prescribed by Public Law 91-358, approved July 29, 1970, vice Mary C. Barlow, retired.

Joseph M. F. Ryan, Jr., of Maryland, to be an associate judge, Superior Court of the District of Columbia, for the term of 15 years, as prescribed by Public Law 91-358, approved July 29, 1970. He is now serving in this office under an appointment which expired September 26, 1971.

HOUSE OF REPRESENTATIVES—*Thursday, December 9, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Trust ye in the Lord forever: for in the Lord God is everlasting strength.—Isaiah 26: 4.

O God, most merciful and gracious, may this new day glow with a deep experience of Thy presence and an actual awareness of the leading of Thy spirit.

Inspire us with the conviction that as we live and labor for Thee we also live and labor for the good of our country and the peace of the world.

Give us the assurance that there is a power working for righteousness, justice, and good will in our world and may we have faith enough to work with it and strength enough to live by it, for Thine is the kingdom, and the power, and the glory forever. 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 PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 29) entitled "An act to establish the Capitol Reef National Park in the State of Utah."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1237. An act to provide Federal financial assistance for the reconstruction or repair of private nonprofit medical care facilities which are damaged or destroyed by a major disaster.

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

S. 978. An act authorizing the conveyance of certain lands to the University of Utah, and for other purposes;

S. 1113. An act to establish a structure that will provide integrated knowledge and understanding of the ecological, social, and technological problems associated with air pollution, water pollution, solid waste disposal, general pollution, and degradation of the environment, and other related problems;

S. 1438. An act to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy; and

S. 2676. An act to provide for the control of sickle cell anemia.

ELECTION TO COMMITTEE

Mr. GERALD R. FORD. Mr. Speaker, I offer a privileged resolution (H. Res. 732) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 732

Resolved, That H. John Heinz III of Pennsylvania be, and he is hereby, elected a member of the standing committee of the House of Representatives on Government Operations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORTING OF WEATHER MODIFICATION ACTIVITIES

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6893) to provide for the reporting of weather modification activities to the Federal Government, 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 10, strike out "which" and insert "who".

Page 1, line 10, strike out "not".

Page 2, line 1, after "tivities" insert: ", except where acting solely".

Page 2, lines 3 and 4, strike out "intentional, artificially produced change" and insert: "activity performed with the intention of producing artificial changes".

Page 2, line 15, after "before" insert: ", during,".

Page 2, after line 24, insert:

"(c) In carrying out the provisions of this section, the Secretary shall not disclose any information referred to in section 1905 of title 18, United States Code, and is otherwise unavailable to the public, except that such information shall be disclosed—

"(1) to other Federal Government departments, agencies, and officials for official use upon request;

"(2) in any judicial proceeding under a court order formulated to preserve the confidentiality of such information without impairing the proceeding; and

"(3) to the public if necessary to protect their health and safety.".

Page 2, line 25, after "person" insert: "whose activities relate to weather modification".

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON SENATE CONCURRENT RESOLUTION 6—PUBLIC HEALTH SERVICE HOSPITALS AND OUTPATIENT CLINICS

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the Senate concurrent resolution (S. Con. Res. 6) to express the sense of Congress relative to certain activities of Public Health Service hospitals and outpatient clinics, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate concurrent resolution.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I inquire of the distinguished gentleman from West Virginia, the chairman of the Committee on Interstate and Foreign Commerce, if this is the sense of Congress resolution having to do with the utilization of U.S. Public Health Service hospitals?

Mr. STAGGERS. Mr. Speaker, if the gentleman will yield, yes, it is.

I might explain this briefly to the gentleman from Missouri. The conference, in the first instance, broke up in disagreement. In the meanwhile one of the U.S. hospitals closed at Fort Worth. We went back into conference and we accepted the fact that we had to get together in order to keep these hospitals operating and until we did have a study made of the situation. We came together, and this is essentially the House proposition that that facility be kept open until July 1972.

Mr. HALL. This "hospital" that closed was the Fort Worth, Tex., narcotics treatment facility of the Public Health Service which has been closed in the interim by the executive branch?

Mr. STAGGERS. That is right.

Mr. HALL. Then we are just accepting that as a fait accompli and going ahead in expressing the will of the Congress that the remainder be kept open? In other words, the will of the House, except for that one facility, has been preserved; is that correct?

Mr. STAGGERS. That is correct.

Mr. HALL. And, are we bringing this up after it has been duly filed, because I

notice a conference report is not available to the Members?

Mr. STAGGERS. Yes. However, I have one here which I shall be glad to furnish to the gentleman.

Mr. HALL. I thank the gentleman.

Mr. STAGGERS. This is essentially what passed the House.

Mr. HALL. Is there any increase in cost or are there any nongermane amendments in the conference report?

Mr. STAGGERS. None whatsoever.

Mr. HALL. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the statement.

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

Mr. STAGGERS. 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.

CONFERENCE REPORT NO. S. 1828, NATIONAL CANCER ACT OF 1971

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 1828) to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date, 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 West Virginia?

Mr. HALL. Mr. Speaker, reserving the right to object, will the gentleman again explain exactly what happened under this reservation, provided the unanimous-consent request is granted for this to be taken up at this time.

Mr. STAGGERS. Mr. Speaker, if the gentleman will yield, the cancer bill is a very important bill, as you well know. We just finished the conference night before last, late in the evening, and in order to get the conference report ready it was finished last night. However, it does appear in the RECORD for today. I might explain briefly what it does.

Mr. HALL. Mr. Speaker, I will point out to the gentleman that it still requires unanimous consent because otherwise its consideration at this time would be in violation of the rules of the House concerning the 3-day provision, and inasmuch as the conference report is not available to the Members.

Further, I would ask the gentleman whether or not the Members on the part of the minority have been notified as to its being called up at this particular time?

Mr. STAGGERS. Yes. I had the permission of the gentleman from Ohio (Mr. DEVINE) who is present in the Chamber at the present time. The gentleman from Illinois (Mr. SPRINGER) is not present but I cleared it with him and with the distinguished minority leader to the effect that we were going to bring it up this morning.

Mr. Speaker, I support the adoption of the conference report on S. 1828, the proposed National Cancer Act of 1971.

I am sure the House is familiar with the general outline of the way the legislation before us developed.

Last year the House and the Senate both passed House Concurrent Resolution 675 expressing the sense of the Congress that the conquest of cancer is a national crusade.

In addition, a distinguished panel of experts was established by the Senate Labor and Public Welfare Committee to recommend necessary program changes to improve our national effort against cancer. That panel, chaired by Benno Schmidt, submitted a report to the Senate, and made a number of recommendations.

Legislation carrying out those recommendations was introduced in both the House and the Senate last Congress and this Congress. Hearings were held in the Senate, and legislation passed that body establishing an independent conquest of cancer agency, ostensibly within the National Institutes of Health, but actually so independent in its administrative structure that, as a practical matter, it was taken out of the National Institutes of Health. That legislation then passed the Senate by an overwhelming vote.

Hearings were held before the Subcommittee on Public Health and Environment on this legislation, and it developed that there was a serious spread in the scientific community. A substantial percentage of cancer researchers favored the Senate approach, but the overwhelming majority of the remainder of the scientific community was opposed to taking the National Cancer Institute out of the National Institutes of Health.

The compromise between these positions was devised by the gentleman from Minnesota, Mr. NELSEN, which was to leave the Cancer Institute within the National Institutes of Health; to provide that Institute with independent budget authority; and to establish a three-man panel which would oversee the work of the Institute, and report directly thereon to the President. That revised version passed the House overwhelmingly.

In conference our disagreement over these two philosophies was quite sharp, but we were able to reach agreement.

In general, the conference substitute follows the provisions of the House version, and leaves the National Cancer Institute within the National Institutes of Health. The Cancer Institute will retain independent budget authority, and the three-man panel is preserved just as the House bill provided.

The Senate amendment had revised the structure and function of the National Advisory Cancer Council, by creating it as an independent Board, with expanded duties. The conference agreement accepted this expanded Board, with revisions. Membership on that Board consisting of representatives of the Veterans' Administration and of the Department of Defense is continued, as well as providing for membership of three officers provided by the Senate amendment—the Secretary of HEW, the Director of the Office of Science and Technology, and the Director of NIH. This Board will carry out the same functions as are today carried out by the National Advisory Cancer Council, but has authority to hold hearings, make recommendations with respect to the overall plans and budget of the Institute, and will make reports to the Congress and the President.

The House bill had provided some upgrading of the Director of the National Cancer Institute, the National Institute of Neurological Diseases and Stroke, and the National Institute of Heart and Lung Diseases. The conference substitute eliminates this feature, as a part of an overall conference agreement to limit this bill exclusively to cancer.

Mr. Speaker, as often happens in conference between the two Houses, I believe we have brought to the House a better bill than either of the two bodies have passed, and I urge the adoption of the conference report.

This was signed by all members of the conference, and we had the full subcommittee present, I just did not take the usual number, because I wanted all of the subcommittee present to debate the bill. We all came to a unanimous conclusion. We brought back practically what the House passed without exception, really, of anything important, because we wanted to keep the National Institutes of Health together. We have done that. It still retains the name, the National Cancer Institute under the National Institutes of Health.

Mr. HALL. Then, Mr. Speaker, am I to understand that this will be a working, integral part of the National Institutes of Health with the added emphasis for cancer research which of course we are all anxious to conquer?

Mr. STAGGERS. The answer is yes, and with the same amount of money that the House passed in the first instance.

Mr. HALL. With the same amount of money?

Mr. STAGGERS. That is correct.

Mr. HALL. And there have been no nongermane amendments added on by the other body, that were accepted by the conferees of this body?

Mr. STAGGERS. That is right; there are no nongermane amendments. We made some small changes, but they are very small. We took the Board that the House agreed to, and agreed to the inclusion of the ex officio members to make the Surgeon General and the health officers and the Department of Defense, and also the Veterans' Administration members on the Board. We kept the panel, as the gentleman from Minnesota (Mr. NELSEN) had proposed in the committee, and the National Cancer Institute will get their money direct to the Cancer Institute so that it will not have to go through different branches.

Mr. HALL. Mr. Speaker, it seems to me that the members of the conference committee on the part of the House are to be congratulated. Inasmuch as we did have a record vote in the House on this, and in

view of the gentleman's explanation, I see no reason for not expediting acceptance of this conference report.

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

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

Mr. ROGERS. Mr. Speaker, reserving the right to object, and I shall not object, of course, because I strongly support the legislation, this is an excellent piece of legislation, and as the chairman, the distinguished gentleman from West Virginia (Mr. STAGGERS) has stated, it is basically the House bill which the House approved, and I would urge the adoption.

Mr. Speaker, this report represents a substantial victory for the House of Representatives, the biomedical community, and the American people. It insures a national attack on cancer—the most dramatic attack ever mounted on a single disease—through building on the existing strengths of the National Cancer Institute within the National Institutes of Health. By insuring that the well-integrated research program of the NIH will participate in the fight against the disease most feared by Americans, the American public is guaranteed that this Nation's attack on cancer will be through a marshalling of all our resources.

The members of the Subcommittee on Public Health and Environment—Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER of North Carolina, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, and Mr. SCHMITZ—have worked tirelessly throughout this session to attempt to develop significant legislation in the health and environment field. I am grateful to each of them.

Mr. Speaker, I wish to compliment all my colleagues on the subcommittee, as well as the full committee chairman, Mr. STAGGERS, and the ranking minority member, Mr. SPRINGER, for their efforts in support of the concept of maintaining the Federal cancer research effort within the NIH. Their work paid off, because almost all of the features of the House bill were retained by the conferees.

Mr. Speaker, briefly, besides providing for a stepped-up research effort within the National Institutes of Health, the conference report provides for the following significant improvements in existing procedures, all of which were contained in the House version:

The three-man panel created by the House to oversee the functions of the National Cancer Institute was retained intact. The conferees discussed a Senate proposal that the membership of the panel include the Director of the National Institutes of Health, the Director of the NCI, and the Chairman of the National Advisory Council. This proposal was rejected by the conferees, and it is clearly intended that the members of the panel should not be affiliated with Government. As the House report states, one panelist should be skilled in management and the other two should be distinguished scientists or physicians. Of these, one should be from the clinical research community and one should be selected from the basic research community.

Clinical research centers, which now number eight, will be increased by 15 and will be eligible for block grants from the NCI Director. These grants can provide up to $5 million per center. In the past, as many as 30 or 40 separate grants were required to maintain a clinic's work.

Cancer control programs, which were financially phased out a year ago, will be reactivated and placed under the control of NCI. Funds for these programs over a 3-year period are $90 million. This includes Pap tests for cervical cancer, breast checks, and oral examinations, and the training for personnel in cancer. The gathering of cancer statistics will also be included to give the medical-scientific communities better profiles of the disease.

The budget for NCI is sent directly to the President, with the Director of NIH and the Secretary instructed to comment, but not alter it. As a further check on the adequacy of the budget, the Advisory Board will also comment.

The budget is $1.590 million for 3 years.

To develop a comprehensive program the bill requires a national plan of attack, to be revised annually.

Mr. Speaker, two other provisions deserve mention. In the House bill, the Directors of three of the National Institutes—the National Cancer Institute, the National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke— were designated as Associate Directors of the NIH. This provision was intended to insure that the research effort against heart and lung disease and stroke would not be placed on a level of less importance than cancer research. The other body's conferees felt that references to diseases other than cancer should not be made in the National Cancer bill. For this reason, the conferees agreed that none of the three would be designated as Associate Directors. In this way, the three Directors shall continue to have equal status.

The Director of the NIH and the NCI are to be appointed by the President, but the Senate receded from its provision that the appointment be with the advice and consent of the Senate. The conferees felt that confirmation would not be appropriate for appointments which are based, in the first instance, on scientific excellence, and that the prestige of a Presidential appointment will be sufficient to insure selection of highly qualified candidates.

Also, Mr. Speaker, the conferees accepted the Senate provision which reconstitutes the National Cancer Advisory Council as a 23-member Board, whose appointive members will be selected by the President. It is to be fully understood that the integrity of the present peer review system, and its present means of insuring adequate scientific review by study groups is not to be altered. The only effect this act is to have on scientific review is the section authorizing the Director of the National Cancer Institute to approve grants-in-aid of $35,000 or less without Board review.

Mr. Speaker, I can think of no better Christmas present for the American people than to have this bill passed by this body and signed by the President without delay. I urge unanimous approval of this measure by the House and Senate and hope that the President can sign it into law as soon as possible.

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

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

Mr. PICKLE. Mr. Speaker, the House has taken a giant step forward with this legislation. We now have reason for hope.

Unfortunately, we nearly get mired down within the scientific community on "how" to direct the fight. Regrettably, the split was small in nature when compared to the enormity of the disease. I still cling to the conviction that the American public does not care so much about the "how" as they do about the "when."

Personally, I would still prefer giving the President the flexibility to require the Director of National Institutes of Health to report directly to the White House. However, only time and pride will prove whether this is needed.

The important thing now is that we get underway with the fight. To date, progress on cancer has been painfully slow; yet we know that cancer is the one disease feared by most Americans. Let us get busy and put aside the smaller arguments that nearly scuttled the program before we got underway. At last, the cry for help has been heard.

Mr. CARTER. Mr. Speaker, today we face a great problem in America. Today we have before us an opportunity to commence an expanded search for solutions to this problem. Let us now move forward to conquer cancer.

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

Mr. PEPPER. Mr. Speaker, I strongly urge acceptance of this conference report and wish to commend the distinguished chairman of the Interstate and Foreign Commerce Committee (Mr. STAGGERS) and my very able colleague from Florida (Mr. ROGERS) for their leadership in bringing to legislative fruition this program to mount a massive cancer attack.

Last year, when I joined the then chairman of the Senate Health Subcommittee, Senator Yarborough, in sponsoring legislation to create a National Cancer Authority, I emphasized that the most important thing was for the Congress to make, on behalf of the American people, a national commitment to find a cure to cancer.

Later, on February 4 of this year, when I introduced with 111 other Members, H.R. 3655 and companion bills, to authorize a new cancer research program is noted that there was a "vicious cycle" of too little funding for cancer research, which was used an an excuse—as late as July 28, 1970, by Secretary of Health, Education, and Welfare Richardson—for not supporting more funds for training

biomedical researchers, and a lack of funding for researchers, which was then used as an excuse for not appropriating more funds for cancer research.

I said then:

It is time to break this vicious cycle with a national commitment to provide enough money for cancer research to finance all the researchers we can train and to train the researchers as fast as they may be needed to utilize massive amounts of cancer research funds.

I spoke of this problem out of long familiarity with the Nation's cancer research program. I was privileged during my first year in the Senate to be a sponsor of the legislation establishing the National Cancer Institute, the first of our National Institutes of Health. I voted for our first cancer appropriation—a mere $400,000 for the fiscal year 1938.

It may now seem surprising, but the sums appropriated for cancer research were not significantly increased until after World War II. On January 8, 1947, I introduced in the Senate S. 93, which is described in the Digest of General Public Bills as a bill:

To authorize and request the President to undertake to mobilize at some convenient place or places in the United States an adequate number of the world's outstanding experts and coordinate and utilize their services in a supreme endeavor to discover means of curing and preventing cancer.

My bill—in 1947—would have authorized $100 million a year for this "supreme endeavor to discover means of curing and preventing cancer."

As chairman of a subcommittee of the Senate Education and Labor Committee I held lengthy hearings on S. 93, in which some of the outstanding authorities of the country appeared in behalf of my bill. Due to our efforts—the bill was cosponsored in the House by former Senator M. M. Neely—the Congress and the country became conscious of the need to increase our cancer research effort, which was funded in 1946 at only $549,000.

As a result, we were able to obtain an appropriation of $1,821,000 for fiscal 1947, and a very significant jump to $14,500,000 for fiscal 1948. This was a major milestone in our efforts to conquer cancer and I am proud to have been a part of its accomplishment, as I am proud to have played a role in this new increase in the order of magnitude of our commitment to cancer research, which is the thrust of the conference report we are considering today.

In the postwar years our investment in cancer research grew gradually until it reached $190 million for fiscal 1970. The Congress sought to raise this to $230 million for fiscal 1971, only to have the administration withhold most of the increase—at least until another bold effort was made to arouse the consciousness of the American people to the momentous challenge and opportunity of conquering cancer.

The proposal to create a National Cancer Authority has served this function—of breaking us through to a new level of commitment in the fight against cancer—just as my 1947 bill and hearings served to raise our sights in the period immediately after the Second World War.

The President soon proposed to add $100 million to cancer research and, upon the disclosure that his administration was holding up some of the money already appropriated, released the remainder of the 1971 funds. Thus, with congressional concurrence in the addition of the $100 million, our investment in cancer research has risen for the current fiscal year to $337 million.

This legislation would increase the authorization for the current fiscal year to $400 million, and would authorize $500 million for fiscal 1973 and $600 million for fiscal 1974. I would have preferred higher authorization figures, but, as I have said, I believe the most important aspect of our action here today is the ratification of a new commitment by the Congress and the American people to raise the fight against cancer to a new level, to a higher scale of assault which can promise victory in the foreseeable future.

This new commitment is not represented by money alone. We have also, as a result of the effort to create a National Cancer Authority, shaken the National Institutes of Health and the medical research establishment out of the comfortable, if not complacent, attitude of research for research sake, and research business as usual.

I am confident that the administrative changes incorporated in S. 1828, as reported by the conference, will mean a more effective attack upon the problem of cancer, which has such a widespread and terrifying impact upon the consciousness of the people of the world. I feel I can support this legislation with all of my heart and be secure in the conviction that we have made a bold and effective step forward.

This bill gives to the Congress and the country and to all of those who are working in the field of cancer research an awareness of the emergency, a sense of the imperative motivation which must guide cancer research. I consider this an achievement of the first magnitude for this, or for any other, Congress.

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

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 8, 1971.)

Mr. STAGGERS. 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.

CONFERENCE REPORT ON H.R. 10947, REVENUE ACT OF 1971

Mr. MILLS of Arkansas. Mr. Speaker, I call up the conference report on the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, 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 Arkansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 4, 1971.)

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

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

There was no objection.

Mr. MILLS of Arkansas. Mr. Speaker, I yield myself 10 minutes.

The revenue bill of 1971, in terms of the welfare of our economy, could well be the most important legislation before us in 1971. As you will recall, the tax measure passed by the House was carefully designed to—

Put our lagging economy on a high growth path;

Increase the number of jobs and decrease the high unemployment rate;

Relieve the hardships imposed by inflation on those with modest incomes;

Provide a rational system of tax incentives to aid in the modernization of our productive facilities; and

Increase our exports and improve our balance of payments.

The most difficult aspect of this has been to obtain a balance of providing enough stimulus, but at the same time not providing so much stimulus that our price and wage control program becomes ineffective. This bill, of course, is not the only determinate in that respect, but certainly is a major contributor in any such determination.

The Senate made substantial changes in the bill which meant that we had no small task in the conference committee. The conferees had to go through 126 Senate amendments to the House bill, some of which consisted of six or eight different parts requiring separate consideration.

In addition, the Senate amendments, had the conferees accepted them all, would have changed the revenue impact of the bill drastically. The House passed a bill which granted $15.4 billion of tax reduction in the 3-year period 1971 through 1973. Certainly, this was a very appreciable tax reduction and one which, in the view of the House conferees, represented about as large a reduction as it was appropriate to make at this time, in view of the conflicting considerations of holding down inflationary pressures while, at the same time, providing a stimulant for the economy. However, as a result of a number of floor amendments added in the Senate, the bill as it came to us would have granted $27.9 billion of tax reductions over the 3-year period 1971 through 1973—actually $12.5 billion more than the $15.4 billion provided by the House bill. In our estimation this substantially exceeded what can be viewed as prudent in the present circumstances.

A number of the amendments that the Senate sought to add were measures which would have an appeal under a different fiscal situation, but we believe they could not be justified in the present circumstances.

In conference we accepted many of the Senate amendments but most of these were in the nature of perfecting changes—improvements that we could expect and hope to see as a result of the additional study which the Senate had the opportunity to give to the bill. Nevertheless, in conference we eliminated the bulk of the revenue losing provisions added by the Senate. This can be seen from the fact that the revenue loss of the conference action over the 3-year period 1971 through 1973, is estimated at $15.7 billion, or only three-tenths of a billion dollars more than the House total.

The bill, as agreed to by the conference committee, carries out the basic objectives of the House bill. It provides a balanced program of tax reductions for individuals and tax incentives for business. It will help put our economy back on a high growth path and improve our balance-of-payments position.

Let us turn now to the major provisions of the House bill. I believe it would be most useful if I would spend my time with you outlining the significant modifications in these provisions. I will attach a summary indicating all of the important changes in the House bill as agreed to by the conferees.

As you know, the 7-percent investment credit—4-percent for public utility property—was provided for property acquired after August 15, 1971. Also, the House bill provided for the credit in the case of property ordered after March 31, 1971, even though acquired before August 16 in order to avoid discriminating against those who took action on or after April 1 on the basis of assurances that they would receive any credit provided. The conference committee retained these basic dates of the House bill, although in the case of the exclusion for foreign produced property, as I will outline in a moment, the rules of the House are modified somewhat.

In the case of used property a Senate amendment extends the investment credit to up to $50,000 of such property. This is the same treatment as was provided under prior investment credit. We concluded that this was simpler and more effective than the House provision which would have extended the credit to $65,000 of used property but reduced the amount of credit available for used property by the amount of new property acquired by the taxpayer which is eligible for the credit.

We also accepted several Senate amendments designed to give the President greater flexibility in the treatment of foreign produced property under the investment credit. As a general rule, foreign property is not eligible for the investment credit during the period when the import surcharge applies. However, the President is given the authority to continue the exclusion of foreign property from the investment credit after the expiration of the 10-percent surcharge if he determines that the foreign country concerned makes use of nontariff trade restrictions. In addition, the President is given the authority to allow the investment credit to be extended to foreign property retroactively to any date after August 15, 1971, where he determines this to be in the public interest.

We also agreed to a Senate provision extending the investment credit to foreign property in cases where the order was placed after March 31, 1971, and before August 16, 1971. This treatment appears appropriate since taxpayers purchasing foreign property during this period of time could not have known that such property would be excluded from the investment credit subsequently provided.

In addition, a Senate amendment specifically gave taxpayers the option in their accounting methods of either flowing through currently the tax benefit of the investment credit in their profits or of flowing these benefits through to profits ratably over the life of the asset. This is consistent with prior practice and the conferees concluded that it was appropriate to incorporate this provision in the bill.

As approved by the conferees, this provision applies both to the reports to the Federal agencies and also to all reports over which any Federal agency has jurisdiction—this includes financial reports to shareholders over which the SEC has jurisdiction. The conferees provided an exception to this treatment in the case of regulated public utilities subject to the special rules relating to the treatment of the investment credit for ratemaking purposes. This was provided because taxpayers taking the second option—namely, the option of flowing the benefits of the investment credit through in profits over the life of the asset—also are required to account generally in their financial reporting of the credit on the same basis. However, it is expected that regulated companies which do not select this option will have the same rights as taxpayers generally to either flow the benefits of the credit through in profits currently or ratably over the life of the asset as they choose.

In addition, a provision as to accounting for the investment credit in profits is to be under a method consistently followed by the taxpayer except that the Secretary of the Treasury or his delegate may permit changes in practice where this is appropriate.

One more change should be noted in the case of the investment credit. Under the House bill the so-called 20-percent rule wherein no more than 20 percent of the carryovers of investment credit from before 1969 could be used in any year was made inapplicable to 1972 and subsequent years. A Senate amendment to which the conferees agreed would make this 20-percent rule inapplicable for the portion of the year 1971 which occurs after August 15.

The House provision incorporating the class life system of depreciation in the Internal Revenue Code, as passed by the House, was basically accepted by the Senate without change. This includes the House removal from the prior ADR system of the Treasury Department of the right of taxpayers to use the so-called three-quarter-year convention in the first year an asset is put in operation. You will recall that we concluded that this convention granted excessive depreciation allowances with respect to a depreciable asset in its first year in service.

The conference action, however, would accept a Senate amendment providing transitional rules for depreciation on real property and depreciation on subsidiary assets such as tools, jigs, and dies. These assets have not been adequately worked into the ADR system developed by the Treasury Department and it was concluded that the prior practices in these cases appropriately should be continued during a 3-year transitional period or until such time as the Treasury was able to develop appropriate class lives for these assets.

The Senate also added a provision to the bill designed to encourage the hiring of individuals who otherwise would be on welfare. The Senate granted employers an income tax credit equal to 20 percent of the wages paid during the first 12 months of employment in the case of an individual hired under a work incentive program—WIN—established under the Social Security Act.

In the area of the individual income tax, the conference bill also follows the main outlines of the House bill. Individuals are given significant tax benefits through the acceleration of the tax relief measures scheduled under the Tax Reform Act of 1969 and by the adoption of additional tax relief provisions. These substantial tax reductions for individuals will increase consumption and accelerate our economic recovery.

In 1971, the personal exemption is moved up to $675 and the low-income allowance is liberalized by removing limitations which cut back on the allowance as income increases over specified levels. In 1972, the personal exemption is moved up to $750 and the standard deduction is increased to 15 percent of income with a ceiling of $2,000. Also accepted is the House provision which raises the low-income allowance in 1972 to $1,300 in order to grant tax relief to low-income people who have been particularly hard hit by inflation.

In the area of individual income taxes, however, two quite significant Senate provisions were agreed to by the House conferees. The first of these provides a special deduction for single individuals and working couples who support a child under the age of 15, or disabled dependents or disabled spouses in the household. The deduction in this case is for domestic help expenses and child care expenses incurred in order to permit the taxpayer or taxpayers in the case of married couples to be gainfully employed. The deduction permitted is for up to $400 a month for child care and domestic help expenses where these expenses are incurred in the home. The $400 deductible amount also covers child care expenses outside of the home up to $200 a month in the case of one child, $300 a month for the care of two children and $400 a month for the care of three or more children.

In the case of married couples, this

deduction is available only where both are working and where the income of the two does not exceed $18,000. In addition, the conferees limited this deduction even for single people to those with incomes not over $18,000. For those with incomes above $18,000 the deduction is phased out by 50 cents for each dollar of income above $18,000. This deduction is allowed only where the taxpayer, or taxpayers in the case of a married couple, are employed on a substantially full-time basis.

I should also emphasize that this deduction covers only domestic help or child care help incurred in order to enable the taxpayer or taxpayers to be gainfully employed. It would not, for example, include an individual who is employed predominantly as a gardner, bartender, chauffeur, or for any other purpose which is not predominantly related to freeing the taxpayer or taxpayers for employment. This deduction is to be a personal deduction available only to those who itemize their deductions.

This provision replaces the quite limited child care provision in existing law. The House managers believe this change is a good idea. The new provision will provide significant relief to large numbers of working individuals who incur substantial extra expenses in the case of a household where there are dependent children, disabled dependents or a disabled spouse. This provision is also beneficial because it should encourage employment of domestic help.

The second significant change in the area of individual income taxes agreed to by the conferees relates to the withholding tax provisions. In order to prevent approximately $2 billion of under withholding which would otherwise result, the House bill adjusted withholding in two stages. The first step was to be effective with respect to wages paid after November 14, 1971, and the second stage with respect to wages paid after December 31, 1972. The November 14 date, since it already has passed, obviously had to be changed. The withholding changes, in order to give adequate time to employers will be made effective after January 15, 1972. In addition, we agreed to the Senate amendment providing that the withholding changes would take effect in one stage—that is, with respect to wages paid after January 15, 1972. This change will have the effect of placing everyone under the best possible withholding system as soon as possible. It will mean some increases in withholding in some cases. This is inevitable, however, since in some cases—for example, where both husband and wife work—the present withholding rates are altogether too low.

The conferees also agreed to a number of modifications in the structural improvements passed by the House and in some cases added new ones. For the most part these are of a relatively technical nature and will be included in my summary at the end of my statement. However, let me mention three.

First, the Senate added an amendment which we agreed to in a modified form providing that private firms which have been preparing tax returns for individuals may not make the information they obtain from these returns available to third parties for purposes such as solicitation for the sale of products or services. We believe that this amendment was wholly desirable and after having worked out some of the technical problems have included it in the conference agreement.

A second structural improvement worth noting deals with the situation where a taxpayer has a dependent—generally a child—who also must file a return. In this case there has been some tax avoidance whereby stocks or other property which were income-producing were transferred to the dependent in order to obtain both the exemption and $1300 low income allowance available to the dependent who filed separately and also available to the person who claimed him as a dependent. The House bill contained a provision dealing with this matter but there was an opportunity to work it out on a better basis on the Senate side and we agreed to the Senate amendment.

Third, the Senate added a provision agreed to by the House conferees, providing that bribes, kickbacks, and other illegal payments may not be deducted for Federal tax purposes. Certain payments of this type already were not deductible. The action by the Senate makes this more comprehensive. We agreed to this provision with minor modifications.

Let me turn now to the repeal of the 7-percent excise tax on autos and the 10-percent excise tax on light-duty trucks. As you will recall, these taxes were repealed by the House bill. The Senate, for the most part, accepted these provisions and they are incorporated in the conference agreement.

I might note that the Senate amended these provisions to repeal the tax on trailers used in connection with light trucks. In addition, the Senate subjected to excise tax original tires and tubes on imported vehicles in order to place these tires and tubes in the same tax status as domestically produced tires and tubes. We agreed to these modifications along with a few other relatively technical changes in this area.

I am glad to report that the conferees' agreement includes the basic provisions relating to DISC—Domestic International Sales Corporation—that were in the House bill. We agreed to a Senate amendment, however, which applies the deferred tax treatment available to a DISC Corporation only to one-half of the export profits of the DISC. This replaces the House provision which would have granted the deferred tax treatment only to incremental exports above 75 percent of the level in the period 1968 to 1970. The conferees concluded that this change is desirable because it achieves the desired objective of providing significant incentive to expand export operations but provides this treatment more simply and equitably than did the House provision.

We also accepted a Senate provision denying tax deferral to DISC profits which are invested in foreign plant and equipment. The conferees agreed with the Senate that to allow tax deferral on amounts invested abroad would be inconsistent with the primary purpose of the DISC provision which is to encourage our exports abroad.

In accepting these amendments, however, the House conferees did not accept a Senate amendment which would have provided for the automatic termination of the DISC provision on January 1, 1977.

I now come to the final major set of provisions on which agreement was reached by the conferees. These were clearly the most controversial provisions in the bill. I am referring, of course, to the Senate amendments relating to political campaign financing. These have received widespread public attention and I think that it is important that the reasons for our action in this regard be fully understood.

The Senate bill provided for campaign financing in three ways: First, individuals were allowed a credit against their income tax for one-half of their political contributions with a maximum credit of $25 on the joint return of a married couple and a maximum of $12.50 on the return of a single person or married person filing separately.

As an alternative to the credit, individuals were permitted to deduct their political contributions up to a level of $100 in the case of a joint return or $50 in the case of a single person or married person filing separately.

These two provisions were generally agreeable and we accepted them for contributions made in 1972 and later years.

The third set of provisions concerned the so-called checkoff procedure for financing presidential election campaigns. Under the Senate amendment an individual can designate that $1 of his tax liability is to be set aside in a special account in the presidential election campaign fund for the candidate of the party of his choice. In the case of a joint return with a tax liability of $2 or more, both husband and wife can designate that $1 is to be paid into such an account. Taxpayers can designate that the dollar they check off either may be set aside for the candidate for a specific political party or they can designate that it be set aside in a nonpartisan general account in the fund or they can make no designation at all. If no designation is made, then nothing is to be set aside in any account. Under the Senate amendment this checkoff system would have been effective for tax returns filed for 1971 and, as a result, would have been in time to make the funds available for the 1972 presidential election. There are, of course, ceilings on the funds which can be made available in this manner for candidates for President. For major parties the limit is 15 cents per person over age 18 or given the present population, $20.4 million. Minor parties receive the same proportion of this $20.4 million which their vote is of the average major party vote.

I want to make it clear at the outset that I believe that this check-off system for the financing of presidential elections is an eminently reasonable and fair procedure. In a democratic system it is only appropriate that there be equality of financing for the major political parties. The issues should be fought out with words and ideas and not with dollars.

Moreover, there should not be the slightest hint or inference that Presidential actions, after a campaign, have been influenced by campaign contributions of private persons. The checkoff system of financing presidential elections, although it may have some shortcomings, would achieve this result.

After enacting campaign financing in 1966, I understand the then President Johnson, appointed an informal three-man committee to explore every possible alternative way of financing a presidential campaign. Two of the three-man committee, after spending 3 or 4 months exploring all of the possible alternatives, concluded that the checkoff system, while it might not be perfect, was the best available method of financing the campaigns of presidential candidates. The third member of the committee, while not approving of the checkoff system, was unable to come up with a satisfactory alternative. I understand this report is now reposing somewhere in the LBJ Library in Austin.

I think we should give the checkoff system a chance to operate—a chance to see it in operation during a presidential campaign. We will not find the difficulties with it or improvements needed until we do that.

Frankly, I would favor making the checkoff system of financing presidential elections effective for the 1971 tax returns so that the funds could be used for the financing of the 1972 election. However, the administration has made it perfectly clear that it is opposed to the checkoff procedure and is willing to jetison the entire tax bill if it cannot have its way on this matter.

I concluded that with this attitude on the part of the administration there would not, in any event, be a checkoff system in operation for 1971 returns. Moreover, I believe that this tax bill is essential to a healthy American economy and I believe that this commands the highest priority in decisionmaking. I should also say that I recognize that the checkoff system had become a partisan matter insofar as the 1972 election is concerned. That would have represented an unfortunate climate for the adoption of a provision making a fundamental change of this type. In view of all of these factors, I and the majority of the House conferees, concluded that the best solution was to postpone the effective date of the public financing provision so that it becomes operative after the 1972 presidential campaign.

In the checkoff system we have made provision for a quick court review of any issues raised with respect to the system so that it will not interfere with the public financing of the presidential campaign after this next one. In addition, before the funds which taxpayers have asked be set aside in the presidential election campaign fund under the checkoff system may be made available, it will be necessary for the Congress to act through the regular appropriation process. I regret the necessity of the postponement involved in making this provision effective, but in view of all of the hard facts that we face, we had no justifiable alternative.

We must give priority to the economic needs of the country which requires the prompt action on this conference report.

I ask that action on the part of the House.

I include at this point the summary of the significant changes included in the conference agreement as well as a series of tables setting forth the revenue effects of the bill as agreed to by the conferees:

SUMMARY OF SIGNIFICANT ADDITIONAL CHANGES INCLUDED IN CONFERENCE AGREEMENT

A summary of the more significant provisions as agreed to by the conferees is presented below.

(1) Taxpayers are to be permitted, in making financial reports to (or under the jurisdiction of) Federal agencies, to account for the investment credit either as a tax reduction in the year in which the credit arises or ratably over the life of the asset which generates the credit. This will permit taxpayers who so desire to account for the credit in a manner which has a favorable effect on net income and, thus, a significant stimulative effect on the economy. The method of accounting for the investment credit selected by a taxpayer under this provision must be consistently followed by him in all his financial reports. The House bill did not contain a provision of this nature.

(2) Since taxpayers who ordered (or commenced construction of) investment credit property after March 31, 1971, in reliance on Secretary Connally's statements could not have known that foreign property would not be eligible for the investment credit until the President's announcement in August, it is provided that the foreign property limitation is not to be applicable to property otherwise eligible for the credit which was ordered before (or the construction of which began after March 31, 1971, and before) August 16, 1971. Accordingly, this property will not be denied the credit under the foreign property limitation. The House bill would not have allowed a credit in these cases.

(3) As a further means of aiding the achievement of more equitable international trading conditions and the restoration of the U.S. balance-of-trade position, the President is given authority to continue the exclusion from the investment credit for foreign produced property after the termination of the temporary additional import duty. He may exercise this authority with respect to an article (or class of articles) manufactured in a foreign country if he determines that the country maintains burdensome non-tariff trade restrictions against U.S. exports or engages in discriminatory actions or policies which unjustifiably restrict U.S. exports. The House bill did not provide for the continuation of the exclusion past the termination of the additional import duty.

(4) To prevent the allowance of the credit for livestock (other than horses) from creating an artificial tax shelter, it is provided that the cost of acquired livestock taken into account for purposes of the credit is to be reduced by the amount realized on the sale or other disposition (other than an involuntary conversion or disposition subject to the recapture rules) of substantially identical livestock within the period of 6 months before or 6 months after the acquisition. The House bill did not contain a provision of this nature.

(5) To resolve the difficulties which arose under prior law in determining the type of property which qualified for the credit as a "storage facility," it is provided that this provision applies only to the facilities for the bulk storage of fungible commodities, including commodities in a liquid or gaseous state. In addition, congressional intent regarding the allowance of the credit for railroad track is clarified. It is provided that a railroad which uses the retirement-replacement method of accounting for depreciation for railroad track may claim the credit for replacement track generally where the replacement is made pursuant to a systematic program, mechanical detection, physical observation or as a result of a casualty. The House bill did not contain provisions dealing with these matters.

(6) The investment credit is to be available, as under prior law, for up to $50,000 of used property placed in service during a year. Under the House bill, the limit was $65,000, but was reduced by any new property placed in service by the taxpayer during the year which would have significantly limited the availability of the credit to many small business taxpayers who use both new and used property in their businesses.

(7) To prevent the credit from resulting in improper discrimination between regulated companies and unregulated businesses which install their own communications equipment, the 4-percent credit generally available to regulated utilities is also to be applicable (instead of the 7-percent credit) with respect to communication property acquired by an unregulated business, if the property is of the type used by regulated companies in providing telephone or microwave communications services and is used predominantly for communication purposes. The House bill would have allowed a 7-percent credit with respect to this property.

(8) At the time of the termination of the investment credit in 1969, it was provided, in general, that not more than 20 percent of a taxpayer's aggregate carryovers and carrybacks of unused investment credits to a taxable year could be claimed in that year. This was designed to prevent the delay in the impact of the repeal which could have occurred from the use of carryovers which would have been allowed by the absence of currently generated credits. Since the restoration of the investment credit as of August 16, 1971, will result in currently generated credits from that date on, the 20-percent limitation is made inapplicable to carryovers and carrybacks to that portion of a taxable year ending in 1971 which occurs on or after that date as well as for carryovers to future years. The House bill removed the 20-percent limitation in the case of carryovers and carrybacks to future years (i.e., taxable years ending after 1971).

(9) New tax withholding provisions which reflect the changes in the personal exemption and the standard deduction made by the bill, as well as minimize the underwithholding which exists under present law, are to take effect in one stage with respect to wages paid after January 15, 1972. This will correct the present underwithholding as soon as possible and thus avoid an additional year of large final tax payments. Under the House bill the new withholding provisions took effect in two stages. The first stage would have applied to wages paid after November 14, 1971, and the second stage to wages paid after 1972.

(10) The conference agreement substantially liberalizes the very limited deduction allowed under present law for child care expenses to provide more adequate recognition in the tax laws of expenses which taxpayers must incur for child care services and household help to enable them to be gainfully employed and to encourage the providing of employment opportunities for domestic help. Under the conference agreement, an itemized deduction is to be allowed for household service expenses and dependent care expenses incurred to enable the taxpayer to be gainfully employed in situations where the taxpayer's household includes a dependent child under age 15, a disabled dependent or a disabled spouse. The deduction is to be allowed for up to $400 a month of expenses for services of these types which are provided in the home. In addition, in the case of expenses for child care outside the home, up to $200 a month of the $400 amount may be for

the care of one child, up to $300 a month for the care of two children, and up to the full $400 for the care of three or more children. The deduction is to be available only for household or child care services which are necessary to enable the taxpayer to be gainfully employed and, thus, is not to be available for amounts paid to an individual who is predominantly employed, for example, as a gardener, bartender, or chauffeur.

The deduction under this provision is to be available to single taxpayers who are employed on a substantially full time basis whose annual adjusted gross income is not above $18,000. It is also to be available to married taxpayers who file a joint return if both spouses are employed on a substantially full time basis and their combined annual adjusted gross income is not above $18,000. For single persons or married couples whose income is above $18,000, the otherwise available deduction under this provision is to be reduced by 50 cents for each dollar of income above $18,000. A reduction in the amount of expenses otherwise eligible for deduction with respect to a disabled dependent or spouse is provided for adjusted gross income or nontaxable disability payments in excess of $750 received by the dependent or in the case of a spouse for the amount of nontaxable disability payments received by the spouse. The reduction applies, however, only to those expenses which relate solely to the disability of the dependent or spouse and not to general household service expenses allocable to the dependent or spouse. The House bill did not contain a provision of this nature.

(11) A taxpayer who is a dependent, generally a child, of another taxpayer is not to be allowed to claim the standard deduction (either the minimum standard deduction or the percentage standard deduction) with respect to his unearned income, such as dividends or interest. He may, however, claim the personal exemption against this type of income. This will prevent the abuse of allowing two standard deductions (one to the parent and one to the child) for unearned income of the same family unit, but, on the other hand, will avoid practical administrative problems by not requiring a return to be filed by a child with only a few dollars of unearned income. The House bill would have disallowed both the personal exemption and the standard deduction, but only with respect to income from certain types of trusts.

(12) Under present law, excess investment interest is subject to the minimum tax on tax preferences (before 1972) and to a limitation on its deductibility (for 1972 and later years). Interest with respect to property which is not leased is considered investment interest. For this purpose property is considered net leased if the trade or business deductions with respect to it are less than 15 percent of the rental income from the property. To provide taxpayers with a means of avoiding administrative allocation problems which arise in applying the 15-percent rule in situations where the taxpayer has leased a parcel of real property under a number of leases, taxpayers are to be allowed to aggregate all their leases on a single parcel of real property and treat them as a single lease in determining whether in the aggregate the property is net leased under the 15-percent rule. In addition, to make the treatment of excess investment interest more equitable in situations where an actual out-of-pocket loss is incurred on leased property, it is provided that the amount of excess investment interest (subject to the minimum tax or to disallowance) is to be reduced by the amount of the taxpayer's out-of-pocket losses with respect to the leased property (i.e., the excess of the taxpayers' deductions for business or investment expenses, interest, and property taxes with respect to the property over the rental income from the property). The House bill did not contain provisions of this nature.

(13) No deduction is to be allowed for bribes, kickbacks or other payments which are illegal under a U.S. law or a generally enforced State law if the law involves a criminal penalty or a loss of license to engage in business. Under present law, a deduction may be denied for these illegal payments only if there is an actual conviction, which unduly restricts the application of the denial provision. The Internal Revenue Service is to have the same burden of proof as to whether a payment is illegal as it does in cases involving fraud under the tax laws. In addition, a deduction is not to be allowed for kickbacks, bribes or referral fees made with respect to medical services covered under the Medicare or Medicaid programs. The House bill did not contain a provision of this nature.

(14) To prevent the avoidance of U.S. income tax on the appreciation element of property which is distributed as a dividend by a domestic corporation to a foreign corporate shareholder, it is provided that the amount of the dividend is to be the fair market value of the property distributed (unless the amount is effectively connected with a U.S. business of the shareholder). Under prior law, the amount of the dividend in this case was only the adjusted basis of the property to the distributing corporation and, thus, the appreciation element could escape U.S. taxation. The House bill did not contain a provision of this nature.

(15) To increase the availability of financing for ships and aircraft used in international commerce and, thus, to allow the desired stimulative effect of the investment credit in this sector to be achieved, rules are provided to deal with the situation where the financing is accomplished under a lease arrangement between the lender, such as a financial institution, which purchases the ship or aircraft and the air carrier or ship operator. These rules allow the lessor to engage in a transaction of this type without it causing a loss of its otherwise available foreign tax credits (which could occur since typically the lease produces a tax loss in the early years that under present law is considered a foreign source loss that reduces the foreign tax credit limitation). Generally, the conference agreement provides that a taxpayer leasing a domestically produced aircraft or vessel may elect to treat all income (or losses) with respect to the aircraft or vessel (whether arising under the lease or otherwise) as U.S. source income (or loss). The loss then will not affect its foreign tax credits. The House bill did not contain a provision of this nature.

(16) Under present law, although interest on industrial development bonds generally is subject to tax, an exemption from this rule is provided for certain small issues of industrial development bonds. Generally, the exemption applies to bond issues of up to $5 million with respect to a facility if the total cost of the facility is not over $5 million. The cost of a facility for this purpose is measured by the capital expenditures made with respect to it during the 3 years before and the 3 years after the bonds are issued. Present law contains a safe-haven rule which allows the $5 million limit on the size of the facility to be exceeded by up to $250,000 in situations where expenditures which could not have been reasonably foreseen at the time of the bond issue are incurred for the facility. To increase the workability of this provision, the conference agreement increases the limit on the sale-haven rule to $1 million so that up to this amount of unforeseen expenditures may be incurred for a facility without causing a loss of the tax-exempt status of the bonds relating to the facility. The conference agreement also clarifies the fact that unforeseen expenditures include those caused by things such as erroneous cost estimates, increases in cost due to inflation, strikes, delays or minor architectural modifications (but not expansions). The conference agreement also eliminates the unintended requirement of present law under which a facility for the furnishing of water may not serve more than a local area (i.e., not more than 2 contiguous counties) if the interest on the bonds issued with respect to the facility is to be tax exempt. The House bill did not contain a provision of this nature.

(17) To assure that tax return information provided to a tax return preparer is treated in a confidential manner, a criminal penalty (a fine of up to $1,000 or not more than a year imprisonment, or both) is provided in the case where a person engaged in the business of, or in providing services connected with, preparing tax returns (or who does so for compensation) either discloses the information furnished to him in connection with the return or uses the information for any other purposes. It is provided, however, that the information may be used in the preparation of State tax returns or declarations of estimated tax of the person to whom the information relates and also as the result of an order of a court. In addition the provision is not to apply to a disclosure or the use of information which is permitted by regulation prescribed by the Treasury Department. Presumably, where appropriate the Treasury Department will permit the use of the information within the business organization of the preparer of the return if the taxpayers has indicated in writing that he desires the information to be used by the organization for some purpose specifically benefitting the taxpayer. The taxpayer could, for example, if the Treasury regulations approve, authorize the use of the information in determining his qualifications for a loan from the same organization which prepared the return. In no event, however is it contemplated that the regulations would permit the use of the information outside of the organization of the preparer of the return.

(18) To provide Congress with a more accurate picture of the operation of the tax laws and their indirect effect, the Treasury Department is to annually submit estimates of indirect expenditures made through the operation of the Federal tax laws to the House Ways and Means Committee, the Senate Finance Committee, and the Joint Committee on Internal Revenue Taxation. Initially, these reports will be modeled on similar reports made by the Treasury in 1968 and 1970. Since the Treasury Department has indicated its willingness to submit information of this type to the tax committees, this provision has been included by the conferees in the Joint Explanatory Statement rather than in the conference report. The House bill did not contain a provision of this nature.

(19) To provide parity of treatment between trailers which are used in connection with passenger automobiles and trailers which are used in connection with light-duty trucks, the 10-percent truck excise tax is made inapplicable to light-duty trucks. The House bill eliminated the auto excise tax on small auto-towed trailers suitable for use with passenger automobiles but would have retained the truck tax on light-duty truck trailers.

(20) To prevent imported vehicles from being treated more favorably than domestic automobiles and trucks, the 10-cents-a-pound manufacturers' excise tax on vehicle tires and tubes which under existing law continues to be applicable to original tires on domestic vehicles is also made applicable under the conference agreement to original tires and tubes on imported vehicles. The House bill did not contain a provision of this nature.

(21) Tax deferral is to be available for 50 percent of the export related profits of a domestic international sales corporation

(DISC). This eliminates the inequities and complexity which would have arisen under the incremental approach of the House bill which provided tax deferral for that portion of a DISC's profits attributable to the exports of the DISC and its corporate group in excess of 75 percent of the group's average exports in the period 1968–1970.

(22) To provide assurance that tax-deferred DISC profits which are loaned to a related U.S. manufacturing company producing for export are not used for foreign manufacturing facilities, it is provided that the tax deferral will terminate if these profits are considered invested in foreign plant or equipment. The amount considered invested in this manner generally is the net increase in foreign assets of members of the DISC's corporate group but not more than the smaller of the actual amount transferred abroad by the domestic members of the group or the outstanding amount of the DISC's loans of tax deferred profits to the domestic members. In determining the extent to which tax-deferred DISC profits are invested by the group in foreign assets, foreign assets are to be considered acquired first from specified types of foreign funds obtained by the group after 1971 as well as transitional amounts of funds obtained prior to 1972. The House bill did not contain a limitation of this nature.

