X	X	X	
(d) Calls charge of Trotskyite control of NPAC absurd			X	X	X	X	
(e) Says control of NPAC funds by 2 SWP members only a matter of convenience					X		
(f) Says control of funds by SWP members was limited					X		
(g) Denies 4 out of 5 NPAC Coordinators belong to SWP					X		
(h) Explains that SWP leader was chief marshal of march because of experience and belief in nonviolence					X	X	
(i) Says he will sue HISC for \$500,000	X			X	X		
Total	4	2	3	4	9	3	5
Score	1	1	1	1	3	1	

NOTES

Jerry Gordon as spokesman for the NPAC held a press conference on May 22 to replay to statements made about NPAC at the hearings. Mr. Gordon had been invited by the committee to testify under oath, but he did not avail himself of this opportunity. This fact should have been noted by the press in reporting on his press conference, but it was not. Had Gordon testified under oath he would have faced sharp questioning by some very knowledgeable interrogators. The newsmen who faced him at his press conference apparently did not press very hard to clear up the inconsistencies between the sworn testimony that others had given and what Gordon said when he was not under oath. Gordon made comments on the testimony, and AIM believes that this was in the category of legitimate news. He also made some wild charges and went through the usual litany of criticism of the HISC. AIM does not believe that these qualified as news, and by and large the press agreed, except for the AP. As is shown below, the AP gave very extensive coverage to

Gordon's bombast and wild charges. The Star also gave a lot of attention to Gordon, but it focused mainly on the informational side of his statements.

Antinews—As explained on p. 4 above, AIM takes the position that the critical barrage that opponents of HISC release whenever it holds hearings is basically a smokescreen designed to distract the media and divert attention from the revelations at the hearings. AIM decided to treat this as antinews. The scoring was reversed, with the papers that did not allow themselves to be taken in by this diversionary tactic rewarded by points, while those that gave above average attention to the critics were given no points. The critics were divided into two categories; one covered the critical statements made by Jerry Gordon at his press conference, and the other covered various members of Congress who criticized the hearings. These 2 categories are detailed below.

10. JERRY GORDON'S CRITICISMS

	AP	UPI	New York Times	Post	Star	News	Average
(a) HISC object is to smear antiwar movement	X		X		X		
(b) Subpoena of bank records is outrageous	X			X			
(c) Nixon and reactionaries waging war on peace movement	X						
(d) They want to scuttle constitutional guarantees	X						
(e) Ichord is smearing by pointing to a few radicals	X						
(f) Peace movement is all the people	X						
(g) HISC producing false information to discredit peace				X			
(h) HISC trying to shift attention from serious problems					X		
(i) Seizing bank records is attempt at intimidation						X	
(j) Ichord trying to revive McCarthyism			X				
Total	6	0	2	2	2	1	2
Score	0	3	1	1	1	2	

11. CONGRESSIONAL CRITICS

	AP	UPI	New York Times	Post	Star	News	Average
(a) Hearings not relevant to committee purposes	X	X			X		
(b) No evidence of subversives in peace movement	X						
(c) Those behind May Day are radical but not subversive	X						
(d) HISC has fixation on communism	X						
(e) HISC assumes Communists involved in demonstrations because they seek end to war	X						
(f) HISC ignoring 1st amendment rights and trying to intimidate critics of government	X						
(g) HISC questioning integrity of majority of Americans		X					
(h) Hearings show trend toward Fascist repression					X		
(i) Hearings an attempt to discredit peace movement					X		
(j) HISC will have to take on big majority of country					X		
(k) HISC engaged in ultimate un-American activity, repressing free speech and dissent			X				
(l) Hearings should be halted and HISC abolished		X					
Total	6	3	1	0	4	0	2.3
Score	0	0	2	3	0	3	

NOTES

It is noteworthy that the papers did not allow themselves to be taken in by the tactics of the critics to any great extent, except for the AP and the Star. Totalling the above 2 categories, the UPI mentioned 3 criticisms against 12 for the AP. The NYT mentioned 3, the Post 2, and the News 1. The Star mentioned 6. Significantly, the AP reported only 4 of 9 informational points made by Jerry Gordon, but it reported 6 of 9 propaganda points. The judgment of the AP about the newsworthiness of this type of material clearly differed from that of the New York Times and the

Washington Post, papers that have long been critical of HISC in their editorials. This raises some questions about the objectivity of the AP's news judgment on this story. The attention the AP gave to the critics was at the expense of more complete coverage of the hearings. As shown on p. 6, the AP covered only 39 percent of the key points on subversive influence in the demonstrations compared with 47 percent for the UPI. The AP devoted nearly 30 percent of its total wordage to the critics.

THE INTERNATIONAL LABOR ORGANIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio, (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, as the only Member of this body who was able to attend the International Labor Organization annual conference in Geneva this year, I feel some remarks about that body and its activities would be pertinent at this time. First, let me say that I believe that we should pay our dues and obligations to ILO and not withdraw our membership. Of all the international bodies, it seems to me that ILO has operated in the most objective manner. While its meetings have served as a forum for propaganda, this is not unusual and does not in anyway lay it open to a charge of being a market place for Communist ideas or Communist propaganda. In its recent history, ILO has commissioned investigating committees into many sticky, controversial issues in member nations and its work and recommendations have been uniformly hailed as objective and helpful.

An American, Hon. David Morse, served as Director-General for most of the postwar era and the present Director-General, Wilfred Jenks, all charges to the contrary, has not charted a course of action which would in any real way be considered hostile to either ILO's basic purpose and objectives or our American goals and commitments as a nation and as a member state.

I do not agree with those who say that ILO has become a mouthpiece for Communist propaganda. During the sessions I was privileged to attend, it was apparent that a much harder line was taken by the chair in ruling out of order any improper references to the United States. It is obvious to anyone attending these sessions that passions on a variety of issues boil over from time to time. Worker rights in Spain and the Soviet Union, anticolonialism, and typical employer-employee arguments always find their way into debates in a variety of ways. The Greek Government, Cyprus, and the Arab-Israel controversy sparked far more heated exchanges than any so-called anti-Americanism. To play out of its proper perspective this normal Communist line and to down play the positive side of the ILO is to do a disservice to that organization and our competency to deal with the Soviet and Communist world propaganda thrust.

As I have said so often, my reaction is one of taking the offensive and countering their charges rather than supinely withdrawing in the face of their propaganda barrage. Government, labor, and employer delegates seemed in general agreement that our U.S. delegation did do a more effective job in 1971 than last year and that positive improvements were made.

Our position in ILO is no different than the American position elsewhere. As a leader, we have become passive and a little restless. When confronted with a small jibe here and there, we yawn and think, "So what, that is old." That we have done this at ILO is probably more

symptomatic of our overall posture as a nation and leader than it is of the ILO becoming a sounding board of anti-American attacks. Many Members of this body now seem to think that we should be more aggressive. I have long thought this, and from my firsthand observations, we were more aggressive, more eager to respond where merited, and more diligent in speaking out for our own national interests.

THE BUILDING CONTROVERSY

While I do not agree that we should in any way withhold funds from ILO, at this point I do have a general agreement with the criticism emanating from the Congress regarding the handling of the new ILO building commitment. First, I believe it is not accurate to say that the Congress was not informed. We were informed. It is accurate, however, to say that responsible officials in the executive departments did not use good sense in their handling of this issue. In his 1966 U.S. delegation report, Assistant Secretary of Labor for International Affairs George L. P. Weaver included information on "the proposed loan to finance the construction of the new headquarters building." I include at this point his report, which was sent to all Members of Congress:

REPORT OF THE UNITED STATES DELEGATION TO A MEETING OF THE INTERNATIONAL LABOR ORGANIZATION, THE FIFTIETH SESSION OF THE INTERNATIONAL LABOR CONFERENCE, GENEVA, SWITZERLAND, JUNE 1-22, 1966

6. PROPOSED LOAN TO FINANCE THE CONSTRUCTION OF THE NEW HEADQUARTERS BUILDING

The Director-General opened the debate on this item by inviting the Committee to recommend the adoption by the Conference of the Resolution put forward by the Governing Body, which would authorize the Director General, subject to approval by the Governing Body of the overall plan and the related cost estimates for the new ILO Headquarters building, to contract with the Property Foundation for International Organizations (FIPOI) a loan amounting to not more than 75 million Swiss Francs, this sum however to be subject to increase to not more than 90 million Swiss Francs if the cost of construction should exceed the total of 75 million Swiss Francs plus the 18 million Swiss Francs agreed upon as the selling price to the Foundation of the present ILO Headquarters building. Two delegations (United States and Netherlands) spoke in favor of supporting the Governing Body's recommendation; eight delegations (Poland, Ukraine, Byelorussia, Czechoslovakia, USSR, Brazil, Argentina, and Uruguay) spoke against the proposal. Opposition arguments were principally that there was no need to construct a larger Headquarters building in view of the continuing decentralization of ILO operations and that the cost of repaying the loan would absorb funds that could otherwise be used to finance technical assistance activities. The Latin American delegations indicated that their opposition was also based on the fact that the regular assessment scale, according to which the loan repayment would be financed, was inequitable since it did not conform closely to the UN assessment scale. The Committee agreed, subject to the reservations noted above, to recommend that the Conference adopt the Resolution recommended by the Governing Body.

In the plenary consideration of the Finance Committee's report, the Government delegations of Poland and Argentina reiterated their reservations on the construction of the new Headquarters building. The U.S.

Government Delegation recalled its support for the new Headquarters building; the Swedish Employer Delegate and the UK Worker Delegate indicated their Groups' support for the proposal. On a vote taken at the request of the Polish Government Delegation, the Resolution recommended by the Finance Committee was adopted by 200 (U.S. Government, U.S. Employer)—32 (largely Eastern European Delegations)—17.

CONGRESSIONAL ADVISERS

Honorable William H. Ayres, House of Representatives.

Honorable Paul J. Fannin, United States Senate.

Honorable David T. Martin, House of Representatives.

Honorable Gaylord Nelson, United States Senate.

Honorable Adam Clayton Powell, Jr., House of Representatives.

Honorable Frank Thompson, Jr., House of Representatives.

On the other hand, it appears that a high-ranking official of the State Department did not have the intelligence or courtesy to properly inform the Appropriations Committee Subcommittee chairman, the gentleman from New York (Mr. ROONEY), or other members of that committee of the building proposal and American leadership in its adoption. They adopted the age-old policy which is repugnant to Members of this body—"do not tell them, just include the amounts we have committed ourselves to in appropriation requests as these commitments arise." This is our old lament that they always bring us in on the landing rather than the takeoff.

In fact, American delegates played a prominent part in the deliberations and negotiations in 1966 which resulted in the authorization of this new headquarters. I did not attend the ILO conference in 1966 but have attended in 1967, 1968, 1969, 1970, and this year. I assure the Members of this body that I have most forcefully expressed to governmental delegates the resentment that legislators have at this standard operating procedure of executive department, particularly the State Department.

Whether or not because of this bad handling of the headquarters issue by the executive department we should reject the request out of hand is something over which we can differ. I personally think we should still support the new headquarters proposal but I am hard pressed to fight with the same conviction that I do for the basic principle of retention of membership and payment of dues and obligations.

At this point I include the Director-General's report on the very sensitive issue of American participation in the new headquarters construction. I feel it was reasoned and restrained. It follows:

TWENTIETH ITEM ON THE AGENDA, REPORT OF THE DIRECTOR GENERAL NOTE ON THE CONSTRUCTION OF THE NEW ILO HEADQUARTERS BUILDING

Decision to construct the new building

1. Already in 1962 and 1963, consideration had to be given to the possibility of extending the present headquarters building of the ILO in Geneva. While additional office space was rented to meet immediate needs, a thorough study was undertaken of the feasibility of constructing an extension on the land adjoining the present headquarters building, when this land was acquired in 1963. Given

the limited area of land available, however, the amount of space required to meet the needs of the Office, as they were expected to develop over the long term in the light of the growth of its activities, could only have been provided by a building of at least twelve stories, and it became clear that this would not be acceptable to the Geneva town planning authorities.

2. The following extract from the ACABQ *Review of the Administrative and Management Procedures concerning the Programme and Budget of the International Labour Organisation* (UN document A/8140) summarises the main subsequent developments:

"267. . . . Moreover, discussions with the Swiss authorities who own the adjoining properties, revealed that it was unlikely that additional adjacent land could be made available to the ILO. The Governing Body therefore authorised the Director-General (David A. Morse) to pursue negotiations with the Swiss authorities on the understanding that it was not possible to accept the idea that the ILO headquarters operate permanently in more than one location—since such an arrangement would be both costly and inefficient—and that before undertaking any new building it was essential, in view of the magnitude of the investment involved, to obtain satisfactory assurances that within reasonable limits future accommodation requirements, if and when they arose, could be met at the site in question.

"268. The Swiss authorities offered to provide a site of an area of 106,275 square metres (about three times the size of the existing property excluding "Les Fougères"), located close to the United Nations Office at Geneva, and the buildings of other international organisations, and to grant a loan to finance the construction of a new building. The Governing Body, in November 1965, approved the principle of the construction of a new ILO headquarters building on this property (known as "Grand Morillon") and authorised the Director-General to pursue negotiations with the authorities and to appoint architects to draw up an over-all plan for the construction of the building based on suitable alternative assumptions of the amount of accommodation which should be provided.

"269. In 1967, a contract was signed between the ILO and the Property Foundation for International Organisations¹ (a private-law foundation established by the Swiss Confederation and the Republic and Canton of Geneva) providing for:

"(a) the exchange of the land owned by the ILO in Geneva, excluding the property "Les Fougères", for the "Grand Morillon" property;

"(b) the transfer against a payment of 18 million Swiss francs of the existing ILO building to the Foundation; and

"(c) the grant to the ILO of a loan up to 90 million Swiss francs, for the construction of a new building, repayable over forty years and bearing interest at 3 per cent.

"The contract provided that the ILO have full and free enjoyment of its existing headquarters building and grounds until it was ready to vacate them, and that the Foundation make every effort to ensure that the property adjoining the "Grand Morillon" remains available for possible acquisition by the ILO to meet its future needs."

3. In the meantime, in agreement with the Governing Body, three architects were commissioned by the Director-General, David A. Morse, to undertake the preparation of plans and specifications for the construction of the new building on the "Grand Morillon" property. In addition, on proposals of the Director-General, the Governing Body approved the appointment and the membership of an International Advisory Committee of Architects to advise the Director-General on

all the fundamental elements of the overall building plan prepared by the three architects. This Advisory Committee was presided over by Mr. W. K. Harrison of New York and included four other architects of worldwide reputation and of different nationalities.

Participation of United States Representatives in the decisions concerning the new building

4. All matters and decisions concerning the new headquarters building were, in accordance with the ILO Governing Body and Conference procedures, dealt with through the Building Subcommittee of the Governing Body, consisting of six Government, three Employers' and three Workers' representatives; this Subcommittee is a subsidiary organ of the Financial and Administrative Committee of the Governing Body. Reports of the Building Subcommittee are thus submitted to the Financial and Administrative Committee which in its turn makes recommendations to the Governing Body.

5. A United States Government representative has been a member of the Building Subcommittee since 1963. The United States Government representative served as Chairman of the Subcommittee at the Governing Body sessions of November 1965, February-March 1966, May 1966 and November 1966. The decision of principle to construct a new ILO headquarters building on the "Grand Morillon" property was taken at the November 1965 Session. The related decisions to authorize the request for a loan from the Swiss authorities, to negotiate the necessary exchange of land, to approve the over-all construction plan and to authorize the Director-General to proceed with the project, were all taken at the sessions of the Governing Body and Conference from February 1966 to November 1966.

6. Records of the Governing Body show that all decisions taken by the Governing Body on the new headquarters building were approved by general agreement without having to be put to a vote and without any reservation on the part of the United States Government, Employers' or Workers' representatives until the latest session, in May 1971, when reservations and objections expressed by the United States Government representative on the revised estimate of the total cost of the project were recorded at his request in the Financial and Administrative Committee and in the Governing Body.

7. The International Labour Conference dealt with the question of the new headquarters building in connection with the recommendation made by the Governing Body to authorise the Director-General to contract a loan of up to 90 million Swiss francs (\$20,833,333) and to sell the present ILO main building for 18 million Swiss francs (\$4,166,667), making a total of 108 million Swiss francs (\$25 million), to finance the construction of the new building.

8. The decision was taken by the Conference at its 50th Session (June 1966). The representatives of the United States Government as well as the United States Employers' and Workers' representatives supported the resolution of the Conference.

SUMMARY OF 1971 CONFERENCE

Mr. Speaker, at this point I include a summary of the 1971 ILO conference which was published by the organization. It highlights the activities and resolutions at the 1971 month-long meeting, as follows:

INTERNATIONAL LABOUR CONFERENCE ACTS ON NEW LABOUR STANDARDS, EMPLOYMENT AND FUTURE ILO PROGRAMMES

GENEVA.—Decisions which will benefit broad segments of the world's working population in both developing and industrially advanced countries were taken by the International Labour Conference which closed its annual three-week session here today.

The Conference, attended by government, employer and worker delegates from 113 countries, reviewed the International Labour Organisation's World Employment Programme and called on the ILO to give continued priority to employment promotion.

It adopted an International Labour Convention and Recommendation on protection against benzene poisoning at the workplace, and a Convention and Recommendation protecting workers' representatives in the enterprise from discrimination.

The Conference approved a \$71,503,000 gross expenditure budget to finance the ILO programme of activities for the two-year period 1972-73.

Resolutions were adopted on strengthening tripartism in the ILO; *apartheid* and racial discrimination; equal treatment for migrant workers; social security; social problems raised by multinational undertakings; and on the relation between international trade and employment.

THIRD WORLD PLEA

President Leopold Sedar Senghor of Senegal and more than 220 other speakers from all parts of the world joined in the general discussion of the ILO's role in enlarging human freedom by promoting universal dialogue and in bringing the many gaps that divide the contemporary world.

President Senghor appealed on behalf of developing nations for better trading terms to aid their social and economic progress.

Director-General Wilfred Jenks of the International Labour Office, replying to the discussion, stressed the need for rethinking on the ILO's work in such matters as the relationship between social objectives and development planning, the future course of technical co-operation, the scope for international assistance in resolving controversial domestic development problems, and other ILO fields of activity concerned with the improvement of working and living conditions.

PROGRAMME AND BUDGET

The Conference approved a \$71,503,000 gross expenditure budget to finance ILO activities in the two-year period 1972-73. These activities are designed to cover effectively the full range of social policy matters for which the ILO is responsible, including its role in the current United Nations Second Development Decade. They will include:

Intensified work under the World Employment Programme, which is intended to help nations create productive employment, and in which a wide range of international and regional organisations are co-operating.

Action designed to make fuller use of the ILO's unique tripartite structure, with more frequent meetings of the Organisation's regional bodies and of the specialised committees which deal with developments affecting workers in the world's major industries.

Preparatory work in such fields as the protection of foreign workers, the interplay of multinational corporations and labour policy, and industrial relations and disputes.

Continued training programmes, with more emphasis on vocational training in rural areas and on entrepreneurship development.

Renewed efforts to promote fair distribution of the fruits of production, particularly among vulnerable social groups such as workers in the countryside and in small-scale industries, and migrant, women and young workers.

Continued work to secure the adoption and application in member States of effective safety and health policies and measures for the protection of all workers.

Investigations to determine what further measures can be taken to improve the working environment.

Reinforcement of machinery for the application and supervision of ILO standards

¹ Fondation des Immeubles pour les organisations internationales (FIPOI).

protecting certain basic human rights such as freedom of association.

Further decentralization of staff and resources from headquarters to the field.

Full-scale evaluation of ILO work on social security, management development, workers' education, industrial safety and health and general working conditions.

Presenting the programme and budget proposals, Mr. Jenks noted that most of the increase over the budget for the 1970-71 biennium (which totals \$69,929,849) was attributable to expected cost increases. Redeployment of resources for 1972-73 would nevertheless permit dynamic growth and strengthen the long-term effectiveness of the Organization's work.

The Conference amended ILO financial regulations to permit the Organisation to borrow to finance its activities should this become necessary pending the receipt of contributions.

PROTECTION AGAINST HAZARDS OF POISONING ARISING FROM BENZENE

The Conference adopted a Convention and Recommendation on the protection of workers against hazards of poisoning arising from benzene. The Convention applies to all activities involving exposure of workers to the aromatic hydrocarbon benzene C_6H_6 , and to products whose benzene content exceeds 1 per cent by volume.

Wherever harmless or less harmful substitute products are available they should be used instead of benzene. However, the production of benzene, its use for chemical synthesis, in motor fuel and analytical or research work carried out in laboratories are not banned by the new international standard.

It will be for national legislation to determine where the use of benzene and products containing it should be prohibited. Occupational hygiene and technical measures shall be taken to ensure protection of workers exposed to benzene, including steps to prevent the escape of benzene vapours into the air of places of employment. The employer will be responsible for ensuring that the concentration of benzene in the air of places of employment does not exceed a maximum which shall be fixed by the competent authority at a level not exceeding a ceiling value of 25 parts per million (80 mg/m^3) of air.

The Convention also recommends that work processes involving benzene shall as far as practicable be carried out in an enclosed system. Failing this, work places should be equipped with effective means to ensure the removal of benzene vapours.

Workers who are to be employed in processes involving their exposure to benzene, or to products containing more than 1 per cent of it, shall undergo a thorough medical examination for fitness for employment, and periodic re-examination, which shall include biological tests. Pregnant and nursing women and persons under the age of 18 shall not be employed in work involving exposure to benzene.

The word "benzene" and the necessary danger symbols shall be clearly marked on any container holding benzene.

The Recommendation adopted by the Conference contains supplementary provisions including restrictions on the use of benzene, technical and medical prevention measures, and workers' education in these fields. The Recommendation will provide guidance on policy, legislation and practice.

WORKERS' REPRESENTATIVES IN THE UNDERTAKING

The Conference adopted a Convention and a Recommendation on protection and facilities to be afforded to workers' representatives in the undertaking. According to the new Convention, such representatives should enjoy effective protection against any

act prejudicial to them, including dismissal, based on their status or activities as workers' representatives. They should also enjoy the necessary facilities enabling them to carry out their functions promptly and efficiently. The granting of such facilities should not impair the efficient operation of the undertaking concerned. The term "workers' representatives" covers both trade union representatives and representatives freely elected by the workers in accordance with provisions of national laws or regulations or of collective agreements, whose functions do not include activities which are recognised as the exclusive prerogative of trade unions in the country concerned. Once ratified, this Convention may be given effect not only by national legislation but also through collective agreements or other appropriate means.

The Recommendation spells out the kind of protection workers' representatives may enjoy in case of termination of employment, including definition of the reasons for dismissal as well as consultation and recourse procedures. It also specifies what facilities should be granted, such as time off from work, access to all workplaces and to management, permission to collect trade union dues and to post trade union notices, and material facilities and information.

WORLD EMPLOYMENT PROGRAMME

In reviewing the ILO's World Employment Programme, the Conference stressed the objective of raising substantially the level of employment and standards of living of the working populations throughout the world.

In order to achieve this objective, the Conference recommended that developing countries should make full, productive and freely chosen employment a major goal of their national development policies and should review national legislation, policies and practices limiting employment. They should implement agrarian reforms to develop the rural sector, coordinating these activities with policies for an industrial development that is as diversified as possible.

Since the problem of population growth gives rise to serious employment problems in many countries, due attention should be given to population policies and family planning programmes, with assistance in their formulation from international organisations, including the ILO where appropriate.

Industrialised countries should help promote employment in developing countries by such measures as reducing import barriers on products from developing countries. They should also aim to provide developing countries annually with financial resource transfers of a minimum of one per cent of their gross national product. They should seek to ensure that their aid programmes are coordinated with existing national employment policies and directed towards the promotion of employment-creating activities that are economically productive. Countries should endeavour to re-direct as much as possible of the resources now spent on armaments and war materials to projects aimed at solving unemployment.

The Conference stressed the important role which employers' and workers' organisations should play in the formulation and implementation of national employment policies and the need for full consultation with such organisations in framing these policies.

While primary responsibility rests with the countries concerned, international organisations have a continuing important role to play in keeping the objective of full employment in all sectors in the forefront of efforts to achieve economic and social progress within the framework of the International Development Strategy for the Second Development Decade.

The ILO in particular should continue to promote such efforts and to review regularly progress and difficulties in achieving fuller employment under the World Employment

Programme. Its research should be directed to finding solutions to practical problems of employment policy. Assistance to governments in the adoption and implementation of employment policies should receive high priority in the ILO technical co-operation programme.

Missions should be organised by the ILO with the full participation of the United Nations and its specialised agencies, together with the World Bank and the International Monetary Fund, in a joint effort to advise countries in the formulation of a comprehensive employment strategy. They should have full consultation with employers' and workers' organisations in the countries visited. The missions should ensure that their recommendations can be effectively translated into concrete policy measures.

Although using its limited resources primarily with the developing countries in mind, the ILO should nevertheless devote attention to certain employment problems in industrialised countries particularly those which are of special interest to developing countries as well.

STRUCTURE OF THE ILO

The Conference received a number of communications from the Governing Body of the International Labour Office concerning the questions of structure which had been referred to it for reconsideration by the 1970 session of the Conference.

It was felt that the fundamental questions of structure should be settled not by a majority vote which would leave a substantial minority dissatisfied, but by consultations intended to achieve general agreement.

The Conference noted the inclusion in the agenda of the 1972 session of the question of amending the ILO Constitution with a view to enlarging the Governing Body, which represents one item of the major questions of structure.

Adopting one of the recommendations of the Governing Body, designed to increase the number of Government deputy members from 12 to 14, the Conference amended its standing orders accordingly.

The Conference decided that other questions concerning the ILO structure should be formally examined at its 1973 session, on the understanding that informal consultations would take place in the meantime.

RESOLUTIONS

Strengthening tripartism in the activities of the ILO

In its resolution on tripartism, the Conference:

Declared that scrupulous observance of the tripartite structure of the ILO (governments, employers and workers) constitutes the best means of ensuring that the work of the ILO, which is aimed at securing social justice in the world, is pursued and developed;

Invited the ILO Governing Body:

To consider all measures which are necessary for ensuring that the tripartite structure is fully effective in respect of the entire range of ILO activities, including research, technical cooperation, the World Employment Programme and regional activities;

To give particular attention to the need for fully integrating all types of ILO activities, to assure that standard-setting and technical co-operation would be mutually reinforcing on the basis of tripartite elaboration, implementation and control, for the attainment of the social objectives of the Organization;

To give special consideration to the possibility of setting up tripartite ILO machinery for the supervision, including inspection, of programmes and projects.

In addition, the Conference requested the ILO Director-General to remind member States, when convening meetings, of the provisions under which they are obliged to send tripartite delegations whose members are able to act in full independence, and to examine

the reasons why some member countries are not fulfilling this obligation, as well as ways of correcting this situation. It also requested the Director-General to invite countries benefitting from the ILO's World Employment Programme and technical co-operation programmes to arrange for the full consultation and association of employers' and workers' organizations in the implementation of ILO projects.

"Apartheid" and the ILO's contribution to the International Year for Action to Combat Racism and Racial Discrimination

In its resolution on *apartheid*, the Conference:

Pledged the entire support and the effective action of the ILO to the International Year for Action to Combat Racism and Racial Discrimination;

Appealed to member States to ratify and apply the International Convention on the Elimination of all Forms of Racial Discrimination, and the ILO Discrimination (Employment and Occupation) Convention (No. 111), on the occasion of the International Year;

Condemned the continued suppression of fundamental human and trade union rights in several countries, including countries and territories under a colonial regime or foreign domination in any form and insisted on an end to this suppression and the immediate and unconditional release of all persons imprisoned for their trade union and political activities;

Called on member States and on employers' and workers' organizations to intensify their efforts during the International Year to promote effective action to secure the elimination of *apartheid* and its causes and, in particular, to abstain from any policy encouraging emigration to South Africa insofar as it tends to consolidate the policy of *apartheid*;

Invited the ILO Governing Body to request the Director-General to ensure the widest dissemination in all countries, including countries and territories under a colonial régime or foreign domination, of information on the evil consequences of the *apartheid* system in the social and labour fields and to submit to it proposals for dealing with the various forms of racial discrimination other than *apartheid* practiced in other regions of the world;

Invited the Governing Body to give special consideration to all actions required in order to maximize the effectiveness of the ILO programme for the Elimination of *Apartheid* in Labour Matters, with a view to elaborating a coherent set of measures designed to contribute to restoring fundamental human and trade union rights in South Africa.