(23) The benefits of the export trade corporation provisions of present law are to continue to be available in the case of any corporation which qualified as an export trade corporation for a year beginning before November 1, 1971, and which continues to qualify after that time. The House bill would have repealed the export trade corporation provisions for years after 1975.

(24) To provide an incentive to private employers to hire individuals who would otherwise be on welfare, employers are provided an income tax credit for hiring individuals under a work incentive (WIN) program established under the Social Security Act. The credit is to be an amount equal to 20 percent of the cash wages paid to the individual during the first 12 months of his employment. If the employer does not retain the individual for a total of 24 months, then the credit is to be recaptured. There is not to be a recapture, however, if the employee becomes disabled, leaves work voluntarily, or is terminated due to his misconduct as determined under the relevant State unemployment compensation law. The House bill did not contain a provision of this nature.

(25) The conference agreement provides for the allowance of an income tax deduction, or alternatively, a tax credit for small political contributions. It also provides a system of public financing for the general election campaigns of presidential and vice-presidential candidates. Under the conference agreement an individual is to be allowed an income tax credit for one-half of his political contributions during the year up to a maximum credit of $12.50 (or $25 in the case of a joint return of a husband and wife). Alternatively, the taxpayer is to be allowed an itemized deduction for political contributions made by him during the taxable year up to a maximum amount of $50 (or $100 in the case of a joint return). This credit or deduction is to be available for political contributions made to candidates for nomination or election to Federal, State or local office in a primary, general, or special election. In addition, contributions may be made to a political committee. The credit or deduction is to be available only for contributions made after 1971. Public financing is provided under the conference agreement for presidential and vice-presidential general election campaigns by the so-called check-off system starting with income tax returns for the calendar year 1972. Under this system an individual can designate that $1 of his tax liability (and in the case of a joint return with a taxable liability of $2 or more, each spouse may designate that $1 of the liability) is to be set aside in the Presidential Election Campaign Fund in a special account for the candidates of the party of his choice or in a general nonpartisan fund. If the taxpayer makes no designation, nothing is to be set aside. The amounts checked off and designated into the accounts in the fund are to be available to presidential and vice-presidential candidates who elect public financing beginning with the 1976 general presidential election campaign. These amounts may be paid to the candidates, however, only after they have been so appropriated by Congress through the normal appropriation process. The presidential and vice-presidential candidates of each major party would be entitled to a maximum amount of public financing equal to 15 cents multiplied by the number of U.S. residents age 18 or more as of the first day of June in the year preceding the presidential election.

A major party is one which received 25 percent or more of the total popular votes cast for president in the preceding election. A minor party (one that received more than 5 percent and less than 25 percent of the popular vote in the preceding election) would be entitled to a maximum amount of public financing equal to that percentage of a major party's entitlement which the minor party's vote in the preceding election is of the average vote of the two major parties in that election. Provision is also made for new parties which obtain more than 5 percent of the popular vote in a presidential election to share in public financing after the election. Payments to candidates of a major or minor political party which elect public financing are to be made out of the special account designated for that party. If on the 60th day before the election the amount in any account is less than the entitlement of the party, it is provided that there is to be transferred to the separate account up to 80 percent of the amount in the general account. The amounts transferred are to be based on the entitlements of the major and minor parties at that time. No amount is to be transferred to a special account to the extent it would bring that account above the entitlement of the party to which it relates. Provision is also made for the transfer of any amounts remaining in the general account 30 days after the election to make up deficiencies in the separate accounts.

A major party which elects public financing cannot spend on the general campaign more than its entitlement and may accept contributions for the general campaign only to the extent of any deficiencies in its account. A minor party or a new party which accepts public financing cannot spend more on the general campaign than the entitlement of a major party and may retain private contributions only to the extent its allowable amount of campaign expenses is not covered by public financing. Public financing funds may be used only for campaign expenditures incurred by the electing candidates or their authorized committees with respect to the campaign period beginning on the first of September (or in the case of a major party, the date on which it nominates its candidate for President if earlier), and ending 30 days after the presidential election. Reports on amounts candidates spend, and propose to spend, are to be made throughout the campaign to the Comptroller General who is to certify the amounts payable out of the accounts to the eligible candidates. Provision is also made to allow the Comptroller General (who may use his own legal counsel) as well as individuals, organizations, and political parties to obtain expeditious judicial review of, or with respect to, the public financing provisions. Generally, it is provided that actions under these provisions are to be brought before a three-judge district court and are to be expeditiously tried. Appeals from decisions of that court are to go directly to the Supreme Court. The House bill did not contain provisions of this nature.

TABLE 1.—ESTIMATED EFFECT OF THE REVENUE ACT OF 1971, AS APPROVED BY THE CONFERENCE ON CALENDAR YEAR TAX LIABILITY 1971–73, FISCAL YEAR TAX RECEIPTS 1972–74 [1]

[In millions of dollars]

Provision	Calendar year tax liability			Fiscal year tax receipts		
	1971	1972	1973	1972	1973	1974
Liberalizing exemption and standard deduction provisions of the individual income tax:						
Eliminating phaseout from 1971 minimum standard deduction and increasing exemption from $650 to $675	−1,370			−1,370		
Advancing 1973's 15 percent standard deduction and $750 exemption to 1972		−2,190		−855	−1,335	
Increasing the minimum standard deduction to $1,300 for 1972 and thereafter		−1,040	−1,090	−405	−1,105	−1,110
Denying the standard deduction (both minimum and percentage) to the unearned income of taxpayers who are dependent children of other taxpayers		+70	+75	+5	+70	+75
Providing household-help, and liberalizing child care, deduction		−145	−150	−15	−145	−105
Providing a tax credit for political contributions		−100	−25	−10	−90	−30
Collecting individual income tax withholding				+725	−75	
Providing tax credit to employers of public assistance recipients under the work incentive program (WIN)		−25	−30	−10	−25	−3
Reinstating investment credit:						
As passed by the House	−1,500	−3,600	−3,900	−2,420	−3,590	−3,960
Reducing the limitation on used property to $50,000	+5	+10	+10	+5	+10	+10
Allowing credit for $50,000 of used property without reducing it for purchases of new property	−15	−20	−20	−15	−20	−20
Eliminating 5-year convention from the asset depreciation range (ADR) system	+2,100	+1,700	+1,500	+2,470	+1,660	+1,470
Repealing automobile excise tax	−800	−2,200	−1,900	−2,200	−2,000	−1,800
Allowing credit for State tax on coin operated gaming devices		−10	−10		−10	−10
Imposing excise tax (10¢ per lb.) on tires of imported automobiles	Neg.	+25	+25	+10	+25	+25
Repealing truck (10,000 G.V.W. lbs. or less) and local transit bus excise tax	−100	−365	−365	−280	−365	−365
Providing tax deferral for domestic international sales corporations (DISC)		−100	−170	Neg.	−100	−170
Total	−1,680	−7,990	−6,050	−4,365	6,945	−6,115

[1] Estimates for all provisions in this table reflect growth except for the provisions relating to excise taxes.

TABLE 2.—ESTIMATED EFFECT OF THE REVENUE ACT OF 1971 AS APPROVED BY THE CONFERENCE BY TYPE OF TAXPAYER, CALENDAR YEAR TAX LIABILITY 1971–73, FISCAL YEAR TAX RECEIPTS 1972–74 [1]

[In millions of dollars]

Provision	Calendar year tax liability			Fiscal year tax receipts		
	1971	1972	1973	1972	1973	1974
Liberalizing exemption and standard deduction provisions of the individual income tax:						
Eliminating phaseout from 1971 minimum standard deduction and increasing exemption from $650 to $675	−1,370			−1,370		
Advancing 1973's 15-percent standard deduction and $750 exemption to 1972		−2,190		−855	−1,335	
Increasing the minimum standard deduction to $1,300 for 1972 and thereafter		−1,040	−1,090	−405	−1,105	−1,110
Denying the standard deduction (both minimum and percentage) to the unearned income of taxpayers who are dependent children of other taxpayers		+70	+75	+5	+70	+75
Providing household-help, and liberalizing child-care deduction		−145	−150	−15	−145	−150
Providing a tax credit for political contributions		−100	−25	−10	−90	−30
Correcting individual income tax withholding				+725	+75	
Individual, nonbusiness	−1,370	−3,405	−1,190	−1,925	−2,530	−1,215
Providing tax credit to employers of public assistance recipients under the Work Incentive Program (WIN): Corporate		−25	−30	−10	−25	−30
Reinstating investment credit:						
Individual, business	−305	−725	−785	−375	−735	−785
Corporate	−1,205	−2,885	−3,125	−2,055	−2,865	−3,185
Corporate and individual, business	−1,510	−3,610	−3,910	−2,430	−3,600	−3,970
Eliminating ¾ year convention from the asset depreciation range system:						
Individual, business	+420	+340	+300	+450	+340	+290
Corporate	+1,680	+1,360	+1,200	+2,020	+1,320	+1,130
Corporate and individual, business	+2,100	+1,700	+1,500	+2,470	+1,660	+1,420
Repealing automobile excise tax: [2]						
Individual, business	−120	−330	−280	−330	−300	−270
Individual, nonbusiness	−600	−1,650	−1,430	−1,650	−1,500	−1,350
Individual, business and nonbusiness	−720	−1,980	−1,710	−1,980	−1,800	−1,620
Corporate	−80	−220	−190	−220	200	−180
Corporate and individual	−800	−2,200	−1,900	−2,200	−2,000	−1,800
Allowing credit for State tax on coin operated gaming devices: Corporate		−10	−10		−10	−10
Imposing excise tax (10¢ per lb.) on tires of imported automobiles: [2] Individual, nonbusiness	Neg.	+25	+25	+10	+25	+25
Repealing truck (10,000 G.V.W. lbs. less) excise tax: [2]						
Individual business	−40	−165	−165	−120	−165	−165
Individual, nonbusiness	−50	−160	−160	−130	−160	−160
Individual, business and nonbusiness	−90	−325	−325	−250	−325	−325
Corporate	−10	−40	−40	−30	−40	−40
Corporate and individual	−100	−365	−365	−280	−365	−365
Providing tax deferral for domestic international sales corporations (DISC): Corporate		−100	−170	Neg.	−100	−170
Total:						
Individual, nonbusiness	−2,020	−5,190	−2,755	−3,695	−4,165	−2,700
Individual, business	−45	−880	−930	−375	−860	−930
Individual, business and nonbusiness	−2,065	−6,070	−3,685	−4,070	−5,025	−3,630
Corporate	+345	−1,920	−2,365	−295	−1,920	−2,485
Corporate and individual business	+340	−2,800	−3,295	−670	−2,780	−3,415
Grand total, corporate and individual	−1,680	−7,990	−6,050	−4,365	−6,945	−6,115

[1] Estimates for all provisions in this table reflect growth except for the provisions relating to excise taxes.

[2] Assumes that the tax changes under these provisions are passed on to the purchasers of the automobiles and trucks.

TABLE 3.—ESTIMATED INCREASE (+) OR DECREASE (−) IN INDIVIDUAL INCOME TAX LIABILITY [1] UNDER THE REVENUE ACT OF 1971 AS APPROVED BY THE CONFERENCE, CALENDAR YEARS 1971–73, BY ADJUSTED GROSS INCOME CLASS

[In millions of dollars]

Adjusted gross income class (thousands)	Liberalization of exemption and/or standard deduction provisions (1971 income levels)			Reinstatement of the investment credit [2] (current income levels)			Elimination of ¾ year convention from the Asset Depreciation Range (ADR) System [2] (current income levels)			Denial of the standard deduction to the unearned income of taxpayers who are dependent children of other taxpayers (current income levels)			Provision of a household-help, and liberalization of the child-care, deduction (current income levels)			Provision of a tax credit or a deduction for political contributions			Total		
	1971 [3]	1972 [4]	1973 and thereafter [5]	1971	1972	1973	1971	1972	1973	1971	1972	1973	1971	1972	1973	1971	1972	1973	1971	1972	1973
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
$0 to $3	−56	−225	−180	−3	−6	−7	+4	+3	+3		+48	+52		−1	−1		(6)	(6)	−55	−181	−133
$3 to $5	−227	−487	−358	−16	−37	−40	+22	+18	+16		+19	+20		−3	−3		−1	(6)	−221	−491	−365
$5 to $7	−310	−526	−339	−27	−66	−71	+38	+31	+27		+3	+3		−8	−8		−2	−1	−299	−568	−389
$7 to $10	−223	−608	−115	−41	−96	−104	+56	+45	+40		(6)	(6)		−32	−34		−7	−2	−208	−698	−215
$10 to $15	−276	−689		−51	−122	−132	+70	+57	+50		(6)	(6)		−37	−39		−21	−6	−257	−812	−127
$15 to $20	−135	−267		−32	−76	−82	−44	+36	+31		(6)	(6)		−40	−42		−17	−4	−123	−364	−97
$20 to $50	−116	−231		−73	−173	−187	+100	+81	+72		(6)	(6)		−24	−25		−36	−9	−89	−383	−149
$50 to $100	−20	−39		−33	−78	−85	+45	+36	+32		(6)	(6)					−11	−3	−8	−92	−56
$100 and over	−5	−11		−29	−71	−77	+41	+33	+29		(6)	(6)					−4	−1	+7	−53	−49
Total	−1,368	−3,083	−992	−305	−725	−785	+420	+340	+300		+70	+75		−145	−152		−99	−26	−1,253	−3,642	−1,580

[1] Exclusive of the impact of the excise tax on automobiles and small trucks on the individual income tax liability of sole proprietors and partners.

[2] Change in tax liability of sole proprietors and partners.

[3] Elimination of the phaseout from the 1971 minimum standard deduction and increasing the exemption from $650 to $675.

[4] Advancement of 1973's 15 percent standard deduction and $750 exemption to 1972 and increase in the minimum standard deduction from $1,000 to $1,300.

[5] Increase in the minimum standard deduction from $1,000 to $1,300.

[6] Less than $500,000.

TABLE 4.—INDIVIDUAL INCOME TAX LIABILITY UNDER PRESENT LAW AND DECREASE (—) OR INCREASE (+) UNDER THE REVENUE ACT OF 1971 AS APPROVED BY THE CONFERENCE, CALENDAR YEARS 1971–73—BY ADJUSTED GROSS INCOME CLASS

[Dollar amounts in millions]

Adjusted gross income class (thousands)	1971			1972			1973 and thereafter		
	Tax under present law	Tax change under bill		Tax under present law	Tax change under bill		Tax under present law	Tax change under bill	
		Amount [1]	Percent		Amount [2]	Percent		Amount [3]	Percent
$0 to $3	$531	−$55	−10.4	$490	−$181	−36.9	$445	−$133	−29.9
$3 to $5	2,715	−221	−8.1	2,482	−491	−19.8	2,352	−365	−15.5
$5 to $7	4,905	−299	−6.1	4,550	−568	−12.5	4,364	−389	−8.9
$7 to $10	11,222	−208	−1.9	10,721	−698	−6.5	10,228	−215	−2.1
$10 to $15	20,754	−257	−1.2	19,891	−812	−4.1	19,202	−127	−.7
$15 to $20	14,630	−123	−.8	14,158	−364	−2.6	13,891	−97	−.7
$20 to $50	18,912	−89	−.5	18,608	−383	−2.1	18,377	−149	−.8
$50 to $100	7,323	−8	−.1	7,257	−92	−1.3	7,217	−56	−.8
$100 and over	7,696	+7	+.1	7,669	−53	−.7	7,658	−49	−.6
Total	88,687	−1,253	−1.4	85,826	−3,642	−4.2	83,735	−1,580	−1.9

[1] Col. 20, table 3. [2] Col. 21, table 3. [3] Col. 22, table 3.

TABLE 5.—FEDERAL INDIVIDUAL INCOME TAX BURDEN [1] UNDER PRESENT LAW AND UNDER THE REVENUE ACT OF 1971 AS APPROVED BY THE CONFERENCE, TAX LIABILITY, CALENDAR YEARS 1971, 1972, AND 1973 AND THEREAFTER

[Assuming deductible personal expenses of 10 percent of income]

Adjusted gross income (wages and salaries)	1971				1972				1973 and thereafter			
	Present law tax	Bill [2]			Present law tax	Bill [3]			Present law tax	Bill [4]		
		Tax	Tax decrease			Tax	Tax decrease			Tax	Tax decrease	
			Amount	Percent			Amount	Percent			Amount	Percent
Single person:												
$1,700 [5]	0	0	0		0	0	0		0	0	0	
$1,725 [6]	$4	0	$4	100.0	$4	0	$4	100.0	0	0	0	
$1,750 [7]	7	$4	3	42.9	7	0	7	100.0	0	0	0	
$2,050 [8]	52	46	6	11.5	49	0	49	100.0	$42	0	$42	100.0
$3,000	207	189	18	8.7	193	$138	55	28.5	185	$138	47	25.4
$3,500	296	272	24	8.1	276	217	59	21.4	268	217	51	19.0
$4,000	396	362	34	8.6	367	302	65	17.7	358	302	56	15.6
$5,000	599	552	47	7.8	557	491	66	11.8	548	491	57	10.4
$7,500	1,084	1,063	21	1.9	1,058	995	63	6.0	1,031	995	36	3.5
$10,000	1,603	1,596	7	.4	1,566	1,530	36	2.3	1,530	1,530	0	
$12,500	2,185	2,178	7	.3	2,104	2,059	45	2.1	2,059	2,059	0	
$15,000	2,877	2,869	8	.3	2,717	2,703	14	.5	2,703	2,703	0	
$17,500	3,551	3,543	8	.2	3,458	3,443	15	.4	3,443	3,443	0	
$20,000	4,289	4,281	8	.2	4,272	4,255	17	.4	4,255	4,255	0	
$25,000	5,933	5,924	9	.2	5,914	5,895	19	.3	5,895	5,895	0	
Married couple with no dependents:												
$2,350 [9]	0	0	0		0	0	0		0	0	0	
$2,400 [9 10]	7	0	7	100.0	0	0	0		0	0	0	
$2,500 [7]	22	14	8	36.4	14	0	14	100.0	0	0	0	
$2,800 [8]	67	56	11	16.4	56	0	56	100.0	42	0	42	100.0
$3,000	79	84	13	13.4	84	28	56	66.7	70	28	42	60.0
$3,500	174	155	19	10.9	155	98	57	36.8	140	98	42	30.0
$4,000	254	230	24	9.4	230	170	60	26.1	215	170	45	20.9
$5,000	422	386	36	8.5	386	322	64	16.6	370	322	48	13.0
$7,500	835	829	24	2.8	820	753	67	8.2	786	753	33	4.2
$10,000	1,266	1,257	9	.7	1,228	1,190	38	3.1	1,190	1,190	0	
$12,500	1,754	1,743	11	.6	1,677	1,628	49	2.9	1,628	1,628	0	
$15,000	2,310	2,298	12	.5	2,172	2,150	22	1.0	2,150	2,150	0	
$17,500	2,873	2,860	13	.5	2,785	2,760	25	.9	2,760	2,760	0	
$20,000	3,456	3,442	14	.4	3,428	3,400	28	.8	3,400	3,400	0	
$25,000	4,764	4,748	16	.3	4,732	4,700	32	.7	4,700	4,700	0	
Married couple with 2 dependents:												
$3,650 [9]	0	0	0		0	0	0		0	0	0	
$3,750 [6]	15	0	15	100.0	0	0	0		0	0	0	
$3,800 [10]	22	7	15	68.2	0	0	0		0	0	0	
$4,000 [7]	52	35	17	32.7	28	0	28	100.0	0	0	0	
$4,300 [8]	97	77	20	20.6	70	0	70	100.0	42	0	42	100.0
$5,000	206	178	28	13.6	170	98	72	42.4	140	98	42	30.0
$7,500	607	578	29	4.8	561	484	77	13.7	514	484	30	5.8
$10,000	1,019	1,000	19	1.9	962	905	57	5.9	905	905	0	
$12,500	1,468	1,446	22	1.5	1,371	1,309	62	4.5	1,309	1,309	0	
$15,000	2,018	1,996	22	1.1	1,864	1,820	44	2.4	1,820	1,820	0	
$17,500	2,548	2,523	25	1.0	2,435	2,385	50	2.1	2,385	2,385	0	
$20,000	3,110	3,085	25	.8	3,060	3,010	50	1.6	3,010	3,010	0	
$25,000	4,352	4,324	28	.6	4,296	4,240	56	1.3	4,240	4,240	0	

[1] These burdens have been computed without use of the optional tax table.
[2] Eliminates the phaseout from the minimum standard deduction and increases the exemption from $650 to $675.
[3] Advances 1973's 15-percent standard deduction and $750 exemption to 1972 and increases the minimum standard deduction from $1,000 to $1,300.
[4] Increases the minimum standard deduction from $1,000 to $1,300.
[5] Highest level at which there is no tax in 1971 and 1972 under present law.
[6] Highest level at which there is no tax in 1971 under the House bill.
[7] Highest level at which there is no tax in 1973 under present law.
[8] Highest level at which there is no tax in 1972 and 1973 under the House bill.
[9] Highest level at which there is no tax in 1971 under present law.
[10] Highest level at which there is no tax in 1972 under present law.

TABLE 6.—FEDERAL INDIVIDUAL INCOME TAX BURDEN [1] UNDER PRESENT LAW AND UNDER THE REVENUE ACT OF 1971 AS APPROVED BY THE CONFERENCE, TAX LIABILITY, CALENDAR YEARS 1971, 1972, AND 1973 AND THEREAFTER

[Assuming deductible personal expenses of 18 percent of income]

Adjusted gross income (wages and salaries)	1971				1972				1973 and thereafter			
		Bill [2]				Bill [3]				Bill [4]		
			Tax decrease				Tax decrease				Tax decrease	
	Present law tax	Tax	Amount	Percent	Present law tax	Tax	Amount	Percent	Present law tax	Tax	Amount	Percent
Single person:												
$1,700 [5]	0	0	0		0	0	0		0	0	0	
$1,725 [6]	$4	0	$4	100.0	$4	0	$4	100.0	0	0	0	
$1,750 [7]	7	$4	3	42.9	7	0	7	100.0	0	0	0	
$2,050 [8]	52	46	6	11.5	49	0	49	100.0	$42	0	$42	100.0
$3,000	207	189	18	8.7	193	$138	55	28.5	185	$138	47	25.4
$3,500	296	272	24	8.1	276	217	59	21.4	268	217	51	19.0
$4,000	396	362	34	8.6	367	302	65	17.7	358	302	56	15.6
$5,000	586	552	34	5.8	557	491	66	11.8	548	491	57	10.4
$7,500	1,005	1,000	5	.5	995	984	11	1.1	984	984	0	
$10,000	1,482	1,476	6	.4	1,470	1,458	12	.8	1,458	1,458	0	
$12,500	1,990	1,984	6	.3	1,978	1,965	13	.7	1,965	1,965	0	
$15,000	2,536	2,529	7	.3	2,522	2,509	13	.5	2,509	2,509	0	
$17,500	3,123	3,116	7	.2	3,109	3,094	15	.5	3,094	3,094	0	
$20,000	3,753	3,745	8	.2	3,737	3,722	15	.4	3,722	3,722	0	
$25,000	5,176	5,167	9	.2	5,158	5,140	18	.3	5,140	5,140	0	
Married couple with no dependents:												
$2,350 [9]	0	0	0		0	0	0		0	0	0	
$2,400 [6, 10]	7	0	7	100.0	0	0	0		0	0	0	
$2,500 [7]	22	14	8	36.4	14	0	14	100.0	0	0	0	
$2,800 [8]	67	56	11	16.4	56	0	56	100.0	42	0	42	100.0
$3,000	97	84	13	13.4	84	28	56	66.7	70	28	42	60.0
$3,500	174	155	19	10.9	155	98	57	36.8	140	98	42	30.0
$4,000	254	230	24	9.4	230	170	60	26.1	215	170	45	20.9
$5,000	418	386	32	7.7	386	322	64	16.6	370	322	48	13.0
$7,500	782	772	10	1.3	763	744	19	2.5	744	744	0	
$10,000	1,171	1,162	9	.8	1,152	1,133	19	1.6	1,133	1,133	0	
$12,500	1,589	1,578	11	.7	1,567	1,545	22	1.4	1,545	1,545	0	
$15,000	2,040	2,029	11	.5	2,018	1,996	22	1.1	1,996	1,996	0	
$17,500	2,523	2,510	13	.5	2,498	2,473	25	1.0	2,473	2,473	0	
$20,000	3,035	3,023	12	.4	3,010	2,985	25	.8	2,985	2,985	0	
$25,000	4,156	4,142	14	.3	4,128	4,100	28	.7	4,100	4,100	0	
Married couple with 2 dependents:												
$3,650 [9]	0	0	0		0	0	0		0	0	0	
$3,750 [6]	15	0	15	100.0	0	0	0		0	0	0	
$3,800 [10]	22	7	15	68.2	0	0	0		0	0	0	
$4,000 [7]	52	35	17	32.7	28	0	28	100.0	0	0	0	
$4,300 [8]	97	77	20	20.6	70	0	70	100.0	42	0	42	100.0
$5,000	206	178	28	13.6	170	98	72	42.4	140	98	42	30.0
$7,500	544	527	17	3.1	510	476	34	6.7	476	476	0	
$10,000	924	905	19	2.1	886	848	38	4.3	848	848	0	
$12,500	1,314	1,295	19	1.4	1,276	1,238	38	3.0	1,238	1,238	0	
$15,000	1,754	1,732	22	1.3	1,710	1,666	44	2.6	1,666	1,666	0	
$17,500	2,205	2,183	22	1.0	2,161	2,117	44	2.0	2,117	2,117	0	
$20,000	2,710	2,685	25	.9	2,660	2,610	50	1.9	2,610	2,610	0	
$25,000	3,792	3,764	28	.7	3,736	3,680	56	1.5	3,680	3,680	0	

[1] These burdens have been computed without use of the optional tax table.
[2] Eliminates the phaseout from the minimum standard deduction and increases the exemption from $650 to $675.
[3] Advances 1973's 15-percent standard deduction and $750 exemption to 1972 and increases the minimum standard deduction from $1,000 to $1,300.
[4] Increases the minimum standard deduction from $1,000 to $1,300.
[5] Highest level at which there is no tax in 1971 and 1972 under present law.
[6] Highest level at which there is no tax in 1971 under the House bill.
[7] Highest level at which there is no tax in 1973 under present law.
[8] Highest level at which there is no tax in 1972 and 1973 under the House bill.
[9] Highest level at which there is no tax in 1971 under present law.
[10] Highest level at which there is no tax in 1972 under present law.

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

Mr. MILLS of Arkansas. I yield to the gentleman from Ohio.

Mr. VANIK. I wonder if the distinguished chairman could provide the House with the estimated Treasury loss resulting from the investment credit, the statutory establishment of the asset depreciation range, the changes in personal exemptions and the minimum deductions, the excise taxes, and DISC as developed through the conference just completed?

Mr. MILLS of Arkansas. Let me give you some figures for the calendar year 1972.

Title I, which is the investment credit, involves the loss of $3.6 billion, but after offsetting this far the savings through cutbacks in depreciation which the bill also contains, the loss from this title is reduced to $1.9 billion.

Title II, individuals, involves a loss of $3.4 billion.

We gain in title III on structural change—that is, the elimination of loopholes—some $70 million.

Title IV, excise taxes involves a revenue loss of $2.6 billion.

Title V, the DISC provision, in 1972 will cost about $100 million.

Title VI, the WIN credit—that is the work credit for employment of these people who were on welfare—will result in a loss of about $25 million.

The political contributions part, which is title VII, the one that makes provision for the deduction and credit, the Treasury estimates will result in a loss of revenue of $100 million. That covers contributions for campaign expenses for local officials, for State officials, as well as for those running for Federal office. The contributions can be for expenses in the general elections, special elections and primaries. These contributions may cover campaign excuses for the 1972 campaign, contrary to the general impression that has been created around the country.

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

Mr. MILLS of Arkansas. I am glad to yield to the gentleman.

Mr. GIBBONS. Mr. Speaker, I notice you had estimates with regard to the figures for 1971.

Mr. MILLS of Arkansas. For the 1972 calendar year.

Mr. GIBBONS. Do you have any estimates for a 10-year projection on this thing and what it will cost us?

Mr. MILLS of Arkansas. No, I do not. I gave you the estimates of the cost for a 3-year period, calendar years 1971, 1972, and 1973. I do not have estimates as to the cost over a 10-year period.

Mr. GIBBONS. Let me ask you a question about the conference report. On page 42, in the next to the last paragraph down there it is discussing what we call certain expenditures to enable individuals to be gainfully employed. As I understand it, this was a provision Senator LONG pushed over in the Senate and it was one we had not discussed in the House. I wanted to get a little better concept of what you could do under this provision.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MILLS of Arkansas. I yield myself an additional minute.

Mr. GIBBONS. As I understand it, a couple with an average gross income of up to $18,000 is allowed under this to hire a maid or a babysitter or someone who is not predominantly—and that is what worries me—not predominantly a

bartender or not predominantly a gardener or not predominantly a chauffeur. Does that mean you get a tax deduction for that?

Mr. MILLS of Arkansas. What we are trying to do is to say we are limiting this deduction for expenses which must occur in a household to a situation where a man and his wife are both working or one of them is unable to work because of disability or where there is only one adult. The deduction even then will be available only where there are minor children in the household or a disabled dependent or spouse. This both makes an allowance for the cost of child care in these situations and also represents an inducement to employ individuals who might not otherwise be employed except for this provision.

The Senate conferees advocated this very strongly.

What we are trying to do is not to pick up the salaries of people who would be employed in the house or as chauffeurs, for example, in any event but only those who are employed to enable the taxpayer and his spouse—if he has one—to be gainfully employed. In addition we are trying to create jobs that are not now being filled. These are the whole purposes of this provision.

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

Mr. MILLS of Arkansas. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. In the deductions for political campaign purposes of $100 million, does the gentleman know whether the Treasury estimated that $100 million in loss or credit or whatever it is called to cover administrative expenses? It seems to me the administrative expenses would be quite high.

Mr. MILLS of Arkansas. It is my understanding that ordinarily they do not include administrative costs incident to the enforcement of a provision in their revenue loss estimate.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MILLS of Arkansas. I yield myself 1 additional minute.

Mr. HALL. Will the gentleman yield?

Mr. MILLS of Arkansas. I am glad to yield to the gentleman.

Mr. HALL. Mr. Speaker, inasmuch as I have gone through the statement of the managers on the part of the House and noted the number of times that the other body receded and the House receded, is it a fair assumption that your statement was we receded only on the technical amendments of the other body or the unimportant amendments of the other body and that we came through on the major subjects because the tally is 33 to 18 in favor of the other body?

Mr. MILLS of Arkansas. We accepted many of their amendments but we accepted very few of their amendments representing any appreciable revenue loss. What we did was to reduce this $12.5 billion of additional loss to the Treasury involved in the Senate amendments to $300 million. So as a result of the conference report the loss over this 3-year period will be about $15.7 billion as compared to the loss of about $15.4 billion as contained in the House bill and as compared to about $27.9 billion under the Senate bill.

Mr. HALL. I appreciate the gentleman's statement. I have presumed that was true in view of the gentleman's original statement.

I wonder if the distinguished chairman of the Committee on Ways and Means would care to comment as to whether or not in your report you detail changes in the treatment of stock options or capital gains, and whether or not we allow incentives for executive personnel types to operate businesses after the entrepreneurs establish them, and in this respect provide more jobs.

Is there a worry on the part of the distinguished chairman in this respect?

Mr. MILLS of Arkansas. I do not have that concern primarily because in the 1969 act we provided a maximum tax rate of 50 percent for earned income for those who do not have tax preference incomes. However, I am greatly concerned about some aspects of the pension problem and I think action needs to be taken on this matter. I do not think we did much in the Tax Reform Act of 1969 with respect to stock options except provide alternative ways of paying young executives—such as in the form of cash bonuses which may be subject to the 50-percent limit.

We do, however, have this great problem of treating more fairly many who do not have adequate pensions or whose pension rights do not vest soon enough. I do not believe we have yet dealt adequately with differences in the treatment of executives and the self-employed.

Mr. HALL. Mr. Speaker, I appreciate the gentleman's statement. Certainly, the abuses should be corrected as we discussed at the time we passed the 1969 revision.

However, I am concerned for the young executive type that did not live through the last depression but who has had the personnel and organizational techniques and the drive to continue to build businesses, or the ones who since World War II have provided the job opportunities without which we would be in a far greater jobless position than we are today.

We need to have some pension rights and incentives in business in order that they may be continually attracted to take up this cudgel.

Mr. CAREY of New York. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman from New York.

Mr. CAREY of New York. I note the "Ship American" amendment is in here that was in the House bill and was extended so that future trade would be encouraged not only with U.S. vessels but also with U.S. aircraft.

Mr. MILLS of Arkansas. Yes; the Senate extended the DISC 10 percent deferral provisions to transportation by U.S. aircraft. I though this was appropriate.

Mr. CAREY of New York. I think it is an excellent amendment. I notice that the balance of payments is adversely affected by about $4 million, but this should help correct that balance-of-payments problem. I think it is an excellent amendment and I urge its approval.

Mr. MILLS of Arkansas. I appreciate the comments of the gentleman from New York.

Mr. Speaker, I urge my colleagues to accept the conference report that was approved between the House and the other body.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, before commenting generally on the conference report. I would like to point out that one part of it is in error as far as explaining the action of the conference is concerned. While this is a relatively small item, I think it is important that the actions of the conference be accurately reported and accurately understood. Therefore, I have prepared a statement with respect to it, and I would ask the gentleman from Arkansas, the chairman of the committee, his views on it.

Mr. Speaker, you will recall that the Senate version of the bill contained an amendment designed to remove from the surcharge internal combustion engines installed in snowmobiles. As you know, we did not accept this amendment in the conference. Instead, a statement relative to this matter was incorporated in the joint explanatory statement of the committee of conference. This statement indicates that the United States-Canadian Auto Products Agreement is, in practice, achieving unreciprocal results, an example being the inclusion of snowmobiles in an agreement on trade in automobiles. The explanatory statement of the conferees notes that one would not ordinarily expect that an agreement, designed to provide for free trade in automotive products, would cover the duty-free treatment of snowmobiles. The report goes on to state, however, that this is the fact, in terms of how the agreement was implemented, and that the conferees urged the Secretary of the Treasury to give consideration to the competitive position of domestic manufacturers of snowmobiles by providing an exemption from the surcharge for engines imported for installation in snowmobiles.

I believe the speaker will agree that this is actually a misinterpretation of the decision of the conferees and certainly does not accurately reflect the desires of the House conferees. My recollection is that we recognized that U.S. manufacturers of snowmobiles who use engines from Japan or Germany, which are now subject to the import surcharge, are placed at a competitive disadvantage with respect to manufacturers in Canada who incorporate the same types of engines, also imported from Japan or Germany, in their snowmobiles, which are then brought into the United States duty-free under the Automotive Products Trade Act. The temporary disadvantage to some U.S. manufacturers of snowmobiles as a result of this situation is clear. However, it is my recollection that, rather than urge the removal of the surcharge in this case, the consensus of the conferees was to urge a reinterpretation of the United States-Canadian Automotive Products Trade Act more in line with the common, ordinary facts of

life—that snowmobiles are not automobiles and their free importation should not be provided for under this act.

If we were to urge the removal of the surcharge in the cases of engines installed in snowmobiles, as the joint statement of managers seems to imply is our desire, we would be discriminating against U.S. producers of engines for installation in snowmobiles and also against domestic manufacturers of snowmobiles who install domestically produced engines in snowmobiles. I thought it was clear that the intent of the conferees was not to urge that the surcharge in the case of engines for snowmobiles be removed but rather that snowmobiles imported from Canada be removed from the United States-Canadian Auto Products Agreement. Only by providing for an import surcharge on all foreign snowmobile engines imported in the United States is it possible to protect domestic manufacturers of snowmobile engines from discrimination due to in appropriate valuation of foreign currencies relative to those in the United States. Could the chairman express his view on this subject?

Mr. MILLS of Arkansas. The gentleman from Wisconsin is entirely correct. The joint explanatory statement of the conference committee on page 54 does not, in my opinion, accurately reflect the intent of the conference. At the time, some confusion existed as to why the automotive agreement applied to snowmobiles in the first place. As the gentleman from Wisconsin has said, our belief was that the United States-Canadian Automotive Products Agreement should not apply to imports of snowmobiles from Canada. If snowmobiles were removed from the agreement and the implementing legislation, the surcharge would not only apply to the snowmobile engines imported directly from Japan, but also to the snowmobiles imported from Canada, whether they contained Canadian or Japanese engines. I certainly felt it was the desire of the conference that the State Department and the Treasury Department seek a change in the interpretation of the United States-Canadian Automotive Products Agreement so as to exclude snowmobiles from its application.

We took no action in conference as to what should be done with respect to the application, or exemption from the application, of the surcharge to foreign engines used in snowmobiles.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MILLS of Arkansas. I yield to the gentleman.

Mr. STEIGER of Wisconsin. Mr. Speaker, I am grateful to the distinguished gentlemen, Mr. MILLS of Arkansas and Mr. BYRNES of Wisconsin for taking the time to clarify the intent of the conferees with respect to the amendment exempting improved snowmobile engines from the import surcharge.

The colloquy that has just taken place does clarify and resolve an issue which is of great concern to the snowmobile engine manufacturers of my State of Wisconsin.

When the amendment was adopted by the Senate a few weeks ago, there was a widespread misunderstanding that no American company makes an engine suitable for installation in snowmobiles and, therefore, domestic manufacturers of snowmobiles faced a double difficulty in competing with Canadian snowmobile manufacturers, because these machines come into the United States duty free and also contain Japanese and European engines on which the Canadian manufacturers pay no surcharge.

The premise that no American company makes snowmobile engines was a false premise. A number of Wisconsin companies produce such engines. Among them are Kiekhaefer Aeromarine, Inc., the Kohler Co., the Harley-Davidson Motor Co., and two divisions of the Outboard Marine Corp.

If the conferees had accepted the Senate-passed amendment this action would have done unintentional but severe injury to the above-named companies as well as other American producers of snowmobile engines. I am grateful to the House conferees for not receding to the other body on this amendment. The remarks of Mr. MILLS of Arkansas and Mr. BYRNES of Wisconsin, clarifying that decision, deserve a special note of appreciation.

Mr. Speaker, I want also to express my support for the adoption of the conference bill. While I disagree with the checkoff provision in title X, I am hopeful that the 92d Congress will repeal that particular title. At a time when all taxpayers feel strongly for or against one Federal program or another, it is a dangerous precedent for Congress to approve the earmarking of tax payments for a single purpose whatever. I feel certain that the Houses of Congress will again recognize this precedent as ill-advised and mischievous, and accordingly I have no hesitation in voting for the entire conference report.

Mr. COLMER. Mr. Speaker, will the gentleman yield to me for one question?

Mr. BYRNES of Wisconsin. I yield to the distinguished gentleman, chairman of the Committee on Rules.

Mr. COLMER. Mr. Speaker, if I understand correctly, and I have not seen the conference report, you have this checkoff provision in the bill for the contributions in presidential elections.

As I understand it, it is agreed to by both sides that the only way we can express our disapproval of it, and I certainly do disapprove of it, is to vote against the conference report. Does the gentleman agree?

Mr. BYRNES of Wisconsin. Oh, no, I disagree completely.

Let me address myself generally to the conference report and then specifically to that particular matter.

Mr. COLMER. If the gentleman will permit me——

Mr. BYRNES of Wisconsin. I think the gentleman under any circumstances should support the conference report at this time.

Mr. COLMER. I did not understand the gentleman.

Mr. BYRNES of Wisconsin. The gentleman should, as all Members of this Congress should, support the conference report.

Mr. COLMER. Well, I would be happy to support the conference report under certain conditions—and I am not saying now what I will do on it—but I do disagree most emphatically with bringing the camel's nose under the tent here on this thing of checking off contributions for presidential elections.

Mr. BYRNES of Wisconsin. Mr. Speaker, I agree with the gentleman's judgment as to the merits of title X of the Senate bill.

Mr. COLMER. With the indulgence of my good friend, may I continue further?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Mississippi.

Mr. COLMER. If this is bad medicine in 1972, then it would be bad medicine in 1973, 1976, and from here on out. Once this thing starts, it will grow like Topsy and it will not be confined to presidential elections. I merely wish to file my protest. I thank the gentleman for yielding.

Mr. BYRNES of Wisconsin. I appreciate the statement of the gentleman.

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

Mr. BYRNES of Wisconsin. I would like to conclude my general statement with respect to the conference report and then get into the specific issue of title X, but I will yield to the gentleman from Iowa at this point.

Mr. GROSS. Just to ask a question of the gentleman. As I understand it, there is no way to get a separate vote on this checkoff business, to which I am utterly and absolutely opposed. Can the gentleman suggest any way by which we can get a separate vote on that provision?

Mr. BYRNES of Wisconsin. I am advised that it is a germane amendment and, therefore, does not come under the new rule which requires a separate vote. That would have been the case had it not been a germane amendment.

Mr. GROSS. Or brought back in disagreement.

Mr. BYRNES of Wisconsin. Or brought back in disagreement, yes. Let me complete my remarks generally on the conference report, and then I will comment on this particular matter briefly.

It seems to me the real need right now is to get this tax bill to the President for signature, so that it can become law at the earliest possible time. That, to me, is the essential point as we discuss this conference report.

If our economy is to move ahead and expand, it needs this tax bill. It also needs, it seems to me, to be freed from some of the clouds of uncertainty that overhang it.

One of those clouds of uncertainty has to do with what is going to happen with respect to the tax recommendations of the President and the tax provisions contained in both the House and Senate versions of the bill with which there is no disagreement. Another cloud of uncertainty involves the question of what is going to happen with respect to the dollar in international markets and international trade.

Uncertainty also exists as to what

Congress is going to do about extending control authority beyond April 30, 1972. And it seems to me the sooner we can get all of these uncertainties cleared from the atmosphere, the sooner we will give our economy an opportunity to move forward and upward.

The stimulus that would be provided by the tax bill, then, quite obviously is desirable as far as moving the economy ahead is concerned. And equally desirable is elimination of the uncertainty that has existed over the last several months as to exactly what Congress finally would do. So the Congress will be accomplishing two very necessary objectives, it seems to me, as it adopts this conference report and sends it to the President to be signed and enacted into law.

The only real controversy with respect to the report, I believe, is that which relates to title X, the so-called checkoff for Presidential election campaigns.

Let me comment on that very briefly, because I do not see any point at this time of going into the details of this particular proposal.

We had a similar provision before us in 1966. It was somewhat less refined but it was the same basic proposition, and it followed practically the same route. It was added by the Senate to another tax measure which was enacted. However, Congress moved to make the provision in operative before its true effective date, in 1968.

Let me emphasize that the provision was mischievous in 1966, but we had a year in which to correct it, and we did correct it. Congress made it inoperative through amendments in 1967.

Now we have before us a provision which is also mischievous in my book. But its effective date is not 1972, as provided by the Senate. The conference made the effective date January 1973.

Let us understand that this bill relates only to Presidential elections, and no payments will be made under it, therefore, until 1976. So instead of having 1 year in which to correct a bad provision, as was the case in 1966, in this situation we have 3 years.

So it seems to me the situation we face today is this. Yes, there is a provision in this bill that many of us find most defective—and I could talk on virtually indefinitely about the defects of title X—but I would rather save that until a later time when we can address ourselves to that issue on an unemotional basis and without having hanging over our heads the urgency of getting much needed tax provisions written into law.

So, Mr. Speaker, while this one provision is bad, I would urge adoption of the conference report in order to get these tax provisions into law. Later, we can address ourselves, bearing in mind the defects of this particular provision on the taxpayer checkoff, to either the improvement or the correction of those defects, or their elimination at as early a date as possible within the next 3 years.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Speaker, let me say I agree completely with the statements the gentleman from Wisconsin is making, and then say that I, with him, believe that the importance of adopting this conference report is so overriding that we can postpone this emotional proposition, this opposition to the checkoff proposition.

I am opposed to it. I believe the gentleman from Wisconsin is stating logically and clearly here that we have ample time to correct this provision.

I want to commend the conferees, the chairman of the Committee on Ways and Means, and the gentleman from Wisconsin for putting an effective date on this over beyond 1972. I am opposed to that part of it, but I shall support the conference report.

Mr. BYRNES of Wisconsin. I thank the gentleman.

The important thing is to get this bill on the way to the White House, to get the President's signature, and to have it as a part of the Internal Revenue Code at the earliest possible date.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. I agree with the statement the gentleman has made. Beyond agreement. I should like to thank him and the other conferees for the services they have rendered the Nation in bringing this conference report back characterized by good sense and not by some of the ridiculous proposals added by the other body.

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

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield myself 1 additional minute, and I yield to the gentleman from Ohio.

Mr. LATTA. I want to compliment the gentleman in the well and the members of the committee for the excellent job they have done on this comprehensive tax bill, which is the most comprehensive since I have been in the Congress. They have done an excellent job.

I join my colleague from Georgia (Mr. LANDRUM) in opposing the checkoff system and I hope that in the future we can take it out completely.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman from Indiana.

Mr. MYERS. I completely agree with the gentleman's remarks about the urgency of this tax reform, but for the life of me I do not understand how we have hope that next year or the year after that we can get this reversed, if you were not able to do it in conference. What hope is there, if there is no leverage? I would hope that they would have the same feeling of urgency about tax reform and would go along with the House in not liking the tax checkoff.

I agree with the gentleman from Mississippi, who says this is the nose of the camel under the tent.

What hope is there for a reversal?

Mr. BYRNES of Wisconsin. All one has to do is to look at history to get some pretty substantial hope. We had this same basic proposition presented to us under similar circumstances in 1966. We accepted the amendment in conference. One of the factors that led us to accept it was that it was effective a year later and we had a chance to change it. And the Congress did change it. I believe we will do it again.

The SPEAKER pro tempore. The gentleman from Wisconsin has consumed 21 minutes.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. BETTS), a member of the committee.

Mr. BETTS. Mr. Speaker, I take this time to direct an inquiry to the chairman of the committee, if I may.

On page 71 of the Senate report on this bill it is stated that in some situations under section 308 of the bill involving stock options and capital gains derived from sources outside the United States, a foreign country will impose no tax on capital gain increases because the transaction on which the gain arises is not considered to be a taxable transaction and that it may be so considered under U.S. laws. The Finance Committee further states that it wishes to make it clear that in such cases the minimum tax would not apply.

Mr. Speaker, simply for the purpose of clarifying the record, am I correct in assuming that the conference committee agreed with the Senate Finance Committee on this point?

Mr. MILLS of Arkansas. The answer is "yes."

Mr. BETTS. I thank the chairman.

Mr. GIBBONS. Mr. Speaker, I should like to make a unanimous-consent request.

Mr. BYRNES of Wisconsin. I am glad to yield to the gentleman from Florida.

Mr. GIBBONS. The gentleman may want to object after he yields.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield to the gentleman so that he may make the request.

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that we have 30 additional minutes to continue the explanation of this conference report, the time to be equally divided.

Mr. BYRNES of Wisconsin. Mr. Speaker, I do not know why we need more time. Does the gentleman need more?

Mr. GIBBONS. The chairman only has 3 minutes, and I do not want him——

Mr. BYRNES of Wisconsin. May I ask, Mr. Speaker, how much time I have left? Maybe I can accommodate the gentleman in time.

Mr. VANIK. I have a request, too.

The SPEAKER. The gentleman from Wisconsin has 7 minutes remaining.

Mr. MILLS of Arkansas. Mr. Speaker, I am perfectly willing to yield my 3 minutes to either of the gentlemen who want to speak in opposition to the conference report.

Mr. VANIK. I think we ought to have 3 minutes of opposition talk.

Mr. MILLS of Arkansas. Let me yield my 3 minutes to the gentleman from Ohio.

Mr. BYRNES of Wisconsin. I will yield some of my time.

Mr. MILLS of Arkansas. I will yield 3 minutes and you yield 2.

Mr. GIBBONS. Mr. Speaker, I made a unanimous consent request.

Mr. BYRNES of Wisconsin. I object to the added time, because I think we can try to accommodate the gentleman in the time we have.

Mr. MILLS of Arkansas. Mr. Speaker, I yield to the gentleman 3 minutes.

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

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield to the gentleman from Ohio 2 minutes.

CALL OF THE HOUSE

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

The SPEAKER. The gentleman from Ohio makes the point of order that a quorum is not present. Evidently a quorum is not present.

Mr. MILLS of Arkansas. 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. 449]

Andrews, Ala.	Fish	Roncalio
Annunzio	Ford,	Rostenkowski
Belcher	William D.	Sarbanes
Blackburn	Gallagher	Scheuer
Blanton	Gray	Sisk
Blatnik	Gubser	Spence
Casey, Tex.	Hastings	Springer
Chisholm	Hébert	Stanton,
Clark	Jarman	James V.
Clay	Jones, Ala.	Steed
Collins, Ill.	Kluczynski	Stokes
Daniels, N.J.	Lujan	Stuckey
Derwinski	McCormack	Sullivan
Diggs	Mikva	Tiernan
Dowdy	Mills, Md.	Waldie
Edwards, La.	Montgomery	Wilson, Bob
Erlenborn	Murphy, N.Y.	Winn
Evins, Tenn.	Pepper	

The SPEAKER. On this rollcall 380 Members have answered to their names, a quorum.

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

CONFERENCE REPORT ON H.R. 10947, REVENUE ACT OF 1971

Mr. MILLS of Arkansas, Mr. Speaker, I yield to the gentleman from Ohio (Mr. VANIK), a member of the committee, the 3 minutes I have remaining.

Mr. VANIK. Mr. Speaker, when this tax bill was first reported out of the House Ways and Means Committee on September 29, I set forth my opposition in dissenting views appended to the report.

I oppose this legislation because there is not an acceptable relationship between the loss of Treasury revenue and the touted potential of the legislation to stimulate employment and to fire up the economy.

There are varying estimates of the Treasury loss—one of the most reliable is the September 1971 Monthly Review of the Federal Reserve Bank, which points out that the investment credit, plus the asset-depreciation range, should mean a reduction of $8 billion or more in business taxes during the next year alone.

This bill does provide a few crumbs for the average taxpayer—but there is little need for rejoicing—what is given by the one hand will be taken away by higher social security taxes next year.

In the passion of September, the House of Representatives very quickly adopted the President's investment credit proposal—get the economy moving—restore employment—stimulate purchasing and production. The House acted passionately and quickly to turn things around.

As the weeks rolled on, it became quite apparent that the investment credit was not meeting its expectations.

At the end of November, machine tool orders were down. Machine tool orders are generally regarded as the best barometer of a developing recovery. The late November reports also indicated a substantial rise in unemployment from 5.8 percent to 6 percent, followed by a continued rise in the wholesale price index.

From these circumstances, it is apparent that the economy is offering very little—if any—response to the administration's investment credit incentive program, a costly and wasteful diversion of critically essential tax revenues.

Not until the administration suggested the possibility of increasing the dollar price for gold—officially devaluating the American dollar—did the economy develop some signs of life and vitality.

For all purposes, the investment credit is a give-away—a tax loss—a form of revenue wasting with no purpose. Seventy-five percent of the revenue loss provides tax credit for capital expenditures which would be made without the tax credit. There are other ways to stimulate the economy—the investment credit is the most costly and the most uncertain.

A vote for this massive and perhaps permanent longterm give-away of Federal revenues is a vote for reduced expenditures for health and welfare needs of the American people. A vote for this tax give-away is a vote to reduce Federal expenditures for education, for public works, and for restoring the quality of the environment.

With the tax loss compounded by the cost of the Investment Credit and the Asset Depreciation Range, the huge annual deficit—the difference between government receipts and expenditures—will become permanent. The pressures will continue to erode essential Federal programs and services—and the citizen will be the loser.

Finally, a vote for this tax give-away is a vote for higher taxes in 1973.

The SPEAKER. The time of the gentleman has expired.

Mr. BYRNES of Wisconsin. Mr. Speaker, I am going to yield 2 minutes to the gentleman from Ohio, if that will help him, even though I disagree with him 1000 percent in what he says. I want him to have time to say whatever he wants to say.

Mr. VANIK. Mr. Speaker, I thank the gentleman.

Finally, a vote for this tax giveaway is a vote for higher taxes in 1973. The billions of dollars given away to a few special taxpayers will have to be collected from all of the taxpayers when we come to our senses after the politics of 1972.

Make no mistake about it. The taxpayers of America will be called upon very soon to make up—to pay for the folly of this day. You will have to vote for either a regressive value-added tax or a surtax of at least 10 percent.

I urge you to vote down this conference report. I urge that this Congress undertake a more certain and less costly program of creating jobs and restoring the economy. We should prudently legislate for the decade—instead of the election year.

I urge defeat of the conference report.

Mr. FRASER. Will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Speaker, I want to associate myself with the remarks of the gentleman. I think this is a most unwise measure, and I, too, plan to vote against it.

Mrs. ABZUG. Mr. Speaker, the conference report on the Revenue Act of 1971, represents no material improvement on the version of this bill which the House adopted in October. Most of the benefits contained in this bill will go to those who least need additional help at the expense of those who need it most. Big business is the major beneficiary by virtue of the investment credit and accelerated depreciation provisions. The individual tax relief provided as a sweetener falls far short of what is needed.

One of the most remarkable aspects about this bill and the discussion which has surrounded it is the extent to which the paramount cause of inflation has been ignored. I refer, of course, to the inflationary pressures created by our military spending. This cancer now amounts to $76 billion a year, and the administration seeks to increase it. That is the real cause of our economic problems—let us not lose sight of that fact. The most positive steps which could be taken to strengthen our economy would be to end, immediately and completely, American involvement in the war in Indochina, cut back dollar-draining military bases in Europe and elsewhere, and apply the resulting "peace dividend" to pressing national problems such as mass transit, adequate housing, child care facilities, and job-creating public projects.

One aspect of the conference report which should be brought into proper perspective, lest it be mistaken for a provision which assists the truly needy, is the tax deducation provided for day care expenses. The conference provision increases the maximum amount which may be deducted from $900 to $4,800 a year and extends the availability of the deduction to more people. However, the crucial flaw in this provision is that it is only available to upper-middle and upper-income individuals because the deduction can only be taken as an itemized deduction. Poor and middle-income people do not itemize deductions—in most cases, they use the standard deduction. Thus, in

the guise of individual tax relief, we again would benefit the least needy at the expense of the most needy.

I have introduced legislation which would treat this issue comprehensively, granting tax relief to those who need it most—women in low- and middle-income families who work or want to work, but cannot afford to bear the high cost of child care without any attendant tax relief. I regret that this legislation has not been brought to the floor.

The provision before us is not even a drop in the ocean. Coupled with the President's veto of the Child Development Act which we passed earlier this week, it is a tragic fraud.

H.R. 10947 does not do anything to solve the basic economic distortions which are ripping this Nation apart. The bill embodies the administration's "job development credit," the discredited investment tax credit under a new name, without any evidence that it will stimulate the creation of any sizable number of new jobs or that it will even stimulate prudent, productive business investments. It also legitimizes the accelerated depreciation rate—the asset depreciation range—which the President illegally instituted earlier this year.

This bill will result in a business boondoggle of perhaps $9 billion over the next 2 years, a giveaway of money which will then not be available to meet the desperate needs of the cities and of the people. And what is worse, this boondoggle to business is no one-shot deal. We will lose this revenue for years and years to come. We are not just damaging our present, we are damaging our future and our childrens' future.

I oppose this conference report as I opposed the Revenue Act when it first came before the House. It is a big business bill. I urge my colleagues to join me in defeating the conference report on H.R. 10947.

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

Mr. VANIK. I yield to the gentleman.

Mr. REUSS. Mr. Speaker, I shall vote against the adoption of the conference report on H.R. 10947, the Revenue Act of 1971.

H.R. 10947 is basically the same bill President Nixon sent to Congress in August, although some changes and improvements were made, principally by the House Ways and Means Committee. The purpose of his tax proposals, President Nixon said, was to "create 500,000 new jobs in the coming year"—address to Congress, September 9, 1971.

A laudable purpose, certainly. But the means he has chosen to achieve it are ill-designed and wasteful. Multibillion-dollar tax reductions for business may perhaps lead to more jobs in the long run. But that is small comfort to the 5 million unemployed who need jobs now. President Nixon, a self-proclaimed Keynesian, should recall that it was Lord Keynes who laid down the dictum that "in the long run we shall all be dead."

If it is the creation of jobs that we are concerned about, there is an instrument ready at hand that will create 500,000 jobs far more quickly and less expensively than granting $8 billion a year in tax breaks to corporations with the fond hope that maybe someday some of it will trickle down in the form of more jobs. It is to expand the present token public service jobs program, to create a total of 500,000 immediate federally financed public service jobs. Legislation to do just this was introduced last week by more than 50 Democratic Members of the House—see CONGRESSIONAL RECORD, December 2, 1971, pages 44359–44361. It would cost less than half as much as President Nixon's budget-busting tax handouts for corporations.

It is possible to make the case that the economy needs a temporary fiscal stimulus. But to proceed from this to the granting of permanent tax reductions like the investment tax credit and accelerated depreciation schemes—which will cost the Treasury some $8 billion a year for the next 10 years—is an economic non sequitur over and beyond the call of duty. If the economy needs a temporary boost, by all means let there be temporary tax reductions or temporary increases in spending. The expanded public service jobs program would be just the kind of temporary fiscal stimulus, since it is designed to operate only when national unemployment exceeds 4 percent. But now is not the time to erode the permanent Federal tax base any further. The Tax Reform Act of 1969 cost the Treasury about $8 billion a year in lost revenue. And now, just 2 years later, there is going to be another permanent revenue loss of about the same size piled on top of it.

There must be an end to this. The demand for health, education, housing, transportation, and pollution control is not going to decline over the next 10 years. The money for them is going to have to come from somewhere.

The shortsightedness of these revenue-fracturing exercises is illustrated by two recent projections of Federal revenues and expenditures through the 1976 fiscal year.

The first, the National Urban Coalition's "counterbudget," recommends a substantial reordering of budget priorities and concludes by estimating that their recommended fiscal year 1976 budget of $353 billion would exceed revenues from the present tax system by nearly $70 billion. H.R. 10947 would obviously widen the gap even further.

The second study, prepared by a Brookings Institution team headed by former Budget Director Charles L. Shultz—"Setting National Priorities: The 1972 Budget"—attempts to project the so-called fiscal dividend for the 1974 and 1976 fiscal years. This projection assumes no changes in existing programs, and no new programs beyond those proposed in the President's fiscal year 1972 budget. Their conclusion, briefly, is that there will be no fiscal dividend at all in 1974, and only a small—1 percent of GNP—and somewhat conjectural dividend of $17 billion in 1976. Again, H.R. 10947 would simply make things worse.

Reducing taxes has its charms for all politicians, and I certainly include myself in this. But the day of reckoning eventually comes. In this case, I predict it is going to come sooner than many think. I will not be surprised if President Nixon, after discovering shortly that his fiscal year 1973 budget is going to show an even bigger deficit than his first two, comes up to Congress early next year with proposals for new taxes. Already the talk of a regressive, tough-on-the-average-taxpayer value-added tax is becoming prevalent.

The tax bill should be defeated.

Mr. VANIK. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield the balance of my time to the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, I appreciate the gentleman yielding me the 1 minute to discuss this $170 billion giveaway that we have here today.

This is bad economics; it is bad tax policy. You are going to have to swallow a value-added tax or a national sales tax to make up for this. We are already $35 billion in the hole for this fiscal year, and you are going $115 billion more in the hole in this specific bill alone in the next 10 years. If that is not fiscal irresponsibility, I have never seen it.

I intend to vote against this bill, and I hope the other Members will, also.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, I would like to make use of this time given to me to inquire of the chairman.

Mr. Chairman, page 34 of the Senate report states that in determining the amount of credit available with respect to a motion picture or TV film, all costs of production which the taxpayer capitalizes should be taken into account in determining the basis of the film.

Mr. Chairman, simply for the purpose of clarifying the record, am I correct in my understanding that this rule was adopted by the committee of conference?

Mr. MILLS of Arkansas. Will the gentleman yield?

Mr. CORMAN. I am glad to yield to the chairman.

Mr. MILLS of Arkansas. The gentleman is correct. The answer is "Yes."

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield to the chairman of the committee in order that he might make a request for all Members.

GENERAL LEAVE TO EXTEND

Mr. MILLS of Arkansas Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks at this point in the RECORD on the conference report being considered.

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

There was no objection.

Mr. BURLESON of Texas. Mr. Speaker, in my judgment there is little choice but to support this conference report. It is an essential part in the overall effort to combat inflation and make the adjustments in our economy now so heavily challenged by foreign trade deficits,

unemployment, and underproduction in industry.

As is the case in many instances where it is a case of "take it or leave it," there are things included in this legislation which I regret to have to vote for and which I feel to be basically wrong.

Especially do I disapprove of the scheme to finance future political campaigns with taxpayers' money. I am aware, of course, that this provision is not effective until 1973 and will not be available for financing presidential campaigns until 1976 but we are voting on a fundamental change in the system and in my opinion it is not justified.

Under the rules of the House there is no way by which a separate vote may be had on this provision and that is unfortunate. I have the feeling that there would be a fair chance of rejecting this section of the bill, put in by the Senate, if the Members of the House had the opportunity of a direct vote on this issue. Since this is not possible under the circumstances here today I hope the Congress will, in its wisdom, repeal this portion of this legislation before it become effective in 1973.

In the meantime, I feel that it would be an irresponsible act to turn down this entire package because of this and a few other objectionable provisions, which could have a vital effect on the immediate direction of our economy.

Mr. COTTER. Mr. Speaker, I reluctantly support the conference on the tax bill.

My concern over this bill is twofold. First, I am concerned that the tax relief for business; that is, the investment tax credit, the previously approved accelerated depreciation schedule and the repeal of the auto excise tax, will not accomplish the goals for which they were ostensibly designed: The creation of new jobs.

Our Nation is currently in the midst of an unemployment crisis. The figures show that 6 percent of our Nation's work force is unemployed. It is reliably estimated that an additional one-half million have stopped looking for work and as a result are not even counted in this figure. The adjusted unemployment figure for the State of Connecticut is a shocking 9.5 percent of the work force, and the Hartford area reflects this unacceptably high figure.

I have listened to the experts carefully and the consensus of these economic analysts is that our current recession is caused primarily by the underutilization of our productive capacity. Over 25 percent of our production facilities are currently not in use. The message is clear: Low production equals fewer jobs. Unfortunately, the latest figures on our economy suggest that this trend will continue with only the slightest upturn. Productive output has registered only meager advances during this year. Further, and more to the point, the relationship of the investment tax credit and the accelerated depreciation allowance to the creation of new jobs is not very clear.

One current example reinforces my concern in this area. The repeal of the auto excise tax—which I support because the savings will be passed on to the consumer—has not generated any new jobs and information from the auto manufactures indicates that there is no likelyhood that this tax relief will produce any new jobs in the future. Therefore, my colleagues can understand why I am skeptical about the job-producing aspects of this tax cut.

Second, I am concerned, and in this I am supported by many economists, that the current recession is caused by the lack of consumer spending. The reason for this lack of consumer confidence is easily understood. My constituents who are unemployed cannot afford to spend nonexistant wages. Those who are employed are realistically hesitant to spend because they do not feel secure in their jobs. It was for this reason that I supported efforts to increase economic stimulation by putting more money in the pockets of workingmen and women. Last September, before the House even considered the tax bill, I wrote to the Ways and Means Committee urging that a new higher personal tax deduction of $800 be added to the tax bill. Such a proposal would have granted realistic tax relief and increased the availability of money to the consumer. This, in turn, would have increased consumer demand and thereby stimulated production and created new jobs. I was happy when the Senate adopted this constructive proposal and keenly disappointed when the conference rejected it.

However, in spite of these serious reservations, I have decided to support the tax conference report. I believe the modest increase in personal exemption is long overdue, the repeal of the auto excise tax will provide increased savings to the workingmen and women of our Nation and tax relief to our poorer citizens. Yet, I will continue to follow the effectiveness of the investment tax credit and the accelerated depreciation allowance to assure that these expensive tax breaks really provide the new jobs that they were designed to create.

On the issue of the campaign writeoff I support this concept. There has been considerable misunderstanding on this matter. First the writeoff is completely voluntary. The individual taxpayer must elect a party to which he contributes or he can elect not to contribute at all. The choice is his alone to make. Further, I believe that the American political system would be more representative if presidential candidates were not dependent on the campaign funds of wealthy contributors. It is unfortunate, but nontheless a fact, that presidential campaigns cost millions of dollars. I have supported and will continue to support limitations on campaign expenditures but it is patently obvious that the costs of campaigns will continue to require great amounts of money and I believe that this tax writeoff is a constructive step in providing these funds.

Therefore, Mr. Speaker, I will vote for the conference report, but only with serious reservations.

Mr. DRINAN. Mr. Speaker, I wish indeed that I could support the Revenue Act of 1971, H.R. 10947. I find, however, that after a careful inspection of the 1,362 pages of testimony before our Ways and Means Committee and thorough reading of the committee report and conference report on this bill I am persuaded by the Members of Congress on the Ways and Means Committee who dissented from the recommendations of their committee.

I regret that I cannot concur in the recommendations made by the conference committee since I want desperately the restoration of a sound economy, the elimination of unemployment and the stabilization of inflation. I think that all of us agree that the restoration of a sound economy in this country transcends all partisanship because the restoration of a sound economy is an absolute prerequisite to the resolution of all the problems of poverty, crime, delinquency, and racial disorders which now plague us.

If the Members of Congress had been permitted to discuss each of the proposals in the Revenue Act of 1971 and had been able to vote each of them in order, a much more reasoned choice could be made by the Members of this House. By the mechanism of a completely closed rule, however, the members of the Ways and Means Committee along with the members of the Rules Committee have deprived their colleagues of participating in a dialog which surely would have led to a better bill. Now, we are presented with another fait accompli in the form of a conference report.

I would like to talk about the major provisions of the Revenue Act of 1971:

I. INVESTMENT TAX CREDIT AND RAPID DEPRECIATION RULES

It should be noted that President Nixon in his tax reform message to Congress on April 21, 1969, spoke of the investment tax credit, which he now recommends for enactment, in these words:

> This subsidy to business investment no longer has priority over other pressing national needs.

President Nixon in these words was consistent with the February 1970 statement of the President's Council of Economic Advisers which declared:

> The national priorities of the 1970's do not require or justify this special incentive.

The Tax Reform Act of 1969 repealed the investment tax credit presumably because it was bad tax policy and bad economics.

The conference committee report and the President's recent message change the term "investment tax credit" to "job development investment credit." No satisfactory explanation, in my judgment, has been offered to justify this change in name with no change in substance of the allowance given to business.

The fact is that there is scarcely any evidence that more capital equipment is needed by industry at this particular time. Business is currently operating at only 73 percent of capacity. Most companies today have more plants and more equipment than they can use. They do not need tax credits to purchase more capital equipment, but rather consumers to buy the products and consume the

services which they are equipped to provide. I doubt that massive purchasing of new machines will create jobs at this time. Indeed, some argue credibly that such a program will result in job attrition through automation.

When President Nixon agreed in 1969 that the investment tax credit was no longer needed to stimulate industrial investment, business at that time was operating at 85 percent of capacity. If, as Mr. Nixon agreed, the investment tax credit was not necessary in April of 1969 under those conditions, it is difficult to see how a case for more capital spending at this time can be made. When the investment tax credit is added to the benefits obtained by business under the asset depreciation range system—ADR—the need for which is challenged by many economists—the result is that business pays lower taxes and obtains a subsidy from the Government for doing those things which it would be doing anyway.

It seems probable that the tax credit and the rapid depreciation made available by the administration without the authorization of Congress will tend to encourage marginal investments of dubious economic value.

An artificial stimulant to capital investment by way of tax credits and rapid depreciation also makes it much more difficult to keep interest rates at a normal level. If businessmen are seeking loans for a new plant and for new equipment in which they have been induced to invest, everyone else who must borrow money for home or auto loans will almost inevitably find himself paying more to obtain loans. Banks, like businesses, should be expected to act in their pecuniary self-interest.

The investment tax credit coupled with the rapid depreciation formula represents an almost fantastic and permanent drain on the Treasury of the United States. It is estimated that this bill, the Revenue Act of 1971, will cost the Treasury $25.8 billion in lost revenue in the period 1971–73, or, according to another computation, $9 billion every year over the next 10 years. At the same time there is little indication that the investment tax credit will in fact result in a significant number of jobs for the more than 5 million men and women who are now unemployed. The Emergency Employment Act of 1971, which provides $2.25 billion over 2 years, is calculated to produce some 130,000 jobs. These public service jobs could be quadrupled for only a fraction of the $9 billion dollars a year which the Revenue Act of 1971 will cost the Treasury. In my judgment greater increases in net employment would result from direct incentives for consumer spending.

It seems to me that any proposed new economic plan must have as its central target the creation of jobs which will not be dead ends but which, as in the Emergency Employment Act of 1971, will be the starting point of new careers for people who are currently unemployed. In that connection, I have joined with Congressman HENRY REUSS and others in sponsoring legislation to create 500,000 additional federally funded public service jobs.

There is little evidence that I have found in the hearings or in the reports that the so-called trickle down theory will result in any significant number of jobs for the unemployed. What the Revenue Act of 1971 does is to reduce the tax base by startling dimensions at the very time when it is clear that we need ever more generous resources from the Government for elementary and secondary education, for health research and medical care, for mass transit and for expanding the budget of the Environmental Protection Agency.

One of my fundamental objections to this bill is that it drastically reduces the amount of revenue that will be available to the Federal Government over the next decade. If there were substantial evidence that this reeducation is necessary to reduce unemployment and to stabilize the inflationary spiral I would be persuaded to vote for this bill. Under those circumstances the bill would offer a resolution to the two most agonizing problems of the economy at this time—massive unemployment which has again risen to 6 percent and uncontrolled inflation. But there is little evidence that these two closely interrelated problems will be resolved by the Revenue Act of 1971. I cannot vote for a bill which drastically erodes the permanent tax base and makes $25.8 billion unavailable over 3 years for spending in such areas as health, education, transportation, pollution control and housing.

II. EQUALIZING THE FINANCING OF SOCIAL SECURITY

Business will improve if consumers have money and are prepared to spend it. The most certain way of producing this consumer demand is to place more income in the hands of the poor or those with a low income, since it is these groups which most certainly will need to spend and will not be able to save. Virtually the only relief that low-income taxpayers receive in this bill is a very small acceleration of the deduction and exemption increases. This alteration in the tax structure can hardly be expected to increase disposable income so that business, now operating at 73 percent of capacity, might return to at least the 85 percent of capacity at which it was operating when Mr. Nixon entered the White House.

One way of increasing money in the hands of moderate income families would be to revamp the social security system. As it now stands social security is paid for by a 10.4-percent tax on all wages and salaries up to a ceiling of $7,800 a year—$9,000 a year beginning January 1, 1972. This tax, which has no ceiling and no floor, is very regressive. It actually penalizes the wage earner with a low or moderate income. This tax, which is in effect a payroll tax, inhibits and therefore tends to depress the economy. If the ceiling were removed from this tax and the floor raised so that no one under the poverty level would have to pay this payroll tax a vast amount of disposable income would be created. If changes in taxes are necessary to stimulate the economy it makes much more sense in my judgment to change the social security tax so that low and moderate income taxpayers have more disposable income rather than having corporations permanently excused from billions of dollars in taxes in the foreseeable future.

III. DOMESTIC INTERNATIONAL SALES CORPORATIONS—DISC

The Members of Congress under the closed rule by which H.R. 10947 originally came to the floor and in the context of the Conference Report are precluded from voting for or against the Domestic International Sales Corporations—DISC—authorized in this bill.

Under the DISC scheme an American corporation would be allowed to establish a subsidiary for the exclusive purpose of exporting. Taxes on the profits of these DISC subsidiaries would be deferred so long as the gains were retained by the subsidiaries for activities related to the business of exporting goods. The purpose of the creation of DISC tax benefits is to stimulate and increase the volume of exports by U.S. firms. It appears, however, that large corporations that are now major exporters may reap the benefits of this new provision without actually expanding their export volume in any significant way.

It may be that the Domestic International Sales Corporations would be a very valuable device to maximize the exportation of goods made in the United States. But the Members of the House of Representatives can hardly be expected to make a sensible judgment on this matter when they are asked to vote on an extremely complex and potentially very costly proposal inserted into a bill already replete with other complex and potentially very expensive proposals.

One of the reasons why I am voting today against the Revenue Act of 1971 is the conviction that, as a trustee of the taxpayers' money, I cannot vote for a proposal like DISC, which might turn out to be a fantastic handout in the millions, or even billions, to those corporations that already account for the vast majority of U.S. exports. The DISC provision in H.R. 10947 is, to be sure, improved over a similar provision which was incorporated in the Trade Act of 1970 which passed the House. In my judgment, however, there are still inadequate safeguards for the taxpayers' money against the claims of this new type of U.S. corporation, to be known as the Domestic International Sales Corporations.

IV. TAX REFORM

This bill is entitled "The Revenue Act of 1971." I regret to say that I find that this act does more to decrease revenue than increase it. We are already confronting a deficit substantially in excess of $27 billion for the present fiscal year. Now this bill proposes to add more than $25 billion to the deficit over the next 3 calendar years from 1971 to 1973.

The burden is on the House Ways and Means Committee to turn up in the immediate future with proposals which will recoup some of the revenue which H.R. 10947 gives away. Despite the Tax Reform Act of 1969, the fact is that the

percentage depletion in excess of cost for oil, gas, and other minerals, deprives the Treasury annually of $1.3 billion. The absence of a capital gains tax on property transferred at death results in a revenue loss of $3.1 billion.

In the report of the 1969 Tax Reform Act the Ways and Means Committee said that—

> Estate and gift taxes are an area of the tax law your committee will undertake to study as soon as possible.

The committee went on to say in its report, under date of August 2, 1969, that it had "the expectation of reporting out a bill on this subject in this Congress." I would hope that, in view of the billions lost by the Revenue Act of 1971, the Committee on Ways and Means would fulfill the promise which it made more than 2 years ago and bring forward reform measures relating to the revision of the estate and gift tax laws—areas clearly in need of a substantial measure of reform.

I regret that by opposing this bill I am unable to register my endorsement of those provisions of the bill which increase the permissible deduction for child care expenses of working parents. I believe these provisions are a step in the right direction and they are consistent with the OEO-child care bill which I have supported and which recently passed in the House. However, taken as a whole this bill does not justify a yes vote, notwithstanding such provisions.

Unfortunately this bill does virtually nothing directly or indirectly to improve living conditions in the cities and towns of our Nation which are desperately near bankruptcy. Unfortunately the Revenue Act of 1971 offers little evidence that it can produce jobs for 5 million American citizens, or even one-tenth that number. Unfortunately it contains no likely remedy for inflation. I must therefore vote against it since the bad outweighs the good. The priorities implicit in this bill are out of step wth our real national needs in 1971.

Mr. SEIBERLING. Mr. Speaker, I rise in opposition to the Tax Reform Act—H.R. 10947—as reported by the House-Senate conference committee.

When this bill came before the House in October, I spoke at some length on my reasons for opposing it at that time. In brief, I concluded that the bill fell far short of meeting its avowed purpose of stimulating the economy, and that in providing business with a $14.1 billion tax break and consumers with only a $5.7 billion tax break, the bill was both unfair and inadequate.

I was hopeful that as the bill moved through the legislative process some of the objections which I, and many of my colleagues voiced against it would be met. However, the bill before us today is substantially the same as the one passed by the House on October 6.

In my opinion, passage of this bill will result in such a serious revenue loss, and will so aggravate the already huge Government deficit that it can only be justified if it is clearly going to have the beneficial effects on the economy that is its stated purpose.

Unfortunately, for the reasons I pointed out in my October 5 speech before the House, the stimulation to the economy will be relatively weak compared to the serious loss to Federal revenues, and I cannot justify voting for such irresponsible financing.

Mr. WYMAN. Mr. Speaker, while I support and am prepared to vote in favor of the revenue provisions of this conference report, I cannot vote for the report because it also includes a provision designed to fatten the campaign chests of incumbent Congressmen and Senators. Unfortunately, under the rules, we are not provided an opportunity to vote separately on the outrageous proposal added by the Senate that would permit taxpayers to take a credit against their taxes due the United States of America for political contributions to candidates for election to either State or Federal office, up to $25 in each calendar year starting with 1972. In the alternative, they may deduct political contributions up to $100 in each year.

I never thought I would live to witness a situation where elected public office holders with constitutional authority to take money from people in taxes and impose criminal penalties for willful failure to pay, would deliberately vote to permit taxpayers to pay a portion of their taxes to a political fund for their reelection. This is a scandalous abuse of the taxing power. It is a violation of public trust and confidence. In my opinion it represents a total abdication of the responsibilities of public office and should be so remembered at the polls.

There are also serious constitutional questions inherent in this sort of venture, such as whether each taxpayer has a right that the taxes paid by any other taxpayer must be applied to the costs of Government? In no sense except the most specious, can it be contended that political campaigns are a cost of Government.

The conference report we are about to vote on contains another Senate amendment for a checkoff starting in 1972 of a dollar on each taxpayer's return to the political party of his choice, to be applied to the presidential election in 1976 and thereafter. Not only does this offend those concerned with proper application of taxes, but it presents a blatant opportunity for tax return tampering to any politically inclined examiner of returns, for individual taxpayers may not check a dollar off to a political party, but the examiner easily can do so on their return, and who is to know the difference?

For the foregoing reasons, Mr. Speaker, I feel conscientiously obliged to vote against this conference report. I am constrained to say once again, that I am shocked and amazed that such a proposal should be proposed to this Congress, but even more disturbed that it should be presented in such a way that Members must vote down meaningful tax revision in order to register their protest.

Public money should not be diverted to political campaigns. Initiation of such a precedent is to open a Pandora's box of enormous potential harm to the political structure of this country.

Mr. PICKLE. Mr. Speaker, the House leadership is to be commended for their approach to this difficult tax bill. Today, I hope—and I think we are—taking an important move toward stabilizing our economy.

In general, the approach is sound, although I do have some reservations. Specifically, I wonder if enough safeguards have been written into title 10 dealing with checkoff of an individual's tax dollar for political campaign spending. I cannot help but question whether we have cleared the way for even higher campaign spending in the long run. It will take history to bear me out on this theory—but I can forsee the day when a bill will come forth raising this $1 checkoff to $2—and if we take that step, $5 and $10 are within reach. There is a serious question whether we can or should fund Federal tax money for Federal elections on a partisan basis.

Instead of curbing spending, I wonder if we are not instead encouraging spending in the long run. This bill today is merely an authorization; it is not an actual appropriation. Between now and the 1976 effective date, we have a presidential election campaign year—I think we should use this year to measure this checkoff proposal. Further, I think we should look long and hard at the appropriations when that time comes.

I offer this word of caution: A campaign spending ceiling is only as good as the enforcement of the ceiling. If there is no strong enforcement, the ceiling would be merely acoustical—that is, it would merely sound nice. The only real solution is complete and mandatory full reporting of spending and the abolition of dummy committees.

Regrettably this bill comes to us with no vote possible on this separate issue.

Mr. BADILLO. Mr. Speaker, I voted against the legislation carrying out the administration's tax proposals when it first came before the House. Although I was encouraged by the action of the Senate in scaling down the tax concessions to corporations while expanding the tax relief provisions for individuals and families, the action of the conference committee in emasculating the Senate amendments leaves me no choice but to oppose this conference report.

This bill does little more than perpetuate the administration's distorted fiscal priorities and makes Congress a full partner in the crime. Just this week, we heard threats of a presidential veto aimed at the OEO-child development bill—a measure of vital necessity to millions of American families—on the ground that it was too costly. At the same time, that same administration is seeking to spend $3 billion more in the defense budget, even as the Vietnam war purportedly winds down. Those are typical of this administration's priorities and a tax bill that simply exaggerates the existing inequities in our tax structure should not be allowed to pass.

Finally, it should be realized that at a time when this Nation is yearning for Congress to assert itself and realize its constitutional obligations to set national policy, the action of the conferees in bowing to the President's threat of a veto over the tax-checkoff for presiden-

tial campaigns provision was nothing less than cowardice. Is it not enough that we are permitting the executive branch to pervert the intent of Congress by administratively rewriting the laws and refusing to spend appropriated funds? Must we also roll over and play dead just because the President looks us in the eye and threatens a veto?

The tax-checkoff for presidential campaigns was perhaps the most redeeming feature of the Senate version of the tax bill. It represented a major step toward taking the influence of private and corporate wealth out of national politics. It was not, to my mind, a provision in the Democratic or Republican interest, but rather in the national interest and it should have been retained. Including this provision and making it effective not in next year's presidential election but in 1976, is not sufficient reason to support the bill overall.

Mr. Speaker, this legislation does no credit to the Congress. It may represent a short-term political victory for Richard Nixon and it certainly represents a major victory for the giant corporations and their lobbyists, but it is not a measure of which Congress or the American people can be proud.

Mr. UDALL. Mr. Speaker, there is much that I approve in the bill we will undoubtedly pass today. But I feel compelled to vote against the conference report and I think I owe an explanation to my constituents and to my respected and distinguished colleagues from the Committee on Ways and Means who have worked so hard on this difficult legislation.

And I vote as I do despite the fact that I support much—but not all—of President Nixon's New Economic program.

We have all heard about new priorities for our nation. Certainly this bill is perhaps the most important priorities decision of the 92d Congress. And the decision being made is not for new priorities but for huge new consumer expenditures—against more Federal dollars for healing the cities, building mass transit systems, improved medical facilities, fighting crime, drug abuse, pollution, and hodge-podge development of our lands. Passage of the bill is a decision that building schools and hospitals and ending hunger are less important than more cars and crowded highways.

It has been said that this bill, over the next 10 years, will take more than $100 billion from the Treasury. Yet when a new President takes over the White House in 1973 or if Mr. Nixon then begins his second term, the demands will be heavy indeed for money to carry out programs to overcome many of this country's really serious troubles. But those moneys are being voted away.

Granted the economy needs stimulation. But increased public spending will stimulate it just as effectively as tax-cuts and would allow us some of the moneys we need to rescue this country. Of course, paying higher taxes—or not cutting taxes—is not very appealing. As I have noted before the bill says to industry: go ahead and produce, whether we really need it or not, and it gives the public some of the money to buy whatever is produced.

I would like to add that the Senate, where there is so often strong talk about bold new priorities, engaged in an orgy of tax cutting on its own. The conferees had the good sense to throw out those cuts.

Cutting back our appetite for material gadgets is not a prospect which stirs the brave impulses that pulled us through times of war or other crises. It is really too bad. If it did we might really put together a sound priorities game plan.

Mr. BINGHAM. Mr. Speaker, the gentleman from Ohio (Mr. VANIK) and the gentleman from Florida (Mr. GIBBONS), both members of the Ways and Means Committee, have stated very eloquently the reasons which impel me to vote against this conference report. I do so reluctantly, because there are some good things in this bill as it now stands and nobody likes to vote against tax cuts, but I believe the overriding national interest calls for a negative vote.

I have also found useful for my thinking a recent letter from the AFL–CIO. The text of the letter follows:

AMERICAN FEDERATION OF LABOR
AND CONGRESS OF INDUSTRIAL
ORGANIZATIONS,
Washington, D.C., Dec. 7, 1971.

HON. JONATHAN B. BINGHAM,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BINGHAM: The Conference Committee report on the Administration's tax proposals would, if enacted, undermine the federal tax structure. Fairness to the individual taxpayer demands the defeat of this unconscionable redistribution of wealth to those who already have much.

The miniscule benefits to individual taxpayers provided in this bill are more than wiped out by the unwarranted expansion of tax loopholes for corporate America. Corporate income taxes, as a percentage of total income tax receipts, have been declining in recent years. This raid on the Treasury would add a further 15 to 20 percent tax cut for corporations.

The billions of dollars that will now go into corporate treasuries will be diverted from America's pressing public investment needs in schools, hospitals, medical facilities, housing, mass transit and pollution control.

While the individual taxpayers would be shouldering an increasing percentage of the tax burden, this measure offers meager sops in the form of increased personal exemptions and an increased standard deduction. But the American people deserve more than sops, they deserve true tax reform and tax justice.

The only other redeeming feature of this bill is the elimination of the excise tax on automobiles. But this benefit to taxpayers is not sufficient to gain acceptance of the entire package. The elimination of the auto excise tax—indeed, the elimination of all excise taxes which are only disguised sales taxes—could be easily accomplished in a separate bill after the present measure is defeated.

Tax justice must be the goal of the Congress. Tax folly, such as this measure, must be defeated and individual taxpayers spared the ignominy of further tax cuts for business at their expense.

No one should be deceived by the Madison Avenue gimmickry in the title. It will not develop jobs or revive America's badly depressed economy. All it would do is give public money to private corporations who certainly don't need a government handout.

Therefore, the AFL–CIO strongly urges your vote to reject the Conference Committee report.

Sincerely yours,
ANDREW J. BIEMILLER,
Director, Department of Legislation.

Mr. RANDALL. Mr. Speaker, I shall support the conference report on what is described as the Revenue Act of 1971.

The purpose of this measure is to provide for the development of jobs in this time of rising unemployment by a new investment credit and at the same time to increase consumer purchasing power by the reduction of certain individual income taxes. Equally important as a job development measure is the repeal of the 7-percent excise tax on passenger automobiles.

Time or space will not permit comment on each change. In our judgment some things were not done which should have been done and other things were done which would have been better omitted. Taken overall, the conference report merits the approval of the membership.

We are sorry to see that our conferees forced the Senate to recede on the Senate provision that as to property placed in service in rural areas the investment credit would be 10 percent instead of 7 percent. Everyone recognizes the desperate plight of our farmers at the present time. Moreover, if there is ever to be a turnaround of the migration of thousands upon thousands from the farms to the cities, there must be some type of rural revitalization or redevelopment, to be achieved by such tax credits.

As to child care, only this week we had a lengthy debate over an amendment added to the poverty bill called the comprehensive child development program. As we said when we opposed this far-reaching and very expensive plan for which $2 billion was appropriated for just 1 fiscal year, we were not opposed to reasonable tax credits or deductions for child care expenses to provide for those expenses which taxpayers must incur for child care and household help to enable them to be gainfully employed. This conference report for the Revenue Act of 1971 contains the very thing that many had in mind as the best course, rather than a comprehensive program for all the children of America including medical expenses, nutrition, and education of pre-school children. We believe the best way to approach the problem of child care is to allow deductions for necessary care services for gainfully employed mothers and others. The conference report allows a deduction of up to $400 a month for dependent care expenses in the home. Up to $200 of the $400 may be for the care of one child and up to $300 for the care of two children and the full $400 for the care of three or more children. This kind of child care provision makes sense. It is something we are able to afford in contrast to the $2 billion cost for the first year of the so-called comprehensive child development program attached to the poverty bill.

This year both bodies of Congress have spent a considerable portion of their time on matters debating welfare and social security amendments. One in-

stance is our own H.R. 1. But now in the Revenue Act of 1971 is a provision which gives a tax incentive to private employers to hire individuals who would otherwise be on welfare. This is the WIN program and gives employers an income tax credit for hiring individuals under a work incentive program in an amount equal to 20 percent of the cash wages paid to individuals during 12 months of employment, with the stipulation that the employee must be retained for a period of 24 months or else the credit would be recaptured. Because our House bill did not contain such provision we are indebted to the other body for translating oft-repeated rhetoric into action to get people off the welfare rolls and on payrolls through these tax credits.

In this time of talk rather than action to help our older Americans it is a shame that our managers insisted upon and caused the Senate to recede in the matter of an income tax credit not to exceed $300 for real property taxes paid by individuals 65 or older whose income does not exceed $6,500. While it could be appropriately argued that tax credits for our elderly is a matter that should be handled by the States through homestead exemptions, the facts are the States have not acted and most States give no indication they will act. As chairman of the House committee charged with investigations of problems of the aging, I can report that more and more attention is being given to what is called outreach, meaning home visitation and one hot meal a day to our elderly with low incomes in their own homes, rather than transferring them to the much more expensive and also less desirable or acceptable institutional care.

Mr. Speaker, along with all of the others who represent rural areas, I was most pleased that the conferees accepted the repeal or suspension of excise taxes not only on passenger automobiles but on light-duty trucks, although the exemption as to said light-duty trucks applies only after September 22, 1971 rather than August 15. It should be recalled that in some of the earlier drafts of the House bill, only passenger cars were included. This meant that the pickup trucks used and operated on the farms all over America and the thousands upon thousands of sleepers and campers used by our sportsmen would not have been included in this excise tax repeal. To have left the excise tax on these pickup trucks would have been another blow against our hard-pressed small farmers. Their situation, because of falling farm prices is desperate enough. Yesterday, we passed a farm bill which was designed to increase the income of these small farmers. This added measure to relieve them of the 10 percent excise tax on their small trucks is not only welcome, but sorely needed. I am proud to be one of three members of the Missouri delegation who called the attention of our House Ways and Means Committee to this first omission leaving out these pickup trucks and campers used by our farmers and the sportsmen.

In conversations with several of my colleagues whether to support or oppose the conference report, doubts were raised again and again, whether it is responsible to support a bill which would result in the loss of substantial Federal revenues at a time of increasing Federal deficits.

It is true there are increasing deficits. It is also true that our economy is floundering. Somehow, some way, we must stimulate or quicken the pace of the economy if we can expect any reduction in unemployment.

Mr. Speaker, I decided to support this conference report as a calculated risk. If it produces the desired result and stimulates the economy everything will come up roses. If it does not and things do not improve we will be worse off because after suffering a loss of revenues we are still without the much-needed new jobs. But the question must be raised, would we not all be blamed much more if we do not show the courage to take this risk?

After we support these tax concessions to business and to individuals it means that every one of us must vote against all nonessential Federal expenditures the rest of this year and all of next year and thereafter until such time as a reviewed and healthy economy produces new revenues to offset the losses from this bill.

With the personal resolve and firm determination to oppose all nonessential expenditures hereafter, all that is left to reach a good decision is the willingness to take the risk that this measure will generate, because of increased business activity, more new revenues as the economy quickens then the short-term losses of revenue required to get the economy moving again. It is only after a consideration of the foregoing that an affirmative decision should be reached to support a tax reduction of this kind. I am prepared to take the risk with the hope and prayer that the result is successful. It is better than to do nothing to save our sinking economy.

Mr. RARICK. Mr. Speaker, the many tax breaks contained in the conference report on the Revenue Act of 1971 are indeed tempting, but the tax checkoff to finance national political parties dulls the luster of the Christmas tree.

In governments as in religion, we must occasionally return to basics to decide if we are on or off course.

I am reminded of the warning by President George Washington in his Farewell Address when he cautioned us—his posterity—against the evils of partisan faction and loyalty over our constitutional obligations.

The Constitution does not even mention political party, let alone national parties, nor any delegated power or right of this body to take taxpayers' dollars to subsidize political candidates—deduction from individual taxpayer or not—the dollars still come from the U.S. treasury.

The inevitable result of such a program can be but to give added financial power and control to the national party with tendencies to ever diminish the candidate's basic loyalty to the Constitution.

My people sent me to Congress to perform under my constitutional oath and not to subsidize political parties or candidates with their tax dollars. I must cast my people's vote "no."

Mr. MIZELL. Mr. Speaker, I rise at this time to offer my support for this tax bill, which is so essential to the success of President Nixon's new economic policy.

I would hasten to add, however, that my support for the tax measures the President has requested does not extend to the $1 income tax checkoff system providing for Federal financing of Presidential campaigns.

I am very definitely opposed to this system, and I intend to introduce legislation to repeal that section of the bill as soon as it is signed into law, if we decide to pass it here.

As some of my Republican colleagues in the Senate have already pointed out, this checkoff system represents nothing more and nothing less than a raid on the Federal Treasury by the opposition party which is apparently in desperate need of campaign contributions.

At this time of year we all feel, perhaps, a bit more charitable toward those less fortunate than we are, but even in the generous Christmas season, the American taxpayer should not have to play Santa Claus for the Democratic Party.

On a more serious side, I sincerely believe the provision for political contributions and political identification on income tax returns opens the door for political harassment of the taxpayer.

Such harassment is not a probability, but it is a possibility. It could happen, and that is a real danger.

Anyone who wants to contribute to a political party or a candidate has that freedom now. He does not need a checkoff system to make that contribution, and if the Democrats do not have enough popular support left to get a voluntary contribution, it certainly should not be incumbent on the American taxpayer to bail them out.

It is interesting to me that many of the same people who so vehemently opposed guaranteeing a loan for Lockheed Aircraft not long ago, spoke so eloquently and passionately in favor of the government giving the Democratic party's Presidential contenders—including roughly the entire left-hand side of the U.S. Senate—an outright subsidy.

I want to make clear that I am casting my vote for this measure in spite of this checkoff provision, not because of it. I resent the fact that some in the opposition party have sought to hold the economic recovery of this country as ransom for a $20.4 million reward. I applaud the conferees for delaying this provision until after the 1972 election, and I fully intend to press with vigor and determination to get this notorious checkoff system repealed completely and without delay. If I have my way, this provision will be repealed before the ink in President Nixon's signature beneath this bill is dry.

Mr. FRENZEL. Mr. Speaker, I am pleased that the conference committee has finally produced a tax bill that most of the Members of Congress, the President, and the people of this country can support.

I am dismayed that it has taken us 3

months to pass this bill, but pleased that the House of Representatives, at least, moved it along with dispatch proportional to our economic emergency.

I greatly regret that the other body saw fit to play political games with the bill. Senate treatment not only imperiled passage, but delayed the effect of this needed incentive legislation. The delay in passing the vital legislation has shaken the confidence of the people of this country in our economy and the Congress.

Mr. Speaker, President Nixon has presented us with a fine, and most necessary, piece of legislation. The personal incentives, the capital goods spending incentives, and the auto excise repeal are desperately needed. Fortunately the politically motivated checkoff to replenish the depleted coffers of the Democratic National Committee has been deferred. It should be removed as an affront to democracy.

The conference report comes close enough to the original wishes of the President that I can support it with enthusiasm.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker, I rise in support of this conference report.

I would like, for a moment, to ask one brief question which has been raised to me and that is whether or not underground storage tanks for service stations are intended to be included in the investment credit?

Mr. MILLS of Arkansas. Mr. Speaker, if the gentleman will yield, they certainly are.

Mr. WAGGONNER. I thank the chairman for that affirmative response.

Ladies and gentlemen of the House, we have come to the point where if we are going to get a tax package and an economic program in support of the administration's efforts and America's efforts to do something soon as we must about inflation and the economy in this country, we will have to vote for this conference report. Without this economic package there is no conceivable way that we can attack our economic problems as we should except to adopt this conference report. Even this may not be enough.

Now, Mr. Speaker, the conference report which we have before us today is one which most of us supported when it was before the House.

I call to your attention that insofar as dollars are concerned there are only $300 million more involved in revenue loss in the conference report than was the case when the tax package passed the House on October 6. Revenue losses are to be compensated for by reductions in Federal expenditures.

Mr. Speaker, there is only one major provision which has been added, other than the tax checkoff for campaign finances and that is the provision having to do with a tax deduction for day care for working parents. It is a good provision in my opinion.

But, Mr. Speaker, let me speak specifically to the real controversy here today, and that has to do with campaign finances by checkoff.

I have probably helped generate as much opposition to the checkoff system of campaign finances as has any man in this House. In my opinion it is completely wrong and should never be. I say to you today that the compromise which has been made by the conferees, whether we like it or not and I do not, must be subordinated to the major tax and economic provisions of the bill. We have got to support our Nation's needs with regard to this question, and give due and priority consideration to the economic needs of this country and the need for this tax package.

Therefore, I say to you that we must, in spite of our dislike of this checkoff provision, we must support this conference report. We must do so, I repeat, even though you do not like it and because there has been a compromise made, perhaps, not to your liking and certainly not to my liking, but it does represent something in which the Congress will have another voice.

This is an authorization, no more and no less, that requires an appropriation, and Congress must make that appropriation if indeed there ever is an appropriation. You know as well as I do what action is required for this to come about. No trust fund is created. A trust fund can only come into play when Congress votes to appropriate money to that trust fund. I say to you here and now that I will vigorously oppose any such appropriation. In fact, I am going to try to repeal the authorization.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield the 1 remaining minute on our side to the gentleman from Louisiana (Mr. WAGGONNER).

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

Mr. WAGGONNER. Yes, I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, I want to say that I am going to support this conference report although it is not to my liking. However, there must be something done to give some relief for the betterment of our production facilities with the tax incentive of 7 percent. However, I do not know how, by what stretch of the imagination, that a 7-percent excise tax forgiveness can be given to foreign manufacturers. On the Japanese automobiles coming into this country there was a 3.5-percent tariff. Yet, when we are through, the 7-percent excise forgiveness on Japanese cars coming into America the tariff will be 3 percent further adversely affecting our own automobile industry. Sooner or later we will learn that the only ingredient in a prosperous economy is a job—at home here in the U.S.A.

Mr. WAGGONNER. I thank the gentleman for his comments.

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

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

Mr. CORMAN. I thank the gentleman for yielding, and although I do not share his view on the dollar checkoff, I certainly do agree with his view in support of this tax bill. In my opinion it is the only hope of getting industry moving again and getting men back to work.

Mr. WAGGONNER. Ladies and gentlemen of the House, the overriding consideration is the economic condition of this country. The best and only help we can get for the foreseeable future for our economy comes from the adoption of this bill, and we should support this package in spite of some logcal and legitimate objections on the part of some Members of this body, objections which I share. This is not an ideal choice, in the instance of checkoffs it may not even be desirable, but to say the least it is the best of poor alternatives.

Mr. MILLS of Arkansas. 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. MILLS of Arkansas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 321, nays 75, not voting 35, as follows:

[Roll No. 450]

YEAS—321

Abbitt	Cotter	Harrington
Abernethy	Coughlin	Harsha
Adams	Curlin	Harvey
Addabbo	Daniel, Va.	Hastings
Alexander	Daniels, N.J.	Hathaway
Anderson, Calif.	Danielson	Hays
	Davis, Ga.	Hébert
Anderson, Ill.	Davis, S.C.	Heckler, Mass.
Anderson, Tenn.	Davis, Wis.	Heinz
	de la Garza	Henderson
Andrews, N. Dak.	Delaney	Hicks, Mass.
	Dellenback	Hillis
Archer	Dennis	Hogan
Arends	Dent	Holifield
Ashley	Devine	Horton
Aspinall	Dickinson	Hosmer
Baker	Dingell	Hull
Baring	Donohue	Hunt
Barrett	Dorn	Hutchinson
Bell	Downing	Ichord
Bennett	Dulski	Jarman
Bergland	Duncan	Johnson, Calif.
Betts	du Pont	Johnson, Pa.
Bevill	Dwyer	Jonas
Biaggi	Edmondson	Jones, Ala.
Biester	Edwards, Ala.	Jones, N.C.
Boggs	Eilberg	Jones, Tenn.
Boland	Esch	Karth
Bow	Eshleman	Kazen
Brasco	Fascell	Keating
Bray	Fish	Kee
Brinkley	Fisher	Keith
Brooks	Flood	Kemp
Broomfield	Flowers	King
Brotzman	Flynt	Koch
Brown, Mich.	Foley	Kuykendall
Brown, Ohio	Ford, Gerald R.	Kyl
Broyhill, N.C.	Forsythe	Kyros
Broyhill, Va.	Fountain	Landgrebe
Buchanan	Frelinghuysen	Landrum
Burke, Fla.	Frenzel	Latta
Burke, Mass.	Frey	Leggett
Burleson, Tex.	Fulton, Tenn.	Lennon
Burlison, Mo.	Fuqua	Lent
Byrne, Pa.	Galifianakis	Link
Byrnes, Wis.	Gallagher	Lloyd
Byron	Garmatz	Long, La.
Cabell	Gaydos	McClory
Caffery	Gettys	McCloskey
Camp	Giaimo	McClure
Carey, N.Y.	Goldwater	McCollister
Carter	Goodling	McCulloch
Cederberg	Gray	McDade
Celler	Green, Oreg.	McDonald, Mich.
Chamberlain	Griffin	
Chappell	Griffiths	McEwen
Clancy	Grover	McFall
Clark	Gubser	McKay
Clausen, Don H.	Gude	McKevitt
	Hagan	McKinney
Clawson, Del	Halpern	McMillan
Cleveland	Hamilton	Macdonald, Mass.
Collier	Hammer-schmidt	
Collins, Tex.		Mailliard
Colmer	Hanley	Mann
Conable	Hanna	Martin
Conte	Hansen, Idaho	Mathias, Calif.
Corman	Hansen, Wash.	Mathis, Ga.