Migrant workers

In a resolution concerning migrant workers, the Conference invited the ILO Governing Body to request the Director-General:

To give priority to the problem of migration and to prepare a coordinated programme of action to encourage the creation of an environment favourable to migrant workers and to promote and ensure equality of treatment between workers of foreign nationality and nationals of the host country;

In cases when political, economic or other differences arise between the host country and the country of origin of migrant workers, to appeal to countries receiving migrant workers not to use in any way the presence of these workers to exert pressure, to ensure the security of individuals and property, and to condemn vigorously discriminatory practices affecting the dignity of migrant workers;

To give particular attention to the serious human and social problems facing such workers, especially as regards reception, living conditions and adaptation, health, vocational training, trade union and personal freedoms, inadequacy of information, education of

children, and to facilitate the reuniting of families.

The Conference also asked that the problem of migrant workers be included on the agenda of one of its forthcoming sessions.

Future activities of the ILO in the field of social security

In the resolution adopted on this subject, the Conference called for an intensification of ILO efforts for the rapid extension of social security protection to all segments of the population, in particular to vulnerable social groups such as rural and migrant workers, low-income groups, the disabled, the mentally handicapped and the aged.

The Conference also requested that the ILO study matters such as the adjustment of social security benefits to variations in the cost of living and the harmonisation of social security schemes under regional economic and social integration plans.

Social problems raised by multinational undertakings

In the resolution on the social problems raised by multinational undertakings, the increasingly rapid development of which is one of the striking features of economic evolution in recent years, the Conference noted with satisfaction the decision of the ILO Governing Body to consider holding a technical meeting on the possibility of action by the ILO regarding the relationship between multinational undertakings and social policy. It expressed the wish that this meeting should be held as soon as possible and requested the Governing Body, in the light of the conclusions reached at this meeting, to decide on what action the ILO should take on the matter, including its examination by the Conference at a future session.

Relation between international trade and employment

A resolution on the relationship between international trade, international collaboration and employment was adopted by the Conference for the first time. The Conference called on the International Labour Office to carry out a study on the relationship between the principles, standards and practices of international trade on the one hand, and the ILO's World Employment Programme on the other. The Office was also requested to contact the appropriate organs and bodies of the United Nations, as well as the GATT, to ensure that full consideration is given to the effects on employment, wages and conditions of life of economic development and trade during the Second Development Decade when they establish and put into effect their own programmes.

Application of conventions and recommendations

In accordance with usual practice, the Conference set up a tripartite Committee to examine the application by member States of Conventions and Recommendations adopted at previous sessions. A record number of governments—83—supplied information on the measures taken or envisaged by them to meet their obligations relating to ILO standards.

The Committee also discussed a comprehensive survey prepared by the Committee of Experts on the Application of Conventions and Recommendations which reviewed the effect given to the Discrimination (Employment and Occupation) Convention and Recommendation, 1958. This survey was conceived by the ILO as a contribution to the International Year for Action to Combat Racism and Racial Discrimination. The Conference decided to address an urgent appeal to all member States who had not yet done so to consider the possibility of ratifying, and of ensuring the full application of the above-mentioned Convention (No. 111).

The Committee also discussed the report of a Joint ILO/UNESCO Committee of Experts on the Application of the Recommendation

concerning the Status of Teachers—an instrument adopted in 1966 by an intergovernmental Conference convened by UNESCO.

As in the past, the Conference Committee highlighted in its report cases where governments had encountered special difficulties in complying with their obligations under the ILO Constitution or under ratified Conventions. At the same time, the Committee informed the Conference that material progress had been made by many governments as regards compliance with international standards.

CONFERENCE OFFICERS AND PARTICIPANTS

About 1,250 delegates and advisers took part in the work of the Conference, including 49 Ministers and 32 Vice-Ministers.

The Conference opened on 2 June under the chairmanship of Mr. S. O. Koku (Nigeria), Chairman of the Governing Body. It elected as President Mr. Pierre Waline (France) who became, after almost half a century of close association with the ILO, the first employer to hold the top office of the Conference.

The other Officers of the Conference were: Government Vice-President—Mr. Stefan Murin, Minister Plenipotentiary, Deputy Representative of Czechoslovakia on the Governing Body; Employer Vice-President—Mr. Fernando Ylanes Ramos, Counsellor of the Confederation of Industrial Chambers of Mexico, Member of the Governing Body; Worker Vice-President—Mr. N. De Bock, Deputy General Secretary of the Belgian General Federation of Labour, Member of the ILO Governing Body.

As an appendix to these remarks, I include my testimony before the Appropriations Subcommittee and the Government position on the ILO in view of the actions of this Congress.

APPENDIX I—STATEMENT OF REPRESENTATIVE JOHN M. ASHEROOK BEFORE THE SUBCOMMITTEE ON STATE, JUSTICE, COMMERCE, JUDICIARY AND RELATED AGENCIES, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, WASHINGTON, D.C., APRIL 30, 1967

I appreciate this opportunity, Mr. Chairman, to appear before your distinguished Committee because of my long and continuing interest in the International Labor Organization and the participation of the United States in its activities. This interest flows from my membership on the Ad Hoc Subcommittee on the International Labor Organization of the Committee on Education and Labor. Our subcommittee, over the years, has held a number of hearings on United States participation in the ILO. In addition, I have had the honor to be appointed by the Congress as an Adviser to the Government Delegates attending the International Labor Conference for the last 3 years. As a consequence, I have become quite familiar with the ILO and the functioning of the annual conference, although I certainly don't offer myself as an expert.

I don't wish to discuss the organization or structure of the ILO for I am confident that members of the House are already well informed in this respect. I do, however, note my full agreement with the objectives of the Organization as outlined in the preamble of its constitution, namely, the promotion of universal and lasting peace based on social justice through the improvement of living and working conditions and economic stability. I also believe it may be useful because of the charges made against the ILO to look at the functioning of the International Labor Conference so that the House can have a clear picture of the operating procedures.

The Conference in June was attended by delegates from 111 of the 121 member States. Each member, as you know, is entitled to four delegates, two government, one employer, and one worker, accompanied by advisers. There were more than 1,250 dele-

gates and advisers in attendance. In addition, there were 100 officials of cabinet rank taking part in the Conference as well as 45 representatives of the United Nations and 21 intergovernmental organizations and 104 representatives of 33 international nongovernmental organizations.

In the light of my experience, I find that the annual conference operates very much like the Congress in that the truly important work is done in committee. Let me illustrate by reference to the conference last June which was typical of earlier conferences I have attended.

At this session, there were daily plenary sittings of the Conference where the report of the Director-General was under debate. I might note in this connection, Mr. Chairman, that with the exception of the formal opening and closing days, plenary sittings are sparsely attended. On a typical day considerably less than 10 percent of the more than 1,250 delegates and advisers attending the Conference would be present at the plenary sitting as they were otherwise engaged in work of the committees. During this period more than 200 speakers took part in the debate. Only a limited number of these speakers abused the forum to engage in political polemics of the kind we object to and these usually spoke to an almost empty hall.

At the same time one must recognize, as the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs, found on page 8 of its report of December 17, 1963, on U.S. participation in the ILO, that while delegates from Communist countries had frequently used the attractive forum provided by the Conference to attack policies of the United States, delegates from the free world used the same forum not only to answer Communist charges but to advocate principles and course of action inimical to the Communist cause.

A different situation prevails in the closing week of the Conference at which time the plenary sittings are well attended as the business before the conference consists of receiving and considering the reports of the various committees which have completed their work. It is very rare, indeed, for any speaker to depart from the serious business before the Conference during this period, and it is also rare for the Conference to reject or modify the action of a Committee.

While the Director-General's report was under debate in June last year, 12 major committees were simultaneously conducting their work. There were six standing committees which deal with the same subject matter each year and six technical committees which dealt with the technical items on the agenda of the Conference this year. All of these with the exception of the finance committee, which is composed of one Government representative from each member State, were tripartite in composition. Excluding the credentials committee which traditionally consists of three members, one from each of the three groups, the committees ranged in size from 23 to 141 voting members. Seven committees had in excess of 100 voting members while two had more than 85. In committees of the Conference, voting is weighted so that the voting strength of the Government, employer and worker groups is equal. In the plenary sittings of the Conference, where the final decisions are made, governments have two votes while the employers and workers have one each. Thus at the June Conference the 111 member States had a potential voting strength of 444 votes during plenary sittings. Of these 444 votes the Communist bloc including Cuba had only 44 votes.

An important matter such as adoption by the Conference of the budget, conventions and recommendations, or amendments to the

Constitution, requires a two-thirds majority of the votes cast by the delegates present with the total number of votes cast at least equaling one-half the number of delegates attending the Conference. Abstentions do not count in the total number of votes cast. A simple majority is sufficient for most other matters provided the essential quorum is present. A member which is in arrears in the payment of its financial contribution may not vote if the arrearage equals or exceeds the amount due from that country for the preceding 2 years.

The United States took an active part in the work of all committees, except the credentials committee, and for the most part had representation in all three groups of each committee.

As I indicated above, there were six standing committees functioning during the Conference which I will describe briefly.

Credentials: This is a small committee of three members who pass on the credentials of all delegates and resolve challenges concerning such credentials.

Selection: This committee is composed essentially of members of the governing body and meet daily to schedule and guide the work of the Conference.

Finance: This committee is responsible for the study and approval of the biennial program budget of the organization. The regular budget for 1970-71 is approximately \$63 million.

Application of conventions and recommendations: This is an important committee that has the task of supervising the application by member States of conventions they have ratified.

Standing orders: this committee has responsibility for examining proposals and making recommendations for changes in the standing orders of the Conference.

Resolutions: All resolutions dealing with matters outside the items on the agenda of the Conference are handled by this committee. Thus at the last session there were 14 resolutions submitted. Of these the committee approved, and the Conference adopted, resolutions dealing with freedom of speech of non-governmental delegates, additions to list of occupational diseases, workers education, employment of older workers, human environment and revision of industrial safety regulations.

Two resolutions concerning violation of freedom of association in Greece and the social problems raised by multi-national corporations were recommended by the committee, but were not accepted by the Conference because of the absence of a quorum. You may recall that our distinguished colleague from New Jersey, the Honorable Frank Thompson, Jr., submitted a statement for the Congressional Record on the Greek situation on Wednesday, March 31, 1971. Another resolution concerning the examination by the ILO of the labor and trade union situation in Spain failed to obtain the necessary majority in the resolutions committee. The remaining resolutions were not discussed by the committee. These dealt with workers' utilization of spare time, improvement of the conditions of life and work of foreign workers, the right of reply of certain representatives attending the Conference as observers, and some trade matters.

Mr. Chairman, it is clear from the very nature of the work of these committees that in some instances political questions may arise in relation to the questions under consideration. The political issues that did arise, however, did not involve propaganda attacks on the United States—rather they were related to much broader issues of world politics.

The six technical committees were concerned with the technical items on the agenda this year.

The Committee on Holidays with Pay approved a new Convention concerning annual holidays with pay revising former standards.

It applies to all employed persons with the exception of seafarers. Members have the possibility of ratifying it separately in respect to agriculture workers alone, or of nonagriculture workers, or in respect to all categories. A resolution concerning holidays with pay for seafarers suggesting examination of present standards by means of the special machinery established in the ILO to deal with maritime questions was also adopted. The Conference approved the Convention by a vote of 213 in favor, 62 against, and 62 abstentions. It also approved the resolution.

The Committee on Minimum Wage Fixing Machinery adopted a convention and recommendation on minimum wage fixing, with special reference to developing countries. These standards supplement earlier instruments adopted for industry and agriculture, and they are intended to provide additional protection for wage earners against unduly low wages. The Conference approved the convention by a vote of 248 for, 46 against, with 46 abstentions. It approved the recommendation by a vote of 251 for, 5 against, and 74 abstentions.

The Committee on Special Youth Employment and Training Schemes adopted a recommendation concerning special youth schemes which met the employment and training needs of unemployed and uneducated young people—who are posing a serious social problem in many countries—and which enable young people with special qualifications to use them in development projects of benefit to the community. The recommendation was approved by the Conference by a vote of 311 for, nine against, with 26 abstentions.

The Committee on Trade Union Rights examined in broad terms the relationship between trade union rights and civil liberties within the freedom of association framework. The item was placed on the agenda because the governing body felt that the whole question concerning civil liberties and trade union rights was of such importance that the Conference should engage in a general discussion of the subject to reflect the varying views of the members. The resolution approved by the Conference calls upon the ILO to undertake comprehensive studies in matters concerning freedom of association and trade union rights and related civil liberties, within the competence of the ILO, with a view to considering what future action in this field should be taken by the organization.

The Committee on Protection and Facilities held a first discussion on a proposed recommendation concerning the protection and facilities to be afforded to workers' representatives. This new standard, which will be discussed again next year, would cover trade union representatives and representatives elected by the workers of the undertaking. Both, according to the proposed recommendation should enjoy effective protection against any act prejudicial to them, in particular dismissal, based on their status or activities as workers' representatives, or on union membership, or participation in any union activities. The committee report was approved unanimously by the Conference.

The Committee on Structure examined the report of a governing body working party which had, at the request of the Conference in 1969, considered several questions relating to the composition and functioning of the ILO governing body, the election of the Director-General, and the composition of meetings of experts and advisory panels. The working party had reached agreement on the composition of experts and advisory panels, and this was approved by the Conference, but it had not made any progress with relation to the other issues. These matters were referred back to the governing body for further consideration in the light of the opinions expressed during the debate of the committee. The Conference also requested the

governing body to make provision for a special group to consider structural matters further, should the establishment of such a body be deemed necessary at the June Conference this year.

Because of the substantive nature of the work of the technical committees there is little occasion for political controversy and for that reason political attacks are infrequent. I am not aware of any such occurrence in the technical committees at the last Conference.

As I noted earlier, the work of these 12 committees continued simultaneously with the plenary sitting of the Conference where the report of the director-general was under debate. From the summary I have presented it is evident that the work of the committee proceeded without incident and that the substantive program for the Conference was completed in an effective and orderly manner. I am advised that the decisions of the Conference were generally consistent with the positions of the United States.

This does not imply that there were no political attacks on the United States in the course of the Conference for such attacks did take place in the debate on the director-general's report. Indeed, I understand that there were some 30 attacks mostly from speakers from the Communist countries and I was present for some of these. They followed a common pattern, usually coming at the very end of what was otherwise an objective progress report on the speaker's country. Frequently, they were no more than one short sentence that was read rapidly before the presiding officer could react or before an objection could be made.

One measure of the ineffectiveness of these attacks is to recall that they are normally unseen and unheard by the overwhelming majority of the delegates. If all the attacks were combined into one, the presentation would take less than 1 hour of the total 3-week period of the Conference. In this respect they constitute nothing more than a minor though irritating factor.

However, I am fully aware that there is another and much more important facet to this matter from our viewpoint and I was extremely pleased to observe the effective manner in which members of the U.S. delegation responded to these attacks. I was also pleased to observe the close and harmonious working relationships within the delegation on the floor of the Conference as well as the team spirit manifested at the daily staff meetings of the government members of the delegations which I attended.

I recognize that the situation regarding political attacks on the United States is far from satisfactory but at the same time I do feel that progress has been made over the past 3 years in bringing this situation under control. In the final analysis, this depends, of course, on the president of the Conference for it is only the presiding officer that can seat delegates and revoke the privilege of speaking when their remarks cease to be relevant to the subject under discussion. It is a continuing task for the U.S. delegation to muster the strength and obtain the cooperation of other friendly delegations to persuade the presiding officer of the imperative need to maintain strict control of the proceedings.

I believe that we are winning this fight, Mr. Chairman, but we can't continue to progress if we walk away from the battle or undermine our efforts as we are doing, by failing to give the ILO our full support including our financial support. I am satisfied that the curtailment of the ILO program of activities flowing from our withholding the United States contribution to the organization has given rise to strong resentment throughout the world. I am also satisfied that this growing resentment is harmful to our foreign policy because the ILO is a very important instrument in the development plans of the developing nations. I would, therefore, urge that the Congress move as rapidly as possible to restore our contribu-

tion so that the world may know that we are supporting the ILO by action as well as by words.

APPENDIX II

U.S. DEPARTMENT OF LABOR,
Washington, June 14, 1971.

HON. JOHN M. ASHBROOK,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ASHBROOK: I am enclosing an official statement of the Administration's view of the current crisis in the relationship between the United States and the International Labor Organization.

I thought you would find it useful. You may feel free to use the statement as you see fit.

Sincerely,

GEORGE H. HILDEBRAND,
Deputy Under Secretary, International
Affairs.

THE UNITED STATES AND THE INTERNATIONAL LABOR ORGANIZATION

(An administration background)

A leading advocate of prompt payment of assessed UN contributions by all members, the United States is now in arrears in the payment of its obligations to an international body—the International Labor Organization.

The reasons that led the Congress in 1970 to withhold the last half of that year's assessment to the ILO (\$3.7 million), and to raise doubts about its intention to fund this year's assessment (\$7.8 million) are exceedingly complex. After a careful study of the matter President Nixon on May 27, 1971, stated his belief that the U.S. should not withdraw from the ILO at this time, but that considerable change must take place in the ILO if the U.S. is to remain a member. The President also thinks that in order for the U.S. to remain a member in good standing, and to be able to help effect the changes desired, it will be necessary for the Congress to vote the appropriation for this country's arrearage from last year and its assessment for this year.

Following is a summary of the factors considered by the Administration in reaching the above decision.

Increasing dissatisfaction with trends in the International Labor Organization (ILO) over the past years culminated in a decision by the Congress in 1970 to withhold payment of the last half of the assessed U.S. contribution to the organization for that year, and to cast doubt upon the willingness of Congress to fund the money for this year's assessment.

The incident that triggered this action by Congress was the appointment of a Soviet citizen to become one of the five Assistant Directors-General of the ILO—the highest appointive position yet attained by a Russian in the Organization. This decision, taken without opportunity for the U.S. to express its views beforehand, touched off a hearing before a House appropriations subcommittee in which a number of complaints about the ILO were aired by employer, worker and government members of the U.S. Delegation to the Organization.

The complaints dealt primarily with the continuous encroachment by the communist bloc of nations upon the ILO's structure, philosophy and goals, and with the belief that the International Labor Office was doing little to counter this trend. As a result, it was thought that the Organization was drifting away from its original purposes—setting international labor standards and providing technical assistance and research in the field of manpower and human resources.

These criticisms and the fact that the United States pays one quarter of the ILO's regular budget raised the issue of whether this country should remain in the Organization. An intensive study of this situation

led to the conclusion that there are four major reasons why the U.S. should not withdraw from the ILO at this time:

1. Withdrawal by the U.S. would leave the Soviet Union as the dominant power in the Organization, affording it significant opportunity to exploit the ILO as a means of enlarging its own influence—at the sacrifice of the ILO's badly needed technical work around the world. The U.S. should not hand the USSR this advantage but rather should stay in the organization and fight to make it adhere to its constitutional objectives.

2. U.S. withdrawal would work against President Nixon's objective of shifting more of U.S. aid and technical assistance to the international agencies. Within the critically important field of manpower development, ILO is the foremost multilateral agency in the world, with lengthy experience, much expertise, and a going worldwide organization.

3. If the U.S. withdraws from the ILO, we are very unlikely to gain either friendship or understanding abroad. Instead the U.S. would be condemned for attacking an organization of service to working people everywhere, for resorting to cold war politics, for returning to a naive isolationism, or for acting from pure spite. If the object of foreign policy is to maintain or even increase a nation's influence abroad in directions that it desires, it makes little sense to take an action that clearly would decrease that influence.

4. U.S. withdrawal from the ILO could well threaten our eventual participation in the whole UN system. The U.S. has various complaints against other organizations. If it withdraws from one, then the way will become open to attack the rest and to press for quitting them as well. Is it to the interest of the U.S., and particularly its foreign policy, to initiate a course of action toward ILO that carries so large an additional risk?

What is called "the ILO problem" is a multi-sided and exceedingly complex affair. It is partly a product of the internal politics of the organization itself, in particular its desire to hold itself together against the unremitting and divisive pressures of its bloc of communist member states.

In addition, among some thoughtful Western critics, the ILO has not helped its cause by its excessive preoccupation with ceremonial activities, by its frequent employment of extravagant rhetoric on behalf of its promises and its programs, and by its tendency at times to rely more upon its sentimental appeal than upon a rational exposition of its real accomplishments.

But "the ILO problem" is not entirely of the Organization's own making. Within the United States itself there are signs that it may become good politics to beat ILO over the head, to exaggerate its sins, to demand of it the impossible, and to ignore resolutely any shifts in its policies in our favor.

In the heat of indignation about U.S. grievances, it has been easy to disregard some very real faults of our own, deficiencies that must account in part for the problem itself: the lack of enough funds to support adequate and well-balanced U.S. delegations; lack of a consistent and firm strategy on behalf of U.S. interests in ILO over the years; and a failure of the participating government agencies and private organizations to accord consistently high priority to the U.S. involvement in the Organization.

The ILO was created in 1919 by Western nations which were characterized by parliamentary democracy, modern industrialism, and mixed economic systems. In this pluralistic social-economic model, both the trade unions and the employers are independent of domination by the central government. Accordingly, this was the conceptual origin of the unique tripartite system of governance that differentiates ILO from other international bodies. The United States, of course, also could—and does—fit comfortably into this structure.

But the Soviet Union and its communist allies could not, and cannot. They have neither independent unions nor independent employers. All of their ILO representatives are designated by their central governments.

To the East Bloc, the ILO is just another intergovernmental organization, operating on the purely political plane, and presenting, by reason of its labor base, a significant political opportunity to the communist nations. Thus, it is perfectly natural for the Soviet Union to press forward within ILO in all useful directions in the pursuit of its own interests.

In this context, then, the basic question for the U.S. is whether it wishes to pay the price necessary for achieving an acceptable internal equilibrium within the International Labor Organization. The price involved for the U.S. is basically not one of money. Rather it concerns the amount of effort and resources we are prepared to devote to achieve a balance of forces within ILO, the degree to which we are prepared to be forthcoming toward new programs, and the extent to which we are prepared to seek a necessary accommodation with both the East Bloc and the detente-minded West Europeans—an accommodation consistent with the Constitution of the ILO.

This last point is crucial. The U.S. cannot have an ILO composed only of purely tripartite societies—desirable as this undoubtedly is in principle. Nor can the U.S. have its own way on everything occurring in this organization. The U.S. delegation must work within the framework confronting it. It must have some flexibility in negotiating over these complex political issues. Otherwise it will fall victim to counsels of perfection, powerless to achieve that very balance of internal forces that is in the interests of the U.S. to achieve—and, of course, the interests of ILO as well.

On the other hand, if the U.S. can attain this dynamic equilibrium, it can have in ILO the kind of multilateral body which can promote the tripartite approach to questions involving the welfare of workers, labor standards and the development of the underdeveloped countries. More than this, it can preserve the organization as a unique international forum in which the issues of worker's welfare and human freedom can continue to be examined and vigorously pressed from the special vantage points of governments, workers and employers.

FREE WORLD SHIPPING TO NORTH VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CHAMBERLAIN) is recognized for 5 minutes.

Mr. CHAMBERLAIN. Mr. Speaker, during the first 7 months of 1971 free world shipping to North Vietnam has continued to show a decidedly downward trend. According to information made available to me by the Department of Defense this past July, two ships flying the flag of the United Kingdom and two vessels under registry of the Somali Republic frequented North Vietnamese ports. These four arrivals brought the total for the first 7 months of this year to 33. This compares to the 45 free world arrivals during the same period of 1970. The success of steps to reduce this traffic with the enemy is further borne out by the 7-month figures for 1968 and 1969 which were 86 and 67 arrivals respectively. This is solid progress and I commend the administration's perseverance to restrict the enemy's source of

supply, for this, too, serves in the winding down of the war.

So long as American men are under fire in Vietnam, this problem deserves our very best efforts.

Mr. Speaker, I include the following tabulation:

FREE WORLD FLAG SHIPS IN NORTH VIETNAM 1971

	United Kingdom	Somali	Total
January.....	3	1	4
February.....	5	1	6
March.....	5	2	7
April.....	3	1	4
May.....	4	—	4
June.....	3	1	4
July.....	2	2	4
Total.....	25	8	33

FREE WORLD FLAG SHIPS IN NORTH VIETNAM 1970

	United Kingdom	Somali	Kuwait	Cyprus	Total
January.....	2	1	1	—	4
February.....	5	1	—	—	6
March.....	3	1	—	—	4
April.....	7	2	—	—	9
May.....	6	3	—	—	9
June.....	3	2	—	—	5
July.....	4	3	—	1	8
Total.....	30	13	1	1	45

RECOGNITION IS LONG OVERDUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. ALBERT) is recognized for 10 minutes.

Mr. ALBERT. Mr. Speaker, it has been said that "Success has many fathers but failure is an orphan." While others are loudly trying to take credit for his hard work, DOMINICK DANIELS is simply taking quiet satisfaction in knowing that his successes are helping those who need it most: the preschooler and the aged; the unemployed and the working man.

Out of an obligation to my colleagues and a deep feeling of friendship, I want to state why this man truly deserves public recognition as well as our esteem.

DOMINICK DANIELS is an outstanding legislator. As chairman of the Select Subcommittee on Education in the 90th Congress, he was responsible for the enactment of eight measures into law. Though the number is impressive, the fact that this was done without a dissenting vote in subcommittee, in full committee and on the House floor, is amazing. Not content with these accomplishments, he continued to be instrumental in guiding four bills into law during the next Congress.

DOMINICK DANIELS is also an innovator. I have seen him get action in areas that had remained untouched for many years. The Construction Safety Act was vitally needed in an industry famous for its on-the-job fatalities, but it had previously failed to pass because of bitter opposition between the trade unions and the construction industry. Under DANIELS' leadership it became the strongest safety law in the Nation, and only months later, he went on through numerous

drafts to write the basic Senate and House occupational health bills, which became the most comprehensive safety law in history.

His authorship of the benefits section in the Coal Mine Health and Safety Act is historic. For the first time, the Federal Government is now giving workmen's compensation to thousands of miners suffering the pains of black lung disease.

DOMINICK DANIELS is a conciliator. Under the threat of a veto, Mr. DANIELS pushed through the Emergency Employment Act to bring jobs to some of the millions of Americans without work. At the last minute, seeing the political consequences of vetoing a jobs bill in the face of massive unemployment, the administration asked for a compromise. After Mr. DANIELS negotiated an acceptable proposal, the administration, in a grandstand play is now stealing credit for a program they fought every inch of the way.

Despite his achievements, DOM DANIELS has not received recognition commensurate with the good he has done for others.

When the Occupational Safety and Health Act was signed into law, Mr. DANIELS' name was dropped from the title and a year and a half of his labor was ignored.

When hearings were held on a Youth Conservation Corps, the administration recommended it not be enacted, testified against it and received it lukewarmly when, despite their efforts, it became law. Now that the corps has been flooded with more than 25,000 applications for only 2,200 positions, and now that department personnel are convinced of its success, Secretary of the Interior Morton, acting like a proud father, has lavished praise on the program.

DOMINICK DANIELS is a man who embodies the ideal Representative. Here is a man who, without the fanfare of empty rhetoric, gets things done. I, for one, remember what he has accomplished and realize what a force he has become in this body.

OIL AND THE ARCTIC ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 20 minutes.

Mr. ASPIN. Mr. Speaker, the Interior Department is expected to issue its final environmental impact statement on the proposed trans-Alaska pipeline within the next month or two. I, along with virtually all of the major national conservation groups, have opposed the construction of the Alaska pipeline because we feel the unavoidable and inevitable damage this pipeline will cause to the environment far outweighs the possible economic benefits resulting from its construction.

We have called on the Interior Department to at least delay construction of the Alaska pipeline until the methods by which its environmental impact can be reduced are thoroughly and ade-

quately studied. We have also asked Interior to fully study a Canadian pipeline route from the North Slope to some point in the Midwest as an alternative to the Alaska route. It is clear that such a Canadian pipeline would be far superior both ecologically and economically to the trans-Alaska pipeline. It appears very unlikely that the Interior Department will comply with either of these requests, and that because of high-powered political pressure applied to the administration from the oil industry, the Interior Department will approve the permits for the construction of the Alaska pipeline without fully and objectively studying the economics and ecology of the Alaska pipeline and its alternatives.

In the debate on the Alaska pipeline those of us who have opposed its immediate construction have often put ourselves at a disadvantage by giving the oil companies and the pipeline company—Aleyeska—the benefit of the doubt by assuming that they will make a good faith attempt at compliance with whatever stipulations the Interior Department imposes on the trans-Alaska construction permits. In other words, we have often assumed that the stipulations would be effective and that the environmental damage caused by the Alaska pipeline's construction—such as oil spills due to earthquakes or due to tanker spills in transporting the oil to the west coast—would be inevitable and unavoidable. However, many recent examples of the oil companies' blatant disregard for the preservation of the Arctic ecology have recently surfaced. Last week I publicly released a study made by the Interior Department's own Alaska Bureau of Sport Fisheries and Wildlife, much of which had not been included in the Interior Department draft environmental impact statement released in January. That study was highly critical of the Alaska pipeline. One of its observations, which I am sure was based on much of firsthand experience, stated that:

The permittee (Aleyeska) has already demonstrated his willingness to circumvent the stipulations wherever it is advantageous to do so. The same attitude no doubt applies to the transportation of oil.