Matsunaga	Quillen	Steiger, Ariz.
Mayne	Railsback	Steiger, Wis.
Mazzoli	Randall	Stephens
Meeds	Reid, N.Y.	Stratton
Melcher	Rhodes	Stubblefield
Michel	Riegle	Stuckey
Miller, Calif.	Roberts	Symington
Miller, Ohio	Robinson, Va.	Talcott
Mills, Ark.	Robison, N.Y.	Taylor
Minish	Rodino	Teague, Calif.
Minshall	Roe	Teague, Tex.
Mizell	Rogers	Terry
Mollohan	Rooney, N.Y.	Thompson, Ga.
Monagan	Rooney, Pa.	Thomson, Wis.
Moorhead	Roush	Thone
Morgan	Rousselot	Ullman
Morse	Roy	Van Deerlin
Mosher	Runnels	Vander Jagt
Murphy, Ill.	Ruppe	Vigorito
Myers	Ruth	Waggonner
Natcher	Sandman	Ware
Nelsen	Satterfield	Whalen
Nichols	Saylor	Whalley
O'Konski	Scherle	White
O'Neill	Schneebeli	Whitten
Patten	Schwengel	Widnall
Pelly	Scott	Wiggins
Perkins	Sebelius	Williams
Pettis	Shipley	Wilson,
Peyser	Shoup	Charles H.
Pickle	Shriver	Winn
Pirnie	Sikes	Wolff
Poage	Sisk	Wyatt
Podell	Skubitz	Wydler
Poff	Slack	Wylie
Powell	Smith, Calif.	Yatron
Preyer, N.C.	Smith, Iowa	Young, Fla.
Price, Ill.	Smith, N.Y.	Zablocki
Price, Tex.	Snyder	Zion
Pryor, Ark.	Staggers	Zwach
Pucinski	Stanton,	
Purcell	J. William	
Quie	Steele	

NAYS—75

Abourezk	Gibbons	Patman
Abzug	Gonzalez	Pike
Ashbrook	Grasso	Rangel
Aspin	Green, Pa.	Rarick
Badillo	Gross	Rees
Begich	Haley	Reuss
Bingham	Hall	Rosenthal
Bolling	Hawkins	Roybal
Brademas	Hechler, W. Va.	Ryan
Burton	Helstoski	St Germain
Carney	Hicks, Wash.	Scheuer
Chisholm	Howard	Schmitz
Clay	Hungate	Seiberling
Conyers	Jacobs	Stanton,
Culver	Kastenmeier	James V.
Dellums	Long, Md.	Stokes
Denholm	Madden	Thompson, N.J.
Dow	Mahon	Udall
Drinan	Mink	Vanik
Eckhardt	Mitchell	Veysey
Edwards, Calif.	Moss	Wampler
Evans, Colo.	Nedzi	Whitehurst
Findley	Nix	Wyman
Ford,	Obey	Yates
William D.	O'Hara	Young, Tex.
Fraser	Passman	

NOT VOTING—35

Andrews, Ala.	Edwards, La.	Roncalio
Annunzio	Erlenborn	Rostenkowski
Belcher	Evins, Tenn.	Sarbanes
Blackburn	Kluczynski	Spence
Blanton	Lujan	Springer
Blatnik	McCormack	Steed
Casey, Tex.	Metcalfe	Sullivan
Collins, Ill.	Mikva	Tiernan
Crane	Mills, Md.	Waldie
Derwinski	Montgomery	Wilson, Bob
Diggs	Murphy, N.Y.	Wright
Dowdy	Pepper	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Springer.
Mr. Rostenkowski with Mr. Erlenborn.
Mr. Blatnik with Mr. Belcher.
Mr. Andrews of Alabama with Mr. Blackburn.
Mr. Kluczynski with Mr. Crane.
Mr. Casey of Texas with Mr. Derwinski.
Mr. Tiernan with Mr. Lujan.
Mr. Mikva with Mr. Metcalfe.
Mr. Montgomery with Mr. Mills of Maryland.
Mr. Evins of Tennessee with Mr. Spence.
Mr. Roncalio with Mr. Diggs.
Mr. Waldie with Mr. Bob Wilson.
Mr. Steed with Mr. Pepper.
Mr. Wright with Mr. McCormack.
Mr. Blanton with Mr. Dowdy.
Mr. Collins of Illinois with Mr. Sarbanes.

Mr. DENHOLM changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Speaker, I missed the vote on rollcall No. 450 on account of attending a hearing in the House Committee on Crime.

If present, I would have voted "yea."

APPOINTMENT OF CONFEREES ON H.R. 6065, TO AMEND SECTION 903 OF THE SOCIAL SECURITY ACT

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6065) to amend section 903(c)(2) of the Social Security Act, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none, and appoints the following conferees: Messrs. MILLS of Arkansas, ULLMAN, BURKE of Massachusetts, BYRNES of Wisconsin, and BETTS.

APPOINTMENT OF CONFEREES ON H.R. 10604, TO AMEND TITLE II OF THE SOCIAL SECURITY ACT

Mr. MILLS of Arkansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10604) to amend title II of the Social Security Act to permit the payment of the lump-sum death payment to pay the burial and memorial services expenses and unrelated expenses for an insured individual whose body is unavailable for burial, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? The Chair hears none, and appoints the following conferees: Messrs. MILLS of Arkansas, ULLMAN, BURKE of Massachusetts, BYRNES of Wisconsin, and BETTS.

RICHARD C. WALKER—ADDITIONAL JUDICIAL DISTRICT, LOUISIANA

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3749) for the relief of Richard C. Walker, 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 2, after line 17, insert:

SEC. 3. (a) Section 98 of title 28 of the United States Code is amended to read as follows:

"§ 98. Louisiana

"Louisiana is divided into three judicial districts to be known as the Eastern, Middle, and Western Districts of Louisiana.

"Eastern District

"(a) The Eastern District comprises the parishes of Assumption, Jefferson, Lafourche, Orleans, Plaquemines, Saint Bernard, Saint Charles, Saint James, Saint John the Baptist, Saint Tammany, Tangipahoa, Terrebonne, and Washington.

"Court for the Eastern District shall be held at New Orleans.

"Middle District

"(b) The Middle District comprises the parishes of Ascension, East Baton Rouge, East Feliciana, Iberville, Livingston, Point Coupee, Saint Helena, West Baton Rouge, and West Feliciana.

"Court of the Middle District shall be held at Baton Rouge.

"Western District

"(c) The Western District comprises six divisions.

"(1) The Opelousas Division comprises the parishes of Evangeline and Saint Landry.

"Court for the Opelousas Division shall be held at Opelousas.

"(2) The Alexandria Division comprises the parishes of Avoyelles, Catahoula, Grant, La Salle, Rapides, and Winn.

"Court for the Alexandria Division shall be held at Alexandria.

"(3) The Shreveport Division comprises the parishes of Bienville, Bossier, Caddo, Claiborne, De Soto, Natchitoches, Red River, Sabine, and Webster.

"Court for the Shreveport Division shall be held at Shreveport.

"(4) The Monroe Division comprises the parishes of Caldwell, Concordia, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, and West Carroll.

"Court for the Monroe Division shall be held at Monroe.

"(5) The Lake Charles Division comprises the parishes of Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis, and Vernon.

"Court for the Lake Charles Division shall be held at Lake Charles.

"(6) The Lafayette Division comprises the parishes of Acadia, Iberia, Lafayette, Saint Martin, Saint Mary, and Vermilion.

"Court for the Lafayette Division shall be held at Lafayette."

(b) The district judge for the Eastern District of Louisiana holding office on the day immediately prior to the effective date of this section, and whose official station on such date is Baton Rouge, shall, on and after such date, be the district judge for the Middle District of Louisiana. All other district judges for the Eastern District of Louisiana holding office on the day immediately prior to the effective date of this section shall be district judges for the Eastern District of Louisiana as constituted by this section.

(c)(1) Nothing in this section shall in any manner affect the tenure of office of the United States attorney and the United States marshal for the Eastern District of Louisiana who are in office on the effective date of this section, and who shall be during the remainder of their present terms of office the United States attorney and marshal for the Eastern District of Louisiana as constituted by this section.

(2) The President shall appoint, by and with the advice and consent of the Senate, a United States attorney and marshal for the Middle District of Louisiana.

(d) The table contained in section 133 of title 28 of the United States Code is amended to read as follows with respect to the State of Louisiana:

"Districts Judges

* * * * *

"Louisiana:
"Eastern ---------- 9
"Middle ---------- 1
"Western ---------- 4".

(e) Section 134(c) of title 28 of the United States Code is amended by deleting the first sentence.

(f) The provisions of this section shall become effective one hundred and twenty days after the date of enactment of this Act.

Amend the title so as to read: "An Act for the relief of Richard C. Walker and to create an additional judicial district in the State of Louisiana."

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

There was no objection.

(Mr. CELLER asked and was given permission to extend his remarks at this point in the RECORD).

Mr. CELLER. Mr. Speaker, the Senate amendment to the text of H.R. 3749 provides for the creation of a new judicial district in the State of Louisiana by dividing the present eastern district of Louisiana into two districts, the eastern and middle districts. Identical provisions creating a new judicial district in the State of Louisiana have been favorably reported to the House by the Committee on the Judiciary in another measure—H.R. 11394; House Report No. 92-677. The Senate amendment does not create any new judgeship.

The Senate amendment to the title of the bill conforms the title to the bill, as amended.

With respect to the creation of a new judicial district in the State of Louisiana, the following excerpt from the Judiciary Committee report (H. Rept. No. 92-677) is relevant:

At present, the eastern district of Louisiana consists of two divisions, one of which sits in New Orleans and the other in Baton Rouge, the State capital. The bill would convert the Baton Rouge division into a new district to be known as the middle district of Louisiana.

In recent years the eastern district of Louisiana has had one of the most persistent civil backlog problems in the United States. At the end of fiscal year 1970, there were 4,385 civil cases pending on the docket, an increase of 4.2 percent over the prior year. The civil business of the eastern district is exceeded in only three other Federal districts, the District of Columbia, the southern district of New York, and the eastern district of Pennsylvania.

The major portion of the workload in the district is in the New Orleans division, where, through the efforts of the judges and personnel of the eastern district, the Federal Judicial Center, and the Administrative Office of the U.S. Courts, better calendar control and new procedures in the clerk's office have been accomplished recently. These joint efforts have been directed almost entirely at the New Orleans division. Indeed, the problems and caseload demands of the Baton Rouge division are very different from those confronting the New Orleans division.

A major part of the civil caseload of the Baton Rouge division consists of maritime and seaman's cases attributable to the port of Baton Rouge, ranked seventh in the Nation in total annual tonnage handled. Since the State penitentiary at Angola, La., is located in the Baton Rouge division, a majority of the habeas corpus petitions for the entire State of Louisiana are brought in this division.

The total number of civil cases filed in the Baton Rouge division in fiscal year 1970 exceeded the civil filings in 24 districts in the United States. In fiscal 1969, the civil filings in this division exceeded those in 28 other districts. Thus, the size of the Baton Rouge division's civil caseload is certainly sufficient to justify the creation of a separate district.

In fiscal year 1970, 57 civil cases involving the United States of America and 58 criminal cases were filed in the Baton Rouge division. In fiscal year 1971, 58 civil cases involving the United States and 72 criminal cases were filed. Hearings or trials in these cases require the presence of the U.S. attorney or one of his assistants. There is no assistant U.S. attorney assigned to the Baton Rouge division, and for each civil or criminal case appearance the U.S. attorney or an assistant must travel from New Orleans, a distance of nearly 80 miles. The division could be much more efficiently operated if it were a district unto itself. Furthermore, since the Federal court building has recently been extensively renovated, no new physical facilities are anticipated if this bill becomes law.

The bill has the support of the Judicial Council of the Fifth Circuit, the judges of the eastern district, and the Louisiana State Bar Association. Support has also been expressed by the U.S. attorney, the chief probation officer, and the U.S. marshal for the eastern district. More significantly, despite a general policy in opposition to the creation of new districts, the Judicial Conference of the United States has expressed its approval. The Department of Justice has deferred to the recommendations of the Judicial Conference of the United States and the Judicial Council of the Fifth Circuit.

(Mr. BOGGS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BOGGS. Mr. Speaker, I rise in support of H.R. 3749, as amended by the other body.

This bill would establish, for reasons of judicial efficiency, a third judicial district in Louisiana, to be known as the middle district of Louisiana.

I wish to emphasize that this bill would not create new judgeships in Louisiana. Its sole purpose is to create a third judicial district from portions of the present, eastern and western districts of Louisiana. A new middle district of Louisiana will enable the U.S. district court in Baton Rouge to better administer justice in the large and growing central Louisiana area.

This area is presently served either by the eastern district, headquartered more than 200 miles away in New Orleans, or the western district, equally distant, in Shreveport.

This bill is supported by the Louisiana delegation and by everyone from the local chambers of commerce to the judges of the district courts, the Fifth Circuit Court of Appeals, and the Judicial Conference of the United States.

I urge my colleagues to join me in supporting passage of this legislation to improve the administrative efficiency of the U.S. district courts in Louisiana.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORTS THE SAME DAY REPORTED DURING REMAINDER OF FIRST SESSION, 92D CONGRESS

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 729 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 729

Resolved, That during the remainder of the first session of the Ninety-second Congress it shall be in order to consider conference reports the same day reported, notwithstanding the provisions of clause 2, rule XXVIII.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the distinguished and able gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, I assure the Speaker and the Members of the House that I do not intend to use anything like the time that is permitted under the rule.

Mr. Speaker, this is a very simple resolution.

Under the rules of the House conference reports on bills must lay over, for a period of 3 days and be printed in the RECORD.

Now, under the standing rules of the House, for the last 6 days of the session, the House can take such action.

Mr. Speaker, since we are in the drive for adjournment and since no one can predict accurately when the 6 days begins, this is a simple resolution to expedite the consideration of the conference reports. Otherwise we would be forced to await the joint adoption of a sine die resolution before this waiver could become effective.

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

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

Mr. GROSS. Mr. Speaker, the gentleman never spoke truer words in his life than when he said this is a simple resolution but, believe me, it covers the waterfront.

Apparently the Rules of the House are to be scrapped for the sake of expediency. The gentleman well knows, and he has already stated it, that the House has a process at hand for the immediate consideration of legislation and that is to fix an adjournment date. But apparently no one wants to fix the sine die adjournment date, and so there is this resort to expedients of this kind. This resolution will abrogate for the remainder of this session the rule that requires that certain legislation be filed in the House for 3 days before consideration, and if I remember correctly it was only last year that we adopted this 3-day rule. Now it is proposed to throw it right out the window.

Mr. COLMER. If the gentleman will permit, he is absolutely correct. This rule was not provided until last year in the Reorganization Act. I think it is a wise rule. But I repeat, and I am sure that the gentleman from Iowa is just as anxious as the rest of us are to expedite this adjournment of the Congress—which I think is the best thing that could happen to this country; because if we adjourn then we will not be enacting a lot of hasty and unwise legislation around here.

So I am sure that on reflection the gentleman from Iowa would agree that this is not only expedient, but it is wise, if we are going to reach that goal of adjournment.

Mr. GROSS. If the gentleman will yield for another 30 seconds or so——

Mr. COLMER. I will be happy to yield further to the gentleman from Iowa.

Mr. GROSS. I think it is a most unholy proceeding. Was this resolution supported unanimously in the Committee on Rules?

Mr. COLMER. It was.

Mr. SISK. Mr. Speaker, would the gentleman yield?

Mr. COLMER. I will be happy to yield to my friend, the gentleman from California (Mr. SISK), the chairman of the Subcommittee on Reorganization, responsible for the basic rule.

Mr. SISK. Mr. Speaker, let me say to my good friend, the gentleman from Iowa, that I think what we did in the reorganization bill last year was a good thing—to require a 3-day rule of laying over of conference reports so that Members might know what was in those conference reports.

I am strongly—and I want to make it clear—and vigorously and continuously in support of that kind of a procedure. However, as my good friend, the gentleman from Iowa, I am sure, knows, and I agree with him, we need to adjourn this Congress. I agree completely with my friend, the gentleman from Mississippi (Mr. COLMER) that I think the sooner we get out of here the sooner we are going to cease to pass what may be, I am afraid, bad legislation.

In essence, what we did yesterday in the Committee on Rules in supporting this is in a sense, in my opinion, actually a 6-day adjournment resolution.

Apparently there seems to be a problem about arriving at a date certain to adjourn. I wish that that did not exist, and that we might pass such a 6-day resolution to adjourn, so that these things could occur, but that is the basis upon which I am supporting it, in an effort to get the Congress adjourned, I would hope, within the next 5, 6, or 7 days.

Mr. GROSS. Mr. Speaker, would my friend, the gentleman from Mississippi, yield further so that I might respond very briefly to the gentleman from California?

Mr. COLMER. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. If the 3-day rule was good at the start of this session, and during the intermediate stages of this session, what is wrong with it now?

Mr. SISK. Mr. Speaker, would the gentleman from Mississippi yield to me again for a response?

Mr. COLMER. I yield further to the gentleman from California, for a response.

Mr. SISK. Of course, as my good friend knows, under the existing rules of the House, if we pass a resolution of adjournment on a day certain, then on the last 6 days of the session automatically this would be permitted. In other words, the 3 days are not required in the closing 6 days of the session. That is already a part of the rules.

My colleague agrees with that—is that not correct? That was not repealed or changed by the Reorganization Act.

Mr. GROSS. You could resort to suspension of the rules for 6 days preceding sine die adjournment. But the reason that rule is not available is because the leadership in Congress will not fix the date for sine die adjournment 6 days in advance.

If it is so good to get this Congress out of session, why do you not fix the sine die adjournment date right now?

Mr. SISK. That is not a matter within the hands of this particular Member, I am sure, any more than it is with my good friend, the gentleman from Iowa.

In essence what we are saying is that here I am acting on the basis that we are within, let us say, a week of adjourning this Congress. For all practical purposes in order to expedite the adjournment, we actually are adopting a rule which will permit that. I would hope, I may say, that this Congress will adjourn within the next 5, 6, or 7 days.

Mr. COLMER. Mr. Speaker, in further reference to the statement of my friend, the gentleman from Iowa, of course, no one in this House is more familiar with the rules of this House or the procedure of the Congress. Now the gentleman is certainly aware of the fact that we cannot unilaterally pass an adjournment resolution—the other body has to concur in that. Therefore, all we are doing here is trying to expedite adjournment and we are not trying to put anything over on my friend, the gentleman from Iowa, or anyone else.

I can assure the gentleman, while I am not authorized to speak for the House leadership, but I can assure him that in my judgment the leadership is most anxious to adjourn this Congress sine die. This resolution is one of the things they are trying to do in order to accomplish that objective.

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

Mr. COLMER. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the distinguished chairman of the Committee on Rules yielding to me.

Mr. Speaker, it is indeed disheartening and even difficult to believe, that the Committee on Rules would spring a resolution like this, which denies due process, after having been the savior of the Reorganization of the Congress Act in 1970. Had it not been for the Committee on Rules, as we who served on the Joint Commission on the Reorganization of the Congress in 1965 through 1970 well know, that reorganization, whatever it may eventually come to mean, would have gone down the drain. In fact, it was revived in the 91st Congress after having died on the Speaker's desk in the 90th Congress as a result of the good work of the Subcommittee of the Committee on Rules.

Now this was simply in the interest of due process so that Members would have an opportunity to see, to study, and to do their homework on conference reports or those of committees. The other remedies have not been mentioned and I will not belabor that, but I will take exception to my friend's statement, the gentleman from Mississippi, that we need this as a technique for adjournment; or that we must depend on the other body in order to adjourn sine die.

There is history and precedents replete in the annals of the House where we have passed a 3-day resolution on the completion of our work and passed the responsibility off of our shoulders on to the other body and gone to our districts and homes for the celebration of the season of the advent.

Our leadership knows that if we had the intestinal fortitude to set the sine die adjournment on a day certain, we will start toward adjournment over a 3- to 6-day period and do only what is necessary thereafter in the recognized legislative manner. On the completion of our work we would long since have been under the rule of suspension and we would not now be denying due process. I for one refuse to let that fraternity known as the other body call the tune.

Mr. Speaker, I say it is a travesty and unconscionable. This resolution like other tricks of technique by which we have obviated the reorganization rule should be voted down out of hand.

Mr. COLMER. If the gentleman will give me an opportunity to do so, I would like to advise my friend from Missouri, a man for whom I have the greatest admiration and one whom I consider one of my leaders around here, that I follow him a great deal. He is a dedicated legislator, and although I have gotten personal, I do not want to get personal in the opposite way. But if I recall correctly, only yesterday I heard my distinguished leader (Mr. HALL) on the floor of this House arguing for adjournment and hasty adjournment. I know he is in the same position that I and most of the Members of this House are in. We want to expedite the business and get the Members out of here.

The gentleman has used some pretty strong language. Ordinarily he is a little more temperate than he has been on this occasion. The gentleman, of course, has the privilege of voting against this resolution. But I want to say that I am amazed that my friend should be raising questions about the resolution since it would bring us closer to the objective that we all seek. There is nothing underhanded about this matter.

Let me say further, while I have the floor, in my own position I think the gentleman knows that I have done everything that I possibly could to expedite the business of the House. We have practically placed a padlock on the doors of the Rules Committee Room in order to expedite adjournment, which I still contend would be in the best interests of this country, preventing the passage of hastily conceived legislation, in my opinion. I know I am not going to make any friends by this remark, but yesterday we had a good illustration of hastily enacted legislation which I do not think is for the best interests of the country.

The doors of that committee are going to be open only in extreme matters of emergency, and that of a procedural nature. We have tried to hold the line. We have held the line with very few exceptions.

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

Mr. COLMER. I yield to the gentleman from Iowa, and when I have time

available on any occasion I am glad to yield to the gentleman further.

Mr. GROSS. The gentleman from Mississippi referred to my friend from Missouri as having used rather pointed language a few minutes ago. Let me say to the gentleman from Mississippi that he plays no favorites in that department. He sometimes uses pointed language when talking to me.

Mr. COLMER. Privately.

Mr. GROSS. And sometimes semipublicly, and even publicly. So I hope the gentleman takes no umbrage from what has been said here this afternoon.

Mr. COLMER. Let me thank my friend for his further contribution here. If I have offended either of my leaders, the gentleman from Iowa or the gentleman from Missouri, I want to publicly apologize.

Mr. ANDERSON of Illinois. Mr. Speaker, for reasons already adequately explained by the chairman of the Rules Committee, I merely concur with him and urge the House to adopt House Resolution 729.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Michigan (Mrs. GRIFFITHS) and ask unanimous consent that she may speak out of order.

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

There was no objection.

REPORT ON HOUSE BEAUTY SHOP

Mrs. GRIFFITHS. Mr. Speaker, I would like to make a very happy announcement. The House Beauty Parlor is running in just great shape. This year we have paid for medical examinations for all these girls. The doctor's office has examined the shop itself. We guarantee that it is clean and well run and efficiently managed.

Now for the really happy news. This beauty shop has returned to the Treasury of the United States this year, in lieu of rent, $9,400.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. MADDEN) and ask unanimous consent that he may speak out of order.

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

There was no objection.

IMPORTANT VICTORY FOR FAMILY FARMS

Mr. MADDEN. Mr. Speaker, last night at midnight after 6 hours of teller votes, numerous amendments, strong White House opposition and the use of every tactic in the book by the Republican leaders to defeat a farm bill, the House passed the bill with almost exclusive Democratic votes.

This was a bill to help the family farmers of America. They are in a desperate situation and the smaller farmers are unable to tide themselves over for another year without some help. Without help, hundreds of thousands of them will move into cities. It is far cheaper and better to give them a chance to survive in their rural homes instead of moving into the cities at a time when we have too much congestion and unemployment.

The Republican leaders fought this bill every step of the way. It took 3 days to complete hearings before the Rules Committee. The Farm Bureau bombarded the Congress with telegrams against the bill. The Farmers Union, NFO, National Grange, and some other farm organizations helped, as well as the AFL–CIO, but the opposition was diehard and the White House pulled out every stopper in trying to defeat the bill.

How can a bill pass over all of these obstacles? The answer is that some midwestern Democrats who are interested in rural problems simply had enough ability and experience to get the job done. In the last election, nine out of 10 seats that were won from Republicans came from the farm belt. The rest of the country notices this and, to those of us in the cities, this means that the farmers are expressing the need for change. Back in 1965 and following the 1964 election when a new group of Democrats came to Congress, we passed a meaningful farm bill but in 1966 most of those congressional Democrats were defeated and farmers apparently did not express alarm again until this last election. In the meantime, legislation went from bad to worse and the farm situation with it. My congressional district is the Calumet industrial area in northwest Indiana.

I am not from a farm area but it gave me great heart to see these farm State representatives at work and getting the cooperation from some of us in the cities whose problems they have tried to appreciate and understand when we needed their help. The author of the bill was Congressman NEAL SMITH of Iowa, who, with his several years of seniority, has gained a personal and working relationship with his urban colleagues. Members elected in the last Congress who helped to rally the votes included BOB BERGLAND, of Minnesota; ARTHUR LINK, of North Dakota; LES ASPIN, of Wisconsin; JAMES ABOUREZK, of South Dakota; FRANK DENHOLM, of South Dakota; GUNN MCKAY, of Utah; WILLIAM ROY, of Kansas; and MIKE MCCORMACK, of Washington.

Others who have been here longer but played important roles included WAYNE HAYS, of Ohio; JOHN CULVER, of Iowa; WILLIAM HUNGATE, of Missouri; DAVE OBEY, of Wisconsin; ED JONES of Tennessee; BILL BURLISON of Missouri; LEE HAMILTON, of Indiana; JOHN MELCHER, of Montana; J. EDWARD ROUSH, of Indiana, and THOMAS FOLEY, of Washington.

The chairman of the subcommittee handling the bill was GRAHAM PURCELL, of Texas, and they reported a bill that would be good for the family farmers of America supported by these respected voices from the Midwest.

The White House steamroller, the Farm Bureau bombardment and Republican leaders maneuvers were overridden. It may have taken until midnight to get the job done but it was a great victory for this group of Democratic Congressmen and shows what an area can do if they have the right kind of representation.

If the Senate will enact the House Farm legislation, without major amendments and President Nixon signs, the American Family Farm can enjoy prosperity in the not too distant future.

Mr. COLMER. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. MILLER).

(Mr. MILLER of California asked and was given permission to speak out of order.)

PICTURE OF DR. GODDARD FOR THE COMMITTEE ROOM

Mr. MILLER of California. Mr. Speaker, I would just like to announce to the House that last night the National Space Club presented a very fine picture of Dr. Robert Goddard, the father of rocketry, that now hangs in the Science and Astronautic committee room. I expressed the desire to get such a picture for our hearing room to the National Space Club. The club acting on my desire had this picture made. It is a fine picture of Dr. Goddard and a credit to the man who is the founder of rocketry in this country and one of its greatest scientists.

I thank the Club for this fine and appropriate gift.

Mr. ANDERSON of Illinois. Mr. Speaker, I have no further requests for time.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 342, nays 48, not voting 41, as follows:

[Roll No. 451]

YEAS—342

Abbitt	Brown, Ohio	Danielson
Abernethy	Broyhill, N.C.	Davis, Ga.
Abourezk	Broyhill, Va.	Davis, S.C.
Adams	Burke, Fla.	Davis, Wis.
Addabbo	Burke, Mass.	de la Garza
Anderson, Calif.	Burleson, Tex.	Delaney
Anderson, Ill.	Burlison, Mo.	Dellenback
Andrews, N. Dak.	Burton	Dellums
Arends	Byrne, Pa.	Denholm
Ashbrook	Byrnes, Wis.	Dent
Ashley	Byron	Devine
Aspin	Cabell	Dickinson
Aspinall	Caffery	Dingell
Badillo	Camp	Donohue
Baker	Carey, N.Y.	Dorn
Baring	Carney	Dow
Barrett	Carter	Downing
Begich	Cederberg	Drinan
Bell	Celler	Dulski
Bennett	Chappell	Duncan
Bergland	Chisholm	Dwyer
Betts	Clancy	Eckhardt
Bevill	Clark	Edmondson
Biaggi	Clausen, Don H.	Eilberg
Boggs	Clawson, Del	Esch
Boland	Cleveland	Eshleman
Bolling	Collier	Evans, Colo.
Bow	Collins, Tex.	Fascell
Brademas	Colmer	Findley
Brasco	Conable	Fish
Bray	Conte	Fisher
Brinkley	Corman	Flood
Brooks	Cotter	Flowers
Broomfield	Culver	Flynt
Brotzman	Curlin	Foley
Brown, Mich.	Daniel, Va.	Ford, Gerald R.
	Daniels, N.J.	Ford, William D.

Forsythe	McDade	Rooney, N.Y.
Fountain	McDonald,	Rooney, Pa.
Frelinghuysen	Mich.	Roy
Frey	McEwen	Roybal
Fulton, Tenn.	McFall	Runnels
Fuqua	McKay	Ruppe
Galifianakis	McKevitt	Ruth
Gallagher	McMillan	Ryan
Garmatz	Macdonald,	St Germain
Gaydos	Mass.	Sandman
Gettys	Madden	Satterfield
Giaimo	Mahon	Saylor
Goodling	Mailliard	Scheuer
Grasso	Mann	Schneebeli
Green, Oreg.	Martin	Schwengel
Green, Pa.	Mathias, Calif.	Scott
Griffin	Matsunaga	Sebelius
Griffiths	Mazzoli	Shipley
Grover	Meeds	Shoup
Gubser	Michel	Shriver
Gude	Miller, Calif.	Sikes
Hagan	Mills, Md.	Sisk
Haley	Minish	Slack
Halpern	Mink	Smith, Calif.
Hamilton	Minshall	Smith, Iowa
Hanley	Mitchell	Smith, N.Y.
Hanna	Mizell	Snyder
Hansen, Idaho	Mollohan	Staggers
Harrington	Monagan	Stanton,
Harsha	Moorhead	J. William
Harvey	Morgan	Stanton,
Hastings	Mosher	James V.
Hathaway	Murphy, Ill.	Steed
Hawkins	Murphy, N.Y.	Steele
Hays	Myers	Steiger, Ariz.
Hechler, W. Va.	Natcher	Stephens
Heckler, Mass.	Nedzi	Stratton
Heinz	Nelsen	Stubblefield
Helstoski	Nichols	Stuckey
Henderson	Nix	Symington
Hicks, Mass.	Obey	Talcott
Hicks, Wash.	O'Hara	Taylor
Hillis	O'Konski	Teague, Calif.
Hogan	O'Neill	Teague, Tex.
Holifield	Passman	Terry
Horton	Patman	Thompson, Ga.
Hosmer	Patten	Thompson, N.J.
Howard	Pelly	Thomson, Wis.
Hull	Pepper	Thone
Hutchinson	Perkins	Udall
Ichord	Pettis	Ullman
Jacobs	Peyser	Van Deerlin
Jarman	Pike	Vander Jagt
Johnson, Calif.	Pirnie	Veysey
Johnson, Pa.	Poage	Vigorito
Jonas	Podell	Waggonner
Jones, Ala.	Poff	Wampler
Jones, N.C.	Powell	Ware
Jones, Tenn.	Preyer, N.C.	Whalen
Karth	Price, Ill.	Whalley
Kastenmeier	Pryor, Ark.	White
Kee	Pucinski	Whitehurst
Keith	Purcell	Whitten
King	Quie	Widnall
Koch	Quillen	Wiggins
Kyl	Railsback	Williams
Kyros	Randall	Winn
Landrum	Rangel	Wolff
Latta	Rarick	Wyatt
Leggett	Rees	Wydler
Lennon	Reuss	Wyman
Lent	Rhodes	Yates
Link	Riegle	Yatron
Lloyd	Roberts	Young, Fla.
Long, La.	Robinson, Va.	Young, Tex.
Long, Md.	Robison, N.Y.	Zablocki
McClory	Rodino	Zion
McClure	Roe	Zwach
McCulloch	Rogers	

NAYS—48

Abzug	Gross	Moss
Archer	Hall	Pickle
Biester	Hammer-	Price, Tex.
Bingham	schmidt	Reid, N.Y.
Buchanan	Hungate	Rosenthal
Conyers	Hunt	Rousselot
Coughlin	Kazen	Sarbanes
Crane	Keating	Scherle
Dennis	Kemp	Schmitz
du Pont	Kuykendall	Seiberling
Edwards, Ala.	Landgrebe	Skubitz
Edwards, Calif.	McCloskey	Steiger, Wis.
Fraser	McCollister	Vanik
Frenzel	McKinney	Wilson, Bob
Gibbons	Mathis, Ga.	Wylie
Goldwater	Mayne	
Gonzalez	Miller, Ohio	

NOT VOTING—41

Alexander	Andrews, Ala.	Blackburn
Anderson,	Annunzio	Blanton
Tenn.	Belcher	Blatnik
Casey, Tex.	Hébert	Roush
Chamberlain	Kluczynski	Spence
Clay	Lujan	Springer
Collins, Ill.	McCormack	Stokes
Derwinski	Melcher	Sullivan
Diggs	Metcalfe	Tiernan
Dowdy	Mikva	Waldie
Edwards, La.	Mills, Ark.	Wilson,
Erlenborn	Montgomery	Charles H.
Evins, Tenn.	Morse	Wright
Gray	Roncalio	
Hansen, Wash.	Rostenkowski	

So the resolution was agreed to.

Mr. SEIBERLING changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

MOTION TO RECONSIDER OFFERED BY MR. THOMPSON OF GEORGIA

Mr. THOMPSON of Georgia. Mr. Speaker, I voted in the affirmative, on the majority side.

Mr. Speaker, I move to reconsider the vote by which the resolution was agreed to.

The SPEAKER. The gentleman from Georgia moves to reconsider.

MOTION TO TABLE OFFERED BY MR. COLMER

Mr. COLMER. Mr. Speaker, I move to lay that motion on the table.

The SPEAKER. The question is on the motion to table, offered by the gentleman from Mississippi.

The question was taken and the Speaker announced that the ayes appeared to have it.

PARLIAMENTARY INQUIRY

Mr. THOMPSON of Georgia. Mr. Speaker, a parliamentary inquiry. According to rule XVIII, section 819, debate on the motion to reconsider:

A motion to reconsider is debatable only if the motion proposed to be reconsidered was debatable.

The motion was debatable.

The SPEAKER. The House is not voting on the motion to reconsider. It is voting on the motion to table. That motion is not debatable.

So the motion to table was agreed to.

PERSONAL ANNOUNCEMENT

Mr. CRANE. Mr. Speaker, I was not present for rollcall vote No. 450. Had I been here I would have voted "nay." I ask that the RECORD show my vote would have been "nay."

CONFERENCE REPORT ON H.R. 11955, SUPPLEMENTAL APPROPRIATIONS 1972

Mr. MAHON submitted the following conference report and statement on the bill (H.R. 11955) making supplemental appropriations for the fiscal year ending June 30, 1972, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 92-725)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11955) "making supplemental appropriations 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 14, 17, 23, 25, 26, 47, 59, 65, 66, 67, and 74.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 8, 18, 19, 27, 30, 50, 52, 53, 54, 56, 58, 63, 64, 69, 70, 71, 72, and 73, and 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 sum named in said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,250,000"; 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:

Insert the matter proposed by said amendment, amended to read as follows:

"OFFICE OF COAL RESEARCH

"For an additional amount for 'Salaries and expenses', $5,120,000, to remain available until expended, of which not to exceed $40,000 shall be available for administration and supervision."

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 "$6,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6, 11, 12, 13, 15, 16, 20, 21, 24, 28, 29, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 48, 49, 51, 55, 57, 60, 61, 62, 68, and 75.

GEORGE MAHON,
JAMIE WHITTEN,
JOHN J. ROONEY
(except as to amendment No. 25),
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
DANIEL J. FLOOD,
TOM STEED,
NEAL SMITH,
JULIA BUTLER HANSEN,
JOHN J. MCFALL,
E. A. CEDERBERG,
JOHN J. RHODES,
ROBERT H. MICHEL,
GARNER E. SHRIVER,
JOSEPH M. MCDADE,
Managers on the Part of the House.

ALLEN J. ELLENDER,
JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
JOHN C. STENNIS,
JOHN O. PASTORE,
ALAN BIBLE,
GALE W. MCGEE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
GORDON ALLOTT,
NORRIS COTTON,
CLIFFORD P. CASE
(except as to amendment No. 25),
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. 11955) making supplemental appropriations 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:

CHAPTER I—SECURITIES AND EXCHANGE COMMISSION

Amendment No. 1: Inserts headings and appropriates $1,587,000 for salaries and expenses as proposed by the Senate. The committee of conference is agreed that the funds should be used solely in problem areas and to administer direct workload increases. No positions are approved at this time for additions in public information, policy research, and organization, and management improvement activities. The critical need to strengthen regulatory, investigative, and enforcement activities in regional offices should receive primary attention by the Commission in allocating the funds that are provided.

CHAPTER II—DEPARTMENT OF THE INTERIOR

Amendment No. 2: Changes chapter number.

Amendment No. 3: Appropriates $85,000 for "Bureau of Land Management, management of lands and resources" as proposed by the Senate instead of $160,000 as proposed by the House.

Amendment No. 4: Inserts name of Bureau "Bureau of Indian Affairs".

Amendment No. 5: Appropriates $230,000 for "Bureau of Indian Affairs, resources management" as proposed by the Senate.

Amendment No. 6: 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 $550,000 for "Bureau of Indian Affairs, construction".

Amendment No. 7: Appropriates $650,000 for "Geological Survey, surveys, investigations, and research" instead of $1,190,000 as proposed by the Senate. The amount provided includes $150,000 for establishing an Experiment and Evaluation Office for the Earth Resources Observation System at the Mississippi Test Facility, and $500,000 for implementation of the Gulf Coast Hydro-Science Center.

Amendment No. 8: Appropriates $300,000 for "Bureau of Mines, conservation and development of mineral resources" as proposed by the Senate.

Amendment No. 9: Appropriates $6,250,000 for "Bureau of Mines, health and safety" instead of $5,250,000 as proposed by the House and $7,225,000 as proposed by the Senate. The increase over the amount provided by the House includes $1,000,000 for development and purchase of specialized equipment needed to detect and rescue trapped miners.

Amendment No. 10: Appropriates $5,120,000 for "Office of Coal Research" instead of $10,280,000 as proposed by the Senate. The amount provided includes $1,170,000 for the Hydrogasification Project at Chicago, Illinois; $450,000 for the Lignite Gasification Project at Rapid City, South Dakota; and $3,500,000 for the BI-GAS Process at Homer City, Pennsylvania. Of the total amount provided, $40,000 shall be available for administration and supervision, instead of $80,000 as proposed by the Senate.

Amendment No. 11: 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 $2,325,000 for "National Park Service, construction" instead of $110,000 as proposed by the House.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with Senate language providing that notwithstanding the Act of March 18, 1950, as amended, not to exceed $2,215,000 shall be available for airport planning, development, or improvement at the Jackson Hole Airport pursuant to the Act of March 18, 1950, including availability through the Jackson Hole Airport Authority as sponsor's share of project costs for any grant made pursuant to Public Law 91-258.

The conferees recommend approval of the construction project at the Jackson Hole Airport in Grand Teton National Park, solely in the interest of safety and with the clear understanding that this action shall not be construed as a precedent for the establishment or construction of airport facilities in other National Parks by the National Park Service. It is further agreed that the National Park Service shall be responsible for monitoring the construction so that any interference with various conservation practices which exist in this area will be restricted to an absolute minimum.

Amendment No. 13: 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 $96,000 for "National Park Service, parkway and road construction (liquidation of contract authority)".

Amendment No. 14: Appropriates $500,000 for "Office of the Secretary, salaries and expenses" as proposed by the House instead of $518,000 as proposed by the Senate.

Related Agencies

Amendment No. 15: 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 $3,500,000 for "Youth Conservation Corps, salaries and expenses".

Amendment No. 16: 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 $42,000 for "Health Services and Mental Health Administration, Indian Health Facilities".

Amendment No. 17: Deletes item proposed by the Senate to appropriate $1,500,000 for "Smithsonian Institution, The John F. Kennedy Center for the Performing Arts".

Amendment No. 18: Appropriates $1,400,000 for "American Revolution Bicentennial Commission, salaries and expenses" as proposed by the Senate instead of $1,800,000 as proposed by the House.

CHAPTER III

Amendment No. 19: Changes chapter number.

Department of Labor

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $26,207,000 for "Manpower Administration, Salaries and expenses" instead of $26,607,000 as proposed by the Senate, and delete language making the appropriation available only upon enactment of authorizing legislation. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The amount of $26,207,000 includes no additional funds for the Veterans Employment Service.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $776,717,000 for "Manpower Administration, Manpower training services instead of $817,597,000 as proposed by the Senate, and delete language making the appropriation available only upon enactment of authorizing legislation. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 22: Appropriates $6,000,000 for "Limitation on grants to States for unemployment insurance and employment services" instead of $4,500,000 as proposed by the House and $24,640,000 as proposed by the Senate.

Amendment No. 23: Deletes appropriation of $400,000 for "Office of the Secretary, Salaries and expenses" proposed by the Senate.

Department of Health, Education, and Welfare

Office of Education

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $32,500,000 for "Elementary and secondary education" with language providing that the aggregate amounts made available to each State in fiscal year 1972 under Title I-A of the Elementary and Secondary Education Act for grants to local educational agencies within that State shall not be less than such amounts as were made available for that purpose in fiscal year 1971.

Amendment No. 25: Deletes appropriation of $265,000,000 for "School assistance in Federally affected areas" proposed by the Senate.

Amendment No. 26: Deletes appropriation of $2,500,000 for "Environmental education" proposed by the Senate.

Amendment No. 27: Appropriates $3,000,000 for "Higher education" as proposed by the Senate.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $492,980,000 for "Health manpower" instead of $707,157,000 as proposed by the Senate. The managers on the part of the Senate will move to agree to the amendment of the House to the amendment of the Senate.

Pertinent statistics for the entire Health Manpower program are shown in the following table, including sums in connection with the Labor, and Health, Education, and Welfare Appropriation Act for 1972 (Public Law 92-80):

	Budget estimate	Senate amendment	Conference agreement
1. Medical, dental, and related health professions:			
a. Institutional support:			
(1) Capitation grants:			
MOD	$120,000,000	$160,000,000	$130,000,000
VOPP	20,400,000	30,000,000	25,200,000
(2) Startup assistance:			
New schools	2,580,000	2,900,000	2,580,000
Converting schools	4,700,000	4,700,000	4,700,000
(3) Special projects	36,000,000	70,000,000	53,000,000
(4) Financial distress	20,000,000	20,000,000	20,000,000
(5) Health manpower education improvement awards	20,000,000	30,000,000	20,000,000
b. Student Assistance:			
(1) Student loans: United States	30,000,000	40,000,000	30,000,000
(2) Scholarships:			
United States	15,500,000	35,000,000	15,500,000
Physician shortage		1,000,000	
(3) Traineeship and fellowships:			
Family medicine	5,000,000	5,000,000	5,000,000
Family Practice of Medicine Act		1,000,000	100,000
Health professional teachers	1,000,000	1,000,000	1,000,000

	Budget estimate	Senate amendment	Conference agreement
c. Construction:			
(1) Grants	82,000,000	190,616,000	142,385,000
(2) Interest subsidy	800,000	2,000,000	800,000
d. Computer technology	1,000,000	3,000,000	3,000,000
e. Education cost studies	2,015,000	2,015,000	2,015,000
f. Educational grants and contracts and direct operations:			
(1) Grants	927,000	927,000	927,000
(2) Direct operations	4,232,000	4,232,000	4,232,000
Total, health professions	366,154,000	603,390,000	460,439,000
Dental health:			
(1) Educational grants and contracts	5,909,000	6,409,000	5,909,000
(2) Direct operations	5,941,000	5,941,000	5,941,000
Total, dental health	11,850,000	12,350,000	11,850,000
Nursing:			
a. Institutional support:			
(1) Capitation grants		$33,000,000	$31,500,000
(2) Special projects (G&C)	$18,000,000	20,000,000	20,000,000
(3) Financial distress	5,000,000	10,000,000	10,000,000
b. Student assistance:			
(1) Student loans	21,000,000	25,000,000	21,000,000
(2) Scholarships	19,500,000	35,000,000	19,500,000
(3) Traineeships	10,470,000	15,000,000	10,470,000
c. Construction:			
(1) Grants	9,500,000	25,000,000	19,500,000
(2) Interest subsidy	200,000	200,000	200,000
d. Educational grants and contracts and direct operations:			
(1) Recruitment (G&C)	2,000,000	2,000,000	2,000,000
(2) Grants and contracts	3,805,000	3,805,000	3,805,000
(3) Direct operations	6,915,000	6,915,000	6,915,000
Total, nursing	96,390,000	205,920,000	144,890,000
Public health:			
a. Institutional support:			
(1) Schools of public health	5,554,000	7,000,000	5,554,000
(2) Graduate public health training	4,517,000	4,517,000	4,517,000
(3) Traineeships	8,400,000	8,400,000	8,400,000
(4) Direct operations	573,000	573,000	573,000
Total, public health	19,044,000	20,490,000	19,044,000
Allied health:			
a. Institutional support	10,000,000	15,000,000	10,000,000
Traineeships	3,750,000	6,000,000	3,750,000
Allied health special projects (grants and contracts)	14,745,000	15,745,000	14,745,000
Direct operations	2,159,000	2,159,000	2,159,000
Total, allied health	30,654,000	38,904,000	30,654,000
Program direction and manpower analysis:			
Planning and analysis	4,068,000	4,068,000	4,068,000
Program direction	2,655,000	2,655,000	2,655,000
Total, program direction	6,723,000	6,723,000	6,723,000
Grand total	530,815,000	887,777,000	673,600,000

NOTE: The conferees are agreed that $10,616,000 of the funds made available for construction shall be for the construction of a veterinary school in the southern part of the Nation.

Social and Rehabilitation Service

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $45,750,000 for "Special programs for the aging" and $9,500,000 for "Research and training", with an amendment to make the appropriations available for obligation through December 31, 1972. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Office of Child Development

Amendment No. 30: Inserts heading as proposed by the Senate.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $376,317,000 for "Child development" instead of $376,817,000 as proposed by the Senate, and delete language proposed by the Senate making the appropriation available only upon the enactment of authorizing legislation. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The committee of conference is agreed that the reduction from the amount proposed by the Senate is to be applied against the amount budgeted for evaluation programs.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that maternal and child health grants under sections 508, 509, or 510 of the Social Security Act may be for periods ending prior to July 1, 1973.

Related Agencies

Occupational Safety and Health Review Commission

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $660,000 for "Salaries and expenses" to be derived by transfer from the appropriation to the Department of Labor, "Workplace Standards Administration, Salaries and expenses".

Office of Economic Opportunity

Amendment No. 34: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $741,380,000 for "Economic opportunity program" instead of $780,400,000 as proposed by the Senate, and delete language proposed by the Senate making the appropriation available only upon the enactment of authorizing legislation. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CHAPTER IV—LEGISLATIVE BRANCH

Amendments Nos. 35 through 46: Reported in technical disagreement. Inasmuch as these amendments relate solely to the Senate and in accord with long practice, under which each body determines its own housekeeping requirements, and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in Senate amendments nos. 35 through 46.

Amendment No. 47: Deletes appropriation of $1,521,000 for "Restoration of the Old Senate Chamber and Old Supreme Court Chamber in the Capitol" proposed by the Senate.

Amendment No. 48: 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 will appropriate $66,000 for "Senate Office Buildings".

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 will appropriate $270,000 for "Extension of Additional Senate Office Building Site".

CHAPTER V—CORPS OF ENGINEERS—CIVIL

Amendment No. 50: Changes chapter number.

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment appropriating $102,400,000 for "Construction, General", instead of $34,100,000 as proposed by the House, and inserting language providing that not to exceed $1,400,000 shall be available for emergency flood control construction of debris basins and channel clearing in the Carpinteria, California, area affected by recent fires.

The funds appropriated under this heading are to be allocated for construction on projects as shown in the following tabulation:

State and project—Conference allowance	
Arkansas: Dierks Lake	$600,000
California:	
Alameda Creek	435,000
Buchanan Lake	400,000
Dry Creek Lake	1,850,000
Lytle and Warm Creeks	500,000
Martis Creek Lake	210,000
Mojave River Reservoir	200,000
New Melones Lake	3,650,000
Sacramento River bank protection	800,000
San Diego Harbor	500,000
Santa Barbara County fires (Carpinteria)	1,400,000
Recreation facilities, completed projects:	
Lake Mendocino	149,000
Harry L. Engelbright Lake	87,000
Connecticut:	
Derby	400,000
Trumbull Lake	1,000,000
Illinois:	
Kaskaskia River navigation	8,000,000
Rend Lake	1,400,000
Smithland lock and dam, Illinois, Indiana, and Kentucky	9,000,000
Iowa:	
Missouri River Levee System, Iowa, Nebraska, Kansas, and Missouri	425,000
Kansas:	
Clinton Lake	2,200,000
Louisiana:	
Lake Pontchartrain	3,245,000
New Orleans to Venice	250,000
Red River emergency bank protection	1,100,000
Massachusetts:	
Charles River Dam	400,000
Michigan:	
River Rouge	500,000
Missouri:	
Harry S. Truman Dam and Reservoir	7,600,000
St. Louis	925,000
Montana:	
Libby Dam (Lake Koocanusa)	8,000,000

New Mexico:	
Cochiti Lake	9,000,000
Ohio:	
Alum Creek Lake	725,000
Caesar Creek Lake	1,200,000
Clarence J. Brown Lake	500,000
Fremont	1,440,000
North Branch, Kokosing River Lake	400,000
Paint Creek Lake	560,000
Willow Island lock and dam	800,000
Oklahoma:	
Hugo Lake	2,000,000
Webbers Falls lock and dam	1,000,000
Oregon:	
Yaquina Bay and Harbor	700,000
Texas:	
Wallisville Lake	$2,600,000
Washington:	
Ice Harbor lock and dam	200,000
Lower Granite lock and dam	16,300,000
Lower Monumental lock and dam	1,455,000
The Dalles lock and dam	6,000,000
Wynoochee Lake	2,759,000
Miscellaneous:	
Reduction for anticipated savings and slippages	−465,000
Total, construction, general	102,400,000

Bureau of Reclamation

Amendment No. 52: Appropriates $9,210,000 for "Construction and Rehabilitation" as proposed by the Senate instead of $7,000,000 as proposed by the House.

The funds appropriated under this heading are to be allocated for construction on projects as shown in the following tabulation:

	Conference allowance
California:	
Central Valley project:	
Sacramento River division	$2,550,000
San Luis unit	3,650,000
Auburn Folsom south unit	210,000
Washoe project	40,000
Klamath project	80,000
Kansas: Pick-Sloan Missouri Basin program: Bostwick division	40,000
Oklahoma: Mountain Park project	1,000,000
Texas: Palmetto Bend project	1,000,000
Washington: Columbia Basin irrigation facilities	715,000
Reduction for anticipated savings and slippages	−75,000
Total, construction and rehabilitation	9,210,000

Amendment No. 53: Appropriates $6,800,000 for the "Upper Colorado River Storage Project" as proposed by the Senate instead of $4,800,000 as proposed by the House.

The funds appropriated under this heading are to be allocated for construction on projects as shown in the following tabulation:

	Conference allowance
Colorado:	
Curecanti unit	$1,000,000
Utah:	
Bonneville unit, Central Utah project	5,500,000
Jensen unit, Central Utah project	300,000
Total, Upper Colorado River storage project	6,800,000

The Managers have approved the acceptance of $30,000 in contributed funds from local interests for preliminary data gathering activities on the West Divide project, Colorado, preparatory to the review and approval of the initiation of advance engineering and design work.

CHAPTER VI

Amendment No. 54: Changes chapter number.

Department of Commerce

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $4,000,000 for National Oceanic and Atmospheric Administration. Satellite Operations, instead of $4,919,000 as proposed by the Senate. The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 56: Appropriates $2,035,000 for the Patent Office as proposed by the Senate.

Related Agencies

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $32,225,000 for International Radio Broadcasting Activities instead of $36,225,000 as proposed by the Senate, and providing not to exceed $32,000,000, rather than $36,000,000 proposed by the Senate, for grants to Radio Free Europe and Radio Liberty. The managers on the part of the Senate will offer a motion to concur in the amendments of the House to the amendment of the Senate.

CHAPTER VII

Department of Transportation

Amendment No. 58: Changes chapter number.

Amendment No. 59: Appropriates $2,500,000 for Office of the Secretary, transportation planning, research, and development as proposed by the House instead of $5,000,000 as proposed by the Senate. The committee of conference is agreed that this program should be reviewed carefully during the consideration of the regular fiscal year 1973 budget.

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to provide that $200,000 of the $2,200,000 proposed by the Senate for Federal Aviation Administration, United States International Aeronautical Exposition, shall be derived from the appropriation for "Office of the Secretary, salaries and expenses". The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 61: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide that $2,000,000 of the appropriation for Federal Aviation Administration, United States International Aeronautical Exposition, shall be available only upon the enactment of authorizing legislation by the Ninety-Second Congress.

Related Agencies

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $750,000 for Aviation Advisory Commission, salaries and expenses (Airport and Airway Trust Fund) and to extend to March 1, 1973, the availability of the funds appropriated in the Second Supplemental Appropriations Act, 1971.

CHAPTER VIII

Amendment No. 63: Changes chapter number.

Postal Service

Amendment No. 64: Appropriates $200,000,000 for payment to the Postal Service Fund as proposed by the Senate instead of $216,400,000 as proposed by the House.

General Services Administration

Amendment No. 65: Deletes center heading proposed by the Senate.

Amendment No. 66: Deletes the appropriation of $11,200,000 for Construction, Public Buildings Projects as proposed by the Senate.

Amendment No. 67: Deletes the appropriation of $250,000 for Sites and Expenses, Public Buildings Project as proposed by the Senate.

Funds appropriated to the President

Economic Stabilization Activities

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment striking the proviso in the Senate language requiring that not less than $3,000,000 of the amount allowed be derived by transfer from the Exchange Stabilization Fund. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees direct that the Office of Management and Budget report to the Committees on Appropriations of the House and Senate, at the end of each calendar quarter, the amounts and sources of funds transferred under this authority.

CHAPTER IX

Amendment No. 69: Changes chapter number.

Amendments Nos. 70 and 71: Add the citation to include claims and judgments contained in Senate Document Numbered 92–45 as proposed by the Senate; and appropriate $21,569,856 for claims and judgments as proposed by the Senate instead of $19,029,734 as proposed by the House.

CHAPTER X

Amendments Nos. 72 and 73: Modify headings as proposed by the Senate.

Amendment No. 74: Deletes General Provision, Section 902, proposed by the Senate which provided that certain property should continue to be Federal property for the purposes of Public Law 81–874 for the fiscal year ending June 30, 1972. H.R. 11809, which passed the House under suspension of the rules on December 6, will accomplish the same purpose if enacted into law.

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate permitting the appropriation for Salaries and Expenses, Federal Bureau of Investigation to be used for the exchange of identification records with officials of certain banking institutions and state and local governments, with an amendment to change the section number. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

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 1972 budget estimate total, and the House and Senate bills follows:

Budget estimates	$3,254,924,371
House bill	786,282,654
Senate bill	3,998,045,371
Conference agreement	[1] 3,406,385,371

[1] Includes amounts in amendments reported in technical disagreement.

Conference agreement compared with—

Budget estimates	+151,461,000
House bill	+2,620,102,717
Senate bill	−591,660,000

GEORGE MAHON,
JAMIE WHITTEN,
JOHN J. ROONEY
(except as to amendment No. 25).
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
DANIEL J. FLOOD,
TOM STEED,
NEAL SMITH,
JULIA BUTLER HANSEN,
JOHN J. MCFALL,
E. A. CEDERBERG,
JOHN J. RHODES,
ROBERT H. MICHEL,
GARNER E. SHRIVER,
JOSEPH M. MCDADE,
Managers on the Part of the House.

ALLEN J. ELLENDER,
JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
JOHN C. STENNIS,
JOHN O. PASTORE,
ALAN BIBLE,
GALE W. MCGEE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
MILTON R. YOUNG,
MARGARET CHASE SMITH,
ROMAN L. HRUSKA,
GORDON ALLOTT,
NORRIS COTTON,
CLIFFORD P. CASE
(except as to amendment No. 25)
Managers on the Part of the Senate.

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 11955) making supplemental appropriations for the fiscal year ending June 30, 1972, 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 Texas?

PARLIAMENTARY INQUIRIES

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Is this conference report being called up under the authority of House Resolution 729?

The SPEAKER. The gentleman from Texas is calling up the conference report.

Mr. GROSS. Which was passed 1½ minutes ago, or the vote announced 1½ minutes ago?

The SPEAKER. The gentleman is calling it up under a resolution of the House.

Mr. GROSS. Mr. Speaker, a further parliamentary inquiry. Are there any copies anywhere in existence of the conference report?

The SPEAKER. The Chair is unable to answer.

Mr. MAHON. Copies of the conference report are not generally available. Copies of the bill showing all the amendments are available; H.R. 11955. I propose that we will explain exactly what is in the bill. It is the supplemental bill that passed the House and went to the other body. We whittled it down by some $200 million or $300 million. We will present it to you if we can.

Mr. GROSS. A further parliamentary inquiry, Mr. Speaker. When might a point of order be made against consideration of the conference report?

The SPEAKER. Before the reading of the same.

Mr. GROSS. Before the reading of the same. Has the conference report been read?

The SPEAKER. Is has not.

Mr. GROSS. I thank the Speaker.

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

There was no objection.

The Clerk read the statement.

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

Mr. GROSS. Mr. Speaker, I now rise to make a point of order, if it is in order to make a point of order, against the consideration of the conference report.

The SPEAKER. The gentleman's request comes too late.

Mr. GROSS. I thought the Speaker said after the reading of the conference report.

The SPEAKER. A unanimous consent request to read the statement in lieu of the report was granted, and the Speaker waited and there was no point of order raised and no objection.

Mr. GROSS. Mr. Speaker, in view of the fact that I told the Speaker that at the proper time I wanted to make a point of order against the conference report, I thought my rights would be protected.

The SPEAKER. The Chair answered the only inquiry the gentleman made. I have no recollection and I do not think the RECORD will show any inquiry made except when would it be in order to make a point of order. The Chair said after the reading of the report, and the request was made that the statement be read in lieu of the report, and there was unanimous consent given to the reading of the statement.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I will make a point of order that a quorum is not present.

The SPEAKER. The Chair will count. Evidently a quorum is not present.

Mr. MAHON. 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. 452]

Adams	Clay	Jones, Ala.
Alexander	Collins, Ill.	Kluczynski
Anderson, Tenn.	Coughlin	Kyros
	Dent	Lujan
Andrews, Ala.	Derwinski	McCormack
Annunzio	Devine	McCulloch
Aspinall	Diggs	McKevitt
Baring	Dingell	Martin
Belcher	Dowdy	Meeds
Bell	Dulski	Metcalfe
Blackburn	Edwards, Ala.	Mikva
Blanton	Edwards, La.	Mills, Ark.
Blatnik	Erlenborn	Mizell
Brademas	Evins, Tenn.	Mollohan
Buchanan	Fish	Montgomery
Carey, N.Y.	Fraser	O'Hara
Carney	Frey	Pepper
Carter	Gibbons	Peyser
Casey, Tex.	Gray	Podell
Celler	Griffiths	Preyer, N.C.
Chamberlain	Gubser	Rodino
Clark	Hastings	Roncalio
Clausen, Don H.	Hébert	Rostenkowski
	Horton	Roush
Scheuer	Sullivan	Wilson, Charles H.
Schneebeli	Tiernan	Wright
Spence	Udall	Young, Tex.
Springer	Vander Jagt	Zion
Steiger, Ariz.	Waldie	
Stokes	Widnall	

The SPEAKER. On this rollcall 345 Members have answered to their names, a quorum.

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

CONFERENCE REPORT ON H.R. 11955, SUPPLEMENTAL APPROPRIATIONS, 1972

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

PARLIAMENTARY INQUIRIES

Mr. BOW. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOW. I was wondering whether, under the rules of the House, we do not divide the time on this, with 50 percent of the time to the minority under the rule.

The SPEAKER. The gentleman is correct; 50 percent of the time belongs to the majority and 50 percent to the minority.

Mr. BOW. I thank the Chair.

Mr. GROSS. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. That rule has not been suspended by the Rules Committee?

The SPEAKER. That was the rule adopted by the House.

OVERALL CONFERENCE SUMMARY

Mr. MAHON. Mr. Speaker, we are considering today the conference agreement on the supplemental appropriations bill for 1972.

The conference agreement on the measure before us provides an appropriation of $3.4 billion.

When this bill left the House it contained appropriations totaling $786 million. It went to the other body, which also considered estimates of $2.3 billion deferred by the House, because they lacked authorization. The other body increased the President's budget request by $742 million. The increases were made principally in the areas of health manpower and education.

I, for one, was most disturbed when the other body raised the bill above the budget by $742 million, but I can say to you now that the conference agreement is—and this is still a large sum—about $152 million above the budget requests rather than $742 million.

I am pleased that we are able to say that. It must be explained perhaps in some more detail why the bill passed the House at a figure of less than $1 billion, while it passed the other body by a figure close to $4 billion. This is partly explained, of course, by the increases in the budget made by the other body, but also by the fact that the House did not consider certain budget estimates which were considered by the other body. For

example, about $2 billion for OEO programs was not considered by the House, but was considered by the other body. Estimates for health manpower programs totaling about $350 million were also deferred by the House and considered only by the other body. In addition to these programs on which the House deferred action, because of the lack of authorization there were also regular 1972 supplemental estimates considered only by the other body, because they were submitted after the House had acted on the supplemental bill.

I submit for the RECORD a summary table that will help to explain in broad terms the recommendations of the conferees:

SUMMARY STATEMENT OF CONFERENCE ACTION, THE SUPPLEMENTAL APPROPRIATION BILL, 1972 (H.R. 11955)

Chapter No.	Department or activity	Budget estimate	House bill	Senate bill	Conference action	Conference action compared with— Budget estimates	House bill	Senate bill
I	HUD-Space-Science-Veterans	$1,587,000		$1,587,000	$1,587,000		+$1,587,000	
II	Interior and related agencies:							
	New budget (obligational) authority	26,076,000	$8,170,000	29,495,000	21,302,000	−$4,774,000	+13,132,000	−$8,193,000
	Appropriation to liquidate contract authority	(10,000,000)	(10,000,000)	(10,096,000)	(10,096,000)	(+96,000)	(+96,000)	
	Transfers	(4,172,000)	(3,746,100)	(3,746,100)	(3,746,100)	(−425,900)		
III	Labor and Health, Education, and Welfare:							
	New budget (obligational) authority	2,684,655,000	334,439,000	3,401,667,000	2,838,790,000	+154,135,000	+2,504,351,000	−562,877,000
	Transfer	(2,560,000)	(1,900,000)	(2,560,000)	(2,560,000)		(+660,000)	
IV	Legislative:							
	New budget (obligational) authority	27,719,515	23,549,920	26,443,515	24,922,515	−2,797,000	+1,372,595	−1,521,000
	Fiscal year 1971 (by transfer)			(250,000)	(250,000)	(+250,000)	(+250,000)	
V	Public Works—AEC: New budget (obligational) authority	$119,010,000	$46,500,000	$119,010,000	$119,010,000		+$72,510,000	
VI	State, Justice, Commerce, and Judiciary:							
	New budget (obligational) authority	86,471,000	72,094,000	115,273,000	110,354,000	$+23,883,000	+38,260,000	−$4,919,000
VII	Transportation:							
	New budget (obligational) authority	60,244,000	55,544,000	60,994,000	58,294,000	−1,950,000	+2,750,000	−2,700,000
	Appropriation to liquidate contract authority.	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)			
	Transfer		(200,000)		(200,000)	(+200,000)		(+200,000)
VIII	Treasury, Postal Service, and General Government:							
	New budget (obligational) authority	227,592,000	226,956,000	222,006,000	210,556,000	−17,036,000	−16,400,000	−11,450,000
	Transfer	[2]		(20,153,000)	[1] (20,153,000)	[1] (+20,153,000)	[1] (20,153,000)	
IX	Claims and judgments	21,569,856	19,029,734	21,569,856	21,569,856		+2,540,122	
	Grand total:							
	Fiscal year 1972:							
	New budget (obligational) authority	3,254,924,371	786,282,654	3,998,045,371	3,406,385,371	+151,461,000	+2,620,102,717	−591,660,000
	Appropriations to liquidate contract authority	(20,000,000)	(20,000,000)	(20,096,000)	(20,096,000)	(+96,000)	(+96,000)	
	Transfers	(6,732,000)	(5,846,100)	(26,459,100)	[1] (26,659,100)	[1] (+19,927,100)	[1] (+20,813,000)	(+200,000)
	Fiscal year 1971 (by transfer)			(250,000)	(250,000)	(+250,000)	(+250,000)	

[1] Reflects a specific transfer of $20,153,000 for "Economic Stablization Activities, salaries and expenses," for which unimited transfer authority was requested.

[2] Unlimited transfer language.

It all comes down to this: The contest in the supplemental relates to large items which the House deferred, for health manpower and poverty programs and to the large increase in the budget for education. Funding for the poverty program is recommended below the President's request. The other body added to the bill for the impacted school construction program about $200 million. The House position was maintained and the whole sum was eliminated in conference. The other body added $65 million above the budget for impacted aid under so-called category C. That was all eliminated in the conference recommendations.

In the bill as we bring it back to you there are $143 million above the budget agreed to by the House as a compromise in the health-manpower items. That would include such things as capitation grants for medicine, osteopathy, dentistry, the field of veterinary medicine, podiatry, and various school assistance programs, scholarships, training, and fellowships, additional assistance for nurses programs, and grants of various types.

I would say the managers on the part of the House did the best we could in the closing days of the session to bring in a bill which was as reasonably acceptable as we thought it could be from the standpoint of the House.

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

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

Mr. GROSS. I thank the gentleman from Texas for yielding, and I must make an observation before asking a question, that observation being that it was my understanding in a private conversation with the gentleman from Texas yesterday afternoon or evening as the case may be, that the conference report would be filed yesterday, that it would be printed in the RECORD this morning and thus Members of the House would have the opportunity to scrutinize the conference report.

Mr. MAHON. Yes.

Mr. GROSS. That did not happen. Therefore, I must ask this question: Would the gentleman be good enough to enumerate the unauthorized items which the House conferees accepted, if there are unauthorized items in this conference report?

Mr. MAHON. The gentleman is speaking now not of the appropriations above the budget but within the level of authorizations? The gentleman is speaking of unauthorized items?

Mr. GROSS. Yes, that is correct; unauthorized items.

Mr. MAHON. Not how much below authorization, but items for which authorization had not been enacted through the authorizing committee procedures.

Mr. GROSS. By authorizing committees of the House.

Mr. MAHON. The main item would be about $2 billion added for the poverty program. That was the item on which final action had not been taken when the House considered the supplemental bill. It had not been enacted into law although it had been voted on in the House. However, it is a continuing program and the poverty program was continued under the continuing resolution.

There are one or two others, but there is certainly nothing major.

Mr. GROSS. Well, if the gentleman's very efficient committee staff should discover any other items, I would personally appreciate knowing about them, because I would like to know what we are going to vote on in this conference report—whether or not there are any other unauthorized items in this conference report.

Mr. MAHON. I will have the staff check at the moment and inform you as to whether or not there may be any other unauthorized items. As the gentleman knows, the House considered the supplemental appropriation bill under a rule.

Mr. GROSS. If the gentleman from Texas would yield for an additional 30 seconds, I would only say that I hope he appreciates the position of those of us who try to do some homework in the

House of Representatives and would like to know what is going on. I hope the gentleman appreciates the dilemma in which we find ourselves here this afternoon, to have a sheet like this presented to us and not a detailed printed copy of the conference report. This is all the information that we have on this $3.4 billion conference report.

I hope the gentleman appreciates the position in which we find ourselves.

Mr. MAHON. I thoroughly appreciate the situation and I regret the situation.

If we had had authorization bills earlier and if we had been able to come to an agreement earlier, this information would be available. But, the House is seeking to adjourn, and we are doing the best we can to accommodate the will of the leadership and the House.

HEALTH MANPOWER PROGRAMS

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

Mr. MAHON. I yield to the distinguished gentleman from Florida, who must be unhappy, because we reduced some of the high dollar figures in the other body's version of the bill in the area of health manpower.

Let me say that the members of the conference are very sympathetic, and unquestionably next year additional moneys will be appropriated in this area. But we did the best we could within the realm of reality.

So, Mr. Speaker, I am glad to yield to the gentleman for a question.

Mr. ROGERS. Mr. Speaker, my question is, and in that question I would like to express some shock at the astoundingly low figure that the committee has come back with from the conference for health-manpower, when the Senate figure was $707 million.

Mr. MAHON. Above the budget?

Mr. ROGERS. No; that was not above the budget, I think that was the total figure.

Mr. MAHON. Oh, yes; on health manpower.

Mr. ROGERS. On health manpower. And it is my understanding, as I said, that the Senate figure was $707 million, although we had authorized $861 million, and it is my understanding that the conferees did not even split the difference, in spite of the fact that we know we have a health manpower shortage.

We are 50,000 doctors short, and 150,000 nurses short, and this appropriation does not even begin to address itself to the problem.

These appropriations are intended to provide the first real measure of support for the landmark provisions of the Comprehensive Health Manpower Training Act of 1971 and the Nurse Training Act of 1971 which we enacted last month—just last month. It is clear from the appropriations levels in the conference agreement that support is to be pegged far below the level of need established in this health manpower legislation. I think this is a sorrowful day for American medical care.

Effective funding of the programs contained in those two bills is essential for a meaningful effort to deal with the crisis in health manpower that faces this Nation. Now the country is doomed to remain still longer in the grip of its health manpower crisis.

The need for health manpower is critical. The fact that today's demand for health services and for health manpower in the United States outruns the supply is so well known that it hardly seems to need proof. Although much remains to be done to refine methods of measuring manpower needs and demands, there is overwhelming evidence of both needs and demands that are unmet today. Demand for health services has been growing—and will continue to grow—in response to a variety of changing and interrelated circumstances and needs. These include: Population growth, rising consumer incomes, increasing insurance coverage, public policies giving increased attention to the disadvantaged, and developments of medical science and growth of specialization.

Between 1970 and 1980, the population of the United States will increase by about 27 million—from 205 million to a projected total of 232 million in 1980. This increase alone will add substantially to future demand for the services of health manpower. The amount of health care which people seek and receive is significantly affected by their purchasing power. Between 1950 and 1965, personal income per capita—after taxes and in 1958 prices—increased about 34 percent. This increase is estimated to have added at least 13 percent to the demand for physicians' services. It has been estimated that by 1975, rising personal income would further increase the demand for physicians' visits by 6.5 to 7.0 percent.

Health insurance coverage has done much to reduce economic barriers to health care. The continued growth of such insurance and the general inclusion of group health insurance among workers' fringe benefits is adding to the demands for health service. The 92d Congress is debating bills to provide a national system of health insurance. But experts in health care delivery are sounding urgent warnings about setting up and funding such insurance before enough health workers are available to provide the services.

In answer to those warnings we developed the Comprehensive Health Manpower Training Act of 1971 and the Nurse Training Act of 1971. They are major commitments of substantial and continuing assistance to health manpower education. The Public Health and Environment Subcommittee held 9 days of hearings to document the health manpower problem. We worked with experts in the health field from across the Nation. And we prepared goal-oriented legislation which was to close the health manpower gap. We assessed the realistic financial requirements necessary to achieve that goal and we authorized that level of appropriations in the legislation.

Here in Congress, we approved those authorizations. In the White House, the President signed the authorizations into law. When he signed the laws, the President declared:

They constitute the most comprehensive health manpower legislation in the Nation's history.

He went on to say that legislation was only a first step. Said the President:

These new programs must now be adequately funded and effectively carried out.

Then the Office of Management and Budget took out its scalpel and started to cut. We stand here today in witness of its work.

The supplemental budget request for Federal assistance in the education of health professionals and of nurses was $350.2 milion. Together with the $180.6 million included in the regular Labor-HEW apropriations bill for fiscal 1972, the supplemental request would have made available only $530.8 million out of authorized appropriations of $1,116 million. Close scrutiny of the supplemental request showed that it actually sought $15.9 million less than had been sought initially for the same programs in the January budget. And this was true despite the intervening enactment of the Comprehensive Health Manpower Training Act of 1971 and the Nurse Training Act of 1971. Although 63 medical schools in fiscal 1971 faced such serious financial pressure that they required special Government assistance, the fiscal 1972 supplemental request for special project and financial distress grants for medical schools was actually $13.5 million below fiscal 1971 appropriations. Although approved but unfunded construction projects for all of the health professions include a total of 2,464 additional first-year places, the fiscal 1972 supplemental request for construction assistance was $48.8 million below fiscal 1971 appropriations.

I remember when the President said in his February message on health that to make good health care readily available to all of our citizens:

It is important that we produce more health professionals and that we educate more of them to perform more critically needed services.

The sad fact is, however, that the supplemental appropriations request and the funding levels in the conference report fall far below the levels authorized in the health-manpower legislation and far below the needs of this Nation.

I know that it is too late to do anything now, but I would urge the Members of this House to check on the health-manpower problems in their districts, so that when we come back in session next year, we can do something about this if we are serious about improving the health of the people of this Nation.

Mr. Speaker, I thank the gentleman for yielding.

Mr. MAHON. Mr. Speaker, I would say to my good friend, the gentleman from Florida (Mr. ROGERS) that we have many shortages in this country. All of us want to do something about health-manpower training. The funding levels are moving up rather precipitously this year, and next year we will, I suspect, move up even more rapidly. And we will no doubt go on and on to higher and higher figures.

However, while we do have a health-manpower shortage, we are also confronted currently with a money shortage, with a deficit this year in Federal

funds of probably $35 to $40 billion. So the managers on the part of the House attempted to be as realistic as possible. We agreed that we would go on this figure $143 million above the budget. Then we very carefully applied it where the funds would be allocated the best, and that is where we are at this time.

It is impossible to do everything that we all want to do.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

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

Mr. SMITH of Iowa. Mr. Speaker, I want to point out that the money to be spent in fiscal year 1972 should have been authorized a year ago last October, but the authorization for this money was never enacted into law until November 18 of this year. In this very important field, the authorizing committee's legislation was 13.5 months late with the authorizing legislation; and when the authorization is some 13.5 months late, they cannot expect full consideration for the money.

Mr. MAHON. That is correct.

Let us proceed. I would suggest that the gentleman from Ohio (Mr. Bow) use time at this point.

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

Mr. Speaker, I did not sign this conference report. This conference report is $151,400,000 over the budget.

I have heard a great deal of talk here recently from a number of people in the well about a large deficit and about the amount of money that is being spent and about the national debt. If we all believe what has been said here, then when we bring in this appropriation bill for $151 million, I admit the committee did a good job, cutting down the amount in the budget from $700 million. I still think $151 million over the budget is too much of an amount of spending.

So far as the gentleman from Florida is concerned, I think the gentleman knows that I supported his bill. I believe in it, but it has been pointed out by the gentleman from Iowa, and I agree with him that if we had had the authorizations so that the committee could have taken it up in the regular bill—that is, if we had had the authorization early enough.

But this is a supplemental for 1972 and you cannot expect full funding in a supplemental bill of this kind.

I think the committee was most liberal.

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

Mr. BOW. I yield to the gentleman.

Mr. ROGERS. I realize the situation, but I do think, and this is the point I was making, that, since the Senate held hearings and approved $707 million, I think it is regrettable that our conferees were not even willing to go 50–50 on the difference went only 40 percent.

Mr. BOW. Let me say to the gentleman, perhaps the other body had some hearings, and I have respect for the other body—but I am not willing to take the fact that they had some hearings and came to a conclusion—and we had not.

It would seem to me that we should not depend on their hearings. If the gentleman will look sometimes at the difference between the House hearings and the hearings of the other body, and the details that are gone into in the House hearings as compared with them, I think you will understand why some of us would like to see House hearings rather than rely on hearings of the other body.

So we were not given an opportunity—and I do not believe the gentleman really believes that the mere fact that there is an authorization for a larger amount is binding on the Committee on Appropriations for this new word that we have found recently of "full funding."

I think the committee has the responsibility of hearing and making a determination by the committee and then coming to the House and giving to the House its right to work its will upon the hearings conducted by the Committee on Appropriations.

Mr. ROGERS. Mr. Speaker, if the gentleman will yield further, that is the optimum condition. But we are not operating under those circumstances.

What I am saying is that your committee has not had an opportunity to have hearings, but the Senate has and I was hopeful that that even though we are not expecting full funding, you would provide sufficient money to constitute at least a beginning to get at the manpower shortage problems that we have.

Mr. BOW. Mr. Speaker, I had not expected to take as much time as I have.

Again I will point out this is $150 million over the budget. I have not signed the report. Other members of the committee of the minority did. So at this time I ask unanimous consent that the further control of the time on this side of the aisle be given to the gentleman from Michigan (Mr. CEDERBERG).

The SPEAKER. Without objection, it is so ordered.

Mr. CEDERBERG. Mr. Speaker, it is not our purpose on our side of the aisle to take very much time on this conference report. We have worked long and hard in conference. You do not make any friends really when you are a member of the Committee on Appropriations because we do have decisions that are very difficult to make.

We had conferees, ranking Members on our side, conferees on the committee available to answer any questions that anyone may have.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman.

Mr. STEIGER of Wisconsin. First of all, along with the gentleman from Iowa, I want to express dismay that this conference report of over $3 billion comes to us in the way that it does.

I have two specific questions on which the gentleman from Pennsylvania (Mr. FLOOD), chairman of the subcommittee, and Mr. MICHEL of Illinois, the ranking minority Member, might wish to comment, if the gentleman will yield for that purpose.

With reference to amendment No. 21, Manpower Administration—the figure recommended, as I understand it in the supplemental, is $776,717,000 instead of $817,597,000, as recommended by the other body.

That reduction in manpower training funds I find difficult to understand, when we consider the rate of unemployment and the contribution that manpower training makes to counter unemployment. It is the one program that enables the unemployed and unskilled to achieve skilled training. I wonder if you would be willing to give the House some idea as to why that reduction was made.

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

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

Mr. MICHEL. I appreciate the gentleman's yielding. That represents a 5-percent cut in the item to which the gentleman makes reference. I must confess that I, too, am rather concerned that the cut should come from that particular item. There was some controversy in the conference with respect to where we should make a cut in the overall economic opportunity program, and it was the general feeling that we would like to recoup $80 to $100 million. Rather than taking a 10-percent cut from the OEO item, which was suggested, it was agreed that a 5-percent cut in the manpower training and a 5-percent cut in the OEO would be made.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield further?

Mr. CEDERBERG. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate very much the candid response of the gentleman from Illinois. I can but indicate my unhappiness with the reductions that are made in both the manpower training and OEO items.

Let me go back to amendment No. 33, which would provide $660,000 for the Occupational Safety and Health Review Commission by transferring funds from the Department of Labor. Am I correct in understanding that the additional appropriation provided by this amendment would enable the Occupational Safety and Health Review Commission to hire the review officers which are needed to handle the large case load that is now pending?

Mr. MICHEL. If the gentleman will yield further the answer is "Yes." So far as funds are concerned this is strictly a transfer item a transfer from Department of Labor appropriations. There is no appropriation of new money.

Mr. STEIGER of Wisconsin. I thank the gentleman from Michigan and the gentleman from Illinois for their responses. I would only stress that the need is great for Safety and Health hearing examiners; we in the Congress must make sure we provide the funds that are necessary for this new agency.

Mr. CEDERBERG. Mr. Speaker, before yielding the floor, I would like, if I may, to enter into a little colloquy with my distinguished friend, the Chairman of the Post Office Subcommittee, Mr. STEED of Oklahoma. The gentleman will recall that the Senate had placed in the bill an item of $11,200,000 to begin the construction of the Pat McNamara Federal Building in the City of Detroit. The gen-

tleman from Oklahoma objected to this method in going about construction of this building. He felt in the conference, and so stated, that it would be better to appropriate the full amount of money in the next year's budget that he will handle, and that in the light of his experience, he felt that if it was done in this manner, it would have a year's time, I believe he said, and also the cost would probably be less than if we proceeded as the Senate had indicated by appropriating $11,200,000.

So that we can get a little legislative history on the subject, am I correct in stating that it is the gentleman's position that this is a very high-priority item, and that he looks upon it with favor and will give it serious consideration and be of assistance in seeing that this matter is taken care of next year?

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

Mr. CEDERBERG. I yield to the gentleman from Oklahoma.

Mr. STEED. I want to assure the gentleman it is true that the Detroit project is probably as deserving of top priority as any of the many projects that are pending in the country today. I have made my views in this regard known to both the GSA and OMB. The reason why we object to it had nothing whatsoever to do with the need for the building or the merit of the project.

As the gentleman knows, we got into the business some years ago of the partial construction of buildings, and it proved to be very costly; plus the fact that it had the effect of delaying the construction of the buildings. In order to get away from that system, we devoted 78 percent of the budget this year to cleaning up all of those old projects.

So we are now in a position to enter into the type of construction where we do the whole job in one movement. We are talking here, I think, only about a 6 months' delay, because it will be possible in the upcoming budget to fund that project in its entirety, and we have been assured by GSA that this can well save 2 years and maybe more from the date of the start until the building can be occupied.

As the gentleman knows, it is very expensive not to have the building already, and the sooner we can have the building, the sooner that unnecessary outflow of cost can be eliminated.

So far as I know, I know of no other project in the country that is more badly needed than the Detroit one, and I intend to do everyhing I can to see that it is in the next budget.

Mr. CEDERBERG. Mr. Speaker, I appreciate the comments of the gentleman from Oklahoma.

I did want to say this was authorized in 1963, ground was broken in 1968, and the mayor and the other people in Detroit are concerned. They will be gratified with the remarks of the gentleman from Oklahoma. I appreciate the gentleman's remarks very much.

Mr. MAHON. Mr. Speaker, at this late hour in the session of the Congress, we did our best to bring in a bill that would be reasonably acceptable to, shall I say, the high-dollar people and the low-dollar people. Of course, in relation to the budget requests, we are more on the low-dollar side, as compared to the Senate bill, as has been indicated. This is the best we were able to do in conference on the many matters involved.

Mr. Speaker, unless there is further desire for discussion, I shall presently move the previous question.

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

Mr. MAHON. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding.

I cannot help but ask in wonderment how someone could refer to a specific amendment, as those in a prior discussion did, for example, amendment 29 or amendment 31. I have no way of knowing whether there are any specific amendments anywhere, in the odd "crash" situation in which we find ourselves, or whether or not there are any amendments in technical disagreement.

Of course, under the procedures of the House, there are options available when there are amendments in technical disagreement, and the gentleman from Texas will file separate motions at a later date. Are there any amendments in technical disagreement?

Mr. MAHON. There are quite a number of amendments in technical disagreement.

Mr. HALL. It would certainly be nice had we had an opportunity to see those.

ECONOMIC OPPORTUNITY AND HEALTH MANPOWER PROGRAMS

Now, under item No. 3 of the chart—or worksheet—just supplied, I will ask the gentleman from Texas, are we to presume that the whopping big increase over the House bill of $2,504,351,000, plus $660,000 in transfers, as has been discussed here, does that include $2 billion for that unconscionable OEO, and something like $200 million for additional impacted aid that the gentleman alleges the other body put in, and for the capitation grants for the Health Manpower and Health Professions Training Act—is there anything else in that $2,504,000,000 increase, I will ask the gentleman? If so, are any of them in disagreement?

Mr. MAHON. Referring to chapter III, the conference agreement is above the budget by $142 million in the case of the health manpower. But, since that item was not in the House bill, but was added by the Senate, the entire amount of the conference agreement on health manpower, shows as an increase over the House bill. The OEO programs were likewise not in the House bill. The conference agreement is about $2 billion.

Mr. HALL. If the gentleman will yield further, does the gentleman know how much that makes us totally over last year's appropriation in the same area—for total appropriations?

Mr. MICHEL. Mr. Speaker, if the gentleman will yield, I think it should be pointed out that for OEO we are at the budget figure minus the 5 percent cut which the conferees agreed to. For Headstart there is $376,317,000 in the bill. It is at last year's program level and $500,000 under the budget. That reduction represents the budgeted increase for evaluation. I think that was one appropriation to which the gentleman made reference.

Mr. HALL. That is very interesting. What I am really trying to find out is, where is the rest of the half billion dollars, the $504,351,000?

I understand some of it is for impact aid and some of it is for health.

Mr. MAHON. The other half-billon dollars is essentially represented by the health manpower increases, which we have been discussing with the gentleman from Florida. The House bill did not include any provision for health manpower, so the entire conference amount, namely, $493 million, shows as an increase over the House bill.

Mr. HALL. Does the gentleman have the answer to my other question, about how much it is over last year's appropriation?

Mr. MAHON. I do not have the figure at my fingertips. I yield to the gentleman from Illinois, a member of the conference committee.

Mr. MICHEL. In the regular fiscal 1972 bill there was $180 million for health manpower. The supplemental request by the administration was for $350 million to augment the health manpower legislation which was signed into law just a few days ago. The Senate added to that $357 million. As the chairman pointed out, we agreed to $143 million of that increase. So we would add $143 million plus $350 million plus $180 million to get the total amount of $673 million for health manpower in the current fiscal year.

Mr. HALL. That is over and above last year's appropriation?

Mr. MICHEL. Considerably, yes.

Mr. HALL. I have only one other question.

LEGISLATIVE BRANCH ITEMS

Is there anything in item four of this "poop sheet" which came to us after we took up the conference report, under "Legislative" that would explain the additional $1,372,595 above the House-passed figure? I am well aware, Mr. Speaker, it is custom and comity with the other body to allow their expenses. Specifically I want to know whether there is anything there for land acquisition or building on the part of the other body?

Mr. MAHON. There were a number of housekeeping items inserted by the other body. They are shown in the Senate passed bill and explained in the Senate report, which I have here at the table.

For example, there is $42,500 for a gratuity to the widow of the late Senator Prouty.

There is $21,770 for committee employees of the Senate.

There is $597,535 for administrative and clerical assistants to Senators, and language increasing clerk hire allowances.

Mr. HALL. That probably will account for all the self-styled presidential candidates' "staffs" in that other body, I would presume.

Mr. MAHON. I am not acquainted with that.

There is $68,390 for the Sergeant at Arms and Doorkeeper.

There is $14,000 for folding documents.

There is $275,000 for miscellaneous items, including $145,000 to modernize the Senate disbursing office and $130,000 and language to increase the number of home-State offices from two to three, and an increase of allowances for operations of home-State offices.

There is a transfer of $250,000 from fiscal year 1971 appropriations to miscellaneous items, and so forth.

There is $17,000 for an increase in stationary allowances of Senators in various population categories, and so forth.

It is all set out in the Senate committee report, which is available to Members.

Mr. HALL. I will phrase the question again for the gentleman. Is there anything in the miscellaneous and the various "and so forths," he has related, which will be used for land acquisition on the part of the other body?

Mr. MAHON. There is one amendment that involves a land purchase.

In the Senate committee report, of December 2, page 51, it is stated in part:

> The Committee recommends an appropriation of $270,000 for the acquisition of lot 18 in square 724 of the District of Columbia, located directly to the north of the New Senate Office Building and bounded by C, First, D and Second Streets, N.E. The site is presently being used as a commercial parking facility open to the public on a fee basis.
>
> This appropriation is authorized in S. 2687, which passed the Senate October 29, 1971. Following is an excerpt from the report on this bill submitted by the Senate Committee on Public Works:

Mr. HALL. I thought so; and I thank the gentleman.

ECONOMIC OPPORTUNITY PROGRAMS

Mr. PERKINS. Mr. Speaker, will the distinguished chairman yield to me briefly?

Mr. MAHON. I yield to the distinguished chairman of the Committee on Education and Labor.

Mr. PERKINS. If I understand the discussion, you cut the funds by 5 percent in the Economic Opportunity Act, including training programs. Is that correct?

Mr. MAHON. That is correct.

Mr. PERKINS. One other item. I understood the gentleman from Illinois to state the figure for Headstart of $500 million was cut back to about $376 million. Am I correct in that, I ask the gentleman from Illinois?

Mr. MAHON. I yield to the gentleman from Illinois to respond to the question as to what was done in conference with respect to Headstart.

Mr. MICHEL. I am not sure what the authorization is but we agreed to the budget figure that the Senate had in the bill with a relatively small reduction of $500,000.

Mr. PERKINS. I thank the gentleman.

Mr. MAHON. I yield to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Speaker, I want to be absolutely sure that 350 positions added for coal mine health safety inspection and the 19 positions added for the assessment of civil penalties by the House were retained by the conferees.

Mr. MAHON. With respect to that item, the total amount in the House bill was retained in conference.

Mr. HECHLER of West Virginia. I thank the gentleman.

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

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

INCREASING DISINCLINATION TO HOLD THE LINE ON SPENDING

Mr. FINDLEY. I thank the gentleman for yielding.

Mr. Speaker, I have been in this body for just 11 years, and I do not have the background of the gentleman from Texas. In fact, I do not know of anyone in this body who is better equipped to deal with the question that I would like to raise than the gentleman from Texas.

I heard the gentleman in a statement during a colloquy the other day make an estimate that we would probably finish this fiscal year with a deficit of about $40 billion. Am I correct on that?

Mr. MAHON. I believe I said that in the current fiscal year, which is fiscal year 1972, we would probably finish the year with a deficit of from $35 billion to $40 billion in Federal funds. Of course, we borrow certain moneys from the trust funds, which must be paid back with interest, but I am talking about Federal funds. That is really the area which concerns me most, because there is where the public debt goes up. That is the key figure.

Mr. FINDLEY. As I recall it, we finished the last fiscal year with a deficit in the neighborhood of $30 billion.

Mr. MAHON. $30 billion in Federal funds.

Mr. FINDLEY. The reason why I mention this, Mr. Chairman, is my concern of what is happening in the appropriation discipline. The Committee on Appropriations was established, as I understand it, in an effort to bring about a discipline throughout the Federal Establishment so that our outflow would roughly equal the income of the Government. We have lost control some place. I wonder if the gentleman from Texas can tell us what we can do to bring about a better discipline on the part of the appropriation process.

Mr. MAHON. Well, it is fundamentally a question of will. A democracy will perish unless the people have the will and the restraint necessary to make democracy work. Formerly on the Committee on Appropriations we would take pride in saving the taxpayers' dollars and reducing the budget as much as possible. To reduce below the budget is becoming more and more difficult. Now our fight tends to consist in trying to prevent going inordinately above the budget.

WILL SPENDING APPROACH A GOOGOL OR A GOOGOLPLEX?

For example, we are saying here for health manpower that we went above the budget only $143 million. Of course, many of these programs are attractive and important, and we are finding it more and more difficult to resist the temptation to spend. We are finding ourselves under constant attack because Members say to the Appropriations Committee:

Well, you did not provide for full funding.

If we provided full funding for all projects, public spending would go so high that the public debt sooner or later would probably approach a googol.

A googol is the figure 1 followed by 100 zeros. Then beyond that you step to what is called a googolplex. That is, indeed, an astronomical sum.

What the committee is trying to do is to prevent the public debt and the annual budget from going to a googol and, certainly, we want to avoid for this country a debt in the sum of a googolplex.

It is a most disturbing situation.

Congress is going far beyond appropriating all the money there is in hand and all the money there is in sight. It is becoming increasingly more difficult to hold the line. This lack of restraint jeopardizes the dollar. It is perhaps the principal cause of the great economic distress.

The SPEAKER. All time of the gentleman from Texas has expired.

Mr. CEDERBERG. Mr. Speaker, I would like to reply to the gentleman from Illinois (Mr. FINDLEY) and say that all the gentleman has to do is to vote against several of these authorization bills that keep coming down the road and not put the total blame on the Appropriations Committee. When the programs are authorized, then the Appropriations Committee has to make some effort to fund these programs to some degree.

I think the colloquy which we have had today has been very interesting because here we have a supplemental well above the budget, but all I have heard is complaining about the fact that it is not above the budget enough. Most of the colloquy has been that it has not been above the budget enough.

Mr. FINDLEY. Mr. Speaker, if the gentleman will yield, I raised the question to the chairman of the Appropriations Committee in all sincerity because my understanding of the appropriations process is that the reason the Appropriations Committee was established originally was to provide a central discipline within the House of Representatives over the spending of money. I want to know why it is not working and what can be done about it.

Mr. CEDERBERG. It is working within the committee quite well, but it does not work quite that well after we get it out of the committee.

Mr. FINDLEY. I am speaking about right here on the floor of the House right now.

Mr. MAHON. Mr. Speaker, will the gentleman from Michigan yield?

Mr. CEDERBERG. I am glad to yield to the chairman of the Appropriations Committee.

Mr. MAHON. Another factor in the current fiscal and budgetary picture is that in the interest of stimulating employment and the economy generally, we are adopting legislation cutting taxes some $15 billion over a 3-year period. We have also cut taxes in some recent years but we have not reaped the rewards that we had hoped to reap in increased revenues as a result of this effort at stimulation of the economy.

BUDGET WILL NOT BE EXCEEDED IN THE APPROPRIATION BILLS

But, that is another problem. However, let me say this: This Congress this year will not, in the appropriation bills, appropriate more money than has been requested by the executive branch. We are sharply below the Executive request for foreign aid appropriations. We are sharply below the Executive request for Defense appropriations. We are below the Executive request in certain other areas. However, in many of these social programs, there seems to be an irresistible urge to go higher and higher and higher.

What the Congress will eventually do about these trends, I do not know. But I believe the Congress and the people generally must somehow find the will to exercise more restraint in fiscal matters.

Mr. CEDERBERG. What the gentleman from Texas says may be true as far as our committee is concerned, but looking down the road to the future, we have authorized far more than has been requested. That is what gets us in trouble in future years.

NEED FOR MORE TIMELY AUTHORIZATIONS

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

Mr. CEDERBERG. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to point out that when we refer to the orderly proceedings in connection with the appropriations, I am sure I speak my own feelings and that of many others when I say that one of our major problems is that the authorizations never get out in time for us to complete the appropriations hearings and markup by the time we should and that is July 1, the beginning of the new fiscal year.

Mr. Speaker, it was considered by the Appropriations Committee and more or less agreed on at the conclusion of our work 2 years ago that we would proceed with our hearings with or without authorizations and when we got through, we would mark up the bill based on the prior year's appropriation, and as I recall this was agreed to by the leadership, and see whether or not we had enough authorizations and if we did not, then we could have a rule. We did this. That is one approach that we could follow in order to bring about an orderly process out of what appears to be chaos. However, that still leaves the problem that the gentleman from Texas pointed out and that is the problem of trying to hold the lid on after we complete our work. But we cannot bring order out of chaos if we mark our bills up on preceding appropriations, and if we had no authorization which raises another dilemma that we went through and that is to give us a rule on these authorizations.

Give us a rule or give us an authorization. That could be done, and I hope it will be seriously considered.

Mr. CEDERBERG. The gentleman from Mississippi makes a good point.

Mr. Speaker, I yield back the balance of my time because I know we have other business to take care of.

Mr. MAHON. 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.

The question was taken; and the Speaker announced that the ayes appeared to have it.

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 302, nays 73, not voting 56, as follows:

[Roll No. 453]

YEAS—302

Abernethy	Dwyer	Landrum
Abourezk	Eckhardt	Leggett
Abzug	Edwards, Calif.	Lennon
Adams	Esch	Lent
Addabbo	Eshleman	Link
Alexander	Evans, Colo.	Lloyd
Anderson, Calif.	Fascell	Long, La.
Anderson, Ill.	Fish	Long, Md.
Andrews, N. Dak.	Flood	McClory
Ashley	Foley	McCloskey
Aspin	Ford, Gerald R.	McClure
Aspinall	Ford, William D.	McCulloch
Badillo	Forsythe	McDade
Begich	Fountain	McDonald, Mich.
Bergland	Fraser	McEwen
Bevill	Frelinghuysen	McFall
Biaggi	Frenzel	McKay
Biester	Frey	McKinney
Bingham	Fulton, Tenn.	McMillan
Boggs	Galifianakis	Macdonald, Mass.
Boland	Garmatz	Madden
Bolling	Gaydos	Mahon
Brademas	Gettys	Mailliard
Brasco	Giaimo	Martin
Brinkley	Gibbons	Mathias, Calif.
Brooks	Gonzalez	Mathis, Ga.
Broomfield	Grasso	Matsunaga
Brotzman	Gray	Mazzoli
Brown, Mich.	Green, Oreg.	Meeds
Brown, Ohio	Griffin	Melcher
Broyhill, N.C.	Gubser	Michel
Broyhill, Va.	Hagan	Miller, Calif.
Buchanan	Halpern	Miller, Ohio
Burke, Mass.	Hamilton	Minish
Burleson, Tex.	Hammer-schmidt	Mink
Burlison, Mo.	Hanley	Minshall
Burton	Hanna	Mitchell
Byrnes, Wis.	Hansen, Idaho	Mollohan
Cabell	Hansen, Wash.	Monagan
Caffery	Harrington	Moorhead
Carey, N.Y.	Harsha	Morgan
Carney	Harvey	Morse
Carter	Hastings	Mosher
Cederberg	Hathaway	Moss
Chamberlain	Hawkins	Murphy, Ill.
Chappell	Hechler, W. Va.	Murphy, N.Y.
Chisholm	Heckler, Mass.	Natcher
Clark	Heinz	Nedzi
Clausen, Don H.	Helstoski	Nelsen
Clay	Henderson	Obey
Cleveland	Hicks, Mass.	O'Hara
Collier	Hogan	O'Neill
Colmer	Holifield	Passman
Conable	Horton	Patman
Conte	Hosmer	Patten
Corman	Howard	Pepper
Cotter	Hull	Perkins
Coughlin	Hungate	Pettis
Culver	Ichord	Peyser
Curlin	Jacobs	Pickle
Daniels, N.J.	Jarman	Pike
Davis, Ga.	Johnson, Calif.	Pirnie
Davis, S.C.	Johnson, Pa.	Poage
de la Garza	Jones, Ala.	Podell
Delaney	Jones, N.C.	Preyer, N.C.
Dellums	Jones, Tenn.	Price, Ill.
Dent	Karth	Pryor, Ark.
Dingell	Kastenmeier	Pucinski
Donohue	Kazen	Quie
Dorn	Keating	Railsback
Dow	Kee	Randall
Downing	Keith	Rangel
Drinan	Kemp	Rees
Dulski	Koch	Reid, N.Y.
Duncan	Kuykendall	Rhodes
du Pont	Kyl	Riegle
	Kyros	Robison, N.Y.
Rodino	Slack	Vanik
Roe	Smith, Iowa	Vigorito
Rogers	Smith, N.Y.	Waggonner
Rooney, N.Y.	Staggers	Wampler
Rooney, Pa.	Stanton, J. William	Ware
Rosenthal	Stanton, James V.	Whalen
Roy	Steed	Whalley
Roybal	Steele	White
Runnels	Steiger, Wis.	Whitten
Ruppe	Stephens	Widnall
Ryan	Stratton	Williams
St Germain	Stubblefield	Wilson, Bob
Sandman	Stuckey	Wilson, Charles H.
Sarbanes	Symington	Winn
Saylor	Taylor	Wolff
Scherle	Teague, Calif.	Wyatt
Scheuer	Teague, Tex.	Wydler
Schwengel	Terry	Wyman
Sebelius	Thompson, N.J.	Yates
Seiberling	Thomson, Wis.	Yatron
Shipley	Ullman	Young, Tex.
Shriver	Van Deerlin	Zablocki
Sikes	Vander Jagt	Zion
Sisk		Zwach
Skubitz		

NAYS—73

Abbitt	Fisher	Poff
Archer	Flowers	Powell
Arends	Flynt	Price, Tex.
Ashbrook	Goldwater	Quillen
Baker	Goodling	Rarick
Bennett	Gross	Roberts
Betts	Grover	Robinson, Va.
Bow	Haley	Rousselot
Bray	Hall	Ruth
Burke, Fla.	Hays	Satterfield
Byron	Hillis	Schmitz
Camp	Hunt	Schneebeli
Clancy	Hutchinson	Scott
Clawson, Del	Jonas	Shoup
Collins, Tex.	King	Smith, Calif.
Crane	Landgrebe	Snyder
Daniel, Va.	Latta	Steiger, Ariz.
Danielson	McCollister	Thompson, Ga.
Davis, Wis.	Mann	Thone
Dellenback	Mayne	Whitehurst
Denholm	Mills, Md.	Wiggins
Dennis	Myers	Wylie
Dickinson	Nichols	Young, Fla.
Edwards, Ala.	O'Konski	
Findley	Pelly	

NOT VOTING—56

Anderson, Tenn.	Dowdy	Mills, Ark.
Andrews, Ala.	Edmondson	Mizell
Annunzio	Edwards, La.	Montgomery
Baring	Eilberg	Nix
Barrett	Erlenborn	Purcell
Belcher	Evins, Tenn.	Reuss
Bell	Fuqua	Roncalio
Blackburn	Gallagher	Rostenkowski
Blanton	Green, Pa.	Roush
Blatnik	Griffiths	Spence
Byrne, Pa.	Gude	Springer
Casey, Tex.	Hébert	Stokes
Celler	Hicks, Wash.	Sullivan
Collins, Ill.	Kluczynski	Talcott
Conyers	Lujan	Tiernan
Derwinski	McCormack	Udall
Devine	McKevitt	Veysey
Diggs	Metcalfe	Waldie
	Mikva	Wright

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Springer.
Mr. Hébert with Mr. Devine.
Mr. Blatnik with Mr. Belcher.
Mr. Tiernan with Mr. Spence.
Mr. Barrett with Mr. Talcott.
Mr. Hicks of Washington with Mr. Bell.
Mr. Reuss with Mr. Veysey.
Mr. Rostenkowski with Mr. Gude.
Mr. Byrne of Pennsylvania with Mr. Collins of Illinois.
Mr. Andrews of Alabama with Mr. Blackburn.
Mr. Blanton with Mr. Lujan.
Mr. Green of Pennsylvania with Mr. Conyers.
Mr. Gallagher with Mr. McKevitt.
Mr. Evins of Tennessee with Mr. Erlenborn.
Mr. Eilberg with Mr. Derwinski.
Mr. Mikva with Mr. Metcalfe.
Mr. Nix with Mr. Roush.