Today I am placing in the RECORD an article called "Oil, Spoiler of the Arctic," which appeared in the August issue of the magazine, Sports Afield. The author, Bud Helmericks, has been a resident of the State of Alaska since 1940. Sports Afield describes him as a widely known bush pilot and big game guide who has served as an Arctic consultant to firms operating in the far north. He is the author of three books and coauthor of 3 others. Mr. Helmericks' article substantiates in a detailed and thorough fashion the observations of the Interior Department's Alaska Bureau of Sport Fisheries and Wildlife. Mr. Helmericks graphically describes many of the oil companies' practices since coming to the North Slope: The senseless and indiscriminate killing of all sorts of wildlife, the virtual destruction of many riverbeds, islands, and beaches, and much more. He also quotes the Alaska director of the Sport Fish Division in North-

ern Alaska that the North Slope oil discoveries will lead to the: "greatest rape of a wilderness in our century."

I strongly urge my colleagues to read this excellent and important article, which follows:

OIL: SPOILER OF THE ARCTIC
(By Bud Helmericks)

The barren-land grizzly bear tried several positions before he had his pillow just right. He carefully selected a grass hummock, just melted out of the light winter snow, and made a comfortable bed using the hummock as a pillow. Once he was comfortable he snuggled down—as a person would—yawned a few times, and then fell fast asleep. My wife, Martha, had been watching the show and she too began to yawn. A few yards away our two small sons, Mark and Jeffrey, were playing, unconcerned.

I remember very vividly this scene at our home in Alaska's Colville River Delta. But that was several years ago. Everything has changed since then. Grizzly bears often used to spend a lot of time around our home and this one had come directly from his winter den on the prairie. We could see him at any hour of day or night, for it is daylight 24 hours a day at that season. Wolves, wolverines, caribou, moose, bears, all five varieties of arctic foxes, and in fact all the arctic birds and animals large and small lived in peace about our place.

We lived in a very fortunate area that had been all but forgotten by man. The Eskimo people had been only transient visitors here even in the early days. They lived at places like Barrow where sea game was plentiful, for theirs was a culture of the sea. So it was that years and years passed and the animal life in our area never saw people except for my family and we were the only human residents in the whole area.

The oil strike at Prudhoe Bay changed it all. The sleepy grizzly bear was one of the first to go. His death exemplifies the complexity of the problem. Snowmobiles are the greatest curse the wildlife of our arctic has ever faced, but they need gasoline to operate. This was absent in our area until the seismic crews and drilling operations left abandoned caches of it. This drew the renegade airplane pilots and the snowmobile drivers from the towns.

So it was that an Eskimo, who traveled the seismic gasoline-cache trail with his snowmobile, murdered the grizzly bear not far from our home. It was a senseless waste of life, and we all played a part in it.

Had we not lived here the story of this bear's death would never have been reported—and the story of the arctic oil's impact upon the land would have been left to the promoters, the advertising men and the politicians. I will tell the story of how it was and is. It is a story of ruthless and wanton waste of our wilderness.

That there is oil in the arctic was not news to any of us. The oil seeps were known and used by the earliest people. Oil was so apparent in the arctic that in 1923 the U.S. Navy blocked out all the land to the west of the Colville River, an area of over 20 million acres, as the Naval Petroleum Reserve, referred to as Pet 4. This area took in Barrow, but when the natural-gas well was drilled the gas was piped right past the village to the Naval Installation. It took almost 20 years and action by Congress before the right to use their own fuel was given to the local people.

It is well to consider the attitude toward the arctic that was taken from the first by both government and private industry. This is that the use and abuse of the wildlife was an added bonus. The right to kill and destroy a tacit grant, given to all who went north, be they government teacher, vista worker, missionary, military, contractor, scientist, oil

worker or what have you. Many a man took a position in Alaska because along with it went a free hunting and fishing trip.

The old arctic contractors did the first drilling on the Pet 4 reserve starting in 1944. They were supplied by sea at Barrow and by air from Fairbanks. The oil camp of Umiat was built and they spread out using caterpillar-drawn sled trains to haul heavy supplies easily across the prairie. They found oil and gas, they left some awful scars on the prairie, they scattered empty 55-gallon drums across the entire arctic along with every other conceivable kind of garbage. And they made little attempt to clean up anything. It wouldn't be fair to say they were the dirtiest operation because the Coast and Geodetic Survey, the Dew Line Sites, the university expeditions were just as dirty. However, the first oil operation did scatter a large volume further, and they did damage a whole lot more land than any before them.

I flew into Umiat when they were building it and remarked about the variety and amount of dead wildlife lying about. One of the "roughnecks" had this to say: "Nothing gets by here without us shooting it." It was midsummer and all seasons were closed.

The operation was a temporary thing—a test program—and even where all the wildlife was killed off in an area some fed back in again as soon as the party moved on. The scars made upon the prairie did remain and the frugal arctic preserved the tremendous amount of trash left behind so that today it is all still right there. It is well to remember that this was government sponsored and that no attempt to clean up has yet been made by these government agencies.

Aside from small airborne exploration parties, there was little oil activity in the arctic in the 1950s and early 1960s. These airborne parties did make steady inroads into such rare game as grizzly bear, Dall sheep, wolverine and wolves. They flew floatplanes and helicopters mostly, so they used the lakes for landing areas and campsites and in so doing polluted each with camp garbage, empty five-gallon gasoline cans and oil drums—often just thrown into the lakes.

It was in midwinter of 1963 that I was hired to help set up an oil-exploration camp. In the short twilight Jim Freericks and I felt our way about the arctic in our Cessna ski-plane marking out runways at places that are now common names like Prudhoe Bay or Deadhorse. The next day we were testing those sites using a C-46 airliner like a bush airplane, landing right through the snowdrifts while every available freight airplane in Alaska followed in our tracks. The oil rush was on.

The mobile seismic camp was assembled in our front yard. We trained the crew in arctic ways, and in conservation practices so as not to molest or destroy the land. Smiley Marlotte was the first man up of the seismic crew. We talked about the big bands of caribou around in midwinter and of the damage tractors would cause to the prairie.

That seismic camp left very little damage to the prairie at first. But as they worked, several other seismic companies also brought in mobile camps at places like Umiat or Sagwon. The race was on. We had decided that May 1st was the latest date that track vehicles could be used on the prairie, but none stopped at that date even though a lot more work had been accomplished than had been anticipated. It was plain to see that the arctic was in reality an easy place for them to operate in. In late May, I pointed out to the foreman how badly the track vehicles were damaging the prairie. "But," he said sadly, "I'm afraid the company doesn't care about your prairie."

The first phase of the new oil boom—the seismic phase—was soon just as dirty as any of the operations that the early contractors had conducted. To it had been added, the

wildlife-destroying helicopters and aircraft to eclipse the damage of the old system.

It was in August of 1963 that the first oil rig came in via the Mackenzie River System and was unloaded about 40 miles inland on the Colville River at a spot named Pingo Beach. From here the rigs were hauled by diesel trucks to the drilling sites. It is a simple matter in midwinter to open a highway system upon the frozen rivers and lakes or ocean, or even across the prairie, by using a road grader. You may then drive any equipment wherever you like until the spring thaw.

The ease and cost with which any job can be accomplished in the arctic is in direct proportion to the understanding of the land and the skill of those involved. Unfortunately for us, all the politicians entrusted to govern this area knew less than nothing about the land—in fact nearly all of them had never even seen it!

These were the conditions that prevailed when oil was discovered at Prudhoe Bay to set off the oil boom. The seismic work doubled and redoubled with the prospect of the coming state oil-lease sale. A full-scale seismic operation was carried on by helicopters when the spring thaws stopped the surface vehicles. Our home ended up pretty much in the center of this airborne invasion.

The first helicopters to enter the arctic in numbers came with the seismic operation. We had seen military helicopters chase caribou and many times we saw survey helicopters hunting sheep or grizzly bears. And we saw how afraid the animals were of just the sound of a helicopter. We heard stories from passengers, mechanics and even the pilots themselves of how animals were hazed or killed. The stories were all too well documented for anyone to doubt that helicopter use in wildlife destruction was a commonplace thing.

It wasn't until the helicopter-conducted seismic operations right around our home that we realized just how afraid of helicopters the wildlife is and what their presence in an area means. All that summer the helicopters shuttled back and forth. The big game just left and stayed gone. The moose retreated 50 miles up the Colville River. The caribou that had crowded about by the thousands were nearly absent. But it was in the realm of the birdlife that we received our biggest surprise. A pair of swans had nested for years but a few yards from where we tie up our float airplane. They started to nest but gave up after the first few helicopters flew by. The pintal ducks gave up completely and we didn't see a single broad hatched. The brant and geese just left the area.

The helicopter is just man's first breakthrough in the realm of real mobile transportation. At present there are all sorts of devices on the drawing boards so man, assisted by outside energy sources, can skip and hop about the universe. The successful and destructive snowmobiles are but ground versions of this, it is surely clear that there must be restrictions placed upon all machines in wilderness areas around wildlife.

Our wildlife of this planet is like the caged birds that early miners used to test the air in their tunnels. Whenever some species shows signs of distress it simply means that we are next. The handwriting is on the wall, only this time we can all read it. Those of us who wanted to look could see how fast the wildlife of our arctic prairie was shrinking in the fast-moving oil boom.

One of the most obvious problems was the use of gravel. When the first oil rigs were unloaded at Pingo Beach there were a lot of questions about gravel for rig pads. Someone set to piling up a great mound of gravel at Dune Beach a little way upriver. Caterpillars churned about on the summer prairie looking for gravel. I suggested they

just put the gear up on high ground and operate in winter when the land was frozen solid. This is what they eventually did, but only after tearing up a lot of country and plowing some terrible mud trails that erode steadily and have even drained lakes.

One of the caterpillar drivers shot a bull caribou, dug a hole with the bulldozer blade, pushed the caribou in and covered it over. "I have shot me a caribou," he remarked. Another drove a caterpillar up on top of the pingo, or little hill, the beach is named from, plowed a rig across the top, and down the river side. He turned out the old Eskimo grave on top and ripped off the parka squirrel homes, as well as left a scar that will take centuries to heal.

In the Prudhoe Bay area the Sagavanirktok River was gouged out of existence in places for the gravel, which was spread on the prairie for drilling pads, runways, or haphazard roads. There is a chain of sand-reef island lying offshore and these too were attacked for the gravel. Some of the sand islands were literally hauled away. The bird-nesting sites and fish-spawning areas were spread upon the caribou feeding grounds.

A small band of caribou used to live the year around on Pingok Island north of Milne Point. Last year a drilling company moved in and began taking away Pingok Island for a drilling pad. The well could have been drilled in winter without using a bucket of gravel. There was no place left for the caribou to go. They were either killed or driven away.

About the only law that applied to the entire prairie in regard to land damage was the Anadromous Fish Act which prohibited disturbing spawning areas of sea-run fish. The Division of Fisheries—whose personnel had not even seen the land in most cases—were about the only ones in charge. Meanwhile the operation bulldozed its way ahead tearing up the river beds, the islands, the beaches. The destruction was and is fantastic—it resembled a military invasion.

In spite of the fact that water shipping was bringing in the heavy gear and air freight hauling in the rest, a winter haul road was ripped haphazardly from Fairbanks to Prudhoe Bay. It destroyed a lot of land and was absurdly impractical. Today the road isn't in use.

George Van Wyhe, the director of our Sport Fish Division in northern Alaska, said that the oil boom would go down in history as the "Greatest rape of a wilderness area in our century." And nearly everyone wanted in on the act. Study commissions of all kinds, developers, and politicians made two-hour trips up for their first glimpse of the arctic, and then gave their profound views. It all culminated in the big state lease sale that netted Alaska almost a billion dollars.

I well recall the advice of one close friend. He knows the arctic and manages a large oil company. "Bud don't neglect your other businesses in favor of the oil operation. At best it is a short-term thing. You can only pump the oil once. Take care of your fish and game. They are renewable. They are permanent."

It was painfully plain to see right around our home how the wildlife was faring. During the many years before, while we made our living from guiding and fishing, we had wildlife all about us in profusion. There wasn't a clear day when you couldn't see a wolf, caribou, wolverine, grizzly bear, moose or foxes from our living-room windows.

But in May of 1970 *The New York Times* ran a story saying the oil activities in the arctic had necessitated the emergency closure of the spring grizzly season in Unit 26 because the bears were being decimated. It was an extremely accurate article, and the contents most likely came directly from some member of our Department of Fish and Game. I received requests from two major oil companies asking for my comments on the

article and if I knew of any of their personnel being involved in molesting the bears.

The manager of the Alaska Oil and Gas Association, William Hopkins, asked Governor Miller to investigate the charges. I don't know what sort of an investigation Governor Miller carried out but it surely couldn't have gone beyond asking his secretary her opinion. The "blast" he is reported to have issued concluded that the story was false.

At this very same time, U.S. Fish and Wildlife men, with three aircraft and trained crews, were flying the arctic area looking for grizzly bears. I was also doing a flying survey of the same area. In a combined 100 hours of flying not a single grizzly bear was seen by any of us in the area of the oil operations, where they had been common before. The only grizzly bear seen was one up near Umiat.

We were amazed at the Governor's answer, but it was his own Department of Fish and Game that jerked the rug out from under him. They had been conducting an investigation quietly on the scanty funds allotted them and they cited over 100 cases of illegally exported grizzly and brown bear hides.

That the wildlife in our arctic isn't permanent is now all too clear. When I first came into the arctic over 25 years ago, I found a balance of wildlife in the Brooks Range and on the prairie to the north pretty well untouched by the hand of man. I sent in the first detailed reports of the wildlife to the old Alaska Game Commission and I recommended the establishing of the Arctic National Wildlife Range along its present boundaries. In 1952 Clarence Rhodes, the director, flew up and we went over the game situation together. On any extended flight we would see several of the rare barren-land grizzly bears, and an average of 20 wolves. All other game was abundant.

I never killed one of the grizzly bears for myself. I limited my guiding to the taking of but one bear a year. The very few wandering Eskimos rarely killed a grizzly since they weren't particularly interested in them for food or clothing. The Pet 4 oil operation did wipe out all the bears where it went and the pilots who flew for the contractors killed the bears at every chance. But since the operation didn't last long the bear population recovered in a surprisingly short time. Even at Umiat, the center of the worst depredation, a few managed to survive. I would estimate that less than one percent of the animals taken on the North Slope were taken by hunters you could term sportsmen, who followed the code of fair chase.

The final widespread depredations began with the seismic operations, the helicopters, and the snowmobiles. Places like Sagwon were built in the heart of the arctic prairie and the end began. We have all seen the wild game loaded upon the airliners with a fork lift from such sites. It was a combination of several things. In the common game like caribou and moose there was a cheap source of meat, and a bonus for the workmen. In the rare game like Dall sheep, bears, wolves or wolverines, it was unethical hunters with money to spend, dishonest guides who cared nothing for the country or its wildlife, indifferent government officials, and, of course, the "free" gasoline that had been left behind by the oil companies.

In the fall of 1969 we were hunting Dall sheep at our camp on the north side of the Brooks Range. I have hunted there since 1945 and taken two rams a year from a population of around 300 head. We always saw several grizzly bears each trip. We hadn't been in camp a day before we had seen a dozen aircraft. The guides had found an airstrip a few miles north of us where a considerable amount of gasoline had been left. When one of them landed at our camp, I asked him what they meant by buzzing the animals and driving game with an airplane.

He set me straight: "I'm in it for the money. The game has to go to make way for oil and I'm going to kill all I can as fast as I can. I intend to pay for my airplane."

Multiply this operation to cover the entire arctic (remembering that rarely did a helicopter pass a grizzly that it didn't chase it), and you can easily see why at least 95 percent of the grizzly bears are dead today wherever the oil crews operate.

The way our wolves went is a degrading story. It is the wolverine's story too. Even though the wolf had been an essential part of the ecological balance from the beginning of time, the legislature levied a bounty on the wolves, and eventually on the wolverines as well. One team of bounty hunters shot over 200 wolves from Umiat, where the presence of surplus gasoline made it possible for the flying hunters to operate. The bounty hunters killed anything and everything from the air, even caribou and moose.

The decline of the caribou had to follow the destruction of the wolves, for their life cycles are linked together. The helicopters gave the wolf and wolverine a hard time, for the oil workers couldn't resist running and killing them. It is just the last few years that the bounty has been taken off wolverines and wolves in the arctic. I would estimate we have only five percent of the wolves and wolverines left. The other ninety-five percent are dead. About twenty-five percent of the caribou and 60 percent of the moose are left. It is harder to estimate the effects upon the other animals—birds and fish—but all have suffered. But if the wildlife is given a chance it will come back.

It is all too clear that the presence of industry is as much or more than the land can stand and continuous inspection by the Fish and Game Department is necessary. One game official put it well when discussing the snowmobile menace, which is wildlife's greatest present problem. You need one enforcement agent riding on each snowmobile to halt the problem, and even then the sight and sound of snowmobiles in the wilderness is more than some species can stand.

It is the duty of the oil companies to educate their own personnel, to police their employees and their independent contractors as well. A new concept of man-wildlife relations is desperately needed. The sportsmen of our land have carried the burden of protecting the wildlife and ecology all too long alone. It is time all the rest of the people helped carry their share. A dead animal is a dead animal no matter how it died.

One species after another has been added to the endangered list. We must now add another: man himself. Industrial man has polluted, poisoned and devastated the planet. Our petroleum-dependent civilization has seen itself clearly reflected in the oil slicks that shimmer on the oceans of the world. Man has met himself face to face here on the arctic prairie where there is no place to hide from his greed.

This then is the greatest conflict man has ever waged. It is man against himself. How goes the battle? The score will be kept in numbers of creatures' lives saved and in lands restored to productivity once again.

I have my own private score sheet to keep. I will know that humanity has won the battle when the following terms are met: When sportsmen protect and harvest the annual increase of the wild game; when the arctic car have a place to spawn; when the caribou graze in peace; and when a barren-land grizzly bear can find a spot to sleep in our front yard.

NATIONAL POLICY ON EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from North Carolina (Mr. PREYER), is recognized for 20 minutes.

Mr. PREYER of North Carolina. Mr. Speaker, Congress should establish a national policy on education. It is our national responsibility; we in Congress should give the Supreme Court some help. One reason the Supreme Court has been so activist is that Congress has been so inactive.

Our present system is not working. People feel this. The school system is increasingly alienated from people—except private schools where parents are in control of their children's education. It is part of the general alienation that is endangering our Republic.

Our present system has led to the diversion of school funds from education to such expenses as busing. Under the recent Supreme Court ruling, the taxpayers of the South must bear a unique burden in this respect to make further progress in integration, while the taxpayers of the other parts of the Nation bear no such responsibility.

Our present system is leading to a more and more homogeneous system imposed on all alike, regardless of different circumstances. It is a monolithic system that puts bureaucrats and the courts in control of our children.

Our present system is resulting in the continued flight of school children from the public school system and a new resegregation. Already the percentage of black students attending predominantly white schools has been decreasing in the large, Northern cities. Thus, Boston, which in 1968 had 23.3 percent of its blacks in predominantly white schools, in 1970 had only 18 percent. Detroit, which in 1968 had 9.0 percent, in 1970 had 5.8 percent. Meanwhile the percentage of black students attending predominantly white schools has been increasing in the South. Under the recent Supreme Court decision, the same trend we see in the North is likely to be hastened in the South. The experience of Atlanta—where there is less integration now than before an integration plan was put into effect—indicates this will be the case.

If we look down the road 5 to 15 years from now, if present judicial trends continue there will be no problem with racial identifiability or percentage but there will also be less quality in our education. All of the schools in the inner cities will be serving mostly those who are poor—and black. Is this what black parents want? More probably black parents want what white parents want: good teachers, small classes and plenty of good books and other educational materials. Black students and their parents have special needs which will be expensive to meet. Is putting all that money into buses to reach a certain percentage point of integration the way to repair the damage done by past generations?

We are at a crossroads. We can continue policies with the expectation that they will result in the continued flight of school children from the public school system and a new resegregation, and a continued diversion of school funds from education to such expenses as busing and

a special treatment for the South. Or, we can adopt a realistic, fair and nationwide policy of school desegregation that puts children ahead of racial arithmetic.

The latter is the course I favor. To this end I will introduce a National Schools Policy bill when Congress reconvenes this fall.

We must not arouse false hopes—but we are justified in hoping for, and working toward a more intelligent school policy, despite the recent Supreme Court decision. The Supreme Court has spoken. This is the law of the land. We obey the law. But we can attempt to change bad law. In those areas which are under court order for this fall's school term—such as my home city of Greensboro—we must do our best to make it work. But we must do all we can to change the law to make it work better.

The Supreme Court has recognized that at some point the South will have eliminated the last vestiges of the old segregated school system and will stand on equal footing with the rest of the country. When we look at the amount of integration in Southern cities today as compared with Northern cities, it is clear that statistically the various sections have come to resemble each other closely. There is no longer any justification for treating the South differently from the rest of the country. We are rapidly reaching the point where the Supreme Court has indicated we will be treated like the rest of the country. What will be our national school policy then? No one knows; the Supreme Court has not said. This is why it is so important that Congress recognize its responsibility to speak out to establish a national policy on education.

PROGRESS ON COLLISION AVOIDANCE SYSTEMS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Florida (Mr. ROGERS) is recognized for 10 minutes.

Mr. ROGERS. Mr. Speaker, on June 3, 1971, I stated that the Federal Aviation Administration and the domestic airline industry were negligent in their failure to expedite the implementation of a mid-air collision avoidance system.

On June 6, 1971, over the skies of California, a U.S. Navy F-4 Phantom jet with a crew of two and a Hughes Air West DC-9 and 43 passengers and a crew of five collided with the loss of all aboard the commercial plane and one of the Navy pilots.

On June 7, 1971, I said this crash could have been avoided if the Federal Aviation Administration, the domestic airline industry, and the Department of Defense had placed high priority on the implementation of a midair collision avoidance system.

Now, just yesterday, another midair collision occurred again over California between a Continental Air Lines 707 with 83 passengers and a crew of eight and a general aviation Cessna 150 with two persons aboard. Fortunately, no one was killed and only minor injuries were sustained by the two persons aboard the Cessna.

Following the midair collision on June 6 between the Navy F-4 Phantom and the Hughes Air West DC-9, I wrote to the Federal Aviation Administration, the Department of Defense, and the Air Transport Association and asked what progress is being made in the implementation of a midair collision avoidance system. I would like to insert copies of the replies I have received at this point in the RECORD:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., June 21, 1971.

HON. PAUL G. ROGERS,
House of Representatives,
Washington, D.C.

DEAR MR. ROGERS: Reference is made to your letter of June 9, 1971 regarding the implementation of mid-air collision avoidance systems and your concern for this problem.

The Department of Defense recognizes the seriousness of the mid-air collision problem and places a high priority on programs that will lessen the potential for such incidents/accidents. Nearly all air traffic control procedures are oriented toward safety of flight. Many procedures, such as airspace reservations, airspace restructuring, block altitudes, prohibited and warning areas, are specifically oriented toward preventing collisions.

In addition to attempting to reduce potential collisions by procedural methods, the Military Services are taking a number of actions that will improve safety and reduce collisions. These include:

a. Major planning efforts such as a study to develop a new generation Communication, Navigation, Identification (CNI) system.

b. New primary and secondary radar equipment. (The Air Force alone has spent over \$350 million on ground and airborne radar beacons that will be compatible with the Air Traffic Control Radar Beacon System (ATORBS).)

c. Improved tower equipment such as radar displays that can be viewed in the daylight (BRITE).

The Department of Defense also participates in the FAA Collision Prevention Advisory Group (COPAG) and several other groups considering specific collision avoidance systems. Our analysis concerning the current Collision Avoidance Systems (CAS) leads us to the following conclusions:

a. A dedicated CAS would be tremendously expensive if we were considering Department of Defense wide implementation. The program costs would be equivalent to the costs of implementing the present generation of air traffic control radar beacons. A really effective Collision Avoidance System will only be feasible when it is an integral part of the basic air traffic control system, not an additional "black box" as is presently being proposed.

b. A Collision Avoidance System would only be as effective as the percentage of aircraft that have the equipment installed. At this point, there is no indication that general aviation has the inclination to implement such a system (cost being a major factor).

c. The limited R&D funds available can most likely be more profitably spent on improving the existing air traffic control system. This will improve the efficiency and effectiveness of the entire system as well as safety.

It should be noted that the FAA Act of 1958 assigns responsibility for developing and operation of a common system of air traffic control and navigation for both military and civil aircraft to the FAA. Since CAS is part of the air traffic control system, overall responsibility is with the FAA.

Your interest and concern together with

the expression of your views on this important matter are very much appreciated.

Sincerely,

ELI T. REICH,
Vice Admiral, USN,
Deputy Assistant Secretary of Defense,
Production Engineering and Materiel Acquisition.

DEPARTMENT OF TRANSPORTATION,
FEDERAL AVIATION ADMINISTRATION,
Washington, D.C., June 22, 1971.

HON. PAUL C. ROGERS,
House of Representatives
Washington, D.C.

DEAR MR. ROGERS: This is in reply to your letter of 9 June 1971 requesting information concerning what action the Federal Aviation Administration (FAA) intends to take regarding the implementation of airborne collision avoidance systems.

First, in explaining our program, I think a few definitions would be helpful. A Collision Avoidance System (CAS) is an all-weather system which detects all potentially dangerous intruders, automatically evaluates the degree of the threat and, if necessary, indicates to the pilot a safe evasive maneuver. A Pilot Warning Instrument (PWI) is a device utilized when weather conditions allow Visual Flight Rules (VFR) operations and it will simply increase the probability of a pilot visually detecting other aircraft in his vicinity, after which he must make the necessary evaluation and evasive maneuver, if required.

The question of "cooperative" versus "non-cooperative" systems is also of significance. A "cooperative" system is one which affords protection to one aircraft only against those cooperating aircraft that are equipped with the compatible equipment. A "non-cooperative" system should protect against any aircraft, equipped or not. While the objective is for noncooperative solutions, today the most suitable candidate CAS systems and the most promising PWI systems are cooperative in nature.

In general, CAS and PWI systems are not viewed as substitutes for ground-based air traffic control, but as an augmentation and extension of the basic ATC service. While the effectiveness and cost of CAS and PWI systems are not yet fully established, the FAA policy is for an active and aggressive R. & D. program which will consider and evaluate all possible systems which provide these capabilities.

Now, where are we in our search for such systems? CAS wise, we have been cooperating with the Air Transport Association and other interested government and industry organizations in a joint program. A specification has been written and equipment built and flight tested. No insurmountable technical problems have been found. However, operational questions, which are impossible to evaluate with a limited number of equipments, remain unanswered. What will be the impact of the CAS on the ATC system—the number of false alarms, the effect on arrival and departure rates, the effect on the air traffic controller when aircraft make a sudden, perhaps unexpected maneuver? These and other questions are being investigated right now in a dynamic simulation at our Atlantic City test facility, and by the end of the year, we feel we will be in a position to recommend changes in the CAS or the Air Traffic Control System, or both, which will allow a better and safer operation.

The airlines have expressed a strong desire to proceed with a CAS implementation of their fleet on a voluntary basis. In conjunction with this, effort is already underway to develop the ground facilities required by a CAS and our latest National Aviation System Plan (1972-1981) indicates our intention of procuring, installing and maintaining the required ground stations subsequent to the de-

velopment efforts. Action is also underway to investigate low-cost compatible systems to allow greater participation by general aviation and the military.

In conjunction with the above and as a result of a petition from the McDonnell Douglas Corporation, we are currently staffing our position on this request for an operational frequency license (a developmental license already exists) and it should be forwarded to the Federal Communication Commission shortly. Considering all these ongoing efforts, it is not beyond reason to expect that CAS implementation could begin in the airline fleet in approximately one year. We are now prepared to issue Supplemental Type Certification of CAS installations on a non-hazard (non-interference with other systems) basis if requested for evaluation purposes.

In the PWI area, over the past few years we have evaluated and rejected a number of suggested equipments. Today, our main thrust is the investigation of the human factor problems involved so as to better define just what the characteristics of a PWI should be. How well can a pilot see and evaluate at flying speeds? How much time does it take? To what degree can a pilot make use of relative bearing information? These and other questions are under investigation right now. While pursuing these investigations, we have not ignored the hardware development aspects. In a joint program with NASA and the Department of Transportation's Transportation System Center, we are right now evaluating (at our Atlantic City facility) a PWI which utilizes the principle of detecting infra-red radiation from an aircraft's exterior lighting system. It is not possible to state if and when we will find an acceptable PWI system. Our search continues.