Mr. Kluczynski with Mr. Dowdy.
Mr. Casey of Texas with Mr. Mizell.
Mr. Celler with Mr. Diggs.
Mr. Montgomery with Mr. Mills of Arkansas.
Mr. Wright with Mr. Waldie.
Mr. Udall with Mr. Stokes.
Mrs. Sullivan with Mr. Anderson of Tennessee.
Mr. Baring with Mr. Edmondson.
Mr. Purcell with Mr. Fuqua.
Mr. Roncalio with Mrs. Griffiths.

Mr. CARNEY changed his vote from "nay" to "yea."

Mr. SNYDER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 2, line 20, insert:

"CONSTRUCTION

"For an additional amount for 'Construction,' $550,000, to remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 6 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. 11: On page 3, line 21, strike out "$110,000," and insert "$2,325,000,"

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 11 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. 12:

Page 3, line 22, insert: *"Provided,* That notwithstanding the Act of March 18, 1950, as amended, not to exceed $2,215,000 shall be available for airport planning, development, or improvement at the Jackson Hole Airport pursuant to the Act of March 18, 1950, including availability through the Jackson Hole Airport Authority as sponsor's share of project costs for any grant made pursuant to Public Law 91–258."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 12 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. 13: Page 4, line 4, insert:

"PARKWAY AND ROAD CONSTRUCTION (LIQUIDATION OF CONTRACT AUTHORITY)

"For an additional amount for 'Parkway and road construction (liquidation of contract authority)', $96,000, to remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 13 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. 15: Page 5, line 9, insert:

"YOUTH CONSERVATION CORPS

"SALARIES AND EXPENSES

"For expenses necessary to carry out the provisions of the Act of August 13, 1970 (Public Law 91–378), establishing the Youth Conservation Corps, $3,500,000, to remain available until expended: *Provided,* That $1,750,000 shall be available to the Secretary of the Interior and $1,750,000 shall be available to the Secretary of Agriculture."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 15 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. 16: Page 5, line 17, insert:

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

"INDIAN HEALTH FACILITIES

"For an additional amount for 'Indian health facilities', $42,000, to remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 16 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. 20: Page 6, line 24, insert:

"SALARIES AND EXPENSES

"For an additional amount for the Manpower Administration, $26,607,000: *Provided,* That $26,207,000 of this appropriation shall be available only upon the enactment into law of S. 2007 or other authorizing legislation by the Ninety-second Congress."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the matter proposed in said amendment insert

"SALARIES AND EXPENSES

"For an additional amount for the Manpower Administration, $26,207,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 7, line 4, insert:

"MANPOWER TRAINING SERVICES

"For expenses necessary to carry into effect title I of the Economic Opportunity Act of 1964, as amended, $817,597,000: *Provided,* That the amounts heretofore appropriated for title II, parts A and B of the Manpower Development and Training Act of 1962, as amended, for expenses of programs authorized under the provisions of subsection 123(a) (5) and (8) of the Economic Opportunity Act of 1964, as amended, shall not be subject to the apportionment of benefits provisions of section 301 of the Manpower Development and Training Act: *Provided further,* That this appropriation shall not be available for contracts made under title I of the Economic Opportunity Act extending for more than twenty-four months: *Provided further,* That all grants agreements shall provide that the General Accounting Office shall have access to the records of the grantee which bears exclusively upon the Federal grant: *Provided further,* That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration, and repair of buildings and other facilities, as authorized by section 602 of the Economic Opportunity Act of 1964 and for the purchase of real property for training centers: *Provided further,* That this appropriation shall be available only upon the enactment into law of S. 2007 or other authorizing legislation by the Ninety-second Congress."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment as follows: In lieu of the sum named in said amendment insert "$776,717,000," and delete the last proviso.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: On page 9, line 4, insert:

"ELEMENTARY AND SECONDARY EDUCATION

"For an additional amount for 'Elementary and Secondary Education', $32,500,000, which shall be for title I–A of the Elementary and Secondary Education Act: *Provided,* That the aggregate amounts made available to each State in fiscal year 1972 under such title for grants to local educational agencies within that State shall not be less than such amounts as were made available for that purpose in fiscal year 1971."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 24 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. 28: Page 11, line 14, insert:

"NATIONAL INSTITUTES OF HEALTH

"HEALTH MANPOWER

"For an additional amount for 'Health manpower', $707,157,000 of which $217,816,000 shall remain available until expended to carry out part B of title VII and part A of title VIII of the Public Health Service Act: *Provided,* That $120,000,000 to carry out sections 772, 773, and 774 shall remain available for obligation through September 30, 1972: *Provided further,* That $10,616,000 shall be for a construction grant to the Louisiana State University, as authorized by title VII of the Public Health Service Act and $1,000,000 shall be used to carry out programs in the family practice of medicine, as authorized by the Family Practice of Medicine Act of 1970 (S. 3418, Ninety-first Congress).

"Loans, grants, and payments for the next succeeding fiscal year: For making, after December 31 of the current fiscal year, loans, grants, and payments under section 306, parts C, F, and G of title VII, and parts B and D of title VIII of the Public Health Service Act for the first quarter of the next succeeding fiscal year, such sums as may be necessary, and obligations incurred and expenditures made hereunder shall be charged to the appropriation for that purpose for such fiscal year: *Provided,* That such loans, grants, and payments pursuant to this paragraph may not exceed 50 per centum of the amounts authorized in section 306, parts C and G of title VII, and in part B of title VIII for these purposes for the next succeeding fiscal year."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 28 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"NATIONAL INSTITUTES OF HEALTH

"HEALTH MANPOWER

"For an additional amount for 'Health manpower", $492,980,000 of which $162,885,000 shall remain available until expended to carry out part B of title VII and part A of title VIII of the Public Health Service Act: *Provided,* That $93,000,000 to carry out sections 772, 773, and 774 shall remain available for obligation through September 30, 1972: *Provided further,* That $100,000 shall be used to carry out programs in the family practice of medicine, as authorized by the Family Practice of Medicine Act of 1970 (S. 3418, Ninety-first Congress).

"Loans, grants, and payments for the next succeeding fiscal year: For making, after December 31 of the current fiscal year, loans, grants, and payments under section 306, parts C, F, and G of title VII, and parts B and D of title VIII of the Public Health Service Act for the first quarter of the next succeeding fiscal year, such sums as may be necessary, and obligations incurred and expenditures made hereunder shall be charged to the appropriation for that purpose for such fiscal year: *Provided,* That such loans, grants, and payments pursuant to this paragraph may not exceed 50 per centum of the amounts authorized in section 306, parts C and G of title VII, and in part B of title VIII for these purposes for the next succeeding fiscal year."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29. Page 12, line 17, insert:

"SOCIAL AND REHABILITATION SERVICE

"SPECIAL PROGRAMS FOR THE AGING

"For an additional amount to carry out, except as otherwise provided, the Older Americans Act of 1965, $45,750,000.

"RESEARCH AND TRAINING

"For an additional amount to carry out, except as otherwise provided, titles IV and V of the Older Americans Act of 1965, $9,500,000."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SOCIAL AND REHABILITATION SERVICE

"SPECIAL PROGRAMS FOR THE AGING

"For an additional amount to carry out, except as otherwise provided, the Older Americans Act of 1965, $45,750,000, to remain available for obligation through December 31, 1972.

"RESEARCH AND TRAINING

"For an additional amount to carry out, except as otherwise provided, titles IV and V of the Older Americans Act of 1965, $9,500,000, to remain available for obligation through December 31, 1972."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: Page 13, line 2, insert:

"CHILD DEVELOPMENT

"For an additional amount for 'Child Development', $376,817,000, to carry out Project Headstart, as authorized by section 222(a)(1) of the Economic Opportunity Act of 1964: Provided, That this appropriation shall be available only upon the enactment into law of S. 2007 or other authorizing legislation by the Ninety-second Congress."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$376,317,000" and delete the proviso.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 32: Page 13, line 9, insert:

"MATERNAL AND CHILD HEALTH

"Grants made during the current fiscal year for any project under section 508, 509, or 510 of the Social Security Act may be for periods ending prior to July 1, 1973."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 32 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. 33: Page 14, line 1, insert:

"OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' for expenses of additional hearing examiners, $660,000, to be derived by transfer from the appropriation to the Department of Labor, the Workplace Standards Administration, for 'Salaries and expenses.' "

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 33 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. 34: Page 14, line 9, insert:

"OFFICE OF ECONOMIC OPPORTUNITY

"FEDERAL FUNDS

"ECONOMIC OPPORTUNITY PROGRAM

"For expenses necessary to carry out the provisions of the Economic Opportunity Act of 1964 (Public Law 88-452, approved August 20, 1964), as amended, $780,400,000, plus reimbursements: *Provided,* That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration, and repair of buildings and other facilities, as authorized by section 602 of the Economic Opportunity Act of 1964: *Provided further,* That no part of the funds appropriated in this paragraph shall be available for any grant until the Director has determined that the grantee is qualified to administer the funds and programs involved in the proposed grant: *Provided further,* That all grant agreements shall provide that the General Accounting Office shall have access to the records of the grantee which bear exclusively upon the Federal grant: *Provided further,* That this appropriation shall be available only upon the enactment of S. 2007 or other authorizing legislation by the Ninety-second Congress."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$741,380,000" and delete the last proviso.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

Mr. MAHON. Mr. Speaker, inasmuch as amendments Nos. 35 through 46 relate solely to the other body, I ask unanimous consent that these amendments—that is, Nos. 35 through 46, inclusive—be considered en bloc.

SENATE HOUSEKEEPING-TYPE ITEMS

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas if he thinks the other body would do as much for us as he requests in an attempt to expedite the effort to adjourn.

Mr. MAHON. Normally when we insert housekeeping items of the House, the other body does not object but concurs in the House action.

Mr. GROSS. I have long understood the business of comity between the two bodies. I have long since learned all about that. I can see a tremendous amount of reading here for the reading clerk, and I am not going to object, but I just want to be assured that the Senate will do as much to cooperate in the rush to adjourn when the occasion presents itself.

Mr. MAHON. I am most hopeful that now that we have all the appropriation bills delivered to the other body, the other body will act. If the other body does not, then we will have to decide what to do.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

Mrs. GREEN of Oregon. Reserving the right to object, and I know that this question comes a little bit later than it should but I would like to address a question to the Chairman of the Appropriations Committee, if I may, in regard to the OEO legislation. If a veto message comes to the House this afternoon and the entire OEO bill with the child development program is vetoed, the appropriation is still in the conference report. Does the appropriation then have the impact of authorizing the legislation, and the appropriation would be in effect this year?

Mr. MAHON. I believe that the appropriation bill would control and that the funds for the OEO would be available even though there should be a veto of the OEO authorizing legislation, S. 2007.

There was language in the Senate bill making the availability of the funds contingent upon an authorization bill being enacted into law, but this language was stricken out in conference. The language that was stricken out reads as follows:

Provided further, that this appropriation shall be available only upon the enactment of S. 2007 or other authorizing legislation by the 92d Congress.

That language appeared in four places in the appropriation bill with regard to Economic Opportunity activities. That was stricken from the bill in each instance. So under the circumstances I believe that this bill would control and that the funds would be available even if there is a veto of the Economic Opportunity authorization bill.

Mrs. GREEN of Oregon. Mr. Speaker, further reserving the right to object, then if this legislation that we are now considering has the effect of both authorizing and appropriating funds, would the chairman tell me whether it would be the appropriations for the new bill that was written this year and was passed by the House or would it be for the OEO bill as it existed last year?

Mr. MAHON. It will be for the authorization that lost was in effect if the bill that Congress has recently passed is vetoed. It will tie to legislation that had been continued to be funded by the continuing resolution and will not be based upon the new proposed legislation if it is vetoed.

Mrs. GREEN of Oregon. But your contingency clause, "contingent upon S. 2007 being enacted into law," that legislative history would not change what the gentleman has just said? It would not have the effect of appropriating funds for the bill as it was passed this year instead of the OEO legislation that was passed last year or the year before?

Mr. MAHON. I believe it would have the effect of appropriating funds for the program as it is now being carried on, and that is under the old law rather than the new legislation recently passed by the House and the Senate.

Mrs. GREEN of Oregon. Does the conference report make that clear that it is the old bill without any changes?

Mr. MAHON. We just say a certain amount is available, for the Headstart program, for the manpower programs, and for the Office of Economic Opportunity.

Mrs. GREEN of Oregon. And it does not include, for instance, child development or the other changes?

Mr. MAHON. It does not include the new programs which would be initiated under the new legislation which recently went to the White House. For example, regarding the Office of Child Development on page 13, amendment No. 31, the language of the bill is—

For an additional amount for "child development" $376,817,000 to carry out Project Headstart, as authorized by section 222(a)(1) of the Economic Opportunity Act of 1964 . . ."

So that would be the proviso.

Mrs. GREEN of Oregon. And not the new program.

Mr. MAHON. That is right, whether the President signs the new bill or vetoes it there are no funds provided for the proposed child development program or any other new program.

Mrs. GREEN of Oregon. I thank the gentleman.

Mr. WILLIAM D. FORD. Mr. Speaker, will the gentleman yield?

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

Mr. WILLIAM D. FORD. Mr. Speaker, I did not quite understand the answer given to the gentlewoman. It appears that it is the intention of the amendment now before us to make the spending of the funds that are appropriated herein subject to all the provisions of the Economic Opportunity Act of 1964, which was Public Law 88–452. Is that correct?

Mr. MAHON. Will the gentleman advise what amendment he is looking at, the page?

Mr. WILLIAM D. FORD. On OEO.

Mr. MAHON. On OEO?

Mr. WILLIAM D. FORD. It is No. 34 on page 14.

Mr. MAHON. And it continues on page 15 with language that was stricken in conference. The language that was stricken is:

Provided further, That this appropriation shall be available only upon the enactment of S. 2007 or other authorizing legislation by the 92d Congress.

So it would be based upon existing law, the Economic Opportunity Act of 1964, as amended.

Mr. WILLIAM D. FORD. There is no existing law. The law expired on July 1 of this year. That is why I wanted to determine from the gentleman if we would interpret this language as if we were reenacting that act?

Mr. MAHON. We gave the act of 1964 a transfusion and we have kept it alive through the technique of the continuing resolution, and now continue its funding in this bill.

Mr. WILLIAM D. FORD. Is it the interpretation of the Chairman then that the restrictions contained in that statute, would apply to the funds under this conference report?

Mr. MAHON. I would say the existing restrictions would apply. There are other members of the committee who are far more expert in this field than I am.

The Chairman of the Subcommittee, the gentleman from Pennsylvania (Mr. FLOOD) is here.

Mr. FLOOD. If the gentleman will yield, that is quite right, yes.

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

There was no objection.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read the Senate amendments, as follows:

Senate amendments Nos. 35 through 46: Beginning on page 15, line 5, strike out "CHAPTER III" and insert "CHAPTER IV"

LEGISLATIVE BRANCH.

And on line 7 insert: "SENATE"

And on line 8 insert: "For payment to Jennette Herbert Hall Prouty, widow of Winston L. Prouty, late a Senator from the State of Vermont, $42,500."

And on line 11 insert:

"SALARIES, OFFICERS AND EMPLOYEES"

And on line 12 insert:

"COMMITTEE EMPLOYEES

"For an additional amount for 'Committee Employees', $21,770, to include herein, from and after January 1, 1972, the positions made permanent by Public Law 92–136, approved October 11, 1971."

And on line 17 insert:

"ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

"For an additional amount for 'Administrative and Clerical Assistants to Senators', $597,535: *Provided,* That the clerk hire allowance of each Senator from the States of Maryland and Tennessee shall be increased to that allowed Senators from States having a population of four million, the populations of said States having exceeded four million inhabitants, that the clerk hire allowance of each Senator from the State of Florida shall be increased to that allowed Senators from States having a population of seven million, the population of said State having exceeded seven million inhabitants, and that the clerk hire allowance of each Senator from the State of Michigan shall be increased to that allowed Senators from States having a population of nine million, the population of said State having exceeded nine million inhabitants: *Provided further,* That effective January 1, 1972, the table contained in section 105(d)(1) of the Legislative Branch Appropriation Act, 1968, as amended and modified, is amended to read as follows:

"$295,938 if the population of his State is less than 3,000,000;

"$321,768 if such population is 3,000,000 but less than 4,000,000;

"$345,138 if such population is 4,000,000 but less than 5,000,000;

"$362,850 if such population is 5,000,000 but less than 7,000,000;

"$382,038 if such population is 7,000,000 but less than 9,000,000;

"$403,440 if such population is 9,000,000 but less than 10,000,000;

"$424,842 if such population is 10,000,000 but less than 11,000,000;

"$446,244 if such population is 11,000,000 but less than 12,000,000;

"$467,646 if such population is 12,000,000 but less than 13,000,000;

"$488,556 if such population is 13,000,000 but less than 15,000,000;

"$509,466 if such population is 15,000,000 but less than 17,000,000;

"$530,130 if such population is 17,000,000 or more.'."

On page 17, line 10, insert:

"OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

"For an additional amount for 'Office of Sergeant at Arms and Doorkeeper', $68,390: *Provided*, That effective January 1, 1972, the Sergeant at Arms may appoint and fix the compensation of an additional assistant video engineer at not to exceed $17,958 per annum, a senior programer at not to exceed $17,712 per annum, two program analysts at not to exceed $15,006 per annum each, four operators at not to exceed $10,086 per annum each, a liaison and documentation specialist at not to exceed $12,054 per annum, a job controller at not to exceed $12,054 per annum, and a key punch operator at not to exceed $6,642 per annum."

And on line 22 insert:

"CONTINGENT EXPENSES OF THE SENATE"

And on line 23 insert:

"FOLDING DOCUMENTS

"For an additional amount for 'Folding Documents' $14,000."

On page 18, line 1, insert:

"MISCELLANEOUS ITEMS

"For an additional amount for 'Miscellaneous Items', fiscal year 1971, $250,000 to be derived by transfer from the appropriation 'Salaries, Officers and Employees', fiscal year 1971.

"For an additional amount for 'Miscellaneous Items', $275,000: *Provided*, That each Senator shall be entitled to office space suitable for his official use at not more than three places designated by him in the State he represents. The Sergeant at Arms shall secure for each Senator such suitable office space in post offices or other Federal buildings at the places designated by each Senator. In the event suitable space is not available in post offices or other Federal buildings at any place designated by a Senator within his State, the Senator may lease or rent other office space for the purpose at such place, and the Sergeant at Arms shall approve for payment from the contingent fund of the Senate vouchers covering bona fide statements of rentals due for such office. In addition, the Sergeant at Arms shall approve for payment from the contingent fund of the Senate to each Senator, upon his certification, the official office expenses incurred in his State, telephone service charges officially incurred outside Washington, District of Columbia, and charges incurred for subscriptions to newspapers, magazines, periodicals, or clipping or similar services. Payment of rentals due and such expenses and charges shall not exceed the amount of $7,800 each calendar year, of which amount not to exceed $3,600 shall be available for the payment of rentals due, except that in the case of a Senator holding his office as Senator for less than a full calendar year, such $7,800 and $3,600 shall be prorated for that portion of such year he has served as a Senator. The aggregate of payments to or on behalf of a Senator shall not exceed at any time the sum of $650 multiplied by the number of months (or fractions thereof) elapsing from (1) the first day of the calendar year in which the payment is made, or (2) the day during such year in which the Senator assumed the duties of his office, whichever day is applicable, to the date of payment, and the amounts included in such sum as payment for rentals due shall not exceed $300 multiplied by the number of such months (or fractions thereof), except that nothing in this sentence shall preclude the payment of rentals at the beginning of the month for which they are due. In the case of the death of any Senator, the chairman of the Committee on Rules and Administration may certify for such deceased Senator for any portion of such sum already obligated but not certified to at the time of such Senator's death, and for any additional amount which may be reasonably needed for the purpose of closing such deceased Senator's State office, for payment to the person or persons designated as entitled to such payment by such chairman. The proviso relating to strictly official telephone service charges incurred by Senators outside the District of Columbia appearing in the first paragraph of chapter VIII of the Second Supplemental Appropriation Act, 1967 (2 U.S.C. 46d–3), is repealed, and the paragraphs relating to the securing of office space for Senators in post office or other Federal buildings in their States and to the payment of official office expenses incurred by Senators in their States appearing under the heading 'Senate' in the Legislative Branch Appropriation Act, 1957, as amended (2 U.S.C. 52, 53), are repealed. The preceding seven sentences and the proviso preceding such sentences are effective January 1, 1972."

On page 20, line 14, insert:

"STATIONERY (REVOLVING FUND)

"For an additional amount for 'Stationery (Revolving Fund)', $17,400: *Provided*, That effective with the fiscal year 1972 and thereafter, the annual allowance for stationery for the President of the Senate shall be $3,600, and such allowance for each Senator shall be as follows:

"$3,600 if the population of his State is less than 3,000,000;

"$3,800 if such population is 3,000,000 but less than 5,000,000;

"$4,000 if such population is 5,000,000 but less than 9,000,000.

"$4,200 if such population is 9,000,000 but less than 11,000,000;

"$4,500 if such population is 11,000,000 but less than 13,000,000;

"$4,800 if such population is 13,000,000 but less than 17,000,000;

"$5,000 if such population is 17,000,000 or more."

On page 21, line 8, insert:

"ADMINISTRATIVE PROVISION

"In the event of the death, resignation, or disability of the Secretary of the Senate, the Assistant Secretary of the Senate shall act as Secretary in carrying out the duties and responsibilities of that office in all matters, except those matters relating to the Secretary's duties as disbursing officer of the Senate, until such time as a new Secretary shall have been elected and qualified or such disability shall have been ended. For purposes of this paragraph and the last full paragraph under the heading 'SENATE' in the First Deficiency Act, fiscal year 1936 (44 Stat. 162; 2 U.S.C. 64a), the Secretary of the Senate shall be considered as disabled only during such period of time as the Majority and Minority Leaders and the President pro tempore of the Senate certify jointly to the Senate that the Secretary is unable to perform his duties."

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments numbered 35 through 46 be considered as read and printed in the RECORD.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, that covers, I take it, the extension of the additional Senate Office Building site?

Mr. MAHON. No, I believe not. That, I believe, is a subsequent amendment.

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

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

There was no objection.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendments of the Senate numbered 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, and 46, 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. 48: On page 24, line 17, insert:

"SENATE OFFICE BUILDINGS

"For an additional amount for 'Senate Office Buildings', $66,000, to remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein.

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

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

Mr. GROSS. Does the mean an additional Senate office building?

Mr. MAHON. I believe you refer to the next amendment.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

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: Beginning on page 24, line 20, insert the following:

"EXTENSION OF ADDITIONAL SENATE OFFICE BUILDING SITE

"To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to acquire on behalf of the United States, by purchase, condemnation, transfer, or otherwise, in addition to the real property contained in square 724 in the District of Columbia heretofore acquired under Public Law 85–429, approved May 29, 1958 (72 Stat. 148–149), and Public Law 91–382, approved August 18, 1970 (84 Stat. 819), for purposes of further extension of such site or for additions to the United States Capitol Grounds, all publicly or privately owned real property contained in lot 18 in square 724 in the District of Columbia, as such square appears on the records in the Office of the Surveyor of the District of Columbia as of the date of the approval of this Act: *Provided*, That for the purposes of this Act, square 724 shall be deemed to extend to the outer face of the curbs surrounding such square: *Provided further*, That, upon acquisition of any real property under this Act, the jurisdiction of the Capitol Police shall extend over such property: *Provided further*, That, any proceeding for condemnation brought under this Act shall be conducted in accordance with the Act of December 23, 1963 (16 D.C. Code, secs. 1351–1368): *Provided further*, That upon acquisition of any real property pursuant to this Act, the Architect of the Capitol, when di-

rected by the Senate Office Building Commission to so act, is authorized to provide for the demolition and/or removal of any structures on, or constituting a part of, such property and to use the property for Government purposes or to lease any or all of such property for such periods and under such terms and conditions as he may deem most advantageous to the United States and to incur any necessary expenses in connection therewith: *Provided further*, That, such real property, when acquired under authority of this Act, shall be subject to the provisions of the Act of July 31, 1946, as amended (40 U.S.C. 193a–193m, 212a, and 212b): *Provided further*, That, the Architect of the Capitol under the direction of the Senate Office Building Commission, is authorized to enter into contracts and to make such expenditures, including expenditures for personal and other services, expenditures authorized by Public Law 91–646, approved January 2, 1971 (84 Stat. 1894–1907), applicable to the Architect of the Capitol, and expenditures for any other required items, as may be necessary to carry out the provisions of this appropriation; $270,000, to remain available until expended.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein.

PURCHASE OF PROPERTY FOR THE SENATE

Mr. MAHON. Mr. Speaker, I believe the gentleman from Iowa is interested in discussing amendment No. 49, which has been the subject of an earlier colloquy and which is described on page 51 of the Senate report on the supplemental appropriation bill.

This is an appropriation agreed to by the House conferees. It would provide $270,000 for the acquisition of lot 18 in square 724 of the District of Columbia located north of the New Senate Office Building, and is for the use of the Senate.

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

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

Mr. GROSS. Does that mean the Senate is preparing to construct another Senate office building? Is that the purpose of it?

Mr. MAHON. My understanding is that this is for a parking lot. That is what the report indicates.

Mr. GROSS. I thank the gentleman.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: On page 28, line 7, strike out "For an additional amount for "Construction General", $34,100,000, to remain available until expended."

and insert in lieu thereof:

"For an additional amount for "Construction, General," $102,400,000, to remain available until expended or which not to exceed $1,400,000 shall be available for emergency flood control construction of debris basins and channel clearing in the Carpinteria, California, area affected by recent fires, and such work is hereby authorized."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 51 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. 55: On page 30, line 1, insert:

"NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

"SATELLITE OPERATIONS

"For an additional amount for 'Satellite operations,' $4,919,000, to remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$4,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 57: On page 30, line 20, insert:

"For expenses necessary for international radio broadcasting and related activities, as authorized by law, including not to exceed $36,000,000 for grants to Radio Free Europe and Radio Liberty, $36,225,000: *Provided*, That this appropriation shall be available only upon the enactment into law of S. 18 or other authorizing legislation, 92d Congress."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 57 and concur therein with an amendment, as follows: In lieu of $36,000,000 named in said amendment, insert the following: "$32,000,000";

And in lieu of $36,225,000 named in said amendment insert the following: "$32,225,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 60: On page 31, line 22, strike out "$200,000, to be derived from the appropriation 'Office of the Secretary, salaries and expenses'" and insert in lieu thereof "$2,200,000".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 60 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted, insert the following: "$2,200,000, of which $200,000 shall be derived from the appropriation 'Office of the Secretary, salaries and expenses'".

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

Mr. MAHON. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Is this the item for which authorizing legislation was sought, I believe on Monday of this week, and was defeated?

Mr. MAHON. It failed because it did not have the necessary two-thirds vote.

Mr. GROSS. Yes. But it was defeated, was it not?

Mr. MAHON. Yes.

Mr. GROSS. So it is right back here now on a forward funding basis, is it not?

Mr. MAHON. No. There is contained in the appropriation paragraph the statement that the funds shall not be available unless authorizing legislation is enacted.

Mr. GROSS. I say that Congress has now come to forward funding. We cannot wait, so we make the money available. It is a before-the-fact situation. Is that not right?

Mr. MAHON. The contingency clause governs. The money will not be available unless Congress provides the authorization. This aviation show is scheduled for next spring, and if the Congress does not see fit to enact additional authorization, these funds cannot be expended.

Mr. GROSS. But what we are really saying here is "the money is all ready for you. Just pass the authorization. Then hop to it and spend it." That is about the story, is it not?

Mr. MAHON. We are simply saying here that, unless it is authorized, the money cannot be made available.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 61: Page 31, line 25, insert: "*Provided*, That $2,000,000 of this appropriation shall be available only upon the enactment into law of authorizing legislation by the Ninety-second Congress."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 61 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. 62: Page 32, line 10, insert:

"AVIATION ADVISORY COMMISSION

"SALARIES AND EXPENSES

"(Airport and Airway Trust Fund)

"For an additional amount for the Aviation Advisory Commission, authorized by section 12 of the Act of May 21, 1970 (Public Law 91–258), as amended, $750,000 to be derived from the Airport and Airway Trust Fund and to remain available until March 1, 1973: *Provided*, That funds for the Aviation Advisory Commission, as provided for in chapter XI of title I of the Second Supplemental Appropriations Act, 1971, shall also remain available until March 1, 1973."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 62 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. 68: Page 34, line 15, insert:

"FUNDS APPROPRIATED TO THE PRESIDENT

"ECONOMIC STABILIZATION ACTIVITIES

"SALARIES AND EXPENSES

"For expenses necessary to carry out the Economic Stabilization Act of 1970, as amended, including activities under Executive Orders No. 11615 of August 15, 1971, and No. 11627 of October 15, 1971, both as amended; activities under Proclamation 4074 of August 15, 1971; and hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for GS–18, such amounts as may be determined from time to time by the Director of the Office of Management and Budget but not to exceed $20,153,000, of which not less than $3,000,000 will be derived by transfer from the Exchange Stabilization Fund and the remainder to be derived by transfer from balances reserved for savings in such appropriations to the departments and agencies of the Executive Branch for the current fiscal year as the Director may determine: *Provided*, That advances or repayments from the above amounts may be made to any department or agency for expenses of carrying out such activities."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 68 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"FUNDS APPROPRIATED TO THE PRESIDENT

"ECONOMIC STABILIZATION ACTIVITIES

"SALARIES AND EXPENSES

"For expenses necessary to carry out the Economic Stabilization Act of 1970, as amended, including activities under Executive Orders No. 11615 of August 15, 1971, and No. 11627 of October 15, 1971, both as amended; activities under Proclamation 4074 of August 15, 1971; and hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for GS–18, such amounts as may be determined from time to time by the Director of the Office of Management and Budget but not to exceed $20,153,000, to be derived by transfer from balances reserved for savings in such appropriations to the departments and agencies of the Executive Branch for the current fiscal year as the Director may determine: *Provided*, That advances or repayments from the above amounts may be made to any department or agency for expenses of carrying out such activities."

FUNDS FOR ECONOMIC STABILIZATION ACTIVITIES

Mr. GROSS (during the reading). Mr. Speaker, I ask unanimous consent that the remainder of the motion be considered as read and printed at this point in the RECORD.

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

There was no objection.

Mr. GROSS. Will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. GROSS. Is it impossible to wait for the bill to come up to authorize this?

Mr. MAHON. There is now economic stabilization legislation on the books which does not expire until April 30, 1972. This paragraph is not contingent on further authorization. This does not make available new funds, but it provides for the salaries and expenses of the economic stabilization program by transfers of certain funds heretofore appropriated.

Mr. GROSS. Hopefully, within the next 15 minutes we will take up the extension of the Stabilization Act, is that not right?

Mr. MAHON. This item relates to the economic stabilization activities which are underway now. The measure which the House is scheduled to consider shortly provides authority for economic stabilization activities for an additional year—through April 30, 1973. This amendment which we are considering now is for the present program.

Mr. GROSS. This is wonderful procedure, I will say to the gentleman from Texas.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 75: Page 36, line 19, insert the following:

SEC. 903. The funds provided in the Department of Justice Appropriation Act, 1972, for Salaries and Expenses, Federal Bureau of Investigation, may be used, in addition to those uses authorized thereunder, for the exchange of identification records with officials of federally chartered or insured banking institutions to promote or maintain the security of those institutions, and, if authorized by State statute and approved by the Attorney General, to officials of State and local governments for purposes of employment and licensing, any such exchange to be made only for the official use of any such official and subject to the same restriction with respect to dissemination as that provided for under the aforementioned Act.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 75 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment insert the following: "902".

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. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the conference report and on the various amendments which have been considered herein, and that they be permitted to include pertinent extraneous material and that I be permitted to insert appropriate tables and other pertinent matters.

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

There was no objection.

CONFERENCE REPORT ON SENATE JOINT RESOLUTION 176, TO EXTEND THE AUTHORITY OF THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT WITH RESPECT TO INTEREST RATES ON INSURED MORTGAGES

Mr. PATMAN submitted the following conference report and statement on the Senate joint resolution (S.J. Res. 176) to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92–727)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S.J. Res. 176) to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

FLEXIBLE INTEREST RATE AUTHORITY

SECTION 1. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, as amended (12 U.S.C. 1709–1), is amended by striking out "January 1, 1972" and inserting in lieu thereof "June 30, 1972".

AMENDMENTS TO THE FEDERAL FLOOD INSURANCE ACT OF 1968

SEC. 2. (a) Section 1336 (a) of the Housing and Urban Development Act of 1968 is amended by striking out "December 31, 1971" and inserting in lieu thereof "December 31, 1973".

(b) The provisions of section 1314(a)(2) of such Act shall not apply with respect to any loss, destruction, or damage of real or personal property that occurs on or before December 31, 1973.

(c)(1) Section 1305(a) of such Act is amended by striking out "and" after "families" and inserting in lieu thereof ", church properties, and".

(2) Section 1306(b)(1)(C) of such Act is amended by inserting "church properties, and" immediately before "any other properties which may become".

TEMPORARY WAIVER OF CERTAIN LIMITATIONS APPLICABLE TO THE PURCHASE OF MORTGAGES BY THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

SEC. 3. When the Secretary of Housing and Urban Development determines that such action is necessary to avoid excessive discounts on federally insured or guaranteed mortgages, the Government National Mortgage Association may, for a period of six months after the date of approval of this

joint resolution, issue commitments to purchase mortgages with original principal obligations not more than 50 per centum in excess of the limitations imposed by clause (3) of the proviso to the first sentence of section 302(b)(1) of the National Housing Act, and it may purchase the mortgages so committed to be purchased.

EXTENSION OF DATES APPLICABLE TO CERTAIN PROVISIONS OF LAW RELATING TO THE TAXATION OF NATIONAL BANKS

SEC. 4. (a) The Act entitled "An Act to clarify the liability of national banks for certain taxes", approved December 24, 1969 (83 Stat. 434), is amended by striking out "1972" in sections 2(b) and 3(a) and inserting in lieu thereof "1973".

(b) The Board of Governors of the Federal Reserve System shall make a study of the probable impact on the revenues of State and local governments of the extension under subsection (a) of the termination date of interim provisions regarding intangible personal property taxes of State and local governments on national banks. The Board shall report the results of its study to the Congress not later than six months after the date of approval of this joint resolution.

REQUIREMENT AFFECTING THE PREPAYMENT OF PREMIUMS BY INSURED INSTITUTIONS TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 5. Section 404(g) of the National Housing Act is amended by striking out "1¾" and inserting in lieu thereof "1⅜".

WAIVER OF CERTAIN REQUIREMENTS APPLICABLE TO GRANTS FOR BASIC WATER AND SEWER FACILITIES

SEC. 6. Section 702(c) of the Housing and Urban Development Act of 1965 is amended by striking out "October 1, 1971" and inserting in lieu thereof "June 30, 1972".

EXPANSION OF SUPPLEMENTAL GRANT ASSISTANCE UNDER NEW COMMUNITY ASSISTANCE PROGRAM

SEC. 7. The first sentence of section 718(a) of the Housing and Urban Development Act of 1970 is amended by striking out "State or local public body or agency" and inserting in lieu thereof "State, local public body or agency, or other entity".

INCREASE OF AUTHORIZATIONS FOR COMPREHENSIVE PLANNING GRANTS AND OPEN-SPACE LAND GRANTS

SEC. 8. (a) The fifth sentence of section 701(b) of the Housing Act of 1954 is amended by striking out "$420,000,000" and inserting in lieu thereof "$470,000,000".

(b) Section 708 of the Housing Act of 1961 is amended by striking out "$560,000,000" and inserting in lieu thereof "$660,000,000".

PUBLIC HOUSING RENT REDUCTIONS

SEC. 9. Section 2(1) of the United States Housing Act of 1937 is amended by adding at the end thereof a new paragraph as follows:

"Notwithstanding any other provision of Federal law or regulations thereunder, a public agency shall not reduce welfare assistance payments to any tenant or group of tenants in low-rent housing as a result of any reduction in rent resulting from the application of the rent limitation set forth in this paragraph (1) and required by such limitation."

SBA GUARANTEE OF DEBENTURES ISSUED BY SMALL BUSINESS INVESTMENT COMPANIES

SEC. 10. Section 303(b) of the Small Business Investment Act of 1958 is amended—

(1) by inserting the following in lieu of the first sentence thereof: "To encourage the formation and growth of small business investment companies the Administration is authorized (but only to the extent that the necessary funds are not available to said company from private sources on reasonable terms) when authorized in appropriation Acts, to purchase, or to guarantee the timely payment of all principal and interest as scheduled on, debentures issued by such companies. Such purchases or guarantees may be made by the Administration on such terms and conditions as it deems appropriate, pursuant to regulations issued by the Administration. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guarantee under this subsection.";

(2) by inserting "or guaranteed" following "purchased" each time it appears in paragraphs (1) and (2) thereof and in the second sentence thereof;

(3) by inserting "or guarantees" following "purchases" in the last sentence of paragraph (2) thereof; and

(4) by inserting "or guarantee" following "purchase" in paragraph (3) thereof.

And the House agree to the same.

WRIGHT PATMAN,
W. BARRETT,
LEONOR SULLIVAN,
HENRY S. REUSS,
FERNAND J. ST GERMAIN,
FRANK ANNUNZIO,
WILLIAM B. WIDNALL,
FLORENCE P. DWYER,
GARRY BROWN,
J. WM. STANTON,
Managers on the Part of the House.

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON WILLIAMS, Jr.,
THOMAS J. MCINTYRE,
JOHN TOWER,
W. V. ROTH, Jr.,
EDWARD W. BROOKE,
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 amendment of the House to the joint resolution (S.J. Res. 176) to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, 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:

NATIONAL FLOOD INSURANCE PROGRAM

Land use and control measures

The House amendment extended for 24 months to December 31, 1973, the period in which states and localities could adopt adequate land use and control measures in order to qualify for the National Flood Insurance program. The Senate Resolution contained no such provision and none is contained in the conference report.

Flood insurance coverage for church properties

The House amendment included church properties within the definition of those properties eligible to be covered under the National Flood Insurance program. The Senate Resolution contained no such provision. The conference report contains the House provision. The conferees wish to state that the purpose of this provision is to cover only those church properties actively used for religious purposes and not those properties owned by churches for income producing purposes.

GNMA—TEMPORARY WAIVER OF MORTGAGE LIMITATIONS

The Senate Resolution authorized the Government National Mortgage Association (GNMA), upon declaration by the President, until June 30, 1972, to purchase mortgages under its special assistance functions without regard to the limits that apply to such purchases under section 302(b)(1) of the National Housing Act; under that section, GNMA cannot purchase mortgages with a principal amount in excess of $22,000 ($24,500 for four-bedroom or larger units). The House amendment authorized GNMA, until June 30, 1972, to purchase mortgages up to 150 percent of the mortgage limits in section 302(b)(1) in areas where the HUD Secretary determines that cost levels so require or that such action is necessary to avoid excessive discounts on Federally-insured or guaranteed mortgages. The conference report contains the House amendment with an amendment which authorizes an increase in mortgage limits simply upon a determination by the HUD Secretary that such action is necessary to avoid excessive discounts.

STATE TAXATION OF NATIONAL BANKS

The Senate Resolution delayed for one year to January 1, 1973, the termination of interim provisions governing state authority to tax national banks. The House amendment contained no such provision. The conference report contains the Senate provision with an amendment which directs the Board of Governors of the Federal Reserve System to make a study of the estimated fiscal impact on state and local governments due to the loss of revenue resulting from the extension of interim provisions governing state authority to tax the intangible personal property of banks. The Board shall report the results of this study to the Congress no later than 6 months after date of enactment of this Resolution.

WATER AND SEWER PLANNING REQUIREMENTS

The House amendment extended to June 30, 1972, the period within which communities must meet full comprehensive planning requirements in order to be eligible for basic water and sewer grants. The Senate Resolution contained no such provision. The conference report contains the House provision.

NEW COMMUNITIES SUPPLEMENTAL GRANT ASSISTANCE

The Senate Resolution permitted any entities eligible for a basic categorical grant to also be eligible for a supplemental grant to assist construction of public facilities in new communities. The House amendment contained no such provision. The conference report contains the Senate provision.

AUTHORIZATION FOR COMPREHENSIVE PLANNING AND OPEN SPACE PROGRAMS

The Senate Resolution increased the authorization for the comprehensive planning program by $50 million and for the open space program by $100 million. The House amendment contained no such provision. The conference report contains the Senate provision.

PUBLIC HOUSING

The Senate Resolution prohibited the reduction of welfare assistance payments to public housing residents who benefit from reductions in rents required by law under the HUD Act of 1969 which provides that the rent of a public housing tenant may not exceed 25 percent of the family's income. The House amendment contained no such provision. The conference report contains the Senate provision.

SMALL BUSINESS INVESTMENT COMPANIES

The House amendment clarified the authority of the Small Business Administration to guarantee debentures issued by small business investment companies. The Senate Resolution contained no such provision. The

conference report contains the House provision.

WRIGHT PATMAN,
W. A. BARRETT,
LEONOR SULLIVAN,
HENRY S. REUSS,
FERNAND J. ST GERMAIN,
FRANK ANNUNZIO,
WILLIAM B. WIDNALL,
FLORENCE P. DWYER,
GARRY BROWN,
J. WILLIAM STANTON,
Managers on the Part of the House.

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON A. WILLIAMS,
THOMAS J. MCINTYRE,
JOHN TOWER,
W. V. ROTH, JR.,
EDWARD W. BROOKE,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON DISTRICT OF COLUMBIA TO FILE CERTAIN REPORTS

Mr. CABELL. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file certain reports.

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

There was no objection.

PRINTING OF "REVIEW OF SEC RECORDS OF THE DEMISE OF SELECTED BROKER-DEALERS"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–728) on the resolution (H. Res. 633), providing for the printing of additional copies of the committee print entitled "Review of SEC Records of the Demise of Selected Broker-Dealers," and ask for immediate consideration of the resolution.

The Clerk read the resolution as follows:

H. RES. 633

Resolved, That there shall be printed one thousand additional copies of the committee print entitled "Review of SEC Records of the Demise of Selected Broker-Dealers" for the use of the Committee on Interstate and Foreign Commerce.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF DEDICATION CEREMONY OF PORTRAIT OF HON. F. EDWARD HÉBERT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–929) on the resolution (H. Res. 648), authorizing the printing as a House document the dedication ceremony of the portrait of the Honorable F. EDWARD HÉBERT, chairman, Committee on Armed Services, and ask for immediate consideration of the resolution.

The Clerk read the resolution as follows:

H. RES. 648

Resolved, That the transcript of the proceedings in the Committee on Armed Services of October 12, 1971, incident to the presentation of a portrait of the Honorable F. Edward Hébert to the Committee on Armed Services be printed as a House document with illustrations and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed two thousand copies of such document for the use of the Committee on Armed Services.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF "A PRIMER ON MONEY"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a priviledged report (Rept. No. 92–730) on the concurrent resolution (H. Con. Res. 439) to provide for the printing of 50,000 additional copies of the subcommittee print of the Subcommittee on Domestic Finance, of the House Committee on Banking and Currency, entitled "A Primer on Money," and ask for immediate consideration of the resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 439

Resolved by the House of Representatives (the Senate concurring), That fifty thousand additional copies of the Subcommittee Print of the Subcommittee on Domestic Finance of the Committee on Banking and Currency, of the House of Representatives, Eighty-eighth Congress, second session, entitled "A Primer on Money" be printed for the use of the Committee on Banking and Currency of the House of Representatives.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF "THE JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS: PURPOSE, LEGISLATIVE HISTORY, JURISDICTION, AND RULES"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–731) on the concurrent resolution (H. Con. Res. 441) authorizing the printing of "The Joint Committee on Congressional Operations: Purpose, Legislative History, Jurisdiction, and Rules" 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. 441

Resolved by the House of Representatives (the Senate concurring), That there shall be printed as a House document, with illustrations and with a suitable cover approved by the Joint Committee on Printing, a compilation of materials entitled "The Joint Committee on Congressional Operations: Purpose, Legislative History, Jurisdiction, and Rules"; and that there shall be printed two thousand five hundred additional copies of such compilation for the use of the Joint Committee on Congressional Operations.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF EULOGIES ON THE LATE JUSTICE HUGO L. BLACK

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–732) on the concurrent resolution (H. Con. Res. 469) to provide for the printing as a House document a compilation of the eulogies on the late Justice Hugo L. Black, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 469

Resolved by the House of Representatives (the Senate concurring), That there be printed with illustrations as a House document a compilation containing the eulogies on the late Justice Hugo L. Black delivered in the Congress and such other materials as Congressman Bob Eckhardt deems appropriate.

SEC. 2. There shall be printed and bound, as directed by the Joint Committee on Printing, five thousand five hundred and fifty copies, of which four thousand three hundred and fifty copies shall be for the use of the House of Representatives, one thousand copies shall be for the use of the Senate, and one hundred and fifty copies shall be for the use of the widow of the late Justice Hugo L. Black, Mrs. Elizabeth Seay Black.

SEC. 3. Copies of such document shall be prorated to Members of the House of Representatives and the Senate for a period of sixty days, after which the unused balance shall revert to the respective House and Senate document rooms.

With the following committee amendments:

Page 1, line 5, strike out the words "Congressman Bob Eckhardt deems" and insert in lieu thereof "may be deemed".

Page 1, line 9, strike out the words "and fifty".

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF THE STUDY "SOVIET SPACE PROGRAMS, 1966–70" AS A SENATE DOCUMENT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–733) on the Senate concurrent resolution (S. Con. Res. 30) authorizing the printing of the study entitled "Soviet Space Programs, 1966–70" as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate's concurrent resolution as follows:

S. CON. RES. 30

Resolved by the Senate (the House of Representatives concurring), That the study entitled "Soviet Space Programs, 1966–70", prepared for the use of the Senate Committee on Aeronautical and Space Sciences by the Congressional Research Service with the cooperation of the Law Library, Library of Congress, be printed with illustrations as a Senate document, and that there be printed

three thousand additional copies of such document for the use of that committee.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING OF "FEDERAL AND STATE STUDENT AID PROGRAMS, 1971" AS A SENATE DOCUMENT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–734) on the Senate concurrent resolution (S. Con. Res. 31) authorizing the printing of the compilation entitled "Federal and State Student Aid Programs, 1971" as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 31

Resolved by the Senate (the House of Representatives concurring), That the compilation entitled "Federal and State Student Aid Programs, 1971", prepared by the Library of Congress for the Senate Committee on Labor and Public Welfare be printed as a Senate document; and that there be printed sixty-eight thousand two hundred additional copies of such document, of which forty-three thousand nine hundred copies shall be for the use of the House of Representatives, ten thousand three hundred copies shall be for the use of the Senate, ten thousand copies shall be for the use of the Senate Committee on Labor and Public Welfare, and four thousand copies shall be for the use of the House Committee on Education and Labor.

SEC. 2. Copies of such document shall be prorated to Members of the Senate and the House of Representatives for a period of sixty days, after which the unused balances shall revert to the respective Senate and House document rooms.

With the following committee amendment:

Page 1, lines 7 and 8; strike out "forty-three thousand nine hundred" and insert in lieu thereof "forty-four thousand".

The committee amendment was agreed to.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING OF THE PRAYERS OF THE CHAPLAIN OF THE SENATE DURING THE 91ST CONGRESS AS A SENATE DOCUMENT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–735) on the Senate concurrent resolution (S. Con. Res. 34) authorizing the printing of the prayers of the Chaplain of the Senate during the 91st Congress as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 34

Resolved by the Senate (the House of Representatives concurring), That there be printed with an illustration as a Senate document, the prayers by the Reverend Edward L. R. Elston, S.T.D., the Chaplain of the Senate, at the opening of the daily sessions of the Senate during the Ninety-first Congress, together with any other prayers offered by him during that period in his official capacity as Chaplain of the Senate; and that there be printed two thousand additional copies of such document, of which one thousand thirty would be for the use of the Senate and nine hundred seventy would be for the use of the Joint Committee on Printing.

SEC. 2. The copy for the document authorized in section 1 shall be prepared under the direction of the Joint Committee on Printing.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING OF "INTERNATIONAL COOPERATION IN OUTER SPACE: A SYMPOSIUM" AS A SENATE DOCUMENT

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–736) on the Senate concurrent resolution (S. Con. Res. 44) authorizing the printing of the study entitled "International Cooperation in Outer Space: A Symposium" as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 44

Resolved by the Senate (the House of Representatives concurring), That the study entitled "International Cooperation in Outer Space: A Symposium", prepared for the use of the Senate Committee on Aeronautical and Space Sciences under the direction of the staff of such committee, be printed with illustrations as a Senate document, and that there be printed three thousand additional copies of such document for the use of that committee.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING OF HANDBOOK "GUIDE TO FEDERAL PROGRAMS FOR RURAL DEVELOPMENT"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 92–737) on the Senate Concurrent resolution (S. Con. Res. 50) authorizing the printing of the handbook entitled "Guide to Federal Programs for Rural Development" as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 50

Resolved by the Senate (the House of Representatives concurring), That with the permission of the copyright owner the handbook entitled "Guide to Federal Programs for Rural Development", published by the Independent Bankers Association of America, be printed with emendations as a Senate document, and that there be printed twelve thousand additional copies of such document for the use of the Senate Committee on Agriculture and Forestry.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

KADASHAN BOTTOM WATERSHED

The SPEAKER laid before the House the following communication; which was read and, together with the accompanying papers, referred to the Committee on Appropriations:

WASHINGTON, D.C.,
December 2, 1971.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Agriculture today considered and unanimously approved the following work plan transferred to you by executive communication and referred to this Committee. The work plan is:

Watershed: Kadashan Bottom.