In short, good progress on a CAS for voluntary airline use can be reported, and our efforts continue on the search for a good PWI system. Both efforts have been high priority in our R&D program.

We trust that this adequately responds to the question raised in your letter.

Sincerely,

J. H. SHAFFER,
Administrator.

AIR TRANSPORT ASSOCIATION,
Washington, D.C., June 16, 1971.

HON. PAUL G. ROGERS,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. ROGERS: It is a pleasure to have this opportunity to comment on the airlines' role in the development of an Airborne Collision Avoidance System and on their plans for introduction of the systems into airline operations.

As you know, ATA and a number of its member airlines have pioneered this effort. In September 1955 almost a year before the Grand Canyon mid-air collision, the scheduled airlines established a goal of providing a collision avoidance system for their aircraft. At this time there was no known technology for solving the basic problem. However, after many proposals, studies and reports from industry and other groups, it was determined that time/frequency technology offered the most promise for success. In 1967 the Air Transport Association published a report "Technical Description of the CAS System" which utilized that technology.

In order to promote competition, manufacturers were solicited to build equipment meeting those specifications; four manufacturers responded. In 1969 the airlines completed \$2 million flight test program using "bread-board" models provided by the manufacturers. This program demonstrated that a time/frequency device would prevent mid-air collisions. Since this date the airlines, the Federal Aviation Administration, and

manufacturers have been working diligently to convert these initial efforts to operational equipment.

As you might expect, a CAS implementation program requires action by many segments of aviation, including the U.S. Government, since not only are airline airborne equipment programs involved but many other, more time consuming and far reaching decisions and programs are necessary. These include worldwide system standards (to be developed and adopted by ICAO), ground station design and implementation by FAA, FAA analysis, and real time simulation of the CAS system interaction with the ATC system, development of competitive, low cost General Aviation CAS equipment, voluntary versus mandatory installation of expensive airborne equipment in general aviation and military aircraft, and the most appropriate timing for the interrelationship of all these factors.

The approval of the FAA is required to allow operational utilization of the CAS system in the Air Traffic Control environment. To provide certain essential information on the acceptability of the CAS system operating in the ATC environment, a real time simulation of CAS/ATC interaction is currently underway at the FAA's National Aviation Facilities Experimental Center. Completion of this simulation, analysis of results, and publication of the findings has been scheduled by FAA to require most of this year. Thus, assuming the simulation does not reveal any insoluble problems of CAS and ATC system interaction, we would expect an FAA approval, possibly late this year, to utilize the CAS system currently being simulated. The results of the simulation may indicate a need to adjust CAS design; so production hardware must await completion of this phase.

The CAS requires ground stations to initiate CAS master time. The first of these ground stations are currently scheduled by FAA for procurement using FY-72 monies; these first units should be operational in 1974.

CAS will become truly effective only when the majority of the airspace users are equipped since cooperative equipment in the threat aircraft is required. Recalling that General Aviation has in the past constituted a large percentage of the mid-air collision situations, we have urged the FAA to fund the competitive production of CAS equipment suitable for use in General Aviation aircraft. The first units of equipment suitable for installing in General Aviation aircraft may be available as early as 1973.

With regard to installation of CAS equipment in airline aircraft, we expect competitive production equipment to be available sometime late in 1972. Only one manufacturer, the McDonnell Douglas Company, has two pre-production airborne CAS units about ready to test in their own aircraft prior to releasing them to United Air Lines which is currently making wiring provisions to receive this equipment. Although three other manufacturers, Bendix Avionics, Ft. Lauderdale, Florida; Sierra Research, Buffalo, New York; and Wilcox Electric, Kansas City, Missouri, also participated in an airline funded flight test program by providing "bread-board" equipment, none of them has completed a pre-production model. These manufacturers have informed us that an airline pre-production model could not be available in less than 14 months from now. Production equipment would require a minimum of four additional months.

In the meantime arrangements are underway, in coordination with ICAO, to initiate international discussion on CAS at its meeting next April.

Considering the complexities involved I think it fair to say that the CAS program is moving forward as rapidly as possible. I

assure you of my personal efforts, and those of our member airlines, to continue, as we have for the past decade, to be the leaders in pressing for the installation of airborne collision avoidance devices, not only in airline aircraft, but all other aircraft that share the airspace with us.

We appreciate your action to champion the cause of airborne CAS and assure you of our wholehearted and enthusiastic support.

Cordially,

S. G. TIPTON.

The replies from the Air Transport Association and the Federal Aviation Administration are generally encouraging, although I believe the FAA could expedite approval of the CAS system currently being simulated.

On the other hand, the reply from the Department of Defense is an expression of gross disregard for airline safety, if not for military personnel, then certainly for civilian crews and passengers who might have the misfortune to become involved in a crash with a military aircraft as happened on June 6, 1971, over California.

The Department of Defense simply dismisses the collision avoidance system as too costly and not practical, failing to realize that a commitment to its implementation by all aircraft, including military, would substantially reduce its cost, and that a CAS system for general aviation aircraft can, and is being, developed at a reasonable cost to general aviation.

I am pleased that Piedmont Airlines, Inc., with a fleet of 42 jet and turboprop airliners has become the first domestic carrier to order a collision avoidance system, and first models of the unit are scheduled for delivery to Piedmont in March 1972 for certification testing in Boeing 737 jets. Production equipment delivery is scheduled between January and April 1973.

Other airlines should follow Piedmont's lead in this area and the Air Transport Association should urge its members to do so.

I am pleased also that my good friend and colleague, the Honorable JACK BROOKS, chairman of the Government Activities Subcommittee of the House Government Operations Committee, is reviewing the progress being made on collision avoidance systems. On Tuesday, August 13, 1971, the Bendix Corp. testified before Congressman Brooks' subcommittee and I would also like to insert at this point in the RECORD a copy of that testimony concerning the work of Bendix in the collision avoidance area:

A STATEMENT BY WAYNE G. SHEAR, PROGRAM MANAGER FOR COLLISION AVOIDANCE SYSTEMS FOR THE BENDIX CORPORATION ON THE SUBJECT OF AIRCRAFT COLLISION AVOIDANCE SYSTEMS

Sir: The Bendix Corporation for over thirty years has been recognized as a leading supplier of products to the aviation and aerospace industries. We have designed, built and marketed our aviation electronics (avionics) products to virtually every airline in the free world. Also, we have developed and marketed a complete avionics product line for the general aviation industry here and overseas. And many of our sophisticated electronic communications and navigation systems are flying on U.S. and foreign military aircraft. As such we have extensive experi-

ence and have acquired an acute knowledge of the requirements, operations and support needed to fulfill these industry and service needs.

As far back as 1955 Bendix began working with the aircraft collision avoidance problem. Dr. J. S. Morrell, a mathematician now retired from Bendix, defined the aircraft collision problem and offered a theory by which electronic equipment could be developed to give pilots of aircraft on potential collision courses warning and flight commands to avoid impact.

Dr. Morrell determined the problem would best be solved by measuring the range and rate of change of range of approaching aircraft. The technique is now known as TAU and is presently employed in the Bendix IMAGE system as well as in the McDonnell/Douglas EROS system. (IMAGE is an acronym for Intruder Monitoring and Guidance Equipment.)

Another industry accepted theory of Dr. Morrell's is the necessity for a directed maneuver, as provided by the collision avoidance system, for high performance aircraft. His analysis also indicated that a simplified PWI (Proximity Warning Indicator) concept would be inadequate.

A Collision Avoidance Technical Working Group established in 1967 and comprising members of the Air Transport Association, the Federal Aviation Agency, the military services and the avionics industry, early in their deliberations recognized the "TAU" approach as the best solution to the avoidance problem. After an examination of all recognized airborne data exchanging techniques, the working group concluded that a newly emerging technology, called Time/Frequency best provided the information for the TAU computation. Time/Frequency, a technology that permits one way ranging offered the required capacity for several decades of growth.

Based on this and our confidence that we could design and build such a system, Bendix funded an active hardware development program to produce feasibility test models of the systems, as did others in the industry.

Extensive flight tests were conducted by the Martin-Marietta Corporation on compatible equipments designed by several manufacturers during the period from June to November 1969. On March 20, 1970 the Air Transport Association issued a report stating the tests had been successful and that they had demonstrated the TAU-time/frequency method would provide pilots with warning and flight commands to prevent collisions, and that the system as then conceived had the capacity to accommodate all users of the airspace for the foreseeable future. That is, the TAU-time/frequency collision avoidance technique is the only tested concept that would appear to provide the degree of protection required for the full spectrum of performance of civil and military aircraft.

At the conclusion of the feasibility flight tests, Bendix embarked on a three objective program leading to the present "IMAGE" system.

Our first objective was to determine the compatibility of the system to the total air traffic control environment. To do this we monitored the FAA simulation tests of this system conducted at NAFEC to determine if any minor modifications would be required to bring about the desired compatibility.

Our second objective was to undertake an advanced technology study to determine what new electronic components or circuit techniques might be available to optimize the system design. This program produced two significant results. One is that we now find new components which can simplify the computer portion of the system; and two, we can incorporate what we call self-test and monitoring circuits . . . something referred to as "fail safe" circuits.

These are techniques used in modern critical avionics systems, such as flight controls and are now included in the Bendix IMAGE system.

Our third objective was to establish the timing of our engineering and production programs to meet the industry's needs with the latest state-of-the-art equipment. We accomplished this by maintaining close liaison with industry groups and cognizant individuals. Obviously, today's hearing here is a part of that program.

Bendix, like McDonnell/Douglas and the potential airline users of this equipment, know that any ultimate system concept must also include a low cost version of CAS to be compatible with the general aviation markets and the many private individual aircraft owner's ability to purchase such equipment.

The airlines industry has indicated acceptance of the Time/Frequency system. Their industry standards group, Aeronautical Radio, Incorporated has developed a system design characteristic (specification). Bendix as a major supplier to the general aviation industry has also developed preliminary designs for a companion Time/Frequency system to be offered to the general aviation market.

I think it is interesting to note that the airlines, in the interest of being compatible with the general aviation user, are willing to carry the burden of providing the precision time standards needed by the general aviation pilot to synchronize his system. When the general aviation aircraft is in the vicinity of an airliner, and this can be up to 90 miles away, his system will be timed automatically by the master system carried on the airliner.

Additionally, the FAA can install ground stations to provide this synchronization.

I would like to say here some things that are not always too well understood when discussing collision avoidance. First, CAS is not the primary system—that is, the present and future ATC system is intended to provide adequate separation, instrumentation and rules for safe flight. However, should an impending collision situation arise, and such situations do arise, then at least for some years to come, we may well depend on implementation of the TAU principle.

Also, it is prerequisite that all users of the airspace play the same role with compatible equipment. This includes the airlines, the military, and the general aviation users of the airspace. To the best of our knowledge it also requires a cooperative system, which is what the TAU method is. Further, the system should not just warn the pilot of potential danger, it should evaluate the situation and tell him what to do.

Further, we are aware of Time/Frequency developments in France, which could create future standardization problems if we here in the United States are unable to agree to or delay in setting the guidelines for the future of the aviation industry. We feel strongly that the implementation of this program should proceed as quickly as possible so that we will have an opportunity to discuss compatibility of foreign made systems with ours, particularly for foreign carriers who will be operating in U.S. airspace.

Specifically, we feel the following actions are needed to complete implementation of CAS:

1. Recognizing the requirements and responsibilities of the FAA in controlling the airspace within the United States, we hope that the FAA will clarify its acceptance of the Time/Frequency CAS concept, and publish guidance documents for the manufacturing and user industries.
2. FAA ground station RFP's (requests for proposals), siting studies, procurement and implementation should commence to encourage widespread utilization of airborne CAS. In similar programs in the past (Air Traffic Control Beacon, Distance Measuring Equipment) the FAA has supported the develop-

ment of low cost general aviation equipment. Such a program for a fully compatible General Aviation Time/Frequency CAS could also be helpful, in this instance, to accelerate its availability and lower the initial cost.

3. The FCC has already undertaken proposed action to clear the 1600 MHz band to allow interference free operation of the CAS systems. This will have to be completed and licenses issued to allow CAS transmitting systems to operate in normal service.

4. In April of 1972 the Seventh Annual Air Navigation Conference of the International Civil Aviation Organization will be held. CAS is scheduled for the agenda. The U.S. should develop a strong position in favor of the time/frequency system to assure worldwide adoption.

5. We hope the FAA and DOD will enter into a joint civil/military program for collision avoidance as they often have in the past for other programs, so that all users of the airspace can share in this measure of extra protection.

In conclusion, in the Time Frequency CAS we have a device demonstrated to be feasible, that represents a 16-year evolutionary program with active participants from all segments of the aerospace industry. Recognizing the multiyear development cycle of an industry program, conception, flight evaluation, specification writing with industry coordination, and finally hardware development and production, any change in direction at this point would add a minimum of four years to the availability of this vital safety device.

Mr. Chairman, we appreciate having this opportunity to express our views on CAS before this Committee and we hope that we have contributed information that will assist the Committee in their deliberations.

Thank you.

SHARPSTOWN FOLLIES NO. 28

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, there is an old saying in Spanish to the effect: "Don Dinero Poderoso Caballero," meaning, roughly speaking: "Sir Money, A Mighty Powerful Gentleman." This old refrain comes to my mind when the name Frank W. Sharp is mentioned. Here indeed is a powerful gentleman, the central figure in one of the most stupendous financial and political scandals this century; you would think he would at least be considered eligible for criminal culpability. Ever since the malodorous situation in my loved State of Texas came to light early this year, by virtue of a civil suit filed by the SEC in a Dallas Federal court, the question agitating every thinking Texas mind was: "Well, what is going to come of this. When are criminal charges going to be filed?" No one said anything, not even the loquacious and pugnacious district attorney in the southern district of Texas, one Anthony J. P. Farris.

Suddenly, unexpectedly and shockingly, the Washington Post in Washington, D.C. announced in a prominent, by-lined story quoting the second biggest panjandrum in the formidable Justice Department of the United States, Mr. Klien-deinst, that Frank Sharp had been given a 3-year probated sentence, a fine of \$5,000 and immunity from further prosecution. The three-chinned district attorney, the one and same Anthony J. P.

Farris joined the Deputy Attorney General, That was that. Everyone asked, Well, when was Sharp indicted?

Well, later on it was discovered there had been no indictment. This whole business was the result of a cozy deal, all arranged by the Justice Department and the defense counsel, who; interestingly enough, is the former district attorney and Mr. Anthony J. P. Farris's predecessor.

What neither the panjandrum of the Justice Department or the legal moguls or the newspapers or the newspaper columnists mentioned was that traveling all the way from Houston to the District of Columbia to make this deal and announce it, in cozy companionship was the district attorney, the one and only Anthony J. P. Farris, and Sharp's lawyer. Oh, how countless of hundreds of defense attorneys would love to have the chance for such convenient and quickie deals.

So, Don Dinero Poderoso Caballero, with money or the promise thereof, Mr. Sharp, Poderosos Caballero, had managed to purchase the best supermarket, ready-wrapped justice anybody in the history of the United States and its so-called Justice Department ever recorded.

Mr. Sharp, Poderoso Don Dinero, moreover, for years had hired himself another legal baron, one Will Wilson, ex-attorney general of the State of Texas, ex-candidate for U.S. attorney, ex-candidate for the great office of Governor of the State of Texas, and a few other purchases that have since come to light and have continued to shake Texas and the Nation.

Just coincidentally, when Mr. Will Wilson, the legal baron, now esconced as the chief prosecutor for the Justice Department as Assistant Attorney General for Criminal Matters, was the attorney general of Texas, he granted Mr. Frank W. Sharp his charter for his State bank.

This has been one big happy, congenial gang, when I think of Frank Sharp and his Sharptown Follies.

Well, now Don Dinero, Frank Sharp, managed to get a nice judge, who in this quickie, packaged, dispensary of coin-machine justice, expressed great admiration for the accused appearing before him. He, even to the point of being obsequious was asking Sharp's permission to come back 2 hours or so later in order to pronounce sentence—"If it is all right with you, Mr. Sharp."

Ah, yes, Mr. Speaker and colleagues: Don Dinero, MUY Poderoso Caballero.

AMTRAK OFF TO A SLOW START

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. STAGGERS) is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, on October 30, 1970, Public Law 91-518 was enacted into law. It created the corporation now known as Amtrak. As the preamble states, the act was intended to provide financial assistance for an establishment of improved rail passenger service in the United States. We expected progress. We knew then that we had a long way to go to get high quality pas-

senger service in this country. It was expensive to the taxpayers. We started out with a grant of \$40 million. We also provided loan guarantees in an amount not to exceed \$100 million. We thought the cost would be well worth it to the traveling public. The public is paying the price, but has yet to get the service. Amtrak is getting off to a very slow start.

Complaints keep coming in. One distinguished Member of Congress said the corporation should be called "Half Track," because the corporation cut rail passenger service in the United States in half. Another gentleman of this body told me of his experience with rail service from White Sulphur Springs, W. Va., to Washington, D.C.

The gentleman was in White Sulphur Springs in June of this year. He had to cut his visit short to return to the Capital on business. He found that he could not get a plane until the next day, so he called the railroad station. The ticket agent said that there was an early morning train passing through White Sulphur Springs enroute to Washington, D.C. The gentleman asked for accommodations, including a lower berth. The ticket agent said that the pullman cars do not go into Washington, D.C., but instead are pulled off the train at Charlottesville, Va., and sent, usually empty to Newport News, Va. The ticket agent said that if the pullman cars were scheduled into Washington, D.C., he could fill the train every night. When the gentleman asked who was responsible for this scheduling, the agent replied, "Amtrak, Congressman, and we sure wish you folks in Washington, D.C. would do something to get this mess straightened out."

The gentleman also learned that the cost of the ticket was \$18, and the cost for pullman accommodations was \$40, even though the pullman cars were to be taken off the train in Charlottesville, 3 hours down the track. The gentleman came back to Washington, D.C. that morning in a reclining coach seat, while the pullman cars were in fact detached from the train at Charlottesville, and sent empty to Newport News, Va.

I had a member of my staff to make an inquiry into this matter. He contacted an official of Amtrak. The official's explanation as to the reason why the service and scheduling was so bad on this run, was not satisfactory. He did say that in October there were going to be some schedule changes. He also said that this would probably include a change in accommodations to include uninterrupted pullman and dining-car service into Washington, D.C.

We get many promises from the people down at AMTRAK, but we don't get any better rail passenger service. This situation, faced by one Member of Congress on one occasion is faced every day by the traveling public.

Recently another firsthand experience was brought to my attention by a family residing in Wheeling, W. Va., who planned a visit to the Nation's Capital. First of all, of course, it was necessary to have transportation from Wheeling, W. Va., to the train out of Pittsburgh, Pa., to

Washington, D.C. Attached is communication I received setting for the "difficulties my family and I experienced on a recent trip from Pittsburgh to Washington by train."

WHEELING, W. VA., July 24, 1971.

HON. HARLEY O. STAGGERS,
House of Representatives, Rayburn House
Office Building, Washington, D.C.

DEAR MR. STAGGERS: Since you, as Chairman of the Commerce Committee, are called upon to make decisions regarding railroad subsidies, I would like for you to know the difficulties my family and I experienced on a recent trip from Pittsburgh to Washington by train.

1. Telephone inadequacies: Reservations for the trip involved several telephone calls to Penn Central in Pittsburgh. At least three times I was left hanging on the line for what seemed an interminable length of time.

2. Inadequate service: For a city the size of Pittsburgh, it would seem that one train per day, with departure hour of 1:06 a.m. for Eastern cities, and arrival hour at 1:15 a.m. from these locations, is inadequate or, at most, discouraging. With crime rampant in our cities, the public will not use the service if it requires being out at these hours.

3. Poorly designed AMTRAK schedules: The only information available in the Pittsburgh station after hours was the AMTRAK schedule posted at the departure doors and at either side of the reservation section. The schedule is so poorly set up that I—who work daily with interpretation of complicated material—could not understand it. As I recall, only the 12:50 departure listed Pittsburgh; the 1:06 departure did not list Pittsburgh at all, and this was the time set in our reservation.

4. Confusion in boarding train: Giving credit where credit is due, Mrs. Mary Hodges, the Pittsburgh reservation clerk, was pleasant and helpful. Even she mentioned the confusion that goes with boarding a train late at night.

With the confusion brought on by the AMTRAK schedule, I asked a travelers' aid clerk for help. She advised that the only Penn Central employee at the station was the elevator man. When I talked to him, he was no help at all as he said he ran the elevator only for the building maintenance crew and he knew nothing about schedules.

One announcement was made, but it came over the speaker so garbled that it could not have been understood by anyone in the building.

Since the best I could make from the Amtrak schedule was that our train left at 12:50, we went out to the loading area shortly before that time. Here we met two conductors headed for the train and they told us it was Washington-bound. And even one of them made the comment that he wished "someone around here knew something . . ."

5. Assigned seat trouble: After boarding the coach, we went to seats assigned in the reservation, and these were occupied by others. The passengers said seat numbers meant nothing and we could sit anywhere.

6. Dining car service: The boys were looking forward to breakfast on the train, but it turned out much less than pleasant. We sat at a table with a dignified elderly woman, and as she finished breakfast and had waited some time for a check, she simply and politely asked the attendant for her check. He rudely said something about having "only two hands, lady." She pleasantly replied that she was in no hurry; and when I commented to her about the rudeness, she said at dinner the night before, the treatment was even worse.

An added note: Continental breakfast of roll or toast, coffee, and juice at \$1.55 is fair for train service—but not when the rolls are a semi-stale, packaged variety. And one of the

boys said his orange juice looked like someone had shaved in it.

7. Lack of communication regarding delays. At Harrisburg, we were delayed almost an hour, and at no time did any railroad personnel make any announcement regarding the delay or when we would proceed.

8. Snafu in Washington: First, the train was an hour late. Then, the ticketing took too long. The Pittsburgh clerk suggested that we pick up return tickets when we arrived in Washington. When I went to the desk, I handed the clerk a card with detailed information covering the reservation. She seemed confused as to what to do and seemed reluctant to serve; and I suggested that if she could not help, to direct me to someone who could. She then went to another part of the office, and after some time returned with the information that there was a mix-up and there was a change in our previously assigned seats.

9. Lack of luggage carts at arrival points: When we got off in Washington we, of course, were quite some distance from the station. As we were jogging along with our luggage, I saw an Amtrak representative coming with an empty luggage carrier. When I asked him where we could get one, he kindly gave us the one he was pushing. These cars could be placed near unloading posts at train arrival hours.

10. Again, confusion in boarding train: As we went to board the train on the return trip, I showed an employee (J. A. Hayes on nametag) our tickets, and he said "Get on." When we got on, again the same story—someone had our assigned seats. We took other numbered seats, and when passengers got on and asked why we were in their seats, it occurred to me we might be in the wrong car. With the help of a conductor, I found we were in the wrong coach, so the boys and I had to pick up luggage, get off, and walk some distance to the proper car. In getting off, I asked Mr. Hayes why he misdirected us, and his reply was anything but courteous.

11. On the plus side: The coaches were clean and comfortably air conditioned. The boys, 14 and 16, loved the train ride, and I found it very relaxing and pleasant, except for the boarding difficulties.

I understand that, with Government aid, Amtrak has been set up to provide passenger service throughout the country. But I'm wondering, after our recent experience, if Government aid to railroads should not require some responsibility for providing at least reasonably satisfactory service to the public.

As a taxpayer, I resent spending tax dollars to help industries if they appear to pay excessive amounts to mahogany-towered executives who, from the evidence, seem to be unaware of inefficiencies in their organizations.

It would seem that if railroads would spend a larger portion of their funds on a marketing program of year-round planned tours to principal cities and recreation spots all over the country, they should fare fairly well financially. Driving on our highways, particularly in congested metropolitan areas, is getting more precarious each year. This situation could be eased by greater use of railways if made attractive to travelers—with the market ranging from leisure-minded retirees to young school children.

I'm sorry to have gone to such length in telling you about our experience with Amtrak, but the small details are the things that tell the true story of a service industry. I feel that Amtrak will not survive if service is not improved, and this would mean loss of our invested tax dollars.

Sincerely yours,

ANN F. OLIVER,
Mrs. R. S. Oliver.

Gentlemen, if this situation does not start improving rapidly we may have to do something about it.

AMTRAK is a volume type passenger business.

The president took office in May, with the problem of selecting top management, i.e., vice presidents, etc. The next step obviously was to project a pattern of operations.

There seems to be reluctance on the part of the incorporators and the management to bring in any experienced railroad passenger personnel, at least on a temporary basis, to develop a functional approach to the problem.

How much longer before these trains will attract any volume of "travelers?" The losses are piling up.

The "trial and error" method takes considerable time and expense.

To summarize, the incorporators spent approximately well over a million dollars for consultants, lawyers, and telephones, to negotiate with the railroads, to put these discontinued long-haul trains back on the tracks, with the same management and personnel and high fares and tremendous losses. This is all charged to the AMTRAK account.

MORE POWER THAN ANY PRESIDENT EVER HAD TO COMBAT INFLATION

(Mrs. SULLIVAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. SULLIVAN. Mr. Speaker, the President said yesterday he would be willing to consider doing something about inflation if Congress would hold extensive hearings on all of the programs attempted in the past in this country and elsewhere and see whether any of them ever worked.

I cannot speak for the Committee on Banking and Currency on this, but in my opinion we do not need extensive hearings into the whole history of man's attempts to cope with economic dislocation before something is done about soaring prices and catchup wage increases followed by more price increases and more wage increases, and on and on and on.

It is much too late for an academic review of history. The question is, What powers does the President need that the Congress has not already given him to meet this problem intelligently and effectively?

Mr. Nixon already has more power—right now—than any President ever had in the history of this country to combat inflationary conditions. He has even greater powers than Presidents Roosevelt and Truman had during all of World War II and more than President Truman had during the Korean war. Say what you will about the stabilization programs of those periods, they did stop all price and wage increases and rent and salary increases that could not be justified on the basis of strict guidelines and regulations.

Mr. Nixon's price—wage—salary—and rent control powers are the broadest ever written into law. And so are his powers to have the Federal Reserve Board control credit—not just consumer and residential real estate credit but all forms of credit. Neither Franklin Delano Roose-

velt nor Harry S Truman could control interest rates across the board, or the terms and conditions of all forms of credit.

These extremely broad powers, given to President Nixon in 1969 and 1970, can be used selectively or universally. Surely he has enough economic experts in his vast bureaucracy, and enough people he can draw on from this entire country, to advise him how to use this power carefully and with restraint to stop this inflation in its tracks. What is lacking in the White House and the administration is the courage to use, or try, any of these vast powers to stabilize prices, wages, salaries, rents, and credit.

If the President wants Congress to hold hearings mainly for the purpose of developing public interest in, and support for, inflation controls, he obviously is not keeping up with the mail which is coming into Washington from people all over the country demanding action. The public support for action already exists.

GIVING BLOOD SAVES LIVES

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

Mr. KOCH. Mr. Speaker, today I am reintroducing my bill H.R. 853 which would allow a \$25 tax deduction for voluntary blood donations to nonprofit organizations. This bill is now cosponsored by 40 Members of Congress.

The crisis of insufficient blood donations is compounded by the danger of contaminated blood. Too great a percentage of donated blood comes from commercial blood donors, who are 10 times as likely to transmit serum hepatitis as are voluntary donors. Donees also run the risk of contracting jaundice and liver disease.

To reduce the percentage of blood donated by commercial donors, we need to substantially increase the number of donations from disease-free individuals. H.R. 853 is designed to do just that, for, as stated by Joshua Lederberg in the appended article:

The tax incentive provided by the bill will be relative unattractive to the traditional type of commercial blood donor, both because he is likely to pay very little income tax anyhow and because the benefit may be deferred for many months.

I am pleased at the support which H.R. 853 has received, and I am adding below the complete list of cosponsors. I am also including a copy of an article from the Sunday Washington Post by Joshua Lederberg, professor of genetics at the Stanford University School of Medicine.

LIST OF COSPONSORS OF H.R. 853

Edward I. Koch, Bella Abzug, Les Aspin, Glenn Anderson, Herman Badillo, Jonathan Bingham, Frank Brasco, Tim Lee Carter.

Shirley Chisholm, Jorge Cordova, Ronald Dellums, Don Edwards, Joshua Eilberg, Hamilton Fish, Jr., Bill Frenzel, James Fulton.

Ella Grasso, Seymour Halpern, Julia Butler Hansen, Michael Harrington, Henry Helstoski, William Hungate, Hastings Keith, Norman Lent.

Mike McCormack, Abner Mikva, Parren

Mitchell, Bardford Morse, James O'Hara, Claude Pepper, Otis Pike, Charles Rangel.

Peter Rodino, Benjamin Rosenthal, Harold Runnels, Paul Sarbanes, James Scheuer, B. F. Sisk, Robert Tiernan, Jim Wright.

THE DILEMMA OF TAINTED BLOOD

(By Joshua Lederberg)

"Giving blood saves lives" was one of the last commemorative appeals of the old U.S. Post Office Department. Its purpose was to encourage more generosity from 100 million potential donors of blood who contribute to an already deteriorating and disorganized system of collection by staying home.

We cannot easily tell whether such an appeal has had any effect, for lack of comprehensive national statistics. Richard M. Titmuss, in "The Gift Relationship," guesses that about 8 million pints are collected yearly, and some 2 million of these are unaccounted for. How many of these were wasted, how many were utilized in unreported transfusions is not known. As every potential donor is a potential donee, we all have a stake in the integrity and efficiency of the system. Transfusions of blood undoubtedly save hundreds of thousands of lives each year; and no reliable substitute is known for many of its uses.

But blood is sometimes a treacherous gift, for at least 3,000 patients die each year, not from their primary disease or injury, but from hepatitis derived by transfusion of infected blood. According to J. G. Allen, professor of surgery at Stanford, transfusion hepatitis is grossly underreported and the hazard may be much greater. Generally about 1 per cent of patients who have received blood transfusions undergo a risk of jaundice and liver disease which may not appear until several months later. Dr. Allen has argued for many years that the main burden of this risk stems from the use of "commercial blood," as opposed to that from voluntary donors. In recent years these claims have been substantiated on the basis of new knowledge of the hepatitis virus.

THE AUSTRALIAN ANTIGEN

It is hard to imagine a more esoteric, seemingly more useless line of research than the study of new blood factors in Australian aboriginals and Peruvian Indians. This sort of game might inspire congressmen and presidents to demand that scientists stop playing in the laboratory—or field tripping around the world—and get down to the real business of delivering results, quickly, for the health of the multitude. Geneticist Baruch S. Blumberg, of Philadelphia Institute of Cancer Research, could not have known that his studies of blood factor genetics among tropical peoples would soon illuminate a vital problem affecting many lives and exposing many dilemmas of ethics and policy.

In 1964 Dr. Blumberg described what appeared to be another genetic marker, analogous to the familiar blood types. However, this one, the Australia antigen, was a characteristic of the blood serum, rather than of the red cells, of a small proportion of the people tested. Its first detection depended on the serendipitous discovery of an antibody reacting with the Australia antigen in one particular serum. This was in a patient who had received repeated transfusions as a treatment for hemophilia.

In further studies Blumberg found that this new factor occurred quite rarely (less than 1 per cent) in most populations throughout the world. Australian aboriginals and inhabitants of the South Sea Islands all ran around 5 per cent. The factor reached a level of 9.5 per cent in Ghana, 13 per cent among Taiwanese—and 20 per cent among an isolated tribe of Cashinahua Indians in Peru.

Family studies in areas where the Aus-

tralian antigen was prevalent indicated that the factor was inherited in simple genetic fashion. Unlike most blood factors, however, it was found only in individuals who received the gene from both parents.

Eventually the antigen was also found in Europeans and Americans, but only very rarely, and then often in association with leukemia, or with the chromosome-anomaly disease, Down's syndrome. This bewildering set of correlations made little scientific sense until Blumberg and a number of other investigators finally verified that the Australia antigen was frequently associated with a history of hepatitis.

A DISEASE OF CIVILIZATION

At the present time most workers believe that the Australia antigen—or HAA as it is now called, for hepatitis-associated-antigen—consists of actual virus particles and their skins. These particles have not yet been firmly identified as a virus, for we lack a reliable laboratory animal or cell culture systems in which to cultivate them or demonstrate their infectivity. However, the particles have already been reported to contain an enzyme similar to the RNA-DNA system which was one of last year's most exciting discoveries in the field of virus biochemistry.

How does HAA, presumably a virus, relate to the genetic factor originally postulated by Blumberg? We cannot close our minds to the idea that a gene may be liberated and behave like a virus, or vice versa. However, the most likely explanation is that this particular gene marks those individuals who are most susceptible to this virus and who, once infected, retain it in their blood for a long time. In tropical environments the virus is assumed to be so prevalent that everyone will be exposed to it. As with many other viruses, children infected with it may show little disease, but they would acquire a life-long immunity. And some of them may also be long-term carriers.

Elsewhere, improved hygiene makes the disease much rarer; but when it does occur in adults it may have much more severe consequences. In this sense, lethal hepatitis, like polio and smallpox, is another disease of civilization. Other studies support the view that high levels of HAA in the blood are correlated with very mild, even imperceptible, disease, and vice versa.

This may be a sufficient explanation for the lethal risk associated with commercial blood. People who earn a living by selling their blood are likely to have grown up in less hygienic environments and to be asymptomatic carriers of the virus. They have, furthermore, a financial incentive to deny a history of hepatitis, even if they were aware of it, that would disqualify them as a donor.

Hepatitis is also transmitted by infected needles shared among drug addicts. Commercial donors who sell blood to finance a drug habit may then also add to the risk of undetected hepatitis. We can only speculate about the relative importance of these and other factors. At any rate, several studies with the now more powerful tool afforded by the test for HAA have shown that commercial donors are at least 10 times more likely to transmit hepatitis than volunteers.

TESTS LACK PRECISION

A simple solution to the problem might be to test every blood sample for HAA before transfusion. Unfortunately, in its present state of development, the test will detect only about one-third of the samples of contaminated blood. This is already a good enough reason to institute the use of HAA testing on a wide scale but obviously it only begins to solve the problem. Many blood samples, although still quite infectious, may simply contain too little of the virus to be detected by present techniques.

Furthermore, other forms of hepatitis, including the so-called "infectious hepatitis" that might be derived from contaminated

seafood or water supplies, are due to a different agent than HAA. But they may still play an important role in disease after transfusion. No biological test, other than transmission to human volunteers, is known for this other agent at this time.

We surely must still try to save another 2,000 lives a year and debilitating illness for 20,000 more. But we must then rely on rather imprecise criteria for disqualifying blood from high-risk donors.

Very thorough medical examination of prospective donors, and their formal registration, would be one prospective avenue. This is precarious, for it might dry up an already inadequate supply by making the process of donation more cumbersome than many people would tolerate. The flat prohibition of cash payment for blood used for transfusion has similar perils unless we can motivate a near-doubling of voluntary donations to make up the difference. And it might force the desperate resort to a gray market that would be even more hazardous than the present one.

Our dilemmas are worsened to the extent that the donor's class background is as relevant to the risk of transmitting hepatitis as any test we can ask of the individual. But until we have better tests for contamination, we can do little better than encourage the rich to donate their blood more freely than the poor, for the benefit of all.

TAX INCENTIVE FOR DONORS?

Needless to say, the most elementary respect for social equity must make that blood equally available to all. Blood-sharing cooperatives are a partial answer to motivating donors to give low-risk blood. But can we exclude any hospitalized patient from the common supply? Will we relegate a stranger to sources that are bound to carry inherently higher risks? In the face of this overt ethical confrontation, the cooperatives will somehow have to solve the problem for the entire community, or share the remaining risks with it.

The basic problem is to encourage a wider base of voluntary donations, to undercut the treacherous commercial market in blood, and to evade the social and ethical dilemmas of allocating this particular resource, if the supply is so limited that "bad" blood must be used to fill out the need.

We have here some rationale for the proposal, supported by the National Research Council Panel of Consultants on transfusion hepatitis, and now sponsored by a group of congressmen, for a bill to allow income tax deductions for "voluntary" blood donations. This incentive will be relatively unattractive to the traditional type of commercial blood donor, both because he is likely to pay very little income tax anyhow and because the benefit may be deferred for many months. One can raise theoretical objections to this scheme as one can for almost any other attempt to use the income tax for purposes other than revenue. Should we not compensate the donor of a kidney or of a heart (for the benefit of his estate) many times more? Indeed, the taxpayer who wishes to donate, but is rejected for having faithfully reported a history of a disqualifying disease should get a double indemnity.

This proposal, nevertheless, has much pragmatic and even more symbolic utility. The proposal may be attacked for opening the door to a formal system of social accountability of each individual, in addition to the annual tax return. This is precisely what is being demanded today of corporations and other institutions.

Few people today have recourse to an organized framework for the invigoration of conscience. The blood sacrifice may yet return as a manifestation of the brotherhood of man. It is not alone among the religious impulses that are vital to the objective survival of the human species.

THE "RIGHT TO LEAVE" FOR SOVIET JEWS: LEGAL AND MORAL ASPECTS

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

Mr. KOCH. Mr. Speaker, I would like to bring to the attention of our colleagues an article authored by William Korey, which examines the history and international law applicable to the right of a citizen to leave his country. The world knows that the Soviet Union has prevented its Jewish citizens from exercising that right, except in a very small number of cases. Soviet Jews in great numbers seek to leave the U.S.S.R. because they are subject to greater cultural and religious harassment by the Soviet Government than any other recognized nationalities in that country. Other nationalities in the U.S.S.R. have the right to teach their children in their national language. The Jews are not permitted to do so. Other religions in the U.S.S.R. are permitted to maintain seminaries for the training of clergy. The Jews are not permitted to do so.

So it is understandable that Soviet Jews in large numbers—an estimated 300,000 and more—would like to leave the Soviet Union and emigrate to Israel. As I have said, the Soviet Union, except for a small trickle of emigration, has refused its Jewish citizens exit visas. Recently the Soviet Government took a grave action, namely that of refusing to deliver affidavits from families of Soviet Jews in Israel; such petitions are needed in applying for an exit visa.

The legal and moral aspects of Soviet policy are examined in the very learned article by William Korey. He points out that:

The Soviet Union voted for two binding international treaties which carry specific reference to the right to leave the International Convention on the Elimination of Racial Discrimination and the Covenant on Civil and Political Rights. The U.S.S.R. went further: it assumed a contractual obligation to give effect to the right to leave by ratifying the International Convention on the Elimination of Racial Discrimination. This was done by the Presidium of the Supreme Soviet on 22 January 1969. Further evidence of the Soviet Union's obligation to fulfill the right to leave was provided a year earlier when, on 18 March 1968, it appended its signature to the Covenant on Civil and Political Rights.

The Soviet Union's response to a request by the United Nations' Subcommittee on Prevention of Discrimination and Protection of Minorities to submit information concerning its law and practice governing the right to leave, was stated by Mr. Korey as follows:

The U.S.S.R. submitted a body of information which is incorporated in Conference Room Paper No. 85/Rev. 1 (7 February 1963). It specified that the Government may refuse a travel document under three circumstances: (1) if a person has been charged with an offense and judgment is yet pending; (2) if a person has been convicted and is serving a court-imposed sentence; and (3) if a person has yet to discharge his obligation of service in the Soviet army or navy.

As Mr. Korey points out, these three reasons are universal reasons applicable

to all countries as the basis for refusing to grant an exit visa. Unfortunately, however, the Soviet Union in fact does not abide by its stated written policy, and in fact bars Soviet Jews from leaving on political grounds which are not permissible under its treaty obligation.

The article should be read by every person interested in the fate of Soviet Jewry so that when the occasion arises, a Soviet representative can be asked the question, "Why are you not letting these people go?" He will not be able to evade the truth, and that truth is that the Soviet Union is a violator of international law.

The article follows:

[From the Soviet Jewish Affairs, No. 1, June 1971]

THE "RIGHT TO LEAVE" FOR SOVIET JEWS:
LEGAL AND MORAL ASPECTS

(By William Korey)

The right of Soviet Jews to emigrate to Israel has recently become a widely known part of the general human rights problem. Almost three hundred petitions have been sent by Soviet Jews during the past three years to leading world bodies and figures.¹ The petitions with their many hundreds of signatures constitute but a token of the pressing character of the problem. Tens of thousands of Soviet Jews have applied for exit visas, a large proportion for the purpose of reunion with their families in Israel. Only a tiny percentage of these requests have been granted. Two questions immediately arise: 1) How does international opinion and international law address itself to the issue of the right to leave a country? 2) What legal and moral obligations has the Soviet Union assumed in respect of this right?

International opinion is perhaps best expressed in a study conducted by an important United Nations organ, the Sub-Commission on Prevention of Discrimination and Protection of Minorities. Entitled 'Study of Discrimination in Respect of the Right of Everyone to Leave Any Country, Including His Own and to Return to His Country,' the 115 page document was completed and published in 1963 after three years of exhaustive research. The Special Rapporteur of the Sub-Commission in preparing the Study was the distinguished jurist and statesman of the Philippine Islands, Judge José D. Inglés.

The Inglés study is probably the most important work ever prepared by the Sub-Commission on Prevention of Discrimination and Protection of Minorities and, indeed, it constitutes a landmark in the evolution of human freedom. Its principal theme runs as follows: Next to the right to life, the right to leave one's country is probably the most important of human rights. For, however fettered in one country a person's liberty might be and howsoever restricted his longing for self-identity, for spiritual and cultural fulfillment and for economic and social enhancement, opportunity to leave a country and seek a haven elsewhere can provide the basis for life and human integrity.

Judge Inglés begins by noting that the right to leave 'is founded on natural law.'² The UN statesman calls attention to the fact that Socrates regarded the right as an 'attribute of personal liberty', and that the Magna Carta in the year 1215 incorporated the right to leave for the first time into 'national law'. The French Constitution of 1791 provided the same guarantee and an Act of the United States Congress declared in 1868 that 'the right of expatriation is a natural and inherent right of all people, indispensable to the enjoyment of the rights of life, liberty and the pursuit of happiness'.

It is the contention of Judge Inglés that the right to leave is 'a constituent element of personal liberty' and, therefore, should be subject to 'no other limitations' than the minimal ones provided in Article 29 of the Universal Declaration of Human Rights.³ That Article stipulates that all rights are subject only to such limitations as are needed 'for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of the morality, public order and the general welfare in a democratic society.' It will be noted that Article 29 precludes limitations based upon the foreign policy of a country. So concerned was Judge Inglés that the phrase 'public order' might be arbitrarily interpreted in a restrictive manner that he advocated as 'the best safeguard against arbitrary denial of the right' the showing of a 'clear and present danger to the national security or public order.'

The UN study makes the right to leave a precedent for other rights. Judge Inglés notes, for example, that, if a person is restrained from leaving a country, he may thereby be 'prevented' from observing or practising the tenets of his religion; he may be frustrated in efforts to marry and found a family; he might be 'unable to associate with his kith and kin'; and he could be prevented from obtaining the kind of education which he desires. Thus, the jurist concludes that disregard of the right to leave 'frequently gives rise to discrimination in respect of other human rights and fundamental freedoms, resulting at times in the complete denial of those rights and freedoms.'⁴ To this the Special Rapporteur adds that for a man who is being persecuted, denial of the right to leave 'may be tantamount to the total deprivation of liberty, if not life itself.'

The Sub-Commission document goes even beyond this point to the area of psychiatric disturbance. It contends that denial of the right to leave has a 'spiralling psychological effect' leading to 'a sort of collective claustrophobia.'⁵ This happens particularly to those individuals seeking to leave who 'belong to a racial, religious or other group which is being singled out for unfair treatment'. They develop a morbid fear of being hemmed in, 'with consequent serious mental distress'.

In completing his study, Judge Inglés prepared a set of 'Draft Principles on Freedom and Non-Discrimination in Respect of the Right of Everyone to Leave any Country, Including His Own, and to Return to His Country'.⁶ The Preamble to the Principles carries a major statement that places the right to leave at the heart of all other rights. The Preamble notes that the right to leave and to return is 'an indispensable condition for the full enjoyment by all of other civil, political, economic, social and cultural rights'.

Among the Draft Principles, two stand out. One stipulates that 'the right of every national to leave his country shall not be subject to any restrictions except those provided by law, which shall be only such as are reasonable and necessary to protect national security, public order, health, or morals, or the rights and freedoms of others'. The second has a distinctive humanitarian bent that goes to the very heart of modern civilized society. The Draft Principles would require Governments to give 'due regard . . . to facilitate the reunion of families'.⁷

Draft principles concerning the right to leave any country and to return to that country are now on the agenda of the UN Commission on Human Rights. It will probably take a considerable time before such principles are adopted by the Commission and the higher UN organs, the Economic and Social Council, and the General Assembly. Nonetheless, there already exists a body of international law on the subject which conforms to international opinion as expressed in the Inglés study.

Article 13/2 of the Universal Declaration

of Human Rights reads: 'Everyone has the right to leave any country, including his own, and to return to his country'. The text was adopted by the Third Committee of the General Assembly, meeting in Paris, in the autumn of 1948 by a vote of 37 in favour, none against and 3 abstentions. The Universal Declaration was adopted by the General Assembly on 10 December 1948 by a vote of 48 in favour, none against and 8 abstentions.

U Thant has called the Universal Declaration the 'Magna Carta of Mankind'. It is far more than a mere moral manifesto. According to leading international lawyers who had assembled in Montreal in March 1968, the Universal Declaration 'constitutes an authoritative interpretation of the [UN] Charter of the highest order, and has over the years become a part of customary international laws'.⁸ As early as December 1960, the General Assembly adopted by a unanimous vote of 89 to 0 a Declaration on Colonialism which specifies that 'all States shall observe faithfully and strictly the provisions of the . . . Universal Declaration on Human Rights'.⁹ In 1961, the Assembly again voted—97 to 0—that all the provisions of the Declaration on Colonialism including the specific reference to the Universal Declaration be faithfully applied and implemented without delay. In 1962, it reaffirmed this 101 to 0. That same year the UN Office of Legal Affairs ruled that a UN Declaration 'may by custom become recognized as laying down rules binding upon States'.¹⁰

A second body of international law bearing upon the subject is the International Convention on the Elimination of All Forms of Racial Discrimination. This treaty, the culmination of three years of drafting work, was adopted unanimously by the General Assembly on 21 December 1965. Article 5, paragraph d, subsection 2 provides that each Contracting Party to the treaty 'guarantees the right of everyone' to enjoy, among various rights, 'the right to leave any country, including his own, and to return to his country'.

The third major international legal document is the International Covenant on Civil and Political Rights. The result of 18 years of preliminary drafting work in various UN organs, the Covenant was adopted by a unanimous vote of the General Assembly on 16 December 1966. Article 12, paragraph 2 of the Covenant reads: 'Everyone shall be free to leave any country, including his own.'

Clearly, then, both authoritative world opinion, and international law consider the right to leave a country as a fundamental human right binding on all Governments. What is the expressed position of the Soviet Union relative to this right? When Judge Inglés was gathering material for the pioneering Sub-Commission study, he asked every Government to submit information concerning its law and practice governing the right to leave. The USSR submitted a body of information which is incorporated in *Conference Room Paper No. 85/Rev. 1* (7 February 1963). It specified that the Government may refuse a travel document under three circumstances: (1) if a person has been charged with an offence and judgement is yet pending; (2) if a person has been convicted and is serving a court-imposed sentence; and (3) if a person has yet to discharge his obligation of service in the Soviet army or navy.

These are universal reasons for refusal to grant an exit visa. It is significant that the USSR offers publicly only these reasons for rejecting application for an exit visa. The Soviet Government went on to state and 'citizens may not be prevented, by membership in a particular racial, linguistic, political religious or other group, from entering or leaving the USSR'.¹¹ In a further comment, the Soviet Government noted that it exercises 'no discrimination of any kind . . . as regards the procedure and formalities con-

Footnotes at end of article.

nected with entry into or departure from the USSR. . . . Finally, the USSR told the UN that with reference to appeals 'through administrative channels' for exit visas, no discriminatory restrictions are permitted, and 'any person who curtails that right [of appeal] is liable to a penalty'.

If the Soviet Union publicly attempted to place itself in full accord with prevailing world opinion concerning the right to leave, it has gone beyond that to assume binding and even contractual obligations under international law to fulfill that right. In the first place, it proclaims itself to be a strong adherent of the Universal Declaration of Human Rights. It is true that it abstained on the vote on 10 December 1948 which adopted the Universal Declaration, but it vigorously championed the 1960 Declaration on Colonialism which required all states to observe 'faithfully and strictly' the Universal Declaration of Human Rights, and it supported General Assembly resolutions in 1961 and 1962 which reaffirmed this purpose. The Soviet Union also actively endorsed a 1963 UN Declaration on Racial Discrimination which called upon 'every state' to observe 'fully and faithfully' the provisions of the Universal Declaration of Human Rights.

When Article 13/2 was discussed by the Third Committee of the General Assembly in the autumn of 1948, the USSR expressed no opposition to the right 'to leave any country, including his own', but it proposed an amendment which would add the words 'in accordance with the procedure laid down in the laws of that country'.¹² In introducing the amendment, the USSR delegate argued that it 'in no way modified the basic text of the article [13/2]'. He went on to make the interesting comment: 'In the Soviet Union . . . no law prevented persons from leaving the country, but anyone desiring to do so had, of course, to go through legally prescribed formalities'.¹³

Only Poland and Saudi Arabia spoke up in favour of the Soviet amendment. Most felt that it would be unnecessarily restrictive and it was rejected by a vote of 7 in favour, 24 against, and 13 abstentions. The Article, as amended by Lebanon with the additional phrase 'and to return to his country', was then unanimously adopted with the USSR also joining in support. The USSR delegate later said that he had misunderstood the issue and that he 'would certainly have voted against' the Article.¹⁴ Yet, since then, the USSR has not raised its earlier objection and proposed modification.

Indeed, it voted for two binding international treaties which carry specific reference to the right to leave—the International Convention on the Elimination of Racial Discrimination and the Covenant on Civil and Political Rights. The USSR went further: it assumed a contractual obligation to give effect to the right to leave by ratifying the International Convention on the Elimination of Racial Discrimination. This was done by the Presidium of the Supreme Soviet on 22 January 1969. Further evidence of the Soviet Union's obligation to fulfill the right to leave was provided a year earlier when, on 18 March 1968, it appended its signature to the Covenant on Civil and Political Rights. (Byelorussia signed on 19 March and the Ukraine on 20 March.) The act of signing a Convention or Covenant is indicative of a government's general agreement with and support of the provisions of the treaty as well as its intent to consider submitting the treaty to its appropriate domestic organ for ratification. (Ratification usually follows signature. So far only a handful of States have formally ratified the Covenant although a number have signed.)

The USSR has also obligated itself to observe the humanitarian principle enunciated in the Ingles study: that special considera-

tion be given to the reunion of families. This obligation emerges in statements of Soviet leaders, in exchanges of official correspondence between her Foreign Minister and the Vice President of the United States and in unpublished diplomatic agreements with Australia as well as, apparently, other countries too. At a press conference in Vienna on 8 July 1960, as reported in *Pravda* the following day, Mr. Khrushchev stated that 'we do not object to the reunion of any persons if they want this'.¹⁵ In the autumn of 1959, Foreign Minister Andrei Gromyko told Vice President Richard M. Nixon in a telegraphed letter that 'requests' aimed at permitting Soviet citizens to obtain passports in order to be united with their families in the United States 'will be considered with proper attention as is always the case in consideration of such affairs'.¹⁶ Gromyko's letter in part constituted a response to a letter of Nixon addressed to Khrushchev on 1 August 1959. This letter stated:

"In the interest of continuing improvement in relations between the United States and the Soviet Union, I believe that matters such as this involving principles of non separation of families which we both support should not persist as irritants to larger solutions." [Emphasis added.]

"In this regard, I can state that the United States Government does not stand in the way of persons including its own citizens who desire to depart from the United States to take up residence in the USSR."

In June 1959, following the resumption of diplomatic relations between Australia and the USSR, the Australian Government reported that twenty-one Soviet citizens would be permitted to join their relatives in Australia.¹⁷ The Australian Minister for Immigration, Alexander R. Downer, stated that the Soviet Government considered this group of emigrants as but a beginning. It was considered likely that 'Operation Reunion'—as the new policy was termed in Australia—might bring 1,000 Soviet citizens to Australian shores. In March 1960 Western diplomats in Moscow were quoted by the Associated Press as saying that the USSR had quietly allowed about 1,000 citizens to emigrate during the previous six months in order to rejoin families abroad. In addition to the United States and Australia, the other countries to which the Soviet emigrants had gone were England, Canada, Sweden and Argentina.

In some instances, the Soviet Government goes beyond the principle of the reunion of families and endorses the principle of the reunion of entire ethnic groups. The attitude to Spaniards living in the Soviet Union is one example. Late in 1956 the Soviet Government began repatriating to Spain Spaniards of whom most had, as youngsters, been sent to the Soviet Union in the late thirties by the Spanish Republic. A *New York Times* dispatch from Spain on 23 January 1957 reported that since the previous September 2,106 Spaniards had been repatriated. A *Times* dispatch on 30 May 1957 reported that four successive groups of repatriates had arrived in Spain since September 1956. On 4 May 1960 the Spanish Government issued a note announcing that 1,899 adults had been repatriated from the Soviet Union between 1956 and 1959. If one adds to this the children who have been repatriated, the total number of Spanish repatriates may come to three or four times this figure.

An article in the important Soviet journal *Literaturnaya gazeta* shows that the Soviet regime was sympathetically disposed to the aspirations of the Spanish ethnic group to join its brethren abroad. The article explains that many of the Spanish repatriates want 'to live with their own people, to share its destiny, its struggle, as hard as that may be. Let us wish them luck'.¹⁸

The Russo-Polish repatriation agreement of 25 March 1957 is another example. The

agreement provided for the return to Poland of Poles who had been living in the Soviet Union since 1939, together with their children. The agreement was extended until 30 September 1958 and then again until 31 March 1959. It is estimated that since 1957 some 200,000 Poles have been repatriated to Poland.

A final example is provided by the Greeks. While the subject is shrouded in some mystery, it is known that many Greeks who had been living on Russian soil from Tsarist days and possibly even from pre-Tsarist days have been permitted to leave for Greece in order to be reunited with their kin.

The Soviet Union itself has encouraged former Soviet citizens as well as persons who had emigrated prior to World War I from lands now part of the Soviet Union to 'return to the homeland'. This campaign was led by a Committee for Return to the Homeland, founded in March 1955. It published a newspaper *For Return to the Homeland* in Russian, Ukrainian, Byelorussian and Georgian, urging readers to return to Soviet Russia. Several thousands of older pre-1914 émigrés—together with their offspring—left for the Soviet Union from Argentina.

Particular attention was given in the years 1943-47 to urging Armenians living abroad to return to Soviet Armenia. *Ivestia* on 20 November 1946 carried a dispatch from Yerevan, the capital of Soviet Armenia, reporting that the government had allocated "huge sums" for the purpose of resettling Armenian repatriates. An article in *Pravda* observed that 50,000 Armenians had returned to the USSR from Europe and the Near East.¹⁹

During 1947, the campaign to attract Armenians abroad continued. On 11 June the Associated Press reported from Salonika that a Soviet Armenian delegation had arrived there to supervise the removal to the USSR of about 17,000 Armenians who had been in Greece since their expulsion from Asia Minor in 1922. An Associated Press report from Haifa on 20 October 1947 indicated that 1,100 Armenians in Palestine were awaiting the arrival of the Soviet ship "Pobeda" to take them to the USSR. In the previous month, the Tass News Agency charged that Iran was refusing to permit repatriation of 97,000 Armenians. And in December the Soviet Government asked France not to bar Armenian repatriates then waiting at Marseilles to sail to the USSR. On October 21, the *New York Times* reported that Armenian-born citizens of the United States had been encouraged to renounce their citizenship rights and return to Soviet Armenia. On October 31 the *Times* reported that 1,000 of these citizens were ready to leave for the USSR.

While the Soviet Government has been sympathetically disposed to the principle of reunion of families and to some ethnic groups in this respect, it made, until December 1966, an exception in the case of Soviet Jews. In two interviews in 1956-57 Khrushchev revealed the official Soviet position with reference to the right of Jews to leave the USSR. One interview was with a delegation of the French Socialist Party in May 1956; the other was with the pacifist leader Jerome Davis. The Paris journal *Réalités* carried the first interview.²⁰ One of the members of the French delegation, M. Deixonne, asked: "Is a Jew permitted to go to Israel, either on a visit or to emigrate there?" Mr. Khrushchev responded: "I shall tell you the truth. We do not favour these trips." After Shepilov interjected to disclaim the existence of the problem, Khrushchev went on to say: "At any rate, we don't favour them (trips to Israel). We are against it . . ."