State: Oklahoma.

Executive communication: 556, 92nd Congress.

With every good wish, I am,

Sincerely yours,

W. R. POAGE, *Chairman.*

AWARDS TO MEMBERS OF ARMED FORCES—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 Armed Services:

To the Congress of the United States:

In accordance with the provisions of 10 U.S.C. 1124, I am pleased to forward the reports of the Secretary of Defense and the Secretary of Transportation on awards made during fiscal year 1971 to members of the Armed Forces for suggestions, inventions and scientific achievements.

Participation by military personnel in the cash awards program was authorized by the Congress in September 1965. There could be no better demonstration of the program's success than the fact that tangible first-year benefits in excess of $555 million have been realized from the suggestions of military personnel since the program began.

The tangible first-year benefits resulting from adopted suggestions submitted by Department of Defense and Coast Guard military personnel during fiscal year 1971 totaled $117,676,188, the second highest annual amount in the history of the program. Cash awards presented to military personnel for their adopted suggestions during fiscal year 1971 totaled $1,919,121.

RICHARD NIXON.

THE WHITE HOUSE, *December 9, 1971.*

HOUR OF MEETING TOMORROW

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow morning.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, would the gentleman be good enough to wait to see whether we are going to stay until midnight tonight or some such hour before making this request?

I would suggest to the gentleman that we proceed for a time.

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

Mr. GROSS. I am glad to yield to the distinguished majority leader.

Mr. BOGGS. I will be happy to comply with the gentleman's request. But I would inform the gentleman that we are not going on until midnight tonight. The House was in session until after midnight last night.

It is asking too much of the Members to sit here again until midnight tonight. I would hope in further response to my friend that we could dispose of the debate on the rule and the general debate on the phase II program and then rise and come back tomorrow morning, when we would conclude this bill. The gentleman has talked to me several times about adjournment, and this bill is essential to adjournment. That is the only reason I am asking for this consent.

Mr. GROSS. The distinguished gentleman is making a request which is somewhat out of the ordinary. Could the gentleman now tell us when we might expect adjournment sine die?

Mr. BOGGS. The gentleman is asking a very fair question and I shall try to respond to the best of my ability. Except for four District bills, the bill which the gentleman from Texas (Mr. PATMAN), has scheduled is all of the legislative business remaining in this session, except for the conference reports which must be considered. The principal conference reports are, of course, coming from the Appropriations Committee, and, as the gentleman knows, there has been difficulty in relation to the foreign aid authorization bill and the foreign aid appropriation bill.

As far as I know, this bill and the conference report on the bill which must follow the four District bills will conclude the business of this session. We would hope to conclude the business of this session no later than next Wednesday.

Mr. GROSS. Does the gentleman anticipate a Saturday session?

Mr. BOGGS. To be quite frank with the gentleman, I do not, unless a Saturday session would expedite adjournment. If there is still some difficulty about the conference on foreign aid and some of the other matters, that would not necessarily be the case, and the gentleman from Texas has a matter of great importance that will require him to be absent on Saturday, so that the conference cannot take place on Saturday.

Mr. GROSS. Of course, we would all like to accommodate the gentleman or any other Member of the House.

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

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

Mr. ARENDS. I would like to ask the gentleman from Texas whether it is his intention, should we convene at 10 o'clock tomorrow morning, to finish consideration of the bill before he leaves town.

Mr. PATMAN. If the gentleman will yield, yes, I believe it can be completed within 3 hours if no more amendments are submitted, or no more than I have been told will be submitted. I believe we can get through with the bill in 3 hours. I would hope, of course, to dispense with the reading of the bill. The first section is not controversial.

Mr. GROSS. Then the majority leader would like to bring up the bills of which he spoke from the House District Committee thereafter, tomorrow afternoon, is that correct?

Mr. BOGGS. No, I cannot, because those bills can only be brought up on District Day unless we have rules; and at this time we do not have rules. So they will have to be called up on Monday. I will tell the gentleman that I would be very happy to bring up those bills tomorrow afternoon if I could.

Mr. GROSS. In the immediate situation, it is an hour under the rule and an hour for general debate; is that correct?

Mr. BOGGS. That is correct.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

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

Mr. RYAN. Mr. Speaker, reserving the right to object, I wonder if we could have some assurance on the part of the distinguished majority leader as to what is contemplated for tomorrow after completion of the economic stabilization bill.

Mr. BOGGS. The conference reports that have been completed and are in order. Several of them will be available at that time.

Mr. RYAN. For instance?

Mr. BOGGS. There are a number of conference reports. It is difficult for me to answer that question categorically because the conferees are meeting. In the case of the Appropriations Committee, there is the District of Columbia appropriation and the defense appropriation bills. We have completed action on the supplemental. That is it. I have already mentioned the foreign aid authorization and appropriation bills.

Mr. RYAN. Are they coming up tomorrow?

Mr. BOGGS. They will come up if they are ready. There is a whole series of conferences. They are all important measures. Among them there is the Flood Insurance Act of 1968 and the District of Columbia revenue bill. I do not have a complete list of the bills. The chances are that unless we can adjourn on Saturday night, the House will complete its business early tomorrow evening.

Mr. RYAN. Mr. Speaker, it would be helpful if we could have some indication so that Members may plan tomorrow. Once the economic stabilization bill is out of the way, will it be necessary to be in session? When does the chairman of the Banking and Currency Committee expect to be finished?

Mr. PATMAN. We cannot tell.

Mr. BOGGS. The gentleman knows we are close to adjournment and that as conference reports become available, it is the intention of the leadership to call up as many as we can expeditiously take care of. As I said to the gentleman, the gentleman from Texas plans to leave after the completion of this bill, and if these conference reports are available we will call them up, but it is my belief we will conclude the work tomorrow by 5 or 6 o'clock in the afternoon.

Mr. RYAN. Would the distinguished majority leader be able to give us some assurance that the defense appropriation bill conference report will not come up until next week?

Mr. BOGGS. The chairman of the committee is not here. I cannot give that assurance. We are trying to adjourn Congress. But the Defense Department appropriation bill is a very important bill, and I am not in a position to give the gentleman assurance that the conference report will not be called up. I would say if the conference report is available, it will be called up.

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

There was no objection.

ECONOMIC STABILIZATION ACT AMENDMENTS OF 1971

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 730 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 730

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d)(4) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 11309) to extend and amend the Economic Stabilization Act of 1970, as amended, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Banking and Currency now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and shall be read by sections. It shall also be in order to consider without the intervention of any point of order the text of the bill H.R. 11902 as an amendment to the committee amendment in the nature of a substitute. At the conclusion of the consideration of H.R. 11309 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 11309, it shall be in order in the House to take from the Speaker's table the bill S. 2891 and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 11309 as passed by the House.

Mr. COLMER. Mr. Speaker, it is regrettable that we do not have more Members here for consideration of what I regard as one of the most important bills that has come up or will come up for consideration in this session of the Congress.

I have never been one who liked to speak just for the purpose of hearing his own voice, and I do not propose to go into any great, lengthy discussion of this bill. Members have heard the resolution read. They know what it provides for.

I would just reiterate, briefly, for any of those who might not have heard the reading of the resolution, that there will be 1 hour of general debate. Then there will be an open, free consideration, under an open rule for the offering of such amendments as the membership might see fit to offer.

The resolution makes in order the offering of an amendment upon certain classified employees that are requested by the administration and included in the bill. The only reason for this is that the Committee on Post Office and Civil Service felt this was an invasion of the jurisdiction of that committee. Therefore, the Rules Committee made in order an amendment, to wit, a bill, H.R. 11902, that would provide for these classified employees and further to reduce the number from 40 to 20. At the appropriate time, it is my understanding, the gentleman from North Carolina (Mr. HENDERSON) representing the Post Office and Civil Service Committee, will offer such an amendment to the bill H.R. 11902, that is made in order under the rule.

For the benefit of those who might be interested in offering amendments to the bill under consideration, the rule provides that the bill shall be read by section. There is nothing unusual about this. This is the usual procedure. Ordinarily and usually when a bill is read for amendment under the 5-minute rule it is so read by section. But I mention this particularly because there might be some confusion among the membership when Members desire to offer amendments.

The bill itself consists of only two general sections. Yet the bill consists of a number of specific sections. Therefore, when the bill is read and the second section is completed—and that is the only one, I assume, that would be amendable or which anyone would want to amend—then they may offer amendments to that particular section.

Mr. GONZALEZ. Will the gentleman yield to me?

Mr. COLMER. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the distinguished gentleman for yielding.

I am a little in need of clarification. This is the usual way to bring up a bill, reading it section by section. So what would be the difference in this instance in our ability to offer amendments section by section?

Mr. COLMER. There will be no difference, I say to my friend. I merely want to emphasize that the rule providing for the usual procedure might be misconstrued because of the number of sections under section 2 of the bill that the gentleman's committee reported.

Mr. GONZALEZ. I understand that. I thank the gentleman.

Mr. COLMER. So I think I should clarify that matter. So much for the rule.

I just want to comment briefly on the necessity for this legislation. I am not going to go into any lengthy or detailed discussion of it. I just want to call the attention of the membership and of those interested citizens throughout the country to the fact that we have reached a point in the inflationary trend where we are either going to have to do something to stop this inflationary trend or we are going to lose the most precious heritage that any people have ever received, that is, the form of this American Republic.

This is strong language, but I think we have reached the point where we have become oblivious to the question of fiscal responsibility. We owe well over $400 billion; we are spending somewhere in the neighborhood of $40,000 or more a minute just to pay the interest on the national debt; but more important than that is the fact that the value of the 1939 dollar has now reached a value of 33 cents plus. And I am talking about plus in fractions.

What does this deficit spending do? This all adds to inflation. And we in this Congress keep passing bills calling for more and more and more expenditures. In my humble judgment, we are spending the people's money like a drunken sailor or a Santa Claus.

Somewhere along the line there has got to be a point at which we have got to halt. I do not know but what we have gone too far already.

Mr. Speaker, what does that do? I respect that all contributes to inflation. It is the biggest contributor toward inflation.

The Members of this House have an opportunity here to reverse that trend; at least to halt inflation. You are giving the President of the United States unusual powers to do something about stopping this inflation. I hope he will use them and I hope he will use them wisely. I hope he will use them firmly. I believe he will.

Again, I want to contribute to my unpopularity with certain people by pointing out the fact that the very people in many instances who criticize the President for not using the powers that we gave him earlier are now opposing the granting of these powers to him or of his using them. You, in this bill are giving him a great responsibility, one that we ordinarily would not conceive of giving to a President in a nonwartime period.

However, I would say to you that we are engaged now in warfare, and I am not talking about Vietnam. I am talking about war against inflation. If we lose this battle against inflation, then we have lost everything. You let the value of the dollar continue to depreciate—and it is already at a most dangerously low level—you let that continue and when your dollar has no value, the confidence in your Government is gone. The wheels of industry stop and then it is—and I have said this at least a dozen times in this House before over the past 20 years—then it is that the Communists who have not fired a single gun with a Russian soldier will move in and take over, or in the alternative—and it does not really make much difference—the strong man on the horse will take over. Then all of the precious, priceless heritage that our forefathers have left us—the men whose crosses shine overseas who have defended their country—will be lost.

I know that there are those who feel that they have to respond to certain minority groups. I am not talking now about race. I am speaking of special interest groups. These seats here in order to be secure to them, those who occupy them, will listen to certain groups. What is it going to profit you who feel that way, if you not only lose the seat that you occupy, but you lose to posterity the most perfect embodiment of human government ever conceived by the mind of man?

There are going to be amendments offered to strengthen this bill. I wish it were a stronger bill as far as I am concerned. I do not want to go back home and face my constituency and tell them what I felt the true condition of this country was, and what our fiscal affairs had gotten into, and the dangers of the future; I would not be too much concerned about that, and if I were returned to the tranquillity of domestic life it would not worry me too much because the minority groups thought that they ought to have this, that, and the other, because I could still remember that I struck a blow for the preservation of this Republic.

Mr. Speaker, I think the resolution should be adopted. I think that the bill should be adopted, I hope with some strengthening amendments.

I hope that, above everything else, Mr. Speaker, in the consideration of this bill that partisanship will be forgotten, the 1972 election will be forgotten, but that uppermost in the minds of the Congress will be the preservation of our form of government.

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

Mr. COLMER. I yield to the gentleman from Louisiana, our distinguished majority leader.

Mr. BOGGS. Mr. Speaker, I wish to take one moment to extend our appreciation to the Committee on Rules for their expeditious consideration of this legislation, and to the members of the Committee on Banking and Currency for reporting out the bill which, we concede, is an important one.

I hope the rule will be adopted, and the bill will be passed.

Mr. Speaker, despite the desire which I feel certain we all must possess to expedite the pending phase 2 economic stabilization legislation. I believe I would be more than derelict in failing to salute the outstanding job of legislative craftsmanship which the House Banking and Currency Committee under the leadership of its able chairman, the gentleman from Texas (Mr. PATMAN), has brought to the floor today. I am personally certainly not lacking in knowledge of the difficulties involved in drafting wage and price control legislation. A generation ago, as a freshman Member of this body,

I sat on the Banking and Currency Committee and was a participant in the creation of World War II's OPA. I can recall no more arduous task during my some 30 years of congressional service.

The gentleman from Texas, likewise sat on the Banking and Currency Committee during that period. He also played a leading role in fashioning the economic stabilization legislation of the Korean conflict years. But he is most certainly not an intellectual prisoner of the past. The measure which he presents to us this afternoon is by no means just a retread of the OPA of the 1940's or the OES of the 1950's. Rather it is tailored to meet the particular economic problems of the present.

There were certain highly placed officials in the executive branch who expected this Congress to merely rubber stamp whatever legislation in this area which the bureaucracy might choose to devise. My friends, the Congress is constitutionally certainly a co-equal branch of Government, but I feel very strongly that this co-equalness poses a character far greater in scope than the purely legalistic framework within which it is customarily treated.

This is not a matter of partisanship. Rather, it is illustrative of the fact that our congressional committee system, unique among the parliamentary bodies of the world, is in a position to make a valuable and balanced contribution to the development of national economic policy. The reason for this is two-fold. First, to the senior members of such a committee as Banking and Currency Committee, there is very little in the way of public issues, entirely novel or unusual, presented to it. Besides the chairman's World War II experience, the committee possesses a number of members as well as staff personnel who wrestled with comparable problems during the Korean years. There is no similar bank of historical experience in the executive branch; the emergency agencies who administered earlier anti-inflationary programs, of course, have long since disappeared from the scene. Second, the Banking and Currency Committee is an open input system. By this, I mean that the various elements in the American economy whose cooperation is prerequisite for any successful stabilization program can be and were given their day in court to present their views. The committee then adjudicated and balanced those views and, drawing on its institutional "memory bank," produced the compromise produet which we have here before us. Of course, it is not entirely satisfactory to any of those groups, but when enacted into law, it will not grossly offend any of them, they will cooperate with its enforcement and we can get on with the job of economic stabilization.

In effect, our Banking and Currency Committee has done the administration a favor. It has fashioned a product which no element of our national economy will find intolerable. It has done what a few technicians in the Treasury Department could not accomplish, even if they were of the mind to, because they simply do not possess the institutional mechanism to accomplish this highly delicate and sophisticated task. A congressional committee, solely within the Federal Government, is the instrument competent to attain this end.

Once again, my congratulations to Chairman PATMAN and his committee for a task superbly well done. Theirs has been a classic display of the congressional committee process at its very best.

Mr. ANDERSON OF Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the fact that many Members of this body are now taking a very well-earned and well-deserved respite from the Chamber. I somehow wish that there were more Members here at this hour, but I do appreciate the fact we are well into the dinner hour, not because any of the words that I have to say possess any great intrinsic value, but because as I listened to the words of my distinguished chairman of the Committee on Rules, the gentleman from Mississippi (Mr. COLMER) a few moments ago, it occurred to me that as we near the end of a long and even enervating session of the Congress that I would certainly want to pay tribute to the gentleman as one of the most dedicated men in this House.

Those of you who know me will appreciate the fact that we have not always agreed on every issue, we have not always voted alike, and yet as he spoke movingly, eloquently, and with deep feeling just a few minutes ago, it seemed to me that I would be remiss if at this time I did not pay him my respects—my very deep personal respects.

He is a man who feels and believes very deeply in the viewpoint that he espouses on each and every occasion that he takes the well of this House, and I honor him and I respect him for it.

Mr. Speaker, I certainly concur in his observation that House Resolution 730 does bring, if adopted, before this House one of the most important measures to be considered in this first session of the 92d Congress.

And appreciating with him, as I do, the importance of this legislation and not wishing to trespass on the time of members of the legislative committee who have been allotted only 1 hour under this rule to discuss this very vital legislation, perhaps those of you who are still here at this late hour will indulge me these few minutes, if I state and I hope rather briefly some of the reasons why I think it is important that we adopt this rule and the legislation that it makes in order.

Mr. Speaker, it is imperative that we act today to provide the President with economic stabilization powers for an additional year beyond April 30, 1972. Phase I was an overwhelming success precisely because there was certainty about the ground rules and about the duration of the freeze. As a result, we saw a remarkable turnaround on almost every economic front. Where the wholesale price index had been increasing at almost a 5-percent annual rate during the first half of this year, it actually declined during the last 3 months under the freeze; where interest rates had begun to climb again during the second quarter, rates have dropped significantly in recent months on almost every type of financial instrument—the prime lending rate, corporate bonds, Treasury bills, home mortgages. Until the President's dramatic announcement of August 15, both consumers and businessmen had been cautious and wary: New investment plans were delayed or put on the shelf, and the consumer savings rate stuck at over 8 percent—one of the highest rates in the post-war period.

Mr. Speaker, now all of that has changed. We are in the midst of the biggest auto sales boom since the middle of the last decades with new sales during September and October registering an $11 billion annual rate; during the third quarter new consumer installment credit rose at over a $10 billion annual rate—more than three times the growth rate of the first quarter; a recent survey shows that businessmen plan to increase their investment outlays by over 7 percent during the coming year, almost twice the rate of 1971; and, finally, the consensus of economic forecasters now suggests a $100 billion GNP increase next year with 6 percent of that 9 percent gain consisting of real growth rather than inflation. As Hobart Rowen concluded in an article in the Washington Post this morning:

> Production will climb, jobs will expand, and 1972 will look like that "very good year" Mr. Nixon promised.

Mr. Speaker, this is an impressive performance for which much of the credit must go to the imaginative and decisive leadership that the President has displayed on the economic front since last August. Today, it is our responsibility to help insure that this heartening upturn is not halted or reversed, to help insure that the new surge of confidence and vigor displayed by consumers, businessmen, and the stock market continues its upward trend. By giving the President the 1-year extension of the economic stabilization powers that he has requested, we can fulfill that responsibility; our action will provide the public with the certainty about the scope and duration of phase II that will be essential to its success.

Mr. Speaker, in general, I think the committee has reported a good bill that provides the President, and the phase II machinery that he has established, the necessary tools and powers to get the job done, and to achieve the goal of a 2 to 3 percent inflation rate by the end of next year. The bill is not perfect, however, and I think there are a number of changes that we ought to make on the floor this afternoon that would improve this legislation, and enhance the chances for a successful phase II effort.

First, I think we ought to delete the so-called Minish amendment in its entirety. It not only contradicts and nullifies a previous section in the bill concerning the question of retroactive pay increases, but makes no economic sense besides. Now, I know the argument is made that if workers were promised pay increases and took on financial responsibilities with the expectation that they would be fulfilled, that those increases should be forthcoming. But I would re-

mind my colleagues this afternoon that this question is a two-way street. For every group of employees that were caught on the short end of the stick on August 15, there are just as many employers and businesses caught in the same position; in the period just before the freeze, they too took on forward financial commitments in the form of wage increases or contracts for new supplies, equipment or services on the expectation that compensating price increases could be made at a later date, increases that now have been denied. Yet if we allowed for retroactivity in all of these cases, obviously all the gains of the freeze would be undone. By its very nature a freeze is bound to arbitrarily cut through the intricate adjustment cycle in a complex economy of billions of transactions like ours, and as a result, there is simply no way that we can provide for complete equity, if we think a freeze and economic controls are the price we must pay to get our economy back on the path of noninflationary growth and prosperity.

Mr. Speaker, it is also argued in behalf of complete retroactivity that the additional wage costs involved are miniscule compared to the size and volume of overall activity in our economy. This may be true if these costs are examined in isolation—I believe the figure is less than $1 billion. But what this argument ignores is that nothing in a dynamic economy like ours occurs in a vacuum.

While the Price Board has ruled that no price adjustments will be allowed to cover the costs of retroactive wage payments, I would point out that this ruling was made on the premise that retroactivity would be only allowed in a narrow range of cases as provided in a previous decision of the Pay Board. If we are now to throw that Pay Board ruling overboard and allow across-the-board retroactivity, the pressures will be enormous for a corresponding revision of the price regulations.

Yet, many firms are, obviously, merely suppliers of other firms just down the line. So if price compensation to cover the retroactive wage costs of firm A is in order—and I think it should be—would not compensation to cover the increated supply cost of firm B be in order as well, and would not this kind of ripple effect work its way through the entire economy taking on increased magnitude at each successive stage of the adjustment process? In short, full retroactivity would likely have a multiplier effect that would have a far greater ultimate impact on the price level than the mere additional wage costs taken in isolation. This is to say nothing about the administrative nightmares that it would cause for the Price Board and other stabilization agencies.

Mr. Speaker, having said this, I want to also make clear that there is one condition under which retroactive pay adjustments should be in order; namely, in those cases where employers—whether they be manufacturing firms, school boards or whatever, had already taken the necessary action through price, tax, or other revenue adjustments to cover the costs of wage or salary hikes that were scheduled to take effect during the freeze. To prohibit retroactive adjustments in these cases would result in unfair windfall gains for which there can be no justification. So I would support an amendment that I understand will be offered by the gentleman from Georgia (Mr. STEPHENS) that would allow for adjustments in these cases. This kind of retroactivity adjustment would be far preferable to the Minish amendment and to the provision in section 203(c)(2) as well.

Finally, Mr. Speaker, I believe that the provision in section 210, which would allow individuals to bring treble damage suits in U.S. district court, is extremely ill advised and unwarranted. It is an open invitation to a deluge of litigation that would cripple the administration of phase II, possibly undermine the process of economic recovery, and is something that is totally out-of-step with the spirit of cooperation and voluntary compliance on which this whole undertaking rests. I think this provision should be stricken from the bill, or failing that, the liability should only be for the excess charged, not the entire transaction. To allow treble damages for the entire amount of the transaction will, in my view, be an irresistible temptation for some to bring litigation and could become a source of contention and irritation of such magnitude that the entire program would be jeopardized. I think the kind of widespread voluntary cooperation we saw during the freeze provides ample evidence that phase II controls can be enforced without this kind of potentially disruptive provision.

Mr. Speaker, I have no further requests for time.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11309) to extend and amend the Economic Stabilization Act of 1970, as amended, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11309, with Mr. HOLIFIELD in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. PATMAN) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the passage of H.R. 11309 is necessary to assure the continuation of the economic stabilization program—the so-called phase II of wage-price controls.

It is an important piece of legislation—certainly one of the most far-reaching economic measures to come before this Congress in some years. Your Banking and Currency Committee has kept in mind the magnitude of this legislation and the bill before you today has been thoroughly studied and carefully amended in an attempt to provide a truly workable and equitable phase II economic program.

The administration originally sent this legislation to Congress on October 19. The original bill was short on equity and workability and long on vagueness and administrative shortcuts. The committee labored to revise the bill and to establish an equitable law which would withstand legal challenges and build the confidence of the American people in the phase II program.

The original bill sent forward by the administration wiped out application of the basic safeguards of the Administrative Procedures Act. The committee insisted that administrative review procedures be inserted requiring hearings with adequate advance notification and opportunity for interested persons to be heard on rulemaking procedures.

The original administration bill provided no wage-price machinery at the local level. The committee adopted an amendment requiring the establishment of local protest boards to help clarify rulings and to provide an entity—at the local level—to receive complaints about the operation of the law.

The original bill did not recognize the plight of low-income workers, the working poor, and those required to subsist on substandard wages. The committee insisted on an amendment which would exempt the working poor from regulations which might prevent their escaping poverty.

The original bill provided no means for policing prices except in the most general sense. The committee insisted that consumers, small businessmen, and others—who are the victims of willful price violations—be given the opportunity to seek civil damages three times the amount of the transaction. The committee established a price-policing mechanism which costs the taxpayers nothing and provided a strong deterrent to cheating.

The gentleman from Illinois (Mr. ANDERSON) made a good speech. He made some criticism of this particular section about treble damages. I most respectfully take issue with him so far as the small businessman is concerned. The small businessman has more to gain from this than any other person, the consumer or any other person. He will be protected against the unfair practices of the large competitors. In a similar law—the Robinson-Patman Act—small businesses have profited more from this type of legislation, which helps to enforce the law, incidentally, without public expense; and the small businessman will gain more than all the rest on this provision.

The original administration bill did not mention the word "profits." The committee insisted that the spotlight be

thrown on excess profits and provided for the establishment of a Board on Profits which must keep check on excessive profits and make at least quarterly reports on the issue.

The original administration bill did not recognize the special problems of wage earners and others who must depend on mass transit facilities, many of which are totally unregulated by local authorities. The committee insisted that mass transportation companies be required to seek prior approval from the President—presumably delegated to the Price Commission—before any fare increase could go into effect

The original administration bill provided for a temporary emergency court of appeals and other judicial procedures in connection with the wage-price program. The committee accepted the basic thrust of the administration proposal in this area, but restructured the section to place it in more orderly, logical, and understandable form.

The original bill tied the President's powers to roll back prices to levels not less than those existing on May 25, 1970. The committee felt that this was much too rigid and insisted that the President be allowed to determine whatever levels were appropriate to achieve the goals of the Economic Stabilization Act—without regard to the arbitrary May 25, 1970, date.

The original bill gave extraordinary powers to the chairmen of the stabilization boards and commissions without regard to the other members of these bodies. The committee insisted that any action taken be based on a decision by a majority of the members of the particular board or commission and not solely by the chairmen.

The administration bill did not deal with the question of pay contracts and agreements entered into prior to August 15, 1971—before the President revealed his plans to control prices and wages. The committee insisted that this nagging—and divisive—question be dealt with by providing that such contracts and agreements were to be honored unless the President could determine that they were unreasonably inconsistent with the rate of wages in the economy generally.

The administration bill provided only a vague standby authority for the possible control of interest rates. The committee felt the provision was far too weak and insisted that it be broadened to include finance charges, and that the President be required to stabilize interest rates and finance charges whenever he triggered any other part of the wage-price authority. The committee further provided that any exception to this would have to be by a specific determination issued by the President—accompanied by a statement of reasons—that interest rates in a given category were satisfactory and approved by the administration.

Mr. Chairman, these are some of the significant areas where the committee felt it important to make substantive improvements and clarifications. All of you have access to the report which describes these and other provisions which were dealt with in detail in the committee. The legislation extends the President's authority to carry out the economic stabilization program until April 30, 1973—as he requested—and authorizes the hiring of personnel and funds necessary to administer the act. Once this legislation is enacted, phase II will be fully on the road.

THE PAY QUESTION

Much controversy has centered around the question of retroactive and deferred pay. It has been a nagging question that has caused divisiveness at a time when we should be pulling the country together behind the phase II program. As I noted earlier, the committee decided that this question should be dealt with firmly and we provided that wage contracts and agreements entered into prior to August 15 should be validated unless they were "unreasonably inconsistent" with the rate of increases of wages in the economy generally.

We feel that it is best that this question be resolved by the Congress in a firm manner so that we can put an end to the political and administrative jockeying which seems to have surrounded the issue. It seems only fair that the Congress take the steps necessary to remove the administrative uncertainties which have been hanging over the heads of teachers and other wage and salary earners concerning contracts which were legally entered before anyone had any idea that a wage-price freeze was to be implemented.

In many cases, wage earners made employment decisions—and other commitments—based on the contracts entered into prior to August 15.

For example, there were teachers who signed contracts as early as March and April of this year and then—based on the anticipation of higher earnings—made decisions to go back to school and take special and expensive education courses during the summer.

Other wage earners decided to buy homes—made downpayments—and committed themselves to high interest charges based on the anticipation that they had a legal and binding contract. In these cases, on the one hand the administration is insisting that the mortgage contract remain intact, while, on the other hand, attempting to invalidate the wage contract.

More importantly, it is obvious that some prices were raised as soon as contracts were signed and these increases have been allowed to remain while the wage contracts—on which they were based—are not being honored. This means that many corporations have reaped a large bonanza by retaining the funds that were due their workers during the freeze.

Administration spokesmen have plainly indicated that the payment of the retroactive contracts will not upset the phase II program despite the propaganda to the contrary. Dr. Charls Walker, the Under Secretary of the Treasury, on November 23, in a speech to the District of Columbia Bankers Association, minimized the idea that the payment of the contracts would have an inflationary impact. He said:

> If all the deferred increases were suddenly granted, we would still have used up only one-half per cent of what we have to work with . . . Economically, we can't say that there will be a catastrophe if the deferred increases were granted.

In addition, the President retains full power to block any "unreasonably inconsistent" contracts. In short, we are leaving the President with all of his anti-inflationary tools intact and at the same time providing equity in the wage-price program.

INTEREST RATE PROVISION

Some in the administration have defended the failure to control the prices of banks and other lenders by insisting that interest rates have been coming down. Most of the talk has centered around various fluctuations in the money market rates and some reductions in the rates paid by the largest and most affluent—the prime—customers of the big banks.

These money market rates have varied over the past few months and all of them remain at extremely high levels. More important, however, is that these reductions have in very few instances filtered down to the small businessman, the farmer, the consumer—the people who are demanding—rightfully—that the program be administered equitably.

The decision to control interest rates cannot be made solely on the basis of what the largest—the prime—business corporations are charged. This Congress should concern itself with what the majority of the American people are required to pay on mortgages, consumer loans, and similar borrowings. In addition, there have been many predictions that the money market rates will start rising again in 1972. If the efforts to stimulate the economy are successful—as the administration assures us they will be—then there will be a heavy business loan demand. In the past, such loan demands have provided an excuse for an increase in interest rates at all levels.

The time to apply controls is now and not after these money market rates have skyrocketed again. Once the rates go up in the money markets, the pressure by the big banks would be heavy for the administration to keep hands off. To avoid this pressure which is sure to mount as the months go by in 1972, the President can use the powers provided in this bill to issue immediate orders covering the interest rates on the various classes of loans.

The bill provides that he must stabilize interest rates whenever controls are used on any sector of the economy unless he issues a precise determination—accompanied by a definite statement of reasons—that interest rates imposed on each category of loans are satisfactory and approved by the administration.

Today, home mortgages—according to the surveys of the Federal Home Loan Bank Board—are in the range of 7.83 percent and, in some areas, the rate is more than 8 percent plus points. Millions

of consumers are forced to obtain small loans at interest rates of 36 percent, and the Washington Post in recent weeks has carried lengthy investigative news stories revealing that second mortgages are as high as 68 percent. Even high-grade corporate bonds are going at interest rates well over 7½ percent. It would appear unlikely that any President would determine that such levels of interest rates should bear the imprint of approval from the Federal Government.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PATMAN. Mr. Chairman, I yield myself 3 additional minutes.

All of you have access to the report which describes this, and I hope that you read the report.

The legislation extends the President's authority to carry out the economic stabilization program until April 30, 1973. That is what the President wanted. He wanted to extend it for 1 year in the beginning. The House has granted that and the Senate has granted it, so that there will be no difference to be settled by the conferees. It will be a 1-year extension from April 30, 1972, to April 30, 1973.

Personally I think it is a good thing to pass it now and get it behind us so that when we have the conventions coming up next year preceding a general election in the fall. We are in a better position to consider this legislation now.

So, it will be more conducive to sober thought and meditation to follow this procedure, Mr. Chairman, when politics will not be connected with it. I think that is a good move that the President made and I am glad that the Congress has supported his efforts and the legislation extends the President's authority to carry out this act and authorizes the hiring of the personnel and the funds necessary to administer the act.

Mr. Chairman, once this legislation is enacted, phase II will be on the road.

Now, Mr. Chairman, the distinguished gentleman from Illinois (Mr. ANDERSON) mentioned the fact about interest rates. It is true that some interest rates have been lowered. But, may 1 invite your attention to the fact that the consumer rates are just about exactly where they were before. The rates on the poor people and the middle-income group. These people are required under existing law and regulations to obligate themselves to pay on the purchase of a $20,000 home $35,000 in interest on that home, or $55,000 for a $20,000 home. So, that does not mean that interest rates have been reduced much to the person who has become a homeowner. It is about the same and the record will show that.

And, did you know that the consumers are still paying 18 percent interest and 36 on the purchases through retail establishments. They are also paying more percent interest on small loans all over this Nation.

This is against conscience, but you never hear of them saying anything about reducing the 36 percent interest. However, you hear them say, "Let us pass the Uniform Credit Code in all the States." It has been submitted to every State legislature, all 50, and it has actually passed in a number of States. That provides for an increase from 18 percent to 24 percent on revolving credit to 36 percent on other loans. That is not helpful to the consumer. It is harmful to him.

Mr. Chairman, the more money that is taken from the poor man in interest rates, the less money that goes into the channels of trade and distribution. It hurts everyone.

Mr. Chairman, I believe that this bill protects the consumer more than any bill that we have had in a long time. I hope and trust that the consideration given to this bill will be divorced from politics. We do not want politics in it. This is one time we must work shoulder to shoulder with the President. We must win this fight against inflation. We do not want it to happen in this country like it happened in Germany and one time in France where it required a wheelbarrow load of paper money to buy one loaf of bread.

It can happen, gentlemen; it could happen here. Let us not let it happen here. Let us pass this bill for effective controls in order to lick inflation.

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

Mr. Chairman, I rise in support of H.R. 11309.

In view of the short time the report has been before the House and my personal disagreement with some of the views expressed in it I would like to review this with you a little more completely than I sometimes do.

First I think it important to give the proper recognition to the background of this legislation.

I think it is fair to say that when the President made his announcement of wage and price controls on August 14 he deviated from the firmest personal convictions about his abhorrence of economic controls in the interests of the Nation's welfare. He recognized, as surely we must that this Nation is in the midst of a grave economic crisis. To cope with it he initiated a series of domestic controls and incentives and international monetary and trade policies which I think most of us would agree are, or were, a good if painful first step toward the resolution of that crisis. The bill before us today deals only with the domestic controls so let me restrict my further remarks to that problem.

Twice since the 92d Congress convened we have voted to extend the President's authority to exercise wage and price controls. On each occasion, and in between, Members have advocated the exercise of this authority. On August 14 the President acceded to those admonitions and introduced a 90-day freeze which he and all of his administrators are willing to admit resulted in numerous inequities because the freeze was applied across-the-board and was not riddled with special treatment for a favored few. On October 7, after lengthly consultations with labor, management, and representatives of the public, he announced the outlines of a second phase of the program. If not perfect it was at least a program designed to assure that all affected parties would have some say in deciding what sacrifices each would have to make if this Nation was to successfully resolve its problems and bring inflation under control.

Twelve days after his October 7 announcement the President sent to us the proposal for the legislation now before us. Having acceded to our urgings these proposals said in effect, "Having yielded to your judgment give me time, give me people, and give me some temporary tools to make it work." In the meantime, while we deliberated on this request, the President, having embarked on a new economic policy affecting the well-being of over 200 million Americans, has had to try and make that policy work. It would be folly for me to stand here and try to convince you those efforts have been wholly successful to date; but it would be equally foolish for any of us to think that the boards and commissions which the President has established can do any kind of a job if, and as long as, we sit up here second guessing every decision they make.

This then brings me to the question of what kind of a bill we are dealing with today. I think it is largely—and I think it should be—only a bill which sets forth the broadest guidelines of a program. We are not equipped here in the Congress to deal with all of the ramifications of even such basic questions as retroactivity of pay increases negotiated prior to August 15. From all the evidence we have seen it is quite obvious that some retroactive payments can and should be made—while others, which if required, would plunge companies into bankruptcy and employees onto welfare. Under the circumstances it would be foolhardy for us to dictate more than a mandate requiring an examination of all the facts in individual cases before decisions are made—and prohibiting blanket rules that are not subject to appeal.

In considering this legislation we must avoid legislative provisions which restrict the administrators' flexibility. Let us not kid ourselves, economic controls mean sacrifices. Nor should we kid ourselves that we here in Congress could ever write the thousands of pages of rules, regulations, and interpretations that have accompanied every other attempt at such controls. The best we can do is provide the guidelines. Having induced the President to embark on this program let us not tie his hands before he has a chance to make it work.

If you can agree with me that we do not have the ability to legislate every detail of an economic control program I think you can agree that H.R. 11309 contains ample guidelines for the President to follow. Unfortunately some of its provisions are too limiting and should be deleted particularly if they deny the President authority to determine facts before deciding what is equitable. Any other amendments of this nature offered on the floor should be defeated.

In summary let me say this:

First, I think it is obvious from the problems which have presented themselves since August 15 why economic controls are abhorrent to us.

Second, having finally embarked on this distasteful route to the solution of our domestic economic problems I think it would be a big mistake to vacillate at this time by denying a 1-year extension of this authority or by trying to change all the rules the administration laid down in the absence of more complete congressional guidance; and

Last, but not least, I think it is time we recognized that the problems our Nation faces today transcend political issues and require that we face up squarely to the fact that to get inflation under control is going to require some personal sacrifices. In the long run we are going to face far less difficulty if we accept that fact realistically. I still hear the applause that followed John F. Kennedy's statement—

Ask not what your country can do for you, ask what you can do for your country.

I think we can ask people to tighten up on prices, wages, rents, and all the rest right now for the sake of their country without any apologies, and I think that when we stop second-guessing the people down the street who have the time to listen to the facts in each case they can administer this program fairly.

Let me point out that there has been a tremendous amount of misunderstanding about the operations of the economic controls and their relationship to H.R. 11309. I hope that during our debate today Members will recognize that the rules which prevailed during phase I have been changed and do not justify the inclusion in this legislation of amendments directed at problems which no longer exist. Let me assure you that your committee has heard every conceivable kind of complaint and it is my judgment that the guidelines set forth within the bill represent an adequate framework for the administration of a fair and equitable program. I urge the enactment of the bill with a few amendments we feel are needed.

Mr. BARRETT. Mr. Chairman, in some quarters, the Economic Stabilization Act has been seized on as a great opportunity to make the workingman and labor unions the whipping boys for all our economic troubles.

It is easier for some to talk about the $15 a month increase of a worker than it is to discuss the excesses of the big business and banking community and the other fat cats in our society.

Mr. Chairman, I have talked with many labor people and I know that the American workingmen and women are willing to cooperate with this program so long as it is equitable—so long as everyone—big and small—is treated alike.

The AFL–CIO has made its position clear in testimony before the Banking and Currency Committee. The official position is contained in this statement adopted by the Executive Council of AFL–CIO:

If the President determines that the situation warrants extraordinary overall stabilization measures, the AFL–CIO will cooperate so long as such restraints are equitably placed on all costs and incomes—including all prices, profits, dividends, rents and executive compensation, as well as employees' wages and salaires. We are prepared to sacrifice as much as anyone else, as long as anyone else, so long as there is equality of sacrifice.

Mr. Chairman, we can help provide the equity so badly needed in this program by adopting the committee bill which provides that wage contracts and agreements entered into prior to August 15 be valid unless they are unreasonably inconsistent with other increases in wages in the economy generally.

The working people had no knowledge that the President was planning to impose a freeze on August 15. They entered into these agreements in good faith and in many instances made commitments to purchase homes, automobiles or to send their children to school based on the belief that they had a binding contract for higher wages. Many of these contracts were entered into months—and in some cases—years—before the President's freeze order of August 15. Teacher contracts, in most school districts, were signed in the spring and many of these teachers made employment decisions based on these binding agreements.

These contracts—contrary to the propaganda flowing forth from the administration—do not involve high-paid affluent workers. Hundreds of these contracts involve low income workers, many of whom are supporting families on less than $6,000 a year.

The administrative rulings that have come forth under this program have blocked, in some cases, wage increases as low as $8 a month and, in one instance, prevented employees from obtaining the right to sick leave. The great majority of these contracts involve relatively small sums, but amounts which are important to the individual worker.

It is not the fault of the workers that the Nixon administration waited so long to control inflation and failed to do something about unemployment. The President's economic hesitation has cost the country dearly, but it is wrong—very wrong—for the administration to now say that the working people must bear the burden of these mistakes.

Mr. Chairman, the pay contracts entered into prior to August 15 should be validated by the Congress and not left to further maneuvering in the political and administrative arena. We should put the phase II show on the road and put behind us these divisive questions hanging over from the prefreeze period.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Chairman, because of the importance of the legislation before us, I would like to direct my remarks to section 203 of H.R. 11309 because this section really goes to the heart of the matter which we are considering.

Section 203 deals with presidential authority.

Paragraph (a) authorizes the President to issue such orders and regulations as may be appropriate—

First, to stabilize prices, wages, rents, and salaries;

Second, to stabilize Federal expenditures; and

Third, to stabilize interest rate and finance charges and corporate dividends.

Paragraph (b) says—in stabilizing the above components of the economy, the President, in effect the Pay Board, shall issue standards to serve as a guide in determining the levels of wages and prices and so forth.

These standards shall, pursuant to the legislation: First, be generally fair and equitable; and second, provide for making such general exceptions and variations as are necessary to foster orderly economic growth and to prevent gross inequities, hardships, and serious market disruptions, domestic shortages of raw materials, localized shortages of labor, and windfall profits.

Third, take into account changes in productivity and cost of living.

Fourth, provide for reductions in prices and rents whenever warranted.

Fifth, call for generally comparable sacrifices by business and labor as well as other segments of the economy.

Section 203(c)—and this begins to get critical—says that retroactive and deferred pay increases that were contracted for before August 15, but not paid because of the freeze, shall be paid unless the Pay Board—again, in effect, the President—the Pay Board finds that the increase is unreasonably inconsistent with standards promulgated by the Pay Board pursuant to paragraph (b) which I have just read.

I want to point out that this language found in paragraph (c)(1) of section 203 on page 4 of the bill presents a very different test for the payment of retroactive and deferred pay increases than that contained in section 216 on page 23. In fact, as the gentleman from Illinois (Mr. ANDERSON) has pointed out, the two sections are quite contradictory, which can only be explained by the extremely close division within the committee itself.

During committee consideration an amendment similar to section 216 was offered by the gentleman from New Jersey (Mr. MINISH) in place of section 203, but it was defeated by a 1-vote margin. The same amendment with slight modification was later offered by Mr. MINISH as section 216, and on this occasion it prevailed by a 1-vote margin.

Section 216 also provides for the payment of retroactive and deferred pay increases, but the test which it applies is much more loosely drawn and all inclusive. It states that all such increases must be paid unless the Pay Board finds that an increase is unreasonably inconsistent with the rate at which wage and salary increases have increased in the economy generally. We know that the average rate of wage and salary increase in the economy generally during the 8½ months immediately prior to the August 15 freeze was between 7½ and 8 percent. Thus section 216, the so-called Minish amendment, mandates the payment of

retroactive and deferred increases that are not unreasonably inconsistent with the general increase in the neighborhood of 8 percent.

What this would mean I would ask Mr. MINISH on tomorrow, but I would suppose an increase of 10 percent would not be construed to be unreasonably inconsistent with an 8-percent rate of increase in the economy generally.

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

Mr. ASHLEY. Mr. Chairman, will the gentleman yield 1 more minute to me?

Mr. PATMAN. I am sorry I cannot do so.

Mr. ASHLEY. Mr. Chairman, will the gentleman from New Jersey yield me 2 minutes?

Mr. WIDNALL. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio.

Mr. ASHLEY. I appreciate the gentleman's yielding me this time.

Unlike the test in section 203, section 216 strips the Pay Board of any flexibility by adopting a standard which accepts and is predicated upon a rate of wage and salary increase that contributed directly to the August 15 freeze. At the appropriate time, therefore, Mr. Chairman, I will either offer, or in case it is offered by Mr. STEPHENS, I will support an amendment to strike section 216.

In closing, let me say that the legislation before us offers the opportunity but not the assurance of checking inflation and promoting orderly growth. If the Congress elects to direct the Pay Board or the Price Commission, for that matter, to approve increases that are not consonant with economic stability and they will have this option, then it will have forfeited its responsibility to the Nation. If, as I trust will be the case, we treat economic stability as a national priority of the highest order and are faithful to this goal, then we will have succeeded in overcoming differences among us for the common good of our society, and perhaps for the preservation of our competitive enterprise system as we know it.

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

The CHAIRMAN. The gentleman from Michigan (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Michigan. Mr. Chairman, the first responsibility of this body, it seems to me, is to act properly as a legislative body and not as a pay board, a price commission, an interest and dividends commission, or any other body to which may be delegated by the President the implementation of our economic and stabilization program. Included within this responsibility is a further obligation to make sure that equity to all within the control structure is not jeopardized by our legislative action. Since no one in this Congress would suggest that he has the all-encompassing knowledge to appreciate all the diverse and varied situations, whether in wages or prices or in other factors with which the pay and price boards will be confronted, it is absolute folly for us to adopt too rigid, too restrictive, too inflexible legislative provisions, thereby denying to these boards and commissions an opportunity to do justice to all affected by the just concluded freeze of wages and prices as well as those who will be affected in the future.

To the extent that we write into this legislation a general overall fix on wages, especially increases therein which occurred but were not paid during the freeze, we are rewarding the good and the bad, the just and the unjust, in exactly the same way and to the same extent. There can be little question but what this question of retroactive wages will occupy more of the time and attention of this House than any other issue incorporated in this legislation.

Sound economic growth cannot occur unless there is an opportunity for all to share in it equitably, receiving from it according to the amount they have contributed to it. The freeze caused and perpetuated inequities which must be corrected. Phase II legislation should provide the tools for the correction of these inequities. The failure to pay any wages during the freeze period would clearly be unconscionable. Failure to pay the increases in wages which were scheduled to that effect during the freeze would be likewise unconscionable if such retroactive wages were contemplated by the industry, the income of the industry was increased through an increase in prices, or similar prefundng of the payment of the increases had been contemplated.

This is equally applicable, whether we are talking about products or services, and certainly those in the teaching profession, who have raised the question with many Members, in many cases are in the situation where it would be unconscionable for their raises that occurred during the freeze not to have been paid.

But, Mr. Chairman, in addition to this basic inequity, if we are going to have the sound orderly economic growth that this whole program is aimed at, we must make sure that the equity has been or is incorporated into the implementation of the program through guidelines where applicable or through the handling of individual cases where applicable, so that there will not be an impact upon the economy which will continue again the spiral of inflation, or which will be so inequitable as to be insupportable by the public, even though there may be special interest opposition.

In conclusion, let me just say that there are many facets to this legislation which permit—not only permit, but provoke—special interest political considerations. I will only trust that this body will not permit itself to succumb to that type of determination in writing the legislation tonight or tomorrow.

Mr. PATMAN. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. Mr. Chairman, it is time for the Congress to deal in a clear and decisive manner with the question of deferred and retroactive pay.

The Banking and Currency Committee—on a 19 to 17 vote—has adopted an amendment to the President's phase II legislation which will provide a firm resolution to this issue. The amendment which I sponsored in the committee simply provides that the pay contracts entered into prior to August 15 be honored unless the President determines that the wage increases are "unreasonably inconsistent" with the rate at which wages have increased in the economy generally.

This amendment clears the air and puts an end to the conflicting and ambiguous rulings which have surrounded this issue since the freeze was imposed on August 15. This amendment will help put an end to the divisiveness and controversy which has plagued the economic stabilization program.

So today I sincerely hope we can provide the kind of equity, fairness, and logic which are so badly needed to make phase II succeed.

It is well known that many corporations raised prices when wage contracts were signed earlier this year. These corporations have continued to charge these higher prices based on wage agreements which have now been invalidated. These corporations have been reaping windfall profits while workers and teachers have been refused the benefits which they openly and fairly contracted for before the President announced his freeze.

Mr. Chairman, this provision covers both union and nonunion agreements that were entered into at a time when no one had an inkling that the Economic Stabilization Act was to be triggered. Millions of teachers and workers made employment decisions based on what they believed were binding agreements. Many purchased homes and entered into long-term mortgage contracts at high interest rates based on the anticipation that their contracts were valid. Now we learn that many wage contracts are to be declared invalid while allowing the mortgage contracts—and other commitments—to remain in full force and effect. This is a double standard which the Congress cannot condone and which is corrected by the legislation before us today.

Mr. Chairman, most of the people involved in this question of deferred and retroactive pay are low- and moderate-income families, teachers, and public employees who are not among the affluent. Hundreds of these contracts involve sums of only $15, $20, or $25 a month. I have seen some of these contracts where the increases are as small as $8 a month. These are the increases which the opponents of my amendment are fighting on the grounds that they are inflationary.