In the second interview, in 1957, Davis asked whether it was true "that Jews are not permitted to go freely to Israel?" Khrushchev answered: "It is true to some extent and to some extent not true." He explained to what extent it was "not true" by noting that as part of the Russo-Polish

Footnotes at end of article.

repatriation agreement, the Soviet Government had permitted Polish Jews to return to Poland even though "we knew that many of them would go on to Israel from there." This assertion avoided the issue of the right of Soviet Jews—in contrast to Polish Jews—to leave. In May 1959 Khrushchev refused to respond directly to a question put to him by the delegation of American veterans as to whether the Soviet Union permitted Jews to go to Israel.²²

The inconsistency between the stated general policy on the reunion of families and the states (as well as actual) policy in relation specifically to the reunion of Jewish families created an obvious embarrassment. A resolution of the inconsistency had taken the form of denying that Soviet Jews are desirous of leaving the Soviet Union to join relatives elsewhere. On 13 July 1959 the Cairo newspaper *Al Ahram* printed an exchange of messages between Khrushchev and the Imam of Yemen in which the Premier assured the Imam that no Soviet Jews had ever applied to leave for Israel. The Cairo story was carried in the *Manchester Guardian* on 14 July. On 8 July 1960, at a press conference in Vienna,²³ the following question was put to Khrushchev: "Is the Government of the Soviet Union prepared to agree, within the framework of solving the question of reuniting families, to granting permission to persons of Jewish origin in the Soviet Union to resettle in Israel?" Khrushchev first implied that while Israeli relatives of Soviet Jews may want the latter to go to Israel, the Soviet Jews were reluctant to do so. He said: "... the term 'reuniting families' is a rather conditional concept. Probably even today one can read many advertisements in the Vienna papers to the effect that a rich widow is looking for a husband or an old man for a young wife." He then went on to say that the Soviet Ministry of Foreign Affairs has "no requests of persons of the Jewish nationality or of other nationalities wishing to go to Israel". At the time, it was known that 9,236 Soviet Jews had asked for documents which would enable them to obtain exit visas.²⁴

A major change in Soviet policy concerning emigration for Soviet Jews was enunciated by Premier Alexei Kosygin on 3 December 1966 in the course of a press conference in Paris. As recorded in *Izvestia* on 5 December 1966, the journalist's query and Mr. Kosygin's response appear below:

Question: "The destruction of the war separated many Jewish families and a part of these families are found in the USSR. A part are abroad. Could you give these families the hope of coming together as had been done for many Greek and Armenian families?"

Kosygin: "As regards the reunion of families, if any families wish to come together or wish to leave the Soviet Union, for them the road is open and no problem exists here".

But this statement of policy has been fulfilled only to a very limited degree. Tens of thousands of Jewish applicants for exit visas have received either negative responses or no responses. Frequently applicants have been deprived of their jobs or subjected to a variety of harassments and various forms of intimidation.²⁵

The position is clear. The USSR has accepted authoritative world opinion that the 'right to leave' is a fundamental human right; it has obligated itself in a variety of ways to international standards which require it to give effect to the 'right to leave'; it has accorded recognition to the humanitarian principle of reunion of families and even of entire ethnic groups. Soviet Jews who seek to emigrate to join their relatives in Israel and elsewhere are seeking implementation of this legal and moral right.

FOOTNOTES

¹ For a brief content analysis of the petitions, see my article, "The Not-So-Silent Soviet Jews", *The New York Times*, 22 January 1971.

² José D. Inglés, *Study of Discrimination in Respect of the Right of Everyone to Leave Any Country, Including His Own, and to Return to His Country* (United Nations, 1963), p. 1.

³ *Ibid.*, p. 59.

⁴ *Ibid.*, p. 15.

⁵ *Ibid.*, p. 17.

⁶ *Ibid.*, pp. 64-73.

⁷ *Ibid.*, p. 69.

⁸ *Montreal Statement*. Adopted by the Assembly on Human Rights, Montreal, March 1968.

⁹ See William Korey, "The Key to Human Rights—Implementation", *International Conciliation*, November 1968, pp. 7-8.

¹⁰ *Economic and Social Council Official Records*: 34th Sess., 1962, Suppl. No. 8 (E/3616/Rev. 1), para. 105.

¹¹ United Nations Sub-Commission on Prevention of Discrimination and Protection of Minorities, *Conference Room Paper No. 85/Rev. 1*, 7 February 1963.

¹² Inglés, *op. cit.*, p. 85.

¹³ *Ibid.*

¹⁴ *Ibid.*, p. 87.

¹⁵ *Pravda*, 9 July 1960.

¹⁶ The exchange is carried in Co-ordinating Board of Jewish Organizations, *Memorandum on Discrimination in the Matter of the Right of Everyone to Leave Any Country, Including His Own, and to Return to His Country*. Submitted to United Nations Sub-Commission on Prevention of Discrimination and Protection of Minorities, October 1960, pp. 5-6.

¹⁷ *Ibid.*, p. 17.

¹⁸ *Literaturnaya gazeta*, April 29, 1958.

¹⁹ Cited in Co-ordinating Board of Jewish Organizations, *op. cit.*, p. 10.

²⁰ *Réalités*, May 1970.

²¹ *Promoting Enduring Peace* (West Haven, n.d.); and *The Churchman*, April 1960.

²² *The New York Times*, September 25, 1959.

²³ *Pravda*, July 9, 1960.

²⁴ *The New York Times*, August 9, 1960.

²⁵ The underground publication, *Iskhod*, in two issues produced in 1970 carries examples of the difficulties.

EMERGENCY RELIEF FOR CITY SUBWAYS

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

Mr. KOCH. Mr. Speaker, I have introduced a bill, H.R. 10400 to provide a 5 year, \$1 billion emergency relief program for rapid transit and commuter railroad systems in urban areas; it has been referred to the Banking and Currency Committee—of which I am a member—having jurisdiction over mass transit. "The Urban Transportation Relief Act" would establish a program of annual assistance to help offset transit deficits by paying for the maintenance and repair of their rights-of-way. This means that the Federal Government would pick up the full cost of the maintenance of their tracks, tunnels, signals, trestles, subways, bridges, elevated structures, and power substations.

In my own city of New York, the transit authority operating the city's subways and buses anticipates a cash deficit of \$100 million by the end of this fiscal year, even without the added cost of whatever wage package is negotiated in the late fall.

The fare is already 30 cents and unless subsidies are found may go to 50 cents next year. Eighteen percent of the riding public must pay two fares to get to

their jobs. Thus, they pay a daily commutation fare of \$1.20 a day; in the event of a fare increase this will go to \$2 a day or \$10 a week. To a starting telephone employee who makes \$99 a week, this amounts to 10 percent of his or her salary. What an outrage.

Costs simply have gone too high for a reasonable fare to support all expenses; some form of revenue must be found and the question becomes not whether there should be a subsidy but where it will come from.

New York City is already paying a total of \$244 million annually to the MTA for debt service and certain operating expenses such as transit police and reduced fares for children and senior citizens. It is time that the States and Federal Government do their share in supporting public transportation facilities so vitally important to our country's major metropolitan areas. In the case of New York, H.R. 10400 would provide between \$70 million and \$85 million in the program's first year.

The Federal Government spends approximately \$1 billion annually on air traffic safety. And the Federal-Aid Highway Act of 1970 included a new program of Federal assistance for the repair and reconstruction of bridges on federally aided roads with an initial funding level of \$100 million this year. Certainly, we should be able to allocate \$200 million a year, as my bill prescribes, to defray mass transit operating expenses.

Mr. Speaker, the real solution to our transportation needs in this country is a single transportation trust fund into which all moneys, including the billions now set aside for highways, would go so that each community could decide what form of transportation was best for it.

In the meantime, we cannot stand by while existing facilities deteriorate. H.R. 10400 makes a modest contribution to urban transportation systems and provides an incentive to State and local bodies with existing facilities to maintain them until more adequate resources can be provided under a long-term approach.

FAIR CREDIT REPORTING AMENDMENTS

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

Mr. KOCH. Mr. Speaker, as our society grows more complex and more people need more information about other people, the privacy of the individual citizen is increasingly threatened. A problem already made acute by the apparent legitimacy of many requests for information is only worsened by our increased technological ability to provide that information.

In the area of consumer credit reporting a tremendous volume of extremely personal and sensitive information is circulated, often without the knowledge of the individuals involved. Prospective creditors, insurers, and employers want, and have a right to know certain facts about individuals before employing, insuring or lending to them. But the individuals have a countervailing right, and,

I believe, a more pressing one, to have some control over what information is disclosed, when it is disclosed, and to whom it is disclosed.

The Fair Credit Reporting Act which recently became effective goes some of the distance toward securing these basic rights. But it does not go nearly far enough. This was made clear by Mrs. SULLIVAN, our distinguished colleague from Missouri and chairman of the Consumer Affairs Subcommittee, when she told this House last year that it might be necessary to reopen the legislation for improvements. This becomes especially important because Mrs. SULLIVAN's committee had held hearings and had been working on a credit reporting bill when circumstances required the House to accept a Senate bill instead of considering the Sullivan committee's legislation. Certainly the continuing leadership of our colleague from Missouri remains indispensable in any efforts to strengthen the privacy safeguards for the consumer under this new act.

The act provides the greatest protection to the consumer who is the subject of an investigative consumer report—one containing information obtained from his neighbors, associates and friends on the consumer's character, personality, life style, and so forth. But even here the protection is inadequate. The amendments I am introducing today require that the consumer be told at the time he applies for insurance, credit or employment that an investigative report may be obtained, thus giving him this information at a point when he may still do something about it. The amendment also gives him the right to know the name and address of the consumer reporting agency providing the report.

Perhaps the most serious failing of the Fair Credit Reporting Act as it presently stands is that it provides no control over the kinds of information which the consumer reporting agency may gather about an individual. These amendments would require consumer reporting agencies to gather only that information which is relevant to the permissible purposes of consumer reports, as set forth in the act.

The amendments further strengthen the act by requiring a consumer reporting agency which furnishes a report containing items of public record information about a consumer to take steps to insure that the information is complete and up to date and to inform the subject of the report that such information is being reported and to whom it is being reported. In addition, the disclosures which are presently required to be made by the user of a consumer report would have to be made in writing under these amendments.

By disclosing to the consumer in advance that an investigative report on him may be obtained, by requiring that the information in all reports be relevant, and by giving him more information on who is making and using the report, these amendments make the Fair Credit Reporting Act more effective in safeguarding the privacy and economic well-being of all consumers.

The text of the bill follows:

H.R. 10434

A bill to amend the Consumer Credit Protection Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VI of the Consumer Credit Protection Act is amended as follows:

(1) Subsection (a) of section 606 of such Act is amended to read as follows:

"(a) A person may not procure or cause to be prepared an investigative consumer report on any consumer unless it is clearly and accurately disclosed to the consumer that an investigative consumer report including information as to his character, general reputation, personal characteristics, and mode of living, whichever are applicable, may be made, and such disclosure (1) is made in eight-point, boldface type in the application form for credit, employment, or insurance, and (2) includes a statement informing the consumer of his right to request the additional disclosures provided for under subsection (b) of this section."

(3) Subsection (b) of section 606 of such Act is amended by inserting after "This disclosure" the following: "shall include the name and address of the consumer reporting agency making the report and"

(3) Subsection (b) of section 607 of such Act is amended to read as follows:

"(b) Whenever a consumer reporting agency prepares a consumer report, it shall follow reasonable procedures to assure that only information relevant to the permissible purposes of the report is gathered and that such information is as accurate as possible."

(4) Section 613 of such Act is amended to read as follows:

"A consumer reporting agency which compiles and reports items of information on consumers which are matters of public record shall—

"(1) at the time such public record information is reported to the user of such consumer report, notify the consumer of the fact that public record information is being reported by the consumer reporting agency, together with the name and address of the person to whom such information is being reported; and

"(2) maintain strict procedures designed to insure that whenever public record information is reported it is complete and up to date. For purposes of this paragraph, items of public record relating to arrests, indictments, convictions, suits, tax liens, and outstanding judgments shall be considered up to date if the current public record status of the item at the time of the report is reported."

(5) Subsection (a) of section 615 of such Act is amended by inserting after "the user of the person to whom such information is "in writing".

(6) Subsection (b) of section 615 of such Act is amended by inserting after "within sixty days after learning of such adverse action, disclose" the following: "in writing".

(7) Section 618 of such Act is amended by striking out "and willfully".

TAKE PRIDE IN AMERICA

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

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. The United States commands its greatest strength in its tremendous industrial capacity. Through a combination of huge

natural resources a mammoth supply of capital and the creation of technical skills, this Nation now produces more than one-third of the world's manufactured commodities. With more than one-half of the world's output of steel, this country produces more machinery than all the rest of the world together. It is the leading producer of almost every kind of machinery: Electrical machinery, machine tools, transportation equipment, textile machinery, agricultural equipment, and a host of others.

THE SOVIET INVASION OF CZECHOSLOVAKIA

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

Mr. FASCELL. Mr. Speaker, August 21, 1971, marks the third anniversary of the brutal Soviet invasion of Czechoslovakia. The continued Soviet military presence there is a grim reminder of the events of that tragic day.

In the spring of 1968 a new spirit—the spirit of freedom—was evident in Czechoslovakia. In January the entire Nation joined hands to depose a leader who had been a mere pawn of the Soviet Union, Novotny. The election of Alexander Dubcek, a new and creative leader, resulted in the reestablishment of some traditional political freedoms in Czechoslovakia. Dubcek's reforms were not radical. They were an attempt to restore the traditional democratic heritage of Czechoslovakia.

Moscow, sensing that its reactionary order was on the verge of collapse, ultimately resorted to military force to resolve the political dilemma presented by a truly social-democratic Czechoslovakia. The occupation of Czechoslovakia by more than a half million Warsaw Pact troops effectively reestablished tight Soviet control over Czech political development.

In what sense did the Czech reforms pose a threat to the Soviet Union? The successful implementation of Dubcek's liberal reforms presented two dangers to the Soviet regime. The reforms were a direct challenge to the Soviet ideological line. In addition, they threatened to undermine the strict and unrelenting Soviet control over the governments of Eastern Europe. The success and popularity of the Czech experiment might have inspired other Eastern European governments to relax their tyranny and permit increased political freedom. In the final analysis, the Soviet Union could not cope with, and in fact feared, any change in the existing political and social order. The invasion of Czechoslovakia was intended as a warning to all potential deviators—a warning that the Soviet Union would resort to force to preserve tight control over the destiny of Eastern Europe.

That the Soviet Union still puts greater reliance on the resort to force, that she sees peaceful political change as a threat to her position of dominance in Eastern Europe, is of grave concern to the entire international community. The Czech invasion again casts in doubt the sincerity

of Soviet support for the elementary norms of international law—sovereignty, noninterference and nonintervention—and for detente with the West. The Czech invasion has served to remind us of the true nature of the Soviet regime.

While the invasion may have temporarily succeeded in crushing the Czech political and social reforms, it only strengthened the Czech people's faith in, and desire for, real democracy.

REFORM OF THE MILITARY JUSTICE SYSTEM

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

Mr. BINGHAM. Mr. Speaker, I am introducing today a bill whose purposes are to reform and revise the Uniform Code of Military Justice and to protect the constitutional rights of those persons subject to the military justice system. This bill is modeled after similar legislation, S. 1127, introduced this year on the Senate side by Senator BIRCH BAYH of Indiana.

Our armed services are currently faced with a wave of criticism directed against their methods of dispensing "military justice," and much of this criticism stems from the fact that the existence of basic fairness in a military courtroom at a serviceman's trial is made very difficult to achieve because of the present construction of the military justice system. If enacted, my bill would make noteworthy advances in revamping the military trial structure in order to assure to servicemen the same basic right of a fair trial which is guaranteed to all defendants in a civilian court. Bearing in mind the stark fact that every U.S. serviceman's essential role is to contribute to the defense of his country in order that all American civilians may enjoy the fruits of democracy as expressed in the Constitution and the Bill of Rights, it is incumbent upon us Members of Congress, as civilians and as beneficiaries of the serviceman's sacrifices, to utilize our legislative capacity to ensure that the American serviceman receives the same guarantee of a fair trial which his eternal vigilance makes possible for his fellow Americans.

Unfortunately, the present military justice system is one which, by its very structure, is unavoidably and undeniably tainted with the deleterious effects of command influence. In many instances that command influence has made a virtual mockery of the concept of a "fair trial" within the military. A defendant's commanding officer presently can exert enormous pressure on the conduct of the prosecution and the defense of the accused, on the selection of members of a court martial jury, and on the verdict and sentence meted out. Although the Armed Forces understandably attempt to present their modes of trial as the fairest and most equitable possible given the exigencies of maintaining military discipline, the impression which one unavoidably obtains from studying some of the results of the military "judicial" pro-

ceedings is that of a "drumhead" court martial or of a "kangaroo" court.

One noted author in the military justice field has commented that "military justice is as little representative of real justice as military music is representative of music." In an effort to rectify this intolerable condition, my proposal would eliminate all danger of command influence from a serviceman's trial, and it would ensure a far fairer method of maintaining military discipline and efficiency than presently exists.

The main objective of the bill is to eliminate completely the problem of command influence, as I have stated. The bill would establish an independent Courts-Martial Command composed of four divisions: defense, prosecution, judicial, and administration. This command would be responsible only to the Judge Advocate General, thereby removing defense and prosecuting attorneys from the control of the accused's commanding officer. Under the present system of military justice, the prosecuting officer and the defense officer in any given court-martial are directly responsible to the commanding officer of the command which brings the charges against the enlisted man or officer brought before the court-martial proceeding.

Each accused would be entitled to have an independent defense counsel appointed upon request immediately following arrest. He would also have the right to a formal hearing, similar to the hearing required by rule 5 of the Federal Rules of Criminal Procedure, in front of an independent military judge within 24 hours of arrest. Thus, the commander would no longer have the final voice in deciding whether to prosecute.

Several crucial decisions now made by the commanding officer or the prosecutor would be delegated to the independent military judges. At present, the commanding officer has the sole power to authorize searches and issue arrest warrants. Under the new bill, these decisions, which deal with critically important constitutional rights, would be made by an independent judge. In like manner, the military judge—not the commander—would have the power to release an accused serviceman pending trial or pending appeal. Under present law, the prosecutor has the exclusive power to issue subpoenas, and this authority would also be vested in the military judge under the bill.

The commanding officer—the convening authority—now performs the initial review in many cases. This procedure has become, for the most part, either a time-consuming formality or an invitation to impose maximum sentences so that the commander can reduce them.

The power to review would be transferred either to the Judge Advocate General or to the military courts, depending on the nature of the case. The power to suspend or reduce sentences would be transferred from the commanding officer to the military judge.

At the present time, the commander has exclusive power to choose members of the court—the jurors. This widely

criticized power would be eliminated and a completely random system of selection would be substituted in its place. The bill would also abolish the requirement that two-thirds of the members of the court-martial be officers.

In addition to measures aimed exclusively at eliminating command influence the bill would provide for a number of other reforms.

The bill I am introducing today would eliminate the summary courts-martial. These proceedings—which are conducted by one man who presents the evidence for the prosecution, listens to and evaluates the evidence of the defendant, rules on questions of law and fact, and also determines the sentence—are inconsistent with the whole thrust of this reform bill. And that would be true even if the summary court-martial officer were not appointed—as he is today—by the defendant's commanding officer. It is simply unfair to let a serviceman suffer a burden which is the equivalent of a criminal conviction without granting him all the procedural safeguards that are fair and practicable.

Military judges would be present at all trials, and would have the power to "issue all writs necessary or appropriate in aid of" their jurisdiction. They would also be given the same power Federal judges now have to punish for contempts in their presence. The Court of Military Appeals would be enlarged from three to nine judges and authorized to sit in panels of three judges, in order to increase the court's continuity and its capacity to handle the increased workload. And the Supreme Court would be empowered to issue writs of certiorari to review cases decided by the Court of Military Appeals.

The bill would also extend additional substantive and procedural rights to each defendant. For the first time there would be no possibility of double jeopardy problems. Trying a defendant by court-martial after trial in a State court for the same act, and vice versa, would be forbidden. And military defense attorneys would be specifically authorized to seek collateral relief for their clients in civilian courts whenever appropriate, relief often unavailable today unless the accused serviceman obtains civilian counsel. The accused would get complete credit toward any ultimate sentence for any pretrial confinement. Finally, all confined servicemen—including those awaiting trial or appeal—would be permitted to participate in work, exercise, and rehabilitation programs wherever adequate facilities were available.

In this bill there is a discovery section, modeled after the Federal rules, to define each party's rights to obtain information held or controlled by the other party. This subject is not covered by the present code.

The following is a section by section of the bill:

SECTION BY SECTION EXPLANATION AND SYNOPSIS

I. Section 1. Short Title. "The Military Justice Act of 1971."

II. Sec. 2. Revisions of the Uniform Code of Military Justice: this section amends 10 U.S. Code 801-876, and 936.

Subchapter I (801-806a) lists general provisions and definitions, specifies those persons subject to the Act, and describes the Courts-Martial Command. Institution of the independent Courts-Martial Command would remove command influence from a military trial. Each armed service would have an independent Courts-Martial Command in the Office of the Judge Advocate General of that service. Each such Command would have four separate divisions, judicial, prosecution, defense, and administration.

The judicial division would provide military judges, the prosecution division would detail prosecutors, the defense division would provide defense counsel, and the administrative division would be responsible for convening courts-martial, providing court reporters, and performing related logistical tasks.

Subchapter II (807-814) deals with arrest and restraint of persons charged with an offense against the UCMJ. A person may be arrested only for probable cause. No punishment before trial may be imposed, with the exception of restriction to insure the accused's presence at trial.

Subchapter III (815) is the provision for nonjudicial punishment. It permits disciplinary punishment by a commander for minor offenses. However, if the accused so requests, he is generally entitled to a court-martial instead of submitting to nonjudicial punishment.

Subchapter IV (816-821) describes the two types of courts-martial, the general court martial and the special court martial. A general court martial is composed of a military judge and seven jurors, or only of a military judge if the accused so requests. A special court martial is composed of a military judge and three jurors, or only of a military judge, if the accused so requests. A general court martial has jurisdiction over more serious offenses than a special court martial, and may impose more severe sentences.

Subchapter V (822-829) describes the composition of courts-martial. Members of a court-martial jury are to be selected on a random basis, and their selection will not be restricted to members of the accused's immediate command. Greater democratization of juries will be achieved by permitting enlisted men to serve on an officer's court-martial, if that officer so requests, and by increasing from one-third to two-thirds of the jurors the number of enlisted men permitted to serve on an enlisted man's court martial. Qualifications of judges, prosecutors, and defense counsel and assignment procedures are covered in this subchapter.

Subchapter VI (830-835) deals with pre-trial procedure. Charges shall be preferred by the Chief of the Prosecution Division of the Regional Courts-Martial Command, and all decisions on preferring charges will be made by that officer or his designee. No person may be compelled to incriminate himself in any way, and before any interrogation is made, the interrogator must inform the suspect that he need not make any statement, and that any statement which he makes may be used against him. Arraignment before a military judge of a suspect shall be made within 24 hours after arrest. The judge may allow bail or impose such restriction or confinement as is necessary to insure the presence of the accused at trial.

Subchapter VII (836-854) provides that the President may prescribe the procedures for courts-martial following so far as practicable the rules of the United States district courts. Attempts to influence the behavior of participants in a court-martial are forbidden. Rules for discovery including depositions, similar to the Federal Rules of Criminal Procedure are provided. "Double jeopardy" is prohibited, both within the military justice system and between military and civilian courts.

The accused is permitted to plead guilty or not guilty. The prosecution, the defense,

and the court-martial have equal opportunity to subpoena witnesses, and the court may enforce the subpoena with contempt of court sanctions. Searches and seizures of persons and property may be conducted only upon the authority of a military judge. Voting by jurors shall be by secret written ballot. A unanimous vote is required to convict for an offense for which the death penalty or confinement at hard labor for life is made mandatory by law, and for any other offense a two-thirds vote of the jury is required to convict.

Subchapter VIII (855-858A) provides for sentences which may be decided by a court martial. Cruel and unusual punishments are prohibited, and punishment for an offense may not exceed such limits as the President has prescribed. Sentences of confinement may be carried out in a military or civilian federal prison.

Subchapter IX (1295) provides that a rehearing may be ordered by the Chief of the Prosecution Division of the Regional Command in which the accused was originally tried, if the Judge Advocate General, the Court of Military Review, or the Court of Military Appeals disapproves the findings and sentence of a court martial.

However, upon rehearing no accused may be tried for any offense of which he was found not guilty by the first court-martial. Courts of Military Review and an enlarged Court of Military Appeals shall be established to serve as appellate forums for courts-martial.

This section (938) also provides that any member of the armed forces who believes himself wronged by his commanding officer and who is refused redress, may ultimately petition the Judge Advocate General to investigate and redress the wrong, if a wrong exists.

III. SEC. 3. This section (1259) provides that cases in the U.S. Court of Military Appeals may be reviewed by the Supreme Court by a writ of certiorari.

IV. SEC. 4. (1259): A committee composed of the judge advocate generals of each of the services and three civilians appointed by the President would be charged with studying and making recommendations about the following questions: the desirability of transferring jurisdiction over absence offenses to the Federal courts; additional methods of eliminating delays in the appellate process; means of dealing with prisoners who complete the service of their sentence to confinement prior to the completion of appellate review; and revisions in the current table of maximum punishments.

V. SEC. 5: The provisions of this Act shall become effective on the first day of the twelfth calendar month following the month in which this Act is enacted, except that section 4 shall become effective upon enactment.

SEARCH WARRANT RAID ENDS IN TRAGEDY

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

Mr. GUDE. Mr. Speaker, one of my constituents lies paralyzed at this moment in a local hospital as a result of a search warrant raid conducted on his home on June 7, 1971 by local and Federal law enforcement officials.

Kenyon F. Ballew was shot in the head while defending himself and his wife against suspected intruders, who turned out to be law enforcement personnel attempting to break down the door of his apartment to search for weapons alleged in violation of the 1968 Gun Control Act.

The details of this raid have been fully covered in the press, and I will not review them here. I am, however, inserting in the RECORD my letter to Secretary of the Treasury, John Connally, expressing my dissatisfaction with the Treasury Department's investigation of this incident.

Furthermore, I wish to comment briefly on the callous and impersonal attitude of the Federal officials regarding this tragedy. Not a word of regret or sorrow has been spoken that would indicate the Treasury Department has any concern at all for the irreparable damage that this amateurish raid has inflicted on the Ballew family.

Many of my Montgomery County constituents will remember this incident for a long time. I fear it has done nothing to enhance the image of law enforcement officials and unless corrective measures are taken to prevent future occurrences, I fear that the important fight against crime will be impaired.

I am also inserting in the RECORD an editorial from the Washington Star of August 5, 1971 which reflects my sentiments on this issue.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., August 5, 1971.

HON. JOHN B. CONNALLY,
Secretary, Department of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: I have carefully reviewed the Department of the Treasury report relative to the shooting of Kenyon F. Ballew during the execution of search warrants by Treasury agents and Montgomery County police on June 7, 1971.

The conclusion of the Treasury Department's investigation that the actions of the law enforcement personnel were "legally proper under the circumstances" is, in my view, simply unsatisfactory. The administrative and supervisory corrections recommended will do little to restore the confidence of many Montgomery County citizens in their local and federal law enforcement officials.

If the actions taken during the Quebec Terrace raid were, in fact, legally proper, it appears that there is room for substantial improvement in the Treasury Department's procedures governing search warrant raids. I strongly urge you to supplement your report of August 2 with explicit procedural changes which will reduce the likelihood of similar tragedies occurring in the future.

Sincerely,

GILBERT GUDE.

GRAYWASH

John T. Bonner, attorney for Kenyon Ballew, has labeled the U.S. Treasury report of the raid on his client's apartment "a complete whitewash." He is wrong. The color is off-white.

The Treasury report, unlike the Montgomery County study, did acknowledge certain deficiencies in the way records were kept, in the supervision of the raiding party and in the removal of property from Ballew's apartment. So there were a few gray areas, which is a small step in the right direction.

Treasury Secretary John Connally was technically correct when he said that the raid, despite the procedural deficiencies, was "legally proper under the circumstances." The raiding party was equipped with a warrant; they appear to have made some attempt to identify themselves; they were confronted by a man armed with a pistol. But having made the point that the agents and the county police were acting within the letter of the law, it would seem that neither the

dignity nor the legal position of the United States government would be comprised by an expression of regret over the outcome of the affair.

Why is it so difficult for anyone in a position of authority to express a degree of sorrow over the fact that a 28-year-old man, through what can be charitably described as an unfortunate chain of events, was shot in the head? Ballew has been in the hospital since June 7. He is unable to speak, his right arm and leg are paralyzed, his recovery is uncertain at best. And yet the Treasury report argues that the grenades in his possession could have been reactivated, that the barrel of one shotgun was improperly short, that many of the guns in the apartment were loaded.

Perhaps Ballew's affection for firearms was excessive. Perhaps his gun collection was in violation of the 1968 Federal Gun Control Act. Perhaps Ballew should, as the Treasury Department report gratuitously recommends, be prosecuted "should his physical condition permit."

But it is certain that no personal eccentricity and no crime of which Ballew was suspected calls for the punishment that was inflicted. There was an armed confrontation, true enough. But it was not initiated by Ballew; it resulted from the actions of an over-aggressive and under-informed raiding party. There is a better way in executing a search warrant than by smashing in a door. And if the Treasury Department and the County Police can't figure it out, neither of them belongs in the field of law enforcement.

PRESS CONFERENCE NO. 18 OF THE PRESIDENT OF THE UNITED STATES

Mr. GERALD R. FORD. Mr. Speaker, in view of the discussion on the floor today concerning the President's efforts to slow down inflation, his views on wage and price controls and present trends in the economy, as well as other subjects of great interest and concern to all Americans, it may be well for President Nixon to speak for himself in his own words. Therefore, I am inserting in the RECORD the full transcript of the President's press conference at the White House yesterday for the information of the House:

PRESS CONFERENCE NO. 18 OF THE PRESIDENT OF THE UNITED STATES, AUGUST 4, 1971

The President: Ladies and gentlemen, I wanted to begin this with a brief resume of the conversation I have just had with the Secretary of State, because I know the subject will probably come up in any event.

This is in regard to the Pakistan refugee situation, to recap what we have done. Insofar as the refugees, who are in India are concerned, we have provided \$70 million to date for the refugees, and we are prepared to provide more. That, incidentally, is more than all the rest of the nations of the world put together, so it is a substantial amount.

As far as those in East Pakistan themselves are concerned, whereas you know there are prospects of famine, in the event that the crop reports are as bad as they seem to be, at this time we have 360,000 tons of grain ready for shipment there. We have also allotted \$3 million for the chartering of ships for the purpose of getting the grain into the overcrowded ports.

As a further step, the Secretary of State has worked out with my very strong approval a plan to go to the United Nations next week to talk to the responsible and appropriate members of the United Nations, including the U.N. High Commissioner in that office, to see what additional steps can be taken on both fronts to help the refugees in India from East Pakistan, and also to help those

who are in East Pakistan and are presently confronting famine situations.

With regard to a problem that was addressed by the House yesterday, we do not favor the idea that the United States should cut off economic assistance to Pakistan. To do so would simply aggravate the refugee problem because it would mean that the ability of the Government of Pakistan to work with the U.N., as it presently has indicated it is willing to do so in distributing the food supplies, its ability to create some stability would be seriously jeopardized.

We feel that the most constructive role we can play is to continue our economic assistance to West Pakistan and, thereby to be able to influence the course of events in a way that will deal with the problem of hunger in East Pakistan which would reduce the refugee flow into India, and which will, we trust, in the future look toward a viable political settlement.

We are not going to engage in public pressure on the Government of West Pakistan. That would be totally counter-productive. These are matters that we will discuss only in private channels.

Question: Mr. President, can you tell us any more about your forthcoming trip to China, when it is likely to occur, and can you give us your assessment of what effect you think this will have on ending the war in Vietnam?

The President: As far as the timing is concerned, I cannot add to what I said in the original announcement. It will be before May 1. The time will be worked out sometime within the next two to three months, I would assume, and a considerable amount of preparatory activity must take place, setting up the agenda, setting up the numbers in the officials party.

These are matters, of course, that must be discussed and worked out before the time of the visit is finally announced.

Second, and I know a number of you are interested in who is going, that is a matter still to be decided. It was raised by Dr. Kissinger and by Premier Chou En-lai in their conversations, and will be worked out by mutual agreement.

As far as our party is concerned, it will be a small working party. The only ones that presently are definitely going are, of course, the Secretary of State and Dr. Kissinger and myself. Beyond that, whatever others will be added will be determined by mutual agreement between the parties concerned.

Now, as to the effect the visit will have and the conversations will have on Vietnam, I will not speculate on that subject. I will only say that as the joint announcement indicated, this will be a wide-ranging discussion of issues concerning both governments. It is not a discussion that is going to lead to instant detente.

What it really is, is moving, as we have moved, I believe, in the situation with regard to the Soviet Union, from an era of confrontation without communication to an era of negotiations with discussion. It does not mean that we go into these meetings on either side with any illusions about the wide differences that we have. Our interests are very different, and both sides recognize this, in the talks that Dr. Kissinger had, very extended talks he had with Premier Chou En-lai. We do not expect that these talks will settle all of those differences.

What is important is that we will have opened communication to see where our differences are irreconcilable to see that they can be settled peacefully, and to find those areas where the United States, which today is the most powerful nation in the world, can find an agreement with the most populous nation in the world which potentially in the future could become the most powerful nation in the world.

As we look at the peace in the world for the balance of this century, and for that

matter the next century, we must recognize that there cannot be world peace on which all the peoples in the world can rely, and in which they have such a great stake, unless there is communication between and some negotiation between these two great superpowers, the Peoples Republic and the United States.

I have put this in general terms because that is the understanding of the Peoples Republic, Premier Chou En-lai, and it is our understanding that our agenda will be worked out at a later point; before the trip it will be very carefully worked out so that the discussions will deal with the hard problems as well as the easy ones.

We expect to make some progress, but to speculate about what progress will be made on any particular issue; to speculate, for example, as to what effect this might have on Vietnam, would not serve the interests of constructive talks.

Question: Can I ask a related policy question on Vietnam?

The President: Sure.

Question: There have been some suggestions, including some indirect hints from China, that a negotiating forum involving an Asian conference to be held in Asia, primarily with Asian participants, but the United States as well, might be a better forum for negotiating a settlement in Vietnam. Can you speak to that?

The President: Mr. Bailey, the question of whether there should be an all-Asian conference, with the Government of the Peoples Republic participating, as you know, has risen several times over the past few months, and was raised before our announcement was made.

As far as we are concerned, we will consider any proposal that might contribute to a more peaceful situation in the Pacific and in the world. However, at this point there is no understanding between the United States and the Peoples Republic as to whether or not out of this meeting should come that kind of proposal.

Let me say on that score, there were no conditions asked for on either side, and none accepted. There were no deals made on either side, or accepted, none offered and none accepted. This is a discussion which will take place with both sides knowing in advance that there are problems, but with both sides well prepared. This is the secret of any successful summit meeting.

As you know, parenthetically, I have always taken somewhat of a dim view of summitry when it comes in an unprepared form. But both sides will be well prepared, well in advance, on all points of major difference, and we will discuss any points of difference that could affect the peace of the world.

Question: Mr. President, is there any diplomatic reason you might not visit the Soviet Union before going to Peking? That was suggested.

The President: In view of the announcement we have made on our visit to Peking, that will be the first visit that I will make. Obviously, it takes a great deal of time to prepare a visit and to attempt now to visit—and the Soviet Union, I am sure, feels exactly the same way—to attempt to rush around and have a summit meeting in Moscow before we go to Peking would not be in the interest of either country.

I would add this point, too: When Foreign Minister Gromyko was here, we discussed the possibility of a possible summit meeting, and we had a very candid discussion. He agreed and said that his government leaders agreed with my position, which was that a meeting at the highest level should take place and would be useful only when there was something substantive to discuss that could not be handled in other channels.

With regard to the Soviets, I should also point out that we are making very signifi-

cant progress on Berlin. We are making good progress on SALT. Discussions are still continuing on the Mideast, although there I will not speculate about what the prospects for success are in view of the fact that Mr. Sisco is presently in the area exploring with the governments concerned what the possibilities of some interim settlement looking toward a final settlement may be.

Having mentioned these three areas in which we are negotiating with the Soviet Union, I will add that if the time comes, as it may come, and both sides realize this, then the final breakthrough in any of these areas can take place only at the highest level, and then there will be a meeting. But as far as the timing of the meeting before the visit to Peking, that would not be an appropriate thing to do.

Question: I was thinking of such a thing as a settlement on the SALT talks.

The President: Mr. Thels, when I said there was good progress being made on SALT, it is still a very technical and sticky problem for both sides, because it involves our vital interests. Let me emphasize that in SALT, both sides are asked to make an agreement which limits that. This is not unilateral. We, on our part, will be having very severe limitations with regard to our defensive capability, the ABM. They, on their part, will have limitations on their offensive capability, their build up of offensive missiles.

Neither side can make those decisions lightly, without very, very basic discussions, but the fact that we have at the highest level committed ourselves to working toward an agreement simultaneously this year on both those issues, and the fact that since the talks at Helsinki began that we have made progress, gives hope that we are going to make an arrangement.

But to speculate that maybe we are going to get that done before we go to Peking, I think, would be ill-advised.

Question: Mr. President, why have you not accepted the Viet Cong proposals after all these weeks of probing, or given some formal reply?

The President: I have noted some criticism in the press about the fact that Ambassador Bruce had to leave August 1st. Incidentally, I am most grateful that he stayed an extra month, because his doctor got hold of me and said he should have left July 1st. In any event, his having left August 1st, and Mr. Porter not being able to arrive until the latter part of August, there has been some speculation, and I understand this, criticism in the press and the Senate and the House that the Administration is not interested in negotiating a settlement, that we are not considering the various proposals that have been made by the VC and North Vietnamese.

Now, just so the members of the press will not get out on a limb with regard to predicting what we are or are not doing, let me make one statement and then I will go no further.

We are very actively pursuing negotiations on Vietnam in established channels. The record, when it finally comes out, will answer all the critics as far as the activity of this Government in pursuing negotiations in established channels. It would not be useful to negotiate in the newspapers if we want to have those negotiations succeed.

I am not predicting that the negotiations will succeed. I am saying, however, that as far as the United States is concerned, we have gone and are going the extra mile on negotiations in established channels. You can interpret that any way you want, but do not interpret it in a way that indicates that the United States is missing this opportunity or that opportunity, or another one, to negotiate.

Question: Mr. President, one of the points being mentioned in the comments on the negotiations is the election in South Viet-

nam this fall. Is that a factor that does have some bearing on the pace of the negotiations?

The President: It has certainly in terms of the North Vietnamese. As you know, the stumbling block for them in negotiations really is the political settlement. As they look at the election this fall, they feel that unless that election comes out in a way that a candidate they can support, or at least that they are not as much against as they are President Thieu, but unless it comes out that way, it will be very difficult for them to have a negotiated settlement.

With regard to the elections, let me emphasize our position. Our position is one of complete neutrality in these elections. Under Ambassador Bunker's skillful direction, we have made it clear to all parties concerned that we are not supporting any candidate; that we will accept the verdict of the people of South Vietnam.

I have noted, for example, that President Thieu has invited observers to come from other nations to witness the election. I hope observers do go. I think they will find, I hope they will find, as they did when they observed previous elections in Vietnam, that by most standards they were fair.

As far as observers from this country are concerned, we have, of course, several members of the Senate and others that have indicated a desire to go. We, of course, have no objection to that. We want a fair election and we, of course, have some observers on the scene in the person of the Ambassador and his staff who will watch that election.

Question: Mr. President, the last time you gave some stock market advice to us, it turned out pretty well. What would you do now, buy or sell?

The President: With regard to the stock market, I suppose my advice should not be given much weight because I am not in the market. It is so easy to make predictions where your own assets are not involved.

I will say this: I would not sell the United States economy short at this point. And long term, I would not be selling my investments in the American economy whether it is in stocks or real estate or what have you; selling them in a panicky way.

The stock market has come up, even at its present level of 850, 230 points since I made that prediction. I can only say that my long-range prediction for this economy is still what I said at the first of this year.

At the first of this year, when the very same people had written—and I have read the news magazines and business magazines, and not, of course, any of the columns you had written this week—but I heard all the rest this week, and the gloomy predictions about the economy and it is going down and there is nothing good about it. I read them also for November of last year; exactly the same gloominess and same words, and so forth.

I said then, and I think all of you were present then, I thought 1971 would be a good year for the economy, and 1972 would be a very good year. I stand by that. When we look at the first half of this year, it is not what people said about the economy; it is what they do about it that counts.

GNP is up a record \$52 billion. Retail sales now in June, and the first indications as far as July are concerned, it will stay at this level, are at record highs. Consumer spending is at a record high. Construction, particularly in housing, are near record highs. Inventories—and this is another indication of what will happen to the future for those who may be thinking of investing their money in businesses—inventories are abnormally low in view of the high level of retail sales.

What this tells me is that there is a lot of steam in the boiler in this economy, and you cannot continue to have high retail sales and low inventories without eventually starting to rebuild. Therefore, my projection for

the balance of this year is that the economy will continue to move up as it has moved up in the first half.

That doesn't mean that there will not be aberrations in the monthly figures. It does mean, however, that the economy has a great deal of strength in it. This is a period when it is absorbing almost 2 million people who have been let out of defense plants and the Armed Forces and is absorbing that with a lower rate of unemployment than was the case in 1961, 1962, 1963, which were the last three peacetime years before Vietnam when the unemployment rate, as you recall, averaged 6 percent.

Question: Mr. President, in that connection, to continue that, does that mean that you are still resolutely opposed to any incomes policy or, specifically, wage-price controls?

The President: I think, Peter, it is well to identify incomes policies and wage-price controls for what they are and what they are not, because, as a matter of fact—and this gives me an opportunity to set the record straight with regard to some greatly blown up differences that I am supposed to have with my very good friend Arthur Burns, and perhaps you were too polite to ask that direct question—

Question: Well, I will ask it.

The President: I thought that would be the followup, so I anticipated it. Let me get at it this way:

Arthur Burns, in terms of monetary policy and in terms of fiscal policy, has followed a course that I think is the most responsible and statesmanlike of any Chairman of the Federal Reserve in my memory. In other words, you have seen an expansionary monetary policy, and that is one of the reasons we have had an expansionary economy in the first six months of this year.

He has also stood firmly with this Administration in its responsible fiscal policy, resisting, for example, spending above what the economy would produce at full capacity. He has strongly supported me in those efforts.

That brings me to an area where he has taken a very unfair shot. Within this Administration, the Office of Budget and Management, on a reorganization plan two months ago, recommended that the Chairman of the Federal Reserve, because he basically is our central banker, should be raised to the same status of the central bankers abroad. I enthusiastically approved the idea. However, when the matter was raised with Dr. Burns by my associates, he indicated that neither he nor any other individual in a high position in Government should take a salary increase at a time that the President was going to have to take some strong measures, as I am going to take to limit salary increases in other areas of Government, including, for example, blue collar workers.

So, consequently, while there is not any question but that the Federal Reserve position will eventually be raised to the Level I position that was recommended, Arthur Burns and incidentally, George Shultz, who is also on this list as a recommendation of the Ash Council, Arthur Burns and George Shultz being the responsible men that they were, asked that there not be an example set by them of a pay increase which would make it very difficult for us to deal effectively and responsibly with pay increases in other sectors of the Government. So we find that Burns agrees, that I agree with Burns, let's put it that way, very strongly on his monetary policy, on his fiscal policy, the question he has raised with regard to an incomes policy.

When we talk about an incomes policy, let's see what he is not for. He is unalterably opposed, as I am, to the Galbraith scheme, which is supported by many of our Democratic Senators, I understand, of permanent

wage and price controls. Permanent wage and price controls in America would stifle the American economy, its dynamism, its productivity, and would be, I think, a mortal blow to the United States as a first-class economic power.

On the other hand, it is essential that Government use its power where it can be effective to stop the escalation, or at least temper the escalation in the wage-price spiral. That is why we moved on construction, and we have been somewhat successful, from 16 down to 9 percent. That is why we moved to roll back an oil price recently.

As far as the two recent settlements, the one in railroads and the one in steel, on the plus side, the fact that they were settled was positive; the fact, too, that in the case of railroads, they spoke to the problem of productivity by modification of work rules, and the fact that the steel settlement also spoke to the problem of productivity by setting up productivity councils, that was constructive.

On the other hand, I would be less than candid if I were not to say, and I know the leaders of the steel and railroad industry know this, that this kind of settlement where a wage increase leads to a price increase, and particularly in steel, where the industry is already noncompetitive with foreign imports, is not in the interest of America, not in the interest of labor, and not in the interest of industry.

Dr. Burns, without being completely specific, has only suggested the idea should be considered. That is why Secretary Connally said we welcome the move by several Republican Senators to hold hearings concerning wage and price supports. That is why Dr. Burns said we should move to attempt to temper these increases.

The problem here is, how can we move without putting the American economy in a straitjacket? In other words, as Secretary Connally raised the question in his statement this morning, "Are we to have criminal penalties? Are, for example, the wage-price guidelines to affect all the examples down to the neighborhood filling station or the grocery store or the meat market, as the case might be, or will they affect only major industries?"

As far as this Administration is concerned, I can say this: I have asked the Secretary of Labor to bring to my attention every major wage-price negotiation which may be coming up in the future, and I will use the power of this office to the extent it can be effective to see that those negotiations are as responsible as possible.

On September 21st, we will have a meeting of our Productivity Commission, and Subject "A" in that meeting will be this same problem, because as we look at America's trade balances, which have deteriorated over the past 10 years, but as we look at America's competitive position, it is essential that American industry and American labor sit down together and determine whether, at a time when we are in a race, we no longer can be Number 1 simply because we were that big and that strong after World War I, whether we determine we are going to get out of the race or whether we are going to tighten our belts and be responsible in wage-price decisions so that we can continue to be competitive in the world.

That speaks to the problem of an incomes policy, this meeting that we will have. The only question of difference between Arthur Burns, and some Senators have raised this question, is the degree to which, in tackling these individual wage settlements, we have compulsion, we have criminal penalties. I don't think they want compulsion or criminal penalties.

Then the question is: How far will persuasion go. Our record shows that in most countries abroad that have tried it, except for very small countries that are tightly con-

trolled, persuasion alone will work for only three to four months.

So as far as we are concerned, I am glad to consider recommendations for tackling the problem. I will tackle them, and I am serving notice now that we are going to take up the problem with the Productivity Commission. We are going to look at each individual settlement in major industries where there is going to be wage-price negotiations, and use the influence we can to keep them in line, and in addition to that, we will consider a recommendation on wage-price boards. But I will reject it if I find, and I have yet to find any recommendation that did not have this ingredient in it, if I find that it would impose a new bureaucracy with enormous criminal powers, to fasten itself on the American economy. That, I think would do far more harm than good.

Question: In the same line to follow up that question, if the settlement in the steel industry and particularly the raise in prices which was recently announced is not good for the country and not good for labor and management, why do you not call in the leaders of the steel industry and use your influence to get them to change the increase in prices and then if necessary other parts of the settlement which are so inimicable to the country?

The President: Calling in the steel industry and getting them to change would not be effective. As you may recall, in one instance earlier this year, we were able to get a steel rollback. That had a temporary beneficial effect. But at a time that the steel industry has negotiated a settlement of this nature, at a time when its profits at 2½ percent are the lowest of any major industry, to tell the steel industry that after they have negotiated a settlement they must roll back their price and run at a loss is simply unrealistic. They are not going to do it.

The longer term answer here is for the steel industry, and this is what we have addressed ourselves to, and the labor to recognize that now that they have had their settlement, now that labor has gotten a good increase, an increase consistent with aluminum and others, now that steel found it necessary to raise prices that this may be good temporarily for both but in the long run it will simply mean less steel sold and less jobs and that is why we are zeroing in on the productivity side because increases in productivity can be the only answer where a wage increase of this kind takes place.

Question: Mr. President, a minute ago you mentioned something about doing something about wages for government employees.

The President: Yes, one of the problems, difficult problems, I confronted last year and that I will confront again this year, is a recommendation to increase the wages for blue collar workers within the government. I have examined that situation and I have determined that an increase in the blue collar wage scale would not be in the interests of our fighting the inflation battle.

Speaking to the same point, we have a situation with regard to the Congress and some of its appropriations bills. We are trying to keep our budget within the full employment limits for 1972.

The Congress already has exceeded our budget by \$5.4 billion. That includes mandatory spending which they have imposed upon us and additions to the appropriations bills. Before they get through with the appropriations process I hope that comes down.

But that will be highly inflationary unless the Congress speaks to that problem more effectively. What I was indicating, in other words, Herb, I am indicating in advance the decision that I do not intend to approve the wage increase relative to the blue collar workers in the government. Under those circumstances, I could not, of course, ap-

prove an increase in salaries for people as underpaid basically as Dr. Burns is, considering what he could get on the outside or Dr. Shultz is, considering what he could get on the outside.

Question: How many people are there in the blue collar area?

The President: I don't have that but it is a significant number. Incidentally, I think it is an equitable decision because they have had some substantial increases in the past. It is a question of whether we just continue for a short time.

Question: Sir, you also mentioned guidelines in a manner that suggested that you might accept the concept of numerical guidelines, did you mean to suggest that?

The President: No. What I meant to say was that my study of the situation indicates that guidelines in this country have always failed. They have never worked. Guidelines in other industrial countries including Canada, for example, and Britain, have worked only for a short time and then have fallen because guidelines basically connote voluntary compliance and voluntary compliance goes on only for a brief time.

Now, as far as what I am saying, it is that our approach at this time is a selective one to take those particular industries that are coming up for bargaining and to use our influence as effectively as we can to see that those settlements are responsible.

Secondly, that as far as a wage price board is concerned, that it would be considered favorably only if the hearings that are going to be taken in this field, only if the hearings can convince me that enforcing an incomes policy could be accomplished without stifling the economy.

It is the problem, in other words, of enforcement, because I come back to this fundamental proposition: I have yet to find except for the extremists on the left, and I don't say this in a condemning way, it is only an observation, but the extremists on the left of the economy spectrum have always favored a totally government-controlled economy.

They believe that. I don't believe it. They believe that we should have permanent wage and price controls and that government should determine what wages should be and what prices should be. I don't believe that. Dr. Burns does not believe that if you have read his speeches over the years. He is a strong opponent of that.

The question is, how can we address ourselves to the problem of wages and prices without having those mandatory criminal penalty features which would lead us to something we all are trying to avoid. This is why this is a matter for discussion.

It is not one yet for decision but I will continue to work on individual settlements as I have said.

Question: Mr. President, would it be fair to say, then, that in view of what you said there and what you said earlier that you will consider recommendations of the wage and price board, that you are giving renewed and perhaps more favorable consideration to some form of wage-price board, assuming that they don't have penalties?

The President: No. I am saying that I shall continue the policy of moving aggressively on individual settlements on a case-by-case basis. Secondly, I will address this particular problem in a meeting with the major leaders of American industry and American labor at the Productivity Commission meeting on September 21. Third, with regard to wage-price boards, I have still not been convinced that we can move in that direction and be effective. However, Secretary Connally, in his statement this morning, raised all the questions that should be raised on that. As far as we are concerned, we have an open mind in terms of examining the vari-

ous proposals to see if there is a new approach which we may not have thought of.

I have serious doubts that they will find such a new approach, but I do want to indicate that we will examine it because we all agree that the wage-price spiral is a significant danger to this expanding economy. The question is what do we do about it, without going all the way to a totally controlled economy.

Question: Mr. President, Dr. Burns, before the Joint Economic Committee, said he didn't think we were making much progress against inflation. Do you think we are?

The President: I read Dr. Burns statement quite carefully. What he was saying is what I would say. I would say it with regard to inflation and unemployment. I am never satisfied and never will be satisfied, and anybody in the free economy is never satisfied and should never be satisfied with anything except perfection.

That doesn't mean that we are going to reach perfection. With regard to inflation, I will just point to the numbers. Inflation, which, of course, was boiling along when we came into office in January of 1969, reached its peak in 1970, six percent. Then the CPI dropped to 4 percent in the first six months of 1969. Now, 4 percent is still too high, but that is progress.

The GNP deflator, which of course goes far beyond the consumer price index, as you know, the GNP deflator covers all, the whole spectrum of the economy, in the first six months of 1971 it was the lowest in three years. That is progress; not enough, but it is progress.

In the last month the CPI was higher than the average it has been for the first five months. We all know that these month-to-month variations are not what counts. My view is that we are making progress against inflation, but it is going to require continued strong policies on the part of the Administration with the cooperation of the Congress in limiting our budget expenditures to full capacity or full employment revenues. That is the battle we will continue to wage and it will also need cooperation from labor and management on limiting the wage price spiral.

On the unemployment front, we have a somewhat similar problem. In the last three peacetime years before the Korean War expenditures began to hypo the economy, 1961, 1962, and 1963, unemployment in those years averaged six percent. We, at this point, have brought unemployment below six percent, not as much as we would like. It reached its peak in January. It was 6.2. What the figures will be for this month you will know on Friday. I don't know what they are myself. I will read this as you do and that is the way it should be.

But in any event, the unemployment curve is down. Six point two was the high and we are now below six percent. I believe that it will continue, with monthly aberrations, on a downward course through the balance of the year.

I believe that as we go into 1972, I still stick with my prediction that we shall see unemployment continue to move downward and that 1972, for that year, will be a very good year.

I would point out one final thing on the unemployment facts. As I have often pointed out, as of this morning I look at the numbers, over 2 million Americans have been let out of the armed services and out of defense plants since we started to wind down the war in Vietnam.

If they were in the services or in the defense plants at the present time, unemployment would be 4.3. But the other side of that coin is that casualties when we came in were 300 a week. This week, last week, they were 12.

I just think the price is too high to pay. We believe that our goal of a new prospect of low unemployment but with peace and not at the cost of war is one that Americans are willing to work toward.

We are going to achieve that goal. Getting back to the stock market question, I will simply say this: Everybody else has been prophetic about the future. I think the prophets who presently say that the American economy is on the skids, that we have made no progress on inflation, that the economy is not moving up, who ignore the \$52 billion increase in GNP, who ignore the increase in retail sales, who ignore the strong, positive elements in the economy, I think by the end of this year that they are going to look bad so I will go out on the limb to that effect but by the end of this year I might look bad.

Let's just hope that they do rather than myself because all of us are involved.

Question: On the casualties, Mr. President, do you think that the figures of 12 per week in that category, are they an aberration or does your policy envision them to continue to decline during this year?

The President: No, they are not an aberration. They are the result, frankly, of first an American withdrawal, American forces in Vietnam today, as you can tell from reading the reports, are in defensive positions. We are frankly just defending the area in which we have responsibility and there are less of them.

Consequently, our casualties go down for that reason. Secondly, they are down for another reason. The enemy doesn't have the punch it had because another point to look at is that South Vietnamese casualties are also substantially down from what they were. What has happened is that the two operations, Cambodia and Laos, so very severely disrupted the enemy's ability to wage offensive actions that for both Americans and South Vietnamese the level of fighting is down.

There again will be aberrations up and down. I would assume. Nobody can predict that. But the war is being wound down and as far as Americans are concerned, we trust it will continue to go down.

The Press: Thank you, Mr. President.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ADDABBO (at the request of Mr. GARMATZ), for August 5 on account of official business.

Mr. KYROS after 4 p.m. on August 5, on account of official business.

Mr. FLYNT (at the request of Mr. GARMATZ), for August 5, on account of official business.

Mr. HAGAN (at the request of Mr. HAYS), for today on account of official business.

Mr. CORMAN for August 5 on account of official business.

Mr. McDADE (at the request of Mr. GERALD R. FORD) for today and the remainder of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CARNEY, for 5 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. DENNIS) and to revise and extend their remarks and include extraneous matter:)

Mr. KUYKENDALL, for 5 minutes, today.

Mr. HARVEY, for 5 minutes, today.

Mr. PRICE of Texas, for 30 minutes, today.

Mr. KEMP, for 5 minutes, today.

Mr. CRANE, for 10 minutes, today.

Mr. ASHBROOK, for 30 minutes, today.

Mr. CHAMBERLAIN, for 5 minutes, today.

Mr. HOGAN, for 10 minutes, on August 6.

Mrs. HECKLER of Massachusetts, for 5 minutes, today.

Mr. SAYLOR, for 30 minutes, on August 6.

(The following Members (at the request of Mr. DENHOLM) and to revise and extend their remarks and include therein extraneous matter:)

Mr. ALBERT, for 10 minutes, today.

Mr. ASPIN, for 20 minutes, today.

Mr. PREYER of North Carolina, for 20 minutes, today.

Mr. ROONEY of Pennsylvania, for 10 minutes, today.

Mr. ROGERS, for 10 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. STAGGERS, for 5 minutes, today.

Mr. ROONEY of Pennsylvania, for 10 minutes, on August 6.

Mr. MAZZOLI, for 10 minutes, on August 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HAGAN, immediately following Mr. DEVINE's 1-minute speech today.

Mr. BENNETT in three instances.

Mr. GERALD R. FORD asked and was given permission to extend his remarks in the RECORD and include a copy of the press conference of the President.

Mr. LENNON, to revise and extend his remarks made during consideration of conference report today.

Mr. KEITH, to extend his remarks following those of Mr. GARMATZ, today, on the conference report on H.R. 5208.

Mr. MAHON, to include tables with his remarks made today.

Mr. FULTON of Pennsylvania to revise and extend his remarks during debate on the National Guard bill.

(The following Members (at the request of Mr. DENNIS), and to include extraneous matter:)

Mr. GUBSER.

Mr. FINDLEY.

Mr. BUCHANAN in three instances.

Mr. MYERS.

Mr. CONTE.

Mr. MILLER of Ohio.

Mr. BOB WILSON in three instances.

Mr. McCLOSKEY in two instances.

Mr. HUNT.

Mr. CARTER in 11 instances.

Mr. SCHNEEBELI.

Mr. WYMAN in two instances.

Mr. TALCOTT in two instances.

Mr. TERRY.

Mr. SCOTT in two instances.

Mr. SCHMITZ.

Mr. DUNCAN.

Mr. DELLENBECK in three instances.

Mr. DERWINSKI in two instances.
 Mr. FREY.
 Mr. CORDOVA.
 Mr. SCHWENDEL.
 Mr. KEMP in two instances.
 Mr. HALL in four instances.
 Mr. HANSEN of Idaho.
 Mr. VEYSEY in three instances.
 Mr. NELSEN.
 Mr. HARSHA.
 Mr. McKEVITT.
 Mr. WILLIAMS.
 Mr. MIZELL in five instances.
 Mr. DENNIS.
 Mrs. DWYER in five instances.
 Mr. CRANE in four instances.
 Mr. BROYHILL of Virginia.
 (The following Members (at the request of Mr. DENHOLM) and to include extraneous matter:)
 Mr. JACOBS.
 Mr. HARRINGTON in two instances.
 Mr. BEGICH in five instances.
 Mr. FRASER in 10 instances.
 Mr. YATRON.
 Mr. VANIK in three instances.
 Mr. MANN in 10 instances.
 Mr. RYAN in three instances.
 Mr. HOWARD in two instances.
 Mr. ROSTENKOWSKI in two instances.
 Mr. ANNUNZIO in two instances.
 Mr. MOORHEAD in two instances.
 Mr. RARICK in four instances.
 Mr. BINGHAM in three instances.
 Mr. CONYERS.
 Mr. HUNGATE in four instances.
 Mr. RUNNELS.
 Mr. MAHON in two instances.
 Mr. ANDERSON of California in five instances.
 Mr. ABOUREZK in three instances.
 Mr. KLUCZYNSKI in three instances.
 Mr. GALIFIANAKIS in two instances.
 Mr. DRINAN in two instances.
 Mr. MAZZOLI.
 Mr. MIKVA in two instances.
 Mrs. GRIFFITHS in two instances.
 Mr. PREYER of North Carolina in two instances.
 Mr. LEGGETT.
 Mr. MONAGAN.
 Mr. NICHOLS in two instances.
 Mr. FLOOD in two instances.
 Mr. WOLFF.
 Mr. LINK.
 Mr. McFALL in four instances.
 Mr. GONZALEZ in two instances.
 Mr. SCHEUER in four instances.
 Mr. HEBERT.
 Mr. WHITE in two instances.
 Mr. JOHNSON of California in three instances.
 Mr. NEDZI in two instances.
 Mrs. MINK.
 Mrs. GRASSO in five instances.
 Mrs. CHISHOLM.
 Mr. BRASCO in two instances.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4263. An act to add California-grown peaches as a commodity eligible for any form of promotion, including paid advertising, under a marketing order.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills of the House of the following titles:

On August 4, 1971:

H.R. 2591. An act to amend section 8 of the act approved March 4, 1913 (37 Stat. 974), as amended, to standardize procedures for the testing of utility meters; to add a penalty provision in order to enable certification under section 5(a) of the Natural Gas Pipeline Safety Act of 1968, and to authorize cooperative action with State and Federal regulatory bodies on matters of joint interest;

H.R. 2594. An act to amend chapter 19 of title 20 of the District of Columbia Code to provide for distribution of a minor's share in a decedent's personal estate where the share does not exceed the value of \$1,000;

H.R. 2894. An act to incorporate the Paralyzed Veterans of America;

H.R. 5638. An act to extend the penalty for assault on a police officer in the District of Columbia to assaults on firemen, to provide criminal penalties for interfering with firemen in the performance of their duties, and for other purposes;

H.R. 6638. An act to amend the Act of August 9, 1955, relating to school fare subsidy for transportation of schoolchildren within the District of Columbia;

H.R. 7960. An act to authorize appropriations for activities of the National Science Foundation, and for other purposes;

H.R. 8432. An act to authorize emergency loan guarantees to major business enterprises; and

H.R. 9388. An act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

On August 5, 1971:

H.R. 7586. An act to amend the Act of December 30, 1969, establishing the Cabinet Committee on Opportunities for Spanish-Speaking People, to authorize appropriations for 2 additional years;

H.R. 7931. An act to amend the District of Columbia Code with respect to the administration of small estates, and for other purposes; and

H.R. 9272. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1972, and for other purposes.

ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 36 minutes p.m.), the House adjourned until tomorrow, Friday, August 6, 1971, at 12 o'clock noon.

EXECUTIVE COMMUNICATION, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1035. A letter from the Acting Secretary of the Army, transmitting reports of the number of officers on duty with Headquarters, Department of the Army, and detailed to the Army General Staff, as of June 30, 1971, pursuant to 10 U.S.C. 3031(c); to the Committee on Armed Services.

1036. A letter from the Director, Office of

Legislative Affairs, Agency for International Development, Department of State, transmitting the quarterly report on the programming and obligation of contingency funds for the period ended March 31, 1971, pursuant to section 451(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1037. A letter from the Secretary of Health, Education, and Welfare, transmitting a supplemental report containing cost estimates of the various proposals dealt with in the previously submitted study of national health insurance proposals, pursuant to Public Law 91-515; to the Committee on Interstate and Foreign Commerce.

1038. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication entitled, "Statistics of Publicly Owned Electric Utilities in the United States, 1969"; to the Committee on Interstate and Foreign Commerce.

1039. A letter from the Attorney General and the Secretary of State, transmitting a draft of proposed legislation to amend title 18, United States Code, to provide for expanded protection of public officials and foreign officials, and for other purposes; to the Committee on the Judiciary.

1040. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

1041. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the positions which NASA had established as of June 30, 1971, under the authority provided in section 203(b) (2) of the National Aeronautics and Space Act of 1958, pursuant to 75 Stat. 785, 791; to the Committee on Post Office and Civil Service.

1042. A letter from the Assistant Administrator of General Services, transmitting a draft of proposed legislation to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee of conference. Conference report on H.R. 5208 (Rept. No. 92-451). Ordered to be printed.

Mr. BRADEMAM: Committee on House Administration. House Concurrent Resolution 319. Concurrent resolution to provide for the printing of 1,000 additional copies of the hearings before the Select Subcommittee on Education of the Committee on Education and Labor entitled "Comprehensive Pre-school Education and Child Day-Care Act of 1969"; with amendments (Rept. No. 92-452). Ordered to be printed.

Mr. BRADEMAM: Committee on House Administration. House Concurrent Resolution 320. Concurrent resolution to provide for the printing of 300 additional copies of the hearings before the Select Subcommittee on Education of the Committee on Education and Labor entitled "Environmental Quality Education Act of 1970"; with amendments (Rept. No. 92-453). Ordered to be printed.

Mr. BRADEMAM: Committee on House Administration. House Concurrent Resolution 337. Concurrent resolution to provide for the

printing of 250 additional copies each of parts 1 and 2 of the hearings before the Subcommittee on Public Health and Welfare of the Committee on Interstate and Foreign Commerce entitled "Drug Abuse Control Amendments—1970"; with amendments (Rept. No. 92-454). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 359. Concurrent resolution to provide for the reprinting of the prayers offered by the Chaplain (Rept. No. 92-455). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 365. Concurrent resolution to print as a House document the Constitution of the United States (Rept. No. 92-456). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 367. Concurrent resolution authorizing the printing of the pocket-size edition of "The Constitution of the United States of America" as a House document, and for other purposes (Rept. No. 92-457). Ordered to be printed.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 6893. A bill to provide for the reporting of weather modification activities to the Federal Government; with an amendment (Rept. No. 92-458). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 7072. A bill to amend the Airport and Airway Development and Revenue Acts of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes; with amendments (Rept. No. 92-459). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 9212. A bill to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes; with an amendment (Rept. No. 92-460). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLOOD: Committee of Conference. Conference report on H.R. 10061 with amendment (Rept. No. 92-461). Ordered to be printed.

Mr. JOHNSON of California: Committee on Interior and Insular Affairs. H.R. 10203. A bill to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research institutes, and for other purposes (Rept. No. 92-463). Referred to the Committee of the Whole House on the State of the Union.

Mr. DANIELSON: Committee on the Judiciary. H.R. 9222. A bill to correct deficiencies in the law relating to the crimes of counterfeiting and forgery; with amendments (Rept. No. 92-462). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALDIE: Committee on the Judiciary. S. 1810. An act for the relief of Dorothy G. McCarthy; with amendments (Rept. No. 92-464). Referred to the Committee of the Whole House.

Mr. SANDMAN: Committee on the Judiciary. H.R. 1862. A bill for the relief of Frank J. McCabe; with an amendment (Rept. No. 92-465). Referred to the Committee of the Whole House.

Mr. SANDMAN: Committee on the Judiciary. H.R. 1994. A bill for the relief of Donald L. Bulmer; with an amendment (Rept. No. 92-466). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself, Mrs. ABZUG, Mr. EILBERG, Mr. SEIBERLING, Mr. FRENZEL, and Mrs. MINK):

H.R. 10418. A bill to establish a national policy and program with respect to wild predatory mammals, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BETTS (for himself, Mr. COLLIER, Mr. DORN, Mr. KING, Mr. McEWEN, and Mr. PIRNIE):

H.R. 10419. A bill to continue the expansion of international trade and thereby promote the general welfare of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDERSON of California (for himself, Mr. PELLY, Mr. DON H. CLAUSEN, Mr. KARTE, Mr. LEGGETT, Mr. MAILLIARD, Mr. OBEY, Mr. PICKLE, Mr. SAYLOR, and Mr. FRASER):

H.R. 10420. A bill to protect marine mammals, to establish a Marine Mammal Commission, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT:

H.R. 10421. A bill: the Federal Lands Protection Act; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT (for himself, Mr. BOB WILSON, Mr. STRATTON, Mr. KING, Mr. RANDALL, Mr. DICKINSON, Mr. WHITE, Mr. SPENCE, Mr. MOLLOHAN, and Mr. HARRINGTON):

H.R. 10422. A bill to amend title 10, United States Code, to limit the separation of members of the Armed Forces under conditions other than honorable, and for other purposes; to the Committee on Armed Services.

By Mr. BINGHAM:

H.R. 10423. A bill to protect the constitutional rights of those subject to the military justice system, to revise the Uniform Code of Military Justice, and for other purposes; to the Committee on Armed Services.

By Mr. CLEVELAND:

H.R. 10424. A bill to amend the tariff and trade laws of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 10425. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

By Mr. COTTER (for himself and Mr. ROE):

H.R. 10426. A bill to establish three Medical and Dental Military Academies for the U.S. Navy, the U.S. Army, and the U.S. Air Force; to the Committee on Armed Services.

By Mr. EDWARDS of Alabama:

H.R. 10427. A bill to amend section 103 of the Internal Revenue Code of 1954 to increase the small issue exemption from the industrial development bond provision from \$5 million to \$10 million; to the Committee on Ways and Means.

By Mr. FASCELL:

H.R. 10428. A bill to amend the Budget and Accounting Act, 1921, to require that the budget for each fiscal year contain information with respect to indirect expenditures made through the Federal tax system; to the Committee on Government Operations.

H.R. 10429. A bill to require the Control-

ler General to gather and compile information with respect to the reprogramming of appropriated funds and to furnish such information to Members of the Congress; to the Committee on Government Operations.

By Mr. FINDLEY (for himself and Mr. REUSS):

H.R. 10430. A bill to promote the foreign policy and security of the United States by providing authority to negotiate a commercial agreement with Rumania, and for other purposes; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 10431. A bill to assist States having an unemployment rate of 7.5 percent or more to provide up to 26 weeks of emergency compensation to unemployed workers who have exhausted their entitlement to both regular unemployment compensation and extended unemployment compensation; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 10432. A bill to increase educational benefits for veterans; to the Committee on Veterans' Affairs.

By Mr. HARVEY (for himself, Mr. BROOMFIELD, Mr. BURLISON of Texas, Mr. BYRNES of Wisconsin, Mr. DUNCAN, Mr. SCOTT, and Mr. EDWARDS of Alabama):

H.R. 10433. A bill to amend the Railway Labor Act to provide more effective means for protecting the public interest in national emergency disputes involving the railroad and airline transportation industries, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH:

H.R. 10434. A bill to amend the Consumer Credit Protection Act; to the Committee on Banking and Currency.

By Mr. KOCH (for himself, Mrs. ABZUG, Mr. ANDERSON of California,

Mr. BADILLO, Mr. CARTER, Mr. DELLUMS, Mr. EILBERG, Mr. FRENZEL, Mr. FULTON of Pennsylvania, Mrs. GRASSO, Mr. KEITH, Mr. McCORMACK, Mr. MITCHELL, Mr. MORSE, Mr. RODINO, Mr. RUNNELS, Mr. SARBANES, and Mr. TIERNAN):

H.R. 10435. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

By Mr. McCLURE:

H.R. 10436. A bill to provide with respect to the inheritance of interests in restricted or trust land within the Nez Perce Indian Reservation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LLOYD (for himself, Mr. MAYNE, Mr. McCLURE, and Mr. DENNIS):

H.R. 10437. A bill to amend the National Labor Relations Act to strengthen and reform certain provisions thereof; to the Committee on Education and Labor.

By Mr. McCLURE:

H.R. 10438. A bill for the relief of certain air taxi mail transportation operators; to the Committee on the Judiciary.

By Mr. McCORMACK:

H.R. 10439. A bill to provide for uniform and full disclosure of information with respect to the computation and payment of interest on certain savings deposits; to the Committee on Banking and Currency.

By Mr. MATSUNAGA (for himself and Mr. STEELE)

H.R. 10440. A bill to amend title 5, United States Code, to improve the basic workweek of firefighting personnel of executive agencies, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 10441. A bill to include firefighters within the provisions of section 8336(c) of title 5, United States Code, relating to the retirement of Government employees en-

gaged in certain hazardous occupations; to the Committee on Post Office and Civil Service.

By Mr. MIKVA:

H.R. 10442. A bill to amend the Voting Rights Act of 1965; to the Committee on the Judiciary.

By Mr. REUSS (for himself, Mr. ASHLEY, Mr. BINGHAM, Mr. FINDLEY, Mr. FOLEY, Mr. FRELINGHUYSEN, Mr. UDALL, Mr. ULLMAN, and Mr. VANIK):

H.R. 10443. A bill to promote the economic well-being of the United States by providing authority to negotiate commercial agreements including the granting of most-favored-nation treatment with countries having nonmarket economies; to the Committee on Ways and Means.

By Mr. ROY (for himself, Mrs. ABZUG, Mr. BEGICH, Mr. BLANTON, Mr. DELUMS, Mrs. GRASSO, Mr. HALPERN, Mr. HARRINGTON, Mr. HASTINGS, Mr. HATHAWAY, Mr. MAZZOLI, Mr. OBEY, Mr. PREYER of North Carolina, Mr. RUNNELS, and Mr. SARBANES):

H.R. 10444. A bill to provide for the establishment of a National Rural Development Center, and for other purposes; to the Committee on Agriculture.

By Mr. SISK (for himself and Mr. McFALL):

H.R. 10445. A bill to amend the National Labor Relations Act, as amended, to amend the definition of "employee" to include certain agricultural employees; to the Committee on Education and Labor.

By Mr. STEIGER of Wisconsin (for himself, Mr. ASPIN, Mr. BRADEMAs, Mr. EILBERG, Mr. HALPERN, Mr. HARRINGTON, Mr. LINK, Mr. McCLOSKEY, Mr. MIKVA, Mr. MITCHELL, Mr. NIX, Mr. PREYER of North Carolina, Mr. QUIE, Mr. REES, Mr. ROY, Mr. SCHWENDEL, Mr. SHOUP, Mr. SYMINGTON, and Mr. WOLFF):

H.R. 10446. A bill to require Federal contractors to observe practices which will preserve and enhance the environment and fisheries and wildlife resources; to the Committee on Merchant Marine and Fisheries.

By Mr. TERRY:

H.R. 10447. A bill to correct the tariff schedules to group cordage products into the same parts of the tariff schedules; to the Committee on Ways and Means.

By Mr. TERRY (for himself, Mr. ADDABBO, Mr. BIAGGI, Mr. CELLER, Mrs. CHISHOLM, Mr. DULSKI, Mr. FISH, Mr. GROVER, Mr. HALPERN, Mr. HANLEY, Mr. HASTINGS, Mr. KEMP, Mr. KING, Mr. KOCH, Mr. LENT, Mr. McEWEN, Mr. PIRNIE, Mr. RANGEL, Mr. RYAN, Mr. WOLFF, and Mr. WYDLER):

H.R. 10448. A bill to prohibit the imposition by the States of discriminatory burdens upon interstate commerce in wine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ZWACH:

H.R. 10449. A bill to provide a 2 cents a gallon tax reduction on gasoline sold for use in highway vehicles where the gasoline contains cereal grain alcohol as a substitute for lead; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. PELLY, Mr. KARTH, Mr. MAILLIARD, Mr. WILLIAM D. FORD, Mr. DU PONT, Mr. McCLOSKEY, Mr. NEDZI, Mrs. GRIFFITHS, Mr. MOSS, Mr. PICKLE, and Mr. O'HARA):

H.R. 10450. A bill to strengthen the penalties imposed for violations of the Bald Eagle Protection Act; to the Committee on Merchant Marine and Fisheries.

By Mr. FRASER:

H.R. 10451. A bill relating to benefits for employees of the government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H.R. 10452. A bill to provide for improve-

ments in the administration of the government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. FREY (for himself, Mr. ANDERSON of Illinois, Mr. CONABLE, Mr. DELLENBACK, Mr. HASTINGS, Mr. HOGAN, Mr. KEATING, Mr. KEMP, Mr. LENT, Mr. LUJAN, Mr. McKEVITT, Mr. MCKINNEY, Mr. RAILSBACK, Mr. SCHNEEBELI, and Mr. STEELE):

H.R. 10453. A bill to amend the Narcotic Addict Rehabilitation Act of 1966, to provide for involuntary civil commitment of narcotic addicts charged with a crime, to authorize grants for certain training programs, to establish training programs for judicial officers, to provide for research and development into causes of and cures for narcotic addiction, and for other purposes; to the Committee on the Judiciary.

By Mr. HASTINGS:

H.R. 10454. A bill to continue the expansion of international trade and thereby promote the general welfare of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 10455. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

By Mr. MEEDS:

H.R. 10456. A bill to amend the Youth Conservation Corps Act of 1970 (Public Law 91-378, 84 Stat. 794) to expand the Youth Conservation Corps pilot program, and for other purposes; to the Committee on Education and Labor.

By Mr. MONAGAN (for himself, Mr. McFALL, Mr. EVANS of Colorado, Mr. ASHLEY, Mr. HATHAWAY, Mr. ANDERSON of California, Mr. BENNETT, and Mr. FRASER):

H.R. 10457. A bill to establish a temporary emergency guidance board to facilitate economic recovery with minimum inflation by establishing price and wage guidelines and encouraging voluntary adherence thereto; to the Committee on Banking and Currency.

By Mr. PURCELL (for himself, Mr. ABBITT, Mr. BERGLAND, Mr. DENHOLM, Mr. FOLEY, Mr. JONES of North Carolina, Mr. KYL, Mr. LINK, Mr. MAYNE, Mr. MELCHER, Mr. PRICE of Texas, Mr. RARICK, Mr. SEBELIUS, Mr. SISK, and Mr. ZWACH):

H.R. 10458. A bill to broaden and expand the powers of the Secretary of Agriculture to cooperate with countries in the Western Hemisphere to prevent or retard communicable diseases of animals, where the Secretary deems such action necessary to protect the livestock, poultry, and related industries of the United States; to the Committee on Agriculture.

By Mr. VEYSEY:

H.R. 10459. A bill to establish a Farm Labor Relations Board to prescribe and protect the collective-bargaining rights of agricultural employees and agricultural employers, so as to avoid disruptive labor disputes in agriculture; to the Committee on Education and Labor.

By Mr. ASPIN:

H.R. 10460. A bill to amend the Buy American Act to clarify its application with respect to the procurement of certain components of naval vessels; to the Committee on Public Works.

By Mr. BAKER:

H.R. 10461. A bill to authorize an appropriation for a bridge on a Federal dam; to the Committee on Public Works.

By Mr. CHAPPELL:

H.R. 10462. A bill to provide for the establishment of the Guano River National Park in the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DENNIS (for himself and Mr. HUTCHINSON):

H.R. 10463. A bill to provide for a right of action for any person about whom a broadcaster has broadcast false or misleading statements; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER:

H.R. 10464. A bill to establish further means of economic stabilization; to the Committee on Banking and Currency.

By Mr. HUNGATE:

H.R. 10465. A bill to amend the Military Selective Service Act of 1967 to provide that a person who registers under such act may be simultaneously registered for voting in Federal elections; to the Committee on House Administration.

By Mr. KEATING (for himself, Mr. HARSHA, and Mr. GRIFFIN):

H.R. 10466. A bill to restore the income tax credit for investment in certain depreciable property; to the Committee on Ways and Means.

By Mr. MCKINNEY:

H.R. 10467. A bill to provide that a U.S. passport shall not disclose the place of birth of the person to whom it was issued; to the Committee on Foreign Affairs.

By Mr. NELSEN:

H.R. 10468. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. SLACK:

H.R. 10469. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain social security taxes; to the Committee on Ways and Means.

By Mr. WAMPLER:

H.R. 10470. A bill to amend the Airport and Airway Development Act of 1970 to increase the U.S. share payable on account of project costs incurred to acquire certain safety equipment required for airport certification, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ADDABBO (for himself, Mr. DELANEY, Mrs. ABZUG, Mr. ANDERSON of California, Mr. BRASCO, Mrs. CHISHOLM, Mr. DANIELSON, Mr. FOUNTAIN, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. HUNGATE, Mr. LONG of Maryland, Mr. MIKVA, Mr. MORSE, Mr. RANGEL, Mr. RIEGLE, Mr. ROONEY of Pennsylvania, Mr. RUNNELS, and Mr. CHARLES H. WILSON):

H.J. Res. 845. Joint resolution creating a Joint Committee on Classified Information; to the Committee on Rules.

By Mr. FOLEY:

H.J. Res. 846. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. FULTON of Pennsylvania:

H.J. Res. 847. Joint resolution to authorize the President to designate the period January 16, 1972, to January 22, 1972, as "International Printing Week"; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin:

H.J. Res. 848. Joint resolution providing for a study of the feasibility of establishing a Federal income tax credit for real property taxes paid by elderly persons, and of possible methods of reimbursing States and localities for certain revenue losses resulting from the granting of tax relief to elderly persons with respect to such taxes; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Mr. BROOMFIELD, Mr. DELLUMS, Mr. DINGELL, Mr. FASCELL, Mr. FINDLEY, Mr. FRASER, Mr. FRELINGHUYSEN, Mr. HALPERN, Mr. MAILLIARD, Mr. REID of New York, and Mr. ROSENTHAL):

H. Con. Res. 387. Concurrent resolution requesting the Secretary of State to call for an international moratorium of 10 years on

the killing of all species of whale, porpoise, and dolphin (comprising the order of cetaceans); to the Committee on Foreign Affairs.

By Mr. CARTER:

H. Con. Res. 388. Concurrent resolution relative to control of the production and traffic in illegal drugs; to the Committee on Foreign Affairs.

By Mr. FULTON of Pennsylvania:

H. Con. Res. 389. Concurrent resolution expressing the sense of the Congress with respect to the adoption in the United States of the metric system of weights and measures; to the Committee on Science and Astronautics.

By Mr. McCORMACK:

H. Res. 530. Resolution to provide for free Federal telecommunications system service to patients in veterans' hospitals; to the Committee on Veterans' Affairs.

By Mr. RYAN (for himself, Mr. BUCHANAN, and Mr. BEGICH):

H. Res. 581. Resolution calling upon the Voice of America to broadcast in the Yiddish language to Soviet Jewry; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BIAGGI:

H.R. 10471. A bill for the relief of Filippo Ardizzone; to the Committee on the Judiciary.

H.R. 10472. A bill for the relief of Santa Ardizzone; to the Committee on the Judiciary.

By Mr. GIBBONS:

H.R. 10473. A bill for the relief of Capt. George J. Forster; to the Committee on the Judiciary.

By Mr. HALEY:

H.R. 10474. A bill to direct the Secretary of the Interior to convey to Julian A. Johnston phosphate interests of the United States in certain real property located in the State of Florida; to the Committee on Interior and Insular Affairs.

By Mr. MKVA:

H.R. 10475. A bill for the relief of Mercedes Manuel; to the Committee on the Judiciary.

H.R. 10476. A bill for the relief of Diego Zanfel; to the Committee on the Judiciary.

By Mr. VEYSEY:

H.R. 10477. A bill to clear and settle title of certain claimants to certain real property located in the vicinity of the Colorado River in Riverside County, Calif.; to the Committee on Interior and Insular Affairs.

By Mr. CHARLES H. WILSON:

H.R. 10478. A bill to clear and settle title to certain real property located in the vicinity of the Colorado River in Imperial County, Calif.; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII,

122. Mr. BINGHAM presented a petition of Bernadette Abbott and 5,000 others, for the restoration of peace in East Bengal, which was referred to the Committee on Foreign Affairs.

SENATE—Thursday, August 5, 1971

(Legislative day of Tuesday, August 3, 1971)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

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

Eternal Father, we lift our busy minds and burdened hearts and for this moment implore Thy light and Thy wisdom for our journey through the day. In these strenuous and dangerous days may we find inner quiet in the midst of outer tension, and cleansing from anything that would shut Thee out of our lives. Sober us with a fresh sense of personal responsibility that in our age we may contribute to the world's betterment our own lives clean, strong, honest, trustworthy, pure, and serviceable. Help us to light up the world with that beauty, mercy, and goodness which will enfold all men in the radiant kingdom Thou hast promised. May we remain constant in the convictions that come through the revelation of Thy spirit.

O God, our strength and our redeemer, mightily move our Nation that we may choose Thy will as our will, Thy way as our way, Thy peace as our peace. In the Redeemer's name. Amen.

DESIGNATION OF THE ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. ELLENDER).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 5, 1971.
To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

ALLEN J. ELLENDER,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed a joint resolution (H.J. Res. 833) making an appropriation for the Department of Labor for the fiscal year 1972, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 833) making an appropriation for the Department of Labor for the fiscal year 1972, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Wednesday, August 4, 1971, be approved.

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

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 334 to 339, inclusive.

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

PROPOSED ASSISTANT SECRETARY OF THE INTERIOR FOR INDIAN AFFAIRS

The Senate proceeded to consider the bill (S. 291) to establish within the Department of the Interior the position of Assistant Secretary of the Interior for Indian Affairs, which had been re-

ported from the Committee on Interior and Insular Affairs with an amendment, to strike out all after the enacting clause and insert:

That there shall be hereafter in the Department of the Interior, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of the Interior, who shall be appointed by the President by and with the advice and consent of the Senate, who shall be responsible for such duties as the Secretary of the Interior shall prescribe, and who shall receive compensation at the rate now or hereafter prescribed by law for Assistant Secretaries of the Interior

SEC. 2. Section 5315, title 5, United States Code, is amended by striking the figure "(6)" at the end of item (18) and by inserting in lieu thereof the figure "(7)".

The amendment was agreed to.

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

The title was amended, so as to read: "A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes."

FEASIBILITY INVESTIGATIONS OF CERTAIN WATER RESOURCE DEVELOPMENTS

The Senate proceeded to consider the bill (S. 2248) to authorize the Secretary of the Interior to engage in feasibility investigations of certain water resource developments, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, after line 8, to insert:

3. North Side Pumping Division Extension, Minidoka Project in Jerome and Minidoka Counties, Idaho.

After line 10, to insert:

4. Rogue River Basin project, Grants Pass division, in Josephine County, southwestern Oregon, adjacent to the city of Grants Pass.

On page 2, after line 2, to insert:

5. Dickinson unit, municipal and indus-