Mr. Chairman, at this point I should like to place in the RECORD a series of examples of various contracts in different parts of the Nation involving low-income workers earning from $1.70 to slightly more than $3 an hour. These are all wage agreements which were entered into prior to August 15, but which have been denied under the wage-price freeze:

MANY LOW WAGE WORKERS EARNING $2 TO $3 AN HOUR (LESS THAN $6,000 A YEAR) WERE DENIED DEFERRED INCREASES DURING THE FREEZE PERIOD

Union	Firm	Location	Industry	Number of workers	Previous existing rate	Deferred increase due between Aug. 15 and Sept. 13
RCIA	Miracle Mart, Inc	Cumberland, Md	Retail	150	$1.70 to $2.10	+$0.05-$0.10
RCIA	Topps	Baltimore, Md	do	800	$1.85 to $2.20	+.25
RCIA	do	Menandes, N.Y	do		$1.85 to $2.25	+.20
ATU		Eastern & Allentown, Pa	Transit	75	$3.27	+.10
ATU		Wilkes-Barre, Pa	do	75	$3.03	+.05
ATU		New Bedford, Mass	do	75	$3.03	+.14
ATU	Broward Transport	Palm Beach, Fla	do	75	$2.80	+.10
ATU		Richmond, Va	do	400	$3.29	+.13
IUE	Wynnewood Products, Inc	Jacksonville, Tex		25	$1.88 to $2.30	+.12
IUE	Redmond Industries	Washington Court House, Ohio	Mobile homes	110	$2.15 to $3.05	+.10
IUE	P. R. Mallory & Co	Indianapolis, Ind	Metal parts	306	$2.70 average	+.10
IUE	Eastern Air Devices	Dover, N. H		136	$2.35½ to $3.90½	+.08
IUE	Queen City Dinettes	Florence, Ky		239	$1.78 to $2.14	+.07
IUE	Singer Co	Elizabeth, N.J		2,300	$2.27 to ?	+.13-.28
ACWA	Cotton Garment Industry (Nationwide)		Clothing	120,000		+.12½
AIW	Essex International Controls	Logansport, Ind	Electrical equipment	1,000	$2.67	+.08
LWIU	Pittsburgh Laundry	Pittsburgh, Pa	Laundry		$1.94	+.40
IBEW	Admiral Corp	Chicago, Ill	Electronics	3,000	$2.84 (assembler)	+.15
IBEW	Amphenol	Danbury, Conn	do	350	$2.65 (assembler)	+.21
IBEW	Burns Airking	Chicago, Ill	Metal	500	$2.75 to $3.81	+.15
MCBW	R. J. Reynolds Foods	Jackson, Ohio	Food processing	350	$2.03	+.10
MCBW	Maplewood Packing Co	Belfast, Maine	Poultry	300	$2.15	+.08
MCBW	Wayne Poultry	Albertville, Ala	do	250	$2.13	+.06
MCBW	Fish Industry	Southbend, Wash	Fish processing	250	$2.35	+.07

Mr. WIDNALL. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I rise in opposition to H.R. 11309.

I am not in favor of wage and price controls.

I am in favor of economic stabilization.

For 25 years, since the declaration of the national policy on employment—generally called the Employment Act of 1946—we have followed a course of deficit budgets and increased Federal intervention into every aspect of national activity obsessed with the misguided notion that this was the only route to full employment. This policy has been a prime cause of inflation.

If there is one good thing in this bill, it is the recognition in the Statement of Findings—section 202—that a stable dollar is the keystone to economic growth, a healthy economy, and full employment.

I wholeheartedly endorse the statement in this bill that "it is necessary to stabilize Federal taxes and expenditures" and the congressional expression that "the President should make every effort to reduce Federal expenditures and taxes by submitting a balanced budget in an effort to stabilize the economy and eliminate the need for the exercise of any controls under this title." I hope every Member will recognize the significance of these expressions, and keep this policy in mind as we vote authorizations and appropriations in the months ahead.

I recommend my colleagues carefully consider the dissenting views of my fellow Congressmen BLACKBURN, CRANE, WYLIE, and myself on page 43 and pages 45 through 56 of the report of the House Committee of the Banking and Currency, entitled Economic Stabilization Act Amendments of 1971, dated December 7, 1971 (Rept. No. 92-714).

Mr. WIDNALL. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. MCKINNEY. Mr. Chairman, I do not believe anyone is happy with the idea of wage and price controls, but tomorrow, when we move into the reading of this bill and get to the 5-minute rule there are two tremendous dangers which will face this House as a whole.

One is that this Congress, representing people of all different types of special interests from all different parts of the country, may see fit in its wisdom the desire to change this bill for one interest group or another.

The greatest danger that we could possibly do to this bill and to the economic stabilization of this country would be to take the special interest of any one group and put it above the good of the whole of this Nation.

Mr. Chairman, no one in the free enterprise system can be happy with controls. It would take a genius; in fact, it would take a Solomon to make them fair and equitable across the board. But for Congress itself to try to set out here and change for each different special interest group the general thrust of this bill would be to destroy the President's chance of bringing economic stability to this country.

There is another danger. There are people here who are against this bill and who feel that this bill is not needed and that the President has powers that last until April 30, 1972.

But, Mr. Chairman, I would suggest that one of the reasons that this country is still having the economic problems it has, one of the reasons for business not going ahead with investments—and we heard the statements last night about the farmers—is the fact that when this Congress has so held up action that the business community; yes, the workers, the teachers, the entire Nation has no way of knowing where it is or where it is going, and until we fully back this bill, and achieve a sense of permanancy we will not fully solve our problem.

Mr. WODNALL. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, as a member of the Committee on Banking and Currency which considered this economic stability legislation, H.R. 11309, I am satisfied that we have produced a bill which generally is going to be satisfactory.

It authorizes and ratifies the machinery which the President has asked for, and which is operating at this time. This machinery and the operation thereof is going to move us closer to our goals of containing inflation and moving our economy back to a vigorous and full employment level that we seek.

Mr. Chairman, I would like to commend the chairman of the committee, the gentleman from Texas (Mr. PATMAN) and the members of the committee who showed such determination to bring this bill to the floor promptly in order that we might give to the President these powers.

The committee, as the gentleman from Connecticut (Mr. MCKINNEY) pointed out, exercised a good deal of self-restraint in not adding to this bill a large number of special interest amendments.

Mr. Chairman, in fact, many of the committee amendments were positive. Some of these were: Administrative procedures; eliminating the poor from the list controls; and adding to the findings that it is necessary for the Federal Government to reduce its expenditures.

On the other hand, Mr. Chairman, there were some unwise amendments. The Minish amendment which has already been discussed was, in fact, unwise. It is my understanding that an amendment will be offered in the consideration of this bill which will provide for the allowance of retroactive wage increases where prices have been raised or budgets approved. This amendment should satisfy the arguments of the gentleman from New Jersey (Mr. MINISH).

In section 203(f), we have put in another discriminatory amendment regarding pensions that applies to some wage earners but unfortunately not to most.

In section 210 there is another unwise amendment which makes the triple damages apply to "transactions" instead of "overages."

If some of these discrepancies can be cleaned up, Mr. Chairman, I think we can have a fine bill of which we can all be proud.

Again and again in our hearings in the committee, leaders of organized labor asked us, and the country, for equality of sacrifice. Every loophole, and every Minish amendment, and discriminatory pension amendment that we put in this bill lessens the equality of sacrifice. I call on this House and on each of us in

the Committee of the Whole to exercise at least the self-restraint which the committee exercised.

An amendment to repair the Minish language is necessary. Some good work in conference is also necessary. But other amendments should be resisted to maintain equality of sacrifice.

Mr. PATMAN. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. HANLEY).

Mr. HANLEY. Mr. Chairman, I rise in support of this legislation and was privileged to cosponsor it. Though wage and price controls are bitter, we do have to deal with the problem of inflation and hopefully overcome the challenge it provides.

Other efforts have been made but they failed, thus this appears to be the remaining option. I am optimistic that this program, given sufficient time, can succeed.

I want to reflect on an issue, though not referred to in this bill, but indeed vital to its intent, and that is the Federal employee pay freeze. The Senate version of this legislation considered the problem and by an overwhelming vote of 79 to 1 adopted an amendment which has the effect of lifting the July 1, 1972, freeze, and thus treats Federal employees identical to those in the private sector.

The pay increase due Federal employees on January 1, 1972, is not a creature of the Congress, but instead it is the well thought out product of the President's Advisory Committee on Federal Pay. It determined that to assure compliance with the law, and that is the Comparability Act, a January 1, 1972, wage increase was due Federal employees in recognition of prevailing Bureau of Labor statistic figures, and thus in its first official act, presented the recommendation to the President who was virtually committed to acceptance.

Subsequently, on August 15, the President announced his new economic plan, and to the disenchantment of many, stated that he was delaying this increase until July 1, 1972.

Certainly the Advisory Committee must have been jolted, as were the Federal employees, who have since wondered why they were being treated as second-class citizens. All they ask is treatment equal to the rest of our society. In fact the language of the present act actually restricts the President from imposing selective treatment on any segment within our society.

This Federal pay freeze was ill conceived. In fact, it was announced prior to the establishment of any guidelines, thus it was apparently predetermined that this category of employees were to be scapegoats, not really to assist the inflationary problem, but rather to accommodate the impending budget deficit.

The issue is one of fairness—I commend the Senate action and urge the House conferees to agree.

Mr. PATMAN. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I would like to bring to the attention of the House a gap that exists between the Pay Board's regulations and the directive in H.R. 11309 to allow retroactive payments to cover wage increases not paid during phase I for contracts negotiated prior to August 15.

The Pay Board has ruled that payments may be made retroactively to cover wage increases not made in phase I in instances of contracts adopted after August 15 if approved by the Pay Board. According to the regulations, the Pay Board may approve these retroactive payments if it can be established that the contract adopted after August 15, 1971:

Succeeded an agreement, schedule, or practice that expired or terminated prior to August 16, 1971, and retroactively is demonstrated to be an established past practice of an employer and his employees or retroactivity had been agreed to prior to November 14, 1971.

The problem is that neither the committee bill nor the Pay Board regulations cover new contracts; that is, first collective bargaining agreements, reached during phase I. I have a case in my congressional district in which an initial contract was signed September 1 with an effective date of July 1, 1971. Even though retroactivity had been established well before November 14, as required by the Pay Board, this new contract cannot meet the requirements of succeeding a prior agreement or contract; there was no prior contract—people simply were the employees of the institution.

Thus, the Pay Board's position, out of failure to issue regulations for an initial contract agreed to during phase I, is discriminatory toward a new union. The employees of new unions are being placed at a disadvantage. Equity requires, however, that every advantage be given to the new unions whose employees are at the verge of obtaining the first fruits of collective bargaining. Generally, it is the employees of the new unions that have labored under substandard wages—indeed in the case I have in mind, most of the employees are women who have been the victims of a discriminatory labor market that could command their employment at lower wages.

The problem of the Pay Board seems to be one of establishing that the date of retroactivity established in the contract reached during phase I was reached in good faith. In the case I have referred to, every effort was made to comply with the policies and objectives of the Cost of Living Council. Negotiations had started in early July. The effective date of July 1, 1971, was established early in the negotiating process prior to August 15. Nevertheless, when this new union consulted with the Pay Board after the issuance of the regulations on November 23, 1971, they were advised informally by the general counsel's office here in Washington that they would not be eligible for retroactive payment of scheduled increases in wages that had not been payed between August 16 and November 14, because of the freeze.

It is only equitable that the existence of new unions—and their unique circumstances—that concluded agreements during phase I receive the attention of the Pay Board.

Would the distinguished chairman of the Banking and Currency Committee, (Mr. PATMAN) agree that the bill does not make any provision for the payment of wage increases retroactively for agreements reached during phase I with an effective date either prior or during phase I, because there was an assumption that the Pay Board would establish a procedure by which such parties, particularly in the instance of an initial contract, could show that the effective date was established in good faith by the bargaining parties, and without any reference to any existing guidelines or contemplated regulations?

Mr. PATMAN. The gentleman is absolutely correct.

Mr. Chairman, I yield to the gentleman from New Jersey (Mr. HELSTOSKI) such time as he may use.

Mr. HELSTOSKI. Mr. Chairman, I rise in support of the committee amendment which directs the retroactive payment of wage increases negotiated prior to August 15, but prevented from going into effect by the President's freeze orders.

Since the President first announced this ex-post facto abrogation of solemnly negotiated contracts, I have been actively working to reverse this injustice done to millions of wage earners in the United States. I have had a round of correspondence with General Lincoln urging him to modify the freeze as it related to previously negotiated wage increases. And I have filed my own bill, H.R. 11879, which is similar to the amendment adopted by the Committee on Banking and Currency. I am happy to have the opportunity to speak and vote this afternoon in support of that amendment.

As a former educator, who is well acquainted with the contracting procedures concerning teachers, I am greatly distressed by the administration's apparent ignorance of faculty members' pay situations both in New Jersey and across the United States.

In New Jersey, for example, teachers are employed on a 12-month basis, but 95 percent of the educators in my congressional district negotiated their contracts on a 10-month basis. These are negotiated usually in January preceding the start of a new academic year, the school budget is approved in February and teachers sign their contracts in April. Raises go into effect with the start of each academic year in September. Thus, teachers in New Jersey had their pay raises signed and sealed last April and in good faith waited for them to be delivered in September. Mr. Nixon's arbitrary choice of August 15 as the beginning of the freeze period thus did a grave injustice to teachers simply on the basis of the unique features of their work year and contracting features. I would also like to point out that the salaries most of these teachers are working for were negotiated in January of 1970; these educators, therefore, having had their wages frozen in effect for almost 2 years.

The inequities of the freeze as it applies to teachers are legion. In one case, some teachers are working under contracts with raises, since they elected to work during the summer intersession.

School boards are continuing to pay them at the new level. In another instance, some teachers are working under contracts which also became effective July 1. However, they did not teach during the intersession and did not receive scheduled raises. This creates an extremely unfortunate situation as these experienced teachers find new faculty members, without equivalent experience and who taught during the summer, receiving the same salaries since they were eligible for scheduled increases.

In still another case, the experienced teachers in one school system find their colleagues with equal experience receiving salaries at the newly negotiated rate since the latter worked during the intersession. Finally, in other cases, teachers accrued raises during the summer months, but received cutbacks on September 1. And, some school systems decided to give all teachers raises despite the freeze.

Mr. Chairman, these rampant inequities can only be eliminated by adoption of the committee amendment to H.R. 11309.

The situation of teachers is serious, but the hardship and inequities imposed on other workers by the President's actions call for rectification as well. In all of these instances, I am concerned with the dangerous precedent established by the President's freeze orders. I find it shocking that a "law and order" administration can, by a stroke of a pen, abrogate contracts legally and solemnly entered into by Americans. The implications of such an action are most disturbing: With the President's directives of August 15, the groundwork is now laid for the nullification by executive fiat of any other type of voluntary contract, be it a mortgage, corporate bond issue, or sales contract.

Furthermore, I believe that we should consider the windfall which the President's actions provided for industries which had raised their prices before August 15 in anticipation of wage increases. The extra money generated by these price hikes has now gone into corporate vaults instead of workers' pockets. By avoiding payment of an agreed 5-percent increase for their workers, the railroads alone are estimated to have kept in their treasuries some $40 million due to employees under a pre-August 15 contract.

Mr. Chairman, I would point out also that only the incomes of wage earners have been frozen in this respect. There is no legal limit on corporate profits, interest rates, dividends, the incomes of land speculators or stock market players. In one of his letters to me, General Lincoln of the Office of Emergency Preparedness wrote:

> The implementation of any new economic program carries with it the possibility that all sectors of the economy will not be affected equally.

In view of the so-called new economic policy's abject failure to control the incomes of the rich and the corporations, its call for massive, multibillion dollar tax breaks for industry and its approval of phase II price hikes well above the 2½ percent guideline, I can only say that General Lincoln has come up with the understatement of the year.

Mr. Chairman, let us ratify the committee amendment and give the wage earner a break for a change.

Mr. WIDNALL. Mr. Chairman, I yield to the gentleman from Michigan (Mr. BROWN) such time as he may require.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for yielding, because I want to comment or, more accurately, to ask a question of the gentleman from New Jersey (Mr. MINISH) regarding his statements, since he seems to cast the impression that a contract once negotiated and once executed and once entered into should be inviolate and should never be subject to reconsideration or renegotiation.

It is my recollection—and I could be wrong on this so therefore I am posing the question to anyone on that side of the aisle—in the automobile industry back at the first time a cost-of-living increment was added to and negotiated in the contract that cost-of-living factor was one that moved both up and down with regard to wages and that there was a triggering device which caused an increase in wages when the cost of living went up but that triggering device also prompted a reduction in wages when the cost of living went down.

Following the Korean war, when there was a slowdown in the economy and the cost of living went down, the triggering device which would have reduced wages was activated. At that time it was the late and the very respected Water Reuther who argued that a contract is not written in concrete and that a contract is not inviolate from that standpoint but, rather, a contract is a living contract; it is a living contract concept. You have to be able to look at that contract and you have to be able to follow it up basically and make adjustments to it when there are circumstances or a situation which occurs that was not contemplated by those who entered into the original contract.

I ask anyone on that side of the aisle if he would care to answer what happened to the living contract concept.

Mr. MINISH. Will the gentleman yield?

Mr. BROWN of Michigan. I certainly will.

Mr. MINISH. Is that a question or a speech?

Mr. BROWN of Michigan. Both.

Mr. MINISH. Just let me recall what the Secretary of Labor said yesterday.

Mr. BROWN of Michigan. Excuse me. When I yield to the gentleman I am only yielding to him for the purpose of answering my question.

Mr. MINISH. I do not negotiate the UAW contracts. Maybe you do and know better than I do.

Mr. BROWN of Michigan. Do you agree or do you disagree with the living contract concept?

Mr. HANNA. Will the gentleman yield?

Mr. BROWN of Michigan. It is not my time.

Mr. WIDNALL. I control the time.

Mr. HANNA. I think the answer to the gentleman's question is very simple. A living contract goes to the parties of the contract. We are here dealing with the actions of somebody who is outside the purview of the parties to the contract. So the gentleman's question is not relevant to this particular legislation.

Mr. BROWN of Michigan. Will the gentleman yield so I can respond?

Is the gentleman saying that the self-interest of the parties to the contract shall be, in effect, superior to the welfare of the country?

Mr. HANNA. No. The gentleman is saying that the contract is made by parties to the contract and the only people who can change it or make it live are the people who are the original parties to the contract.

Mr. WIDNALL. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

There is no question in my mind but that we must pass this legislation. I voted against reporting the bill from the Committee on Banking and Currency, because of the so-called Minish amendment. Treasury Secretary Connally, during a recent press conference, said that if we pass the bill with the Minish amendment in it we might as well forget wage and price controls. Wage and price controls have been working, and I hope we can pass this bill without the Minish amendment in it.

No one can predict with any degree of certainty as to the state of the economy a year hence. I am reminded of a quotation of a judge who was deciding a dispute surrounding a contract in a law case. One of the parties suggested that certain things had happened after the contract was entered into and, therefore, the contract should be void. The judge said a classic quote which I shall never forget—I read this while I was in law school:

> A wisdom born after the event is the cheapest wisdom of all. Anybody could have discovered America after 1492.

It is too bad we cannot start next December with 20–20 hindsight and see what might happen over the next year.

For a short time after President Nixon was elected, Vietnam was the No. 1 issue according to every poll. When the President announced his program of troop withdrawal, the state of the economy became the No. 1 issue.

I will not go into the causes of the inflation which we had when Mr. Nixon was sworn in as President in 1969.

But in 1969 various solutions were suggested to cope with the rising inflation. Most of them started with the proposition that Federal spending needed to be reduced or brought in line with tax receipts.

I can still recall those first hearings of the Banking and Currency Committee after the President was elected. Many witnesses came before the Banking and Currency Committee. One day we would have a professor of economics from Harvard, summa cum laude, telling us how to reduce inflation and save the country. And the next day we would have a professor of economics from Yale, summa cum laude, telling us something else. To say the least, economics is not an exact science. The fact remains that in 1969 the American people would not have ac-

cepted wage and price controls. Every poll indicated otherwise. In my own congressional district, 55 percent said no wage and price controls—mandatory or voluntary. The other 45 percent said some wage and price controls. Less than a year later, people felt otherwise. Again, in my own district the reverse was true. Now 45 percent were against wage and price controls; 55 percent were in favor. In our democracy, the people govern, and economics and the problems of inflation are difficult even for brilliant economists, this is not something on which the average American thinks on a day-to-day basis. Still, those of us who are elected to public office do not make it a practice to say the people are wrong.

It was evident to everyone by July 1971 that the policies which had been invoked to control inflation were not working. So, something drastic had to be done and drastic it was when President Nixon announced on August 15 of this year that wage and price controls would be imposed for a period of 90 days. The American people applauded him and the President's popularity shot up overnight. Best of all, it worked. The wholesale price index dropped three-tenths of a percent in September and again by one-tenth of a percent in October. The industrial commodities component of the wholesale price index dropped by three-tenths of 1 percent in October, the largest 1-month decline in 11 years. Savings accounts, which were unusually large, reflecting a lack of confidence, now declined. Consumer installment credit, as you know, reached a $12-billion annual rate in September, the largest single increase on record. Every economic indicator showed that the President's wage and price freeze was working, except one. The stock market continued to decline. In recent days, it has begun to improve.

On November 15, phase I ended and phase II began. Just before the announcement of phase II on October 19, 1971, the President sent to Congress a message containing a proposed bill to extend and amend the Economic Stabilization Act of 1970. Generally, the phase II program might be said to entail flexible controls with certain exemptions and authority for adjustments to bring about equity, rather than across-the-board freezes on wages, salaries, rents, and prices. On December 1, the Senate passed its version of a bill on wage and price stabilization. Among other things, the bill would extend the authority to control prices, rents, wages, and salaries to include interest rates and corporate dividends. The language of the bill set standards, the characteristics of which would be increases which would be: First, generally fair and equitable; second, provide for the making of such general exceptions and variations as are necessary to foster orderly economic growth and to prevent gross inequities, hardships, serious market disruptions, domestic shortages of raw material, localized shortages of labor, and windfall profits; third, take into account changes in productivity and the cost of living, as well as other such factors consistent with the purposes of this act as are appropriate; fourth, provide for the requiring of appropriate reductions in prices and rents whenever warranted after consideration of such matters as lower costs, labor shortages, and other pertinent factors; and fifth, call for generally comparable sacrifices by business and labor as well as other segments of the economy.

It was found that the job of the Pay Board and Price Commission would be so tremendous if they were required to rule on every application for a wage and price increase that specific exemptions were included such as: First, firms with annual sales or revenues of less than $50 million during their most recent fiscal year; second, firms whose prices or rents have increased at a rate of less than 2 percent during their most recent fiscal year; third, pay adjustments which apply to or affect less than 1,000 employees; fourth, pay adjustments which apply to or affect employees of State or local governments; fifth, pay adjustments which apply to or affect workers whose rate of pay increase was less than 5 percent during the most recent calendar year; sixth, rates charged by any common carrier or other public utility whose rates are regulated by a Federal, State, or local governmental agency.

Generally, the Senate agreed that there may be many firms and employees which have not contributed to inflationary prices and wages and should not be included in the general wage-price guideline. The Senate agreed with two exceptions that granting broad exemptions from the legislation could make it impossible for the administering agencies to meet the criteria of fair and equitable which the bill established as a broad principle. Despite the decision not to grant general exemptions, first, was made to wages or salaries of any individual receiving substandard earnings—generaly defined as poverty wages; second, wage increases that might be required under the first Labor Standards Act; third, another was added on the floor which would exempt employees of all news media. Another section would provide for retroactive pay increases entered into before August 15 unless the President determines that the increase provided in the contract is unreasonably inconsistent with the standards for wage and salary increases required to be published by subsection (b) of this section.

The major difference between the House bill and the Senate bill on retroactive pay increases is in the language. But, what a difference. An amendment was offered in the House bill by Congressman MINISH which would permit retroactive wage increases unless such increases would be grossly disproportionate with wage and salary increases in the economy generally. Now what does grossly disproportionate mean? This amendment was defeated by a vote of 18 to 18 during the reading of the bill. After the reading of the bill and after all amendments had supposedly been considered, Congressman MINISH was permitted to offer an amendment in the form of an addition of a separate section which would say that retroactive pay increases are permitted unless the Pay Board determines that such increases would be unreasonably inconsistent to the rate at which wages or salaries have increased in the economy generally. In other words, the words "grossly disproportionate" were changed to read "unreasonably inconsistent." This amendment was adopted 19 to 17. This amendment is for all intents and purposes all inclusive. What does unreasonably inconsistent mean? The language pertaining to this subject in the Senate bill was the reverse. The pay increase had to be generally fair and equitable and would not contribute to inflationary wages and prices. In one instance, the wages would go into effect if the Pay Board approved same; in the other instance, the Pay Board would make these findings subsequent to the wage increase. Generally, I feel the program is working. The whole concept of the phase II program is voluntary compliance. The administration is convinced that the move from the rigid freeze of phase I to a slow and careful thaw of phase II is more likely to gain public support and that if the thaw is too rapid, controls may well dribble away into unacceptable nothings. If this occurs, we will have merely jumped from the inflationary pot into the inflationary frying pan.

Voluntary compliance, of course, depends on the cooperation of labor. It is known that the administration set up the Pay Board, as Mr. Meany requested, so that Labor would be one part of the tripartite Board. Generally, I think the 80 million working people across the Nation support the wage-price freeze and feel that generally they would not favor the Minish amendment knowing it would surely defeat the whole purpose of phase II.

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

Mr. PATMAN. Mr. Chairman, I presume that the gentleman from New Jersey (Mr. WIDNALL) has finished his time?

The CHAIRMAN. The Chair will state that the gentleman from New Jersey (Mr. WIDNALL) said he had no further requests for time.

Mr. PATMAN. I thank the Chairman.

Mr. Chairman, I yield 4 minutes to the gentleman from Rhode Island (Mr. ST GERMAIN).

Mr. CRANE. Mr. Chairman, would the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, those who have asked Congress to approve a program in which the executive branch of Government is free to institute compulsory wage and price controls as it sees fit, have done so for a variety of reasons. They argue that the first and most important of these is that such compulsory wage and price controls will stem the mounting inflation with which we have been faced in recent years.

In reviewing the arguments of the advocates of controls, it appears that great hope is held forth for such controls as the answer to our economic problems. It is almost as if the concept of compulsory controls was a new one, and had not been attempted in other societies at other times.

Yet, a brief review of only our own

century shows that compulsory controls have been tried in other societies for precisely the reasons they are being advocated in our own. It was said then, and is said now, that such controls will ease inflation and will not, in the long run, damage individual freedom, either economic or otherwise.

Let us review the experiences of three societies which instituted the kinds of controls now being requested.

ARGENTINA

Wage and price controls implemented from time to time during the administration of Juan Peron in Argentina from 1946 to 1955 did not have the desired effect of controlling inflation. What did happen was that these measures, along with other factors, contributed to general discontent and resulted in the ouster of Peron by the military on September 19, 1945.

Peron's stated objectives for Argentina were social justice, economic independence, and complete national sovereignty. These, he argued, were to be achieved by combining the best features of both socialism and capitalism. Peron had to work within an economy which was characterized by rampant inflation. He decided to use State intervention in an attempt to balance public finances. Shortly before his inauguration, Peron attempted to convince Argentine businessmen that they should not raise prices and at the same time tried to persuade the workers that prices were not being raised. This so-called battle of 60 days, as he labeled the measure, was generally ineffectual.

In June 1947 the Government instituted a program of fixing retail prices and seized factory stocks of clothing and shoes for distribution at these prices. Numerous price violators were arrested. Then, in an attempt to control prices, the Government began to subsidize foodstuffs in the 1948–49 period. It bought wheat from the farmers and sold it to the miller in an attempt to control the price of bread. The same policy was followed with regard to meat, cooking oils, and the milk supply. The controls did not work and in 1949 all public services, including railroads, increased prices. The cost of other commodities increased: gasoline rose from 35 to 60 centavos per liter, bread from 50 to 80 centavos per loaf, meat from 1.80 pesos to 2.50 pesos, and clothing prices soared.

During this 1946–49 period, Peron supported increases in salaries although he tried to keep labor demands at a minimum. Peron settled a strike in the important sugar industry in Tucuman, however, in 1949 by granting workers a 60-percent increase in wages. Peron began to grant further wage increases in the face of growing labor discontent. In these first years of Peron's administration, the workers received an increase of 34 percent in real wages. The military also received substantial pay increases.

After 1950, Peron attempted to contain the inflationary process. He attempted to reduce public expenditures, to restrict credit granted to the private sector, and to curb salary increases. He took measures to prolong labor's collective bargaining agreements and attempted to assure "equilibrium" between prices and salaries. This equilibrium implied curbing increases of salaries although the increase in the price level made salaries smaller.

Although Peron controlled the important General Confederation of Labor, support began to wane. Peron began to link wage increases to increases in productivity and put pressure on the workers to moderate their demands for wage increases. In 1954 he granted such small wage increases that an epidemic of wildcat strikes in various industries posed serious problems with the labor movement.

Because of his failures, Peron lost support and he resigned the Presidency under military pressure on September 19, 1955, and soon afterward fled to Paraguay. Compulsory wage-price controls in Argentina did not solve inflation. Instead, they led directly to the downfall of the leader who instituted them.

ITALY

In Italy, Benito Mussolini formed his first cabinet on October 31, 1922, which included several non-Fascists who were later eliminated. He then devised several measures with the aim of concentrating all power in his own hands. On December 24, 1925, and July 31, 1926, Mussolini introduced laws which gave him a special position as prime minister and as head of the executive, legislative, and judicial prerogatives. On November 6, 1926, all opposition activity was prohibited. On May 17 and September 2, 1928, a new electoral law was also approved which gave the electors only the right to accept or reject the whole list submitted by Mussolini.

For the purpose of bringing Italian economic life under the control of the executive, Mussolini created the 22 "Corporazionie," which he presided over. The Rocco law of corporations, April 3, 1926, created an organization of employers and employees over which the dictatorship could exercise its complete authority. Mussolini also promulgated the Labor Charter of April 21, 1927, which spelled out Fascist principles regarding labor and management. These principles were that the life and aims of the state were superior to the individual and that labor was a social duty and under the guardianship of the state. Article IX of the charter specifically allowed the state and the dictatorship to intervene in all economic matters:

> State intervention in economic production takes place only when private initiative is lacking or insufficient, or when the state's political interests are at stake. Such intervention may take the form of controls encouragement or direct management.

Intervention and control was established and maintained by the corporative machinery. This was soon expanded to provide controls of and plans for the economy and to establish a new corporate mechanism for governing. This machinery, created primarily by the law of February 5, 1934, and the law of January 19, 1939, envisaged the governmental structure representing the corporate bodies and dictatorial authority. Despite the attempts to keep prices stable by rigid price fixing, Italian prices declined and the generally depressed economic conditions threatened many businesses. To save them, the state established the Instituto per la Ricostruzione Industriale—January 23, 1933—which provided state funds for recovery. This, of course, led to the state acquiring large holdings in business. The corporate state structure envisaged to represent the cooperation between capital and labor, in reality established a structure which gave Mussolini tight and absolute control over the domestic labor movement and somewhat less control over management.

Here again, compulsory wage and price controls failed to provide economic stability. What they produced, instead, was total government control over the economy—fascism.

GERMANY

The course of events was similar in Nazi Germany. On March 23, 1933, Hitler secured passage of an Enabling Act, which gave the government the power to issue decrees independently of the Reichstag and of the President. The Enabling Act remained the constitutional basis of Hitler's dictatorship. No new constitution was ever introduced to replace that of the Weimar Republic. New laws were simply promulgated as they were required.

In May 1933, trade unions were suppressed and merged into a German labor front. On January 20, 1934, the law regulating national labor, known as the Charter of Labor, was enacted. Paragraph 2 of the law set down that "the leader of the enterprise makes the decision for the employees and laborers in all matters concerning the enterprise."

Wages were set by the so-called labor trustees, appointed by the Labor Front. In practice, they set the rates according to the wishes of the employer. There was no provision for the workers even to be consulted in such matters, though after 1936, when help became scarce in the armament industries and some employers attempted to raise wages in order to attract men, wage scales were held down by orders of the state. Hitler was quite frank about keeping wages low.

> It has been the iron principle of the National Socialist leadership . . . not to permit any rise in the hourly wage rates but to raise income solely by an increase in performance.

On October 24, 1934, the law of the Labor Front was enacted, depriving the German worker of his trade unions, collective bargaining, and the right to strike. In September 1938 the 4-year plan was inaugurated, designed to put Germany on a total war economy.

According to Historian William Shirer in "The Rise and Fall of the Third Reich":

> The purpose of the plan was to make Germany self-sufficient in four years, so that a wartime blockade would not stifle it. Imports were reduced to a bare minimum, severe price and wage controls were introduced, dividends restricted to 6 percent, great factories set up to make synthetic rubber, textiles, fuel and other products from Germany's own sources of raw materials, and a giant Hermann Goering Works established to make steel out of the local low-grade ore.

William Shirer also points out that during the 1930's wages were reduced despite a 25-percent increase in the cost of living.

In the case of Germany, compulsory wage and price controls were simply a component part of the march toward

dictatorship. In the cases of all three of these examples—Argentina, Italy, and Germany—wage and price controls did not solve economic problems but did result in the end not only of economic freedom, but of religious, political, and intellectual freedom as well.

SYMPTOMS NOT CAUSES

Why, for example, will compulsory wage and price controls not solve our economic problems? The reason is that they treat only the symptoms of inflation, not its causes. This fact seemed to be well understood by Richard Nixon during the 1968 presidential campaign. At that time he declared that—

The accelerated rise in prices in recent years has resulted primarily from an excessively expanding money supply which in turn has been fed by the monetization of federal government deficits. The way to stop inflation is to reverse the irresponsible fiscal policies which produce it.

Concerning the specific question of wage and price controls, Mr. Nixon stated quite clearly that—

The imposition of price and wage controls during peacetime is an abdication of fiscal responsibility. Such controls treat symptoms and not causes. Experience has indicated that they do not work, can never be administered equitably and are not compatible with a free economy.

What has happened to change the administration's approach to this question is difficult to understand. The facts with regard to the basic cause of inflation remain unchanged.

One economist, Prof. Murray Rothbard, gives this brief description of why such controls cannot work:

The controls won't work. The prime reason why they won't work is that they do not tackle the cause of inflation, but only lash out at the symptoms . . . Every price is simply the terms of an exchange on the market . . . When I buy a newspaper for a dime, ten cents of money is being exchanged for one newspaper . . . And so the key to what makes price high or low is the relationship between the supply of goods available and the supply of money . . . Suppose that by some magic process, the quantity of money in the country doubles overnight. The supply of goods remains the same, for nothing has really happened to lower or raise them. But then we will all enter the market with twice as many dollars burning a hole in our pocket as compared to yesterday . . . we will all have to pay twenty cents for the same newspaper.

Professor Rothbard states that—

The supply of dollars has continued to go up, and even to accelerate especially under the Johnson and Nixon Administrations. And as the supply of dollars has risen and risen ever faster, prices have gone up as well . . . This year, for example, the supply of money has been increasing at a rate of 12–16% . . . The culprit is none other than the federal government itself. It is the federal government . . . that has absolute control of the supply of money, and regulates it to its own content. It has been the federal government that has been merrily increasing the supply of money, to "stimulate" the economy, to finance its own enormous budget deficits, to help out favored borrowers, to lower interest rates, or for any other reason.

Yet, those who call for compulsory wage and price controls do not call for a balanced budget, a new policy for the Federal Reserve System with regard to the money supply, or anything else that might deal with the real causes of inflation. What is being called for is only an effort to deal with inflation's symptoms and to do so by government decree, thereby eliminating the operation of the market system.

There are some who argue that economic freedom can be limited, or even eliminated, without also limiting or eliminating political freedom. While this viewpoint may be arguable in theory, it has never been evident in practice. Too few of those who have endorsed a government-controlled economy seem to have considered the intrinsic link between these two freedoms.

In his important volume, "Capitalism and Freedom," Prof. Milton Friedman points out that—

The kind of economic organization that provides economic freedom directly, namely, competitive capitalism, also promoted political freedom because it separates economic power from political power and in this way enables the one to offset the other.

Professor Friedman notes that—

Political freedom means the absence of coercion of a man by his fellow men. The fundamental threat to freedom is power to coerce, be it in the hands of a monarch, a dictator, an oligarchy, or a momentary majority. The preservation of freedom requires the elimination of such concentration of power to the fullest possible extent and the dispersal and distribution of whatever power cannot be eliminated—a system of checks and balances. By removing the organization of economic activity from the control of political authority, the market eliminates this source of coercive power. It enables economic strength to be a check to political power rather than a reinforcement.

THE CAUSE OF INFLATION

Inflation will not be stopped until those in authority understand its cause. That cause was explained in these terms by the noted economist, Prof. Ludwig von Mises:

Inflation is the process of a great increase in the quantity of money in circulation. . . . In this country inflation consists mainly in government borrowing from the commercial banks and also in an increase in the quantity of paper money of various types and of token coins. The government finances its deficit spending through inflation.

Discussing those who advocate such solutions as compulsory wage and price controls, Professor Von Mises states that—

While fighting the symptoms they pretend to fight the root causes of the evil. And because they do not comprehend the causal relation between the increase in money in circulation and credit expansion on the one hand and the rise in prices on the other, they practically make things worse. . . . The problems the world must face today are those of runaway inflation. Such an inflation is always the outcome of a deliberate government policy. The government is on the one hand not prepared to restrict its expenditure. On the other hand it does not want to balance its budget by taxes levied or by loans from the public. It chooses inflation because it considers it as the minor evil. . . .

The tremendous German inflation which reduced the purchasing power of the mark in 1923 to one-billionth of its prewar value is relevant to America at this time. Professor Von Mises states that—

It would have been possible to balance Germany's postwar budget without resorting to the Reichsbank's printing press. The proof is that the Reich's budget was easily balanced as soon as the breakdown of the old Reichsbank forced the government to abandon its inflationary policy. But before this happened, all German would-be experts stubbornly denied that the rise in commodity prices, wage rates and foreign exchange rates had anything to do with the government's method of reckless spending. In their eyes only profiteering was to blame. They advocated thoroughgoing enforcement of price control as the panacea and called those recommending a change in financial methods "deflationists."

HISTORY REPEATS ITSELF

Unfortunately, we seem to have learned no lessons from the economic experience of even the recent past. Once again we are going down the road to Government intervention in the economy when inflation can, in fact, only be alleviated by a reduction of Government spending and a balanced Government budget and contraction of the money supply. The same Government officials who urge wage and price controls also urge a huge new welfare reform measure, an expensive health care bill, a costly child development scheme, and a myriad of other new projects. The end result will be not only continued inflation but the possible end to economic freedom for all of us.

Commenting upon this dangerous possibility, the Wall Street Journal editorialized that—

Without wanting to sound apocalyptic, we find rather dismaying the ease with which the business community and a Republican Administration have accepted—and often welcomed—the prospect of a controlled economy.

The Journal reminded its readers of the larger questions which are often forgotten:

Beyond all that is a question of politico-economic philosophy. We see a free economy—and we would have assumed most businessmen and supposedly conservative government officials do likewise) not only as something good and marvelously productive in itself. It is also part and parcel of the whole broader concept of individual freedom. This is what has made the U.S. pre-eminent both economically and as a political model. But at root individual freedom is a moral issue.

It is to the question of the morality of wage and price controls that Prof. Milton Friedman turned his attention in two important articles which appeared in the New York Times. He wrote that—

The controls are deeply and inherently immoral. By substituting the rule of men for the rule of law and for voluntary cooperation in the marketplace, the controls threaten the very foundations of a free society. By encouraging men to spy and report on one another, by making it in the private interest of large numbers of citizens to evade the controls, and by making actions illegal that are in the public interest, the controls undermine individual morality. . . . The freeze and even more the pay board and price board of the Phase II controls are clearly another massive step away from the rule of law and back to the rule of men. True, the rule of men will be under law but that is a far cry from the rule of law—Stalin, Hitler, Mussolini, and now Kosygin, Mao and Franco all rule under law.

Professor Friedman reminds us that the excuse for the destruction of liberty is always the plea of necessity, that there is no alternative:

If, indeed, the economy were in a state of crisis, of a life-and-death emergency, and if controls promised a sure way out, all their

evil social and moral effects might be a price that would have to be paid for survival. But not even the gloomiest observer of the economic scene would describe it in any such terms. Prices rising at 4 per cent a year, unemployment at a level of 6 per cent—these are higher than we would like to have or than we need to have, but they are very far indeed from crisis levels. On the contrary, they are rather moderate by historical standards. And there is far from uniform agreement that wage and price controls will improve matters. I happen to believe that they will make matters worse after an initial deceptive period of apparent success.

THE U.S. EXPERIENCE

The experience in our own country with wage and price controls during World War II certainly justifies the skepticism about such a policy expressed by Professor Friedman, Professor Rothbard, Professor Von Mises, and other leading economists.

The initial effort to keep prices from rising through a combination of "moral suasion" and of requiring sellers to set ceiling prices on their merchandise had little if any effect. From January 1941 to October 1942 wholesale prices rose almost 24 percent and consumer prices over 18 percent. Following the imposition of more severe controls in October, the rise in prices was sharply curtailed. Between October 1942 and August 1945 wholesale prices rose only 5.7 percent and consumer prices approximately 8.7 percent. The record is actually not as good as the indexes indicate, however, because an allowance must be made for the deterioration in the quality of some goods and for the volume of black market sales at high prices. During this period in which the controls were relatively successful, OPA officials in each community set ceiling prices for groceries and required that lists of these prices be posted in all grocery stores. In addition the OPA rationed most consumer goods, controlled all rents, and established a system of subsidies for certain agricultural commodities to stabilize their prices despite rising costs. After the war the controls broke down and prices rose rapidly. During the 15 months from August 1945 to November 1946 wholesale prices rose over 32 percent and consumer prices almost 18 percent.

The following table from the U.S. Bureau of Labor Statistics shows the increases in wholesale prices, consumers' prices, and hourly wage rates in manufacturing during selected periods from January 1941 to November 1946, a period of controls:

Period	Percentage increase		
	Wholesale prices	Consumers' prices	Hourly wage rates in manufacturing
January 1941 to October 1942	23.8	18.1	30.7
October 1942 to August 1945	5.7	8.7	14.7
August 1945 to November 1946	32.1	17.7	11.2

Source: U.S. Department of Labor, Bureau of Labor Statistics, Handbook of Labor Statistics, 1947 edition, Bulletin 916 (Washington: Government Printing Office, 1948), pp. 107-8, 127-28, and 54; and Monthly Labor Review, November 1943, p. 879; November 1945, p. 1045; and November 1947, p. 609.

Prof. Colin Campbell, another noted economist, reports that—

The National War Labor Board's control of wages was not as effective as OPA's control of prices, despite severe restrictions on unions. Thus hourly wage rates in manufacturing rose 30.7 per cent from January 1941 to October 1942 and 14.7 per cent from October 1942 to August 1945."

It seems clear that wage and price controls have never stemmed inflation either in our own society or in those other societies in which such a policy has been instituted. The reason is that these controls do not deal with the cause of inflation but only with its symptoms. This is something which the Republican Party and Richard Nixon stated quite clearly in 1968. It remains equally true today.

Freedom can be lost in a society in many ways, and those who take it from us do not always announce their intention. In his study, "The Rise and Fall of the Roman Empire," Gibbon notes that—

Augustus was sensible that mankind is governed by names; nor was he deceived in his expectation that the Senate and people would submit to slavery provided that they were respectfully assured that they still enjoyed their ancient freedom.

Congress should not abdicate its authority by passing what is, in effect, an economic Gulf of Tonkin resolution, giving all authority over the economy to the Executive, to do whatever he sees fit. Our Government was created as one of strict checks and balances. In the Federalist Papers James Madison states plainly that—

In framing a government which is to be administered by men over men, the great difficulty lies in this; you must first enable the government to control the governed; and in the next place oblige it to control itself.

Only by limiting Government spending, eliminating unbalanced budgets, and repaying our previous deficits, can we restore our economy to the health and vigor it once had. We cannot accomplish this by going even further down the road to Government power and control. The end of that road, as we have seen historically, is not an end to inflation but an end to freedom.

Mr. ST GERMAIN. Mr. Chairman, and Members of the House, we have heard I think what the thrust of tomorrow's efforts are going to be. Most of the action will be directed at the Minish amendment, and at retroactivity.

Mr. Chairman, H.R. 11309, as amended and reported out of the House Banking and Currency Committee, requires the President to impose generally comparable sacrifices on business and labor, and for that matter all segments of the economy. The bill states clearly that insofar as it is possible, everyone is to be treated equally in this unprecedented and painful effort underway to return the Nation to economic stability, halt inflation and reduce the country's agonizing rate of unemployment. In effect, the bill says we are equal under the authority the President is utilizing and we must be treated that way.

This provision is in the bill because the President has lost sight of, if he has not in truth ignored, the fact that his economic stabilization program has made sacrificial victims of millions of working people of the Nation.

In announcing provisions of phase II of this stabilization program, the President allowed that for the most part all wage increases negotiated prior to phase I which were temporarily barred under the general wage and price freeze of phase I were for the most part to be permanently barred, and wage increases scheduled to be implemented thereafter were to be restricted. Wage contracts affecting millions of people—wage contracts which were negotiated in good faith without the slightest knowledge that the President was going to invoke the authority of the Economic Stabilization Act—are to be invalidated with a casual flick of the Presidential pen. Presumably it does not matter to the President that the wage increases these contracts provide mirror inflationary cost rises that had occurred prior to ratification of these agreements. The President told the working people of the Nation that, in his view, drowning in a sea of rising costs was not such a bad thing and that in any case they would have to get used to the sensation.

It did not matter that the beneficiaries of these contracts might have made serious financial commitments in expectation of receiving pay raises. It did not matter they signed mortgage contracts for new homes in the expectation that they could now afford them. It did not matter that families thought they now could afford to send children to college or to technical schools and had borrowed in anticipation of being able to repay these loans on the basis of increased wages. It did not matter that medical care that had been delayed was now being purchased with the expectation that there would now be enough money to pay for it. None of these things seem to matter to the President.

Well, Mr. Chairman, they matter to me, and they ought to matter to every Member of this Chamber.

There is something else that ought to matter equally as much. The President, under the authority of the Economic Stabilization Act, singled out labor contracts alone to receive the harsh restrictions he imposed on them under his phase II program. No such restrictions were placed on any other contracts which were negotiated prior to August 15, 1971, when he launched his economic stabilization program. No restrictions were placed on rising mortgage contracts carrying interest rates of 8 percent and more. No restrictions were placed on contracts for the installment purchase of cars under interest rates of 18 percent and more. No restrictions were placed on consumer loan contracts with inflationary interest rates of 18, 24, and 36 percent. No restrictions at all, yet every one of these agreements reflect rising cost increases.

Frankly, Mr. Chairman, the President's action mystifies me. He seems to be saying that all other contracts, however inflationary they may be, are to be condoned, despite the fact that he has prevented a large number of people from meeting these costs by keeping from them pay increases they have every right to receive.

The final cruel irony of the situation rests in the fact that the wage increases

management had agreed to pay the workers of the country are now being pocketed in the form of windfall profits in the name of achieving economic stabilization. This is not economic stabilization. This is economic instability. In the name of justice, we must adopt the provisions of H.R. 11309—the Minish amendment—that require payment of wage increases negotiated prior to August 15, 1971, unless they are grossly out of line with wage increases that were generally being made at the time these contracts were being negotiated.

It is true that the Senate bill to amend the Economic Stabilization Act, S. 2891, contains language similar to the House Banking and Currency bill on the subject of allowing retroactive pay increases. But the provisions of the Senate bill on this point are totally inadequate. In substance, the Senate bill says to the President that he must grant wage increases negotiated before August 15, 1971, unless he finds that they exceed the wage guidelines he himself has established. What kind of double talk is this? This is telling the President that he must grant the increases under the standards he has adopted to bar and restrict these same increases.

Mr. Chairman, the Members of this Chamber cannot adopt halfway measures to right a severe wrong. We can do no less than adopt the provisions of H.R. 11309 as it was reported by the House Banking and Currency Committee.

I would like to touch slightly upon the Stephens amendment. I have a great deal of respect for my colleague, the gentleman from Georgia (Mr. STEPHENS), but when we examine his amendment it states that the President shall be permitted—not required—to grant the increases.

The Stephens amendment says that it would "permit" the Pay Board to approve these pay increases. The Pay Board is "permitted" to approve any or all pay raises at this very moment under existing law. The Stephens amendment changes absolutely nothing. It does nothing but provide a congressional sanction for administrative policies which deprive teachers and workers of the benefits of contracts legally entered into prior to the President's freeze announcement on August 15.

Moreover, the Stephens amendment can be interpreted to allow price increases to go into effect without requiring corresponding wage increases thus continuing the intolerable situation that exists today by virtue of the fact that wage increases, which were to have been, and should be, paid the workers in question, are now counted as corporate profits.

Mr. UDALL. Mr. Chairman, the bill that is being debated today is one that I wholeheartedly support since such measures are necessary if we are to get our economy moving again. The work we do here tonight will be of great benefit to all Americans during the coming years. But there is one group of Americans whom we must not forget and this is what I want to discuss at this point.

I am referring to our employees, the Federal worker. In the bill before us today, there is no language which will allow the Federal worker to be treated as an equal partner in our struggle against inflation. All other Americans are allowed at least a 5.5-percent annual increase in their pay right now. But the Federal worker is denied such action until next July, at the earliest; for some, it will even be longer.

The Senate's version of the Economic Stabilization Act recognized this inequality and by an overwhelming margin voted to treat the Federal worker as an equal with his private sector counterpart. Their bill provides that the Federal worker can have his pay adjusted exactly as those in the private sector—under no circumstances could the pay adjustments be greater for the Federal employee than for the private employee. This action on the part of the other body has my support and the support of a majority of my colleagues on the Post Office and Civil Service Committee.

I understand and appreciate the complications of inserting such language in the House version but want to register my strong hope that our colleagues who are appointed to the conference committee will vote to accept the Senate language on this matter.

If the conference report comes back without such language, I would surely feel obliged to register a protest and vote against it. I hesitate to do so, but there is no good reason why we should unfairly discriminate against our own employees, especially when the adjustments due them in January of 1972 would not violate the provisions in President Nixon's phase II economic program.

I also would remind my colleagues that many of you previously voted to support President Nixon's action in postponing the Federal employee pay raise on the basis that if we did not, harm might be done to phase II of the President's program. At that time, my esteemed colleague, the minority leader, Mr. FORD, assured us that he would support action in phase II which guaranteed equity for all Federal workers.

I would quote, at this point, Mr. FORD's words:

> If there is a general increase granted to those in the private sector in Phase II then I will be willing to support legislation that would add a comparable amount for those in the employment of the Federal Government. I think that is a fair promise on my part under the circumstances.

Mr. Chairman, that is my position exactly. We have legislation before us that allows us to do exactly that and I hope the conferees on the part of the House will agree to the Senate language so that all of us, including the distinguished minority leader, can vote in favor of equality for Federal employees.

Mr. LLOYD. Mr. Chairman, it is with real regret that I support a continuation of controls over our economy even though they be flexible and even though there is a cutoff date of April 30, 1973. The leadership provided by this country in the interests of the world's freedom, the opportunity that is provided to all our citizens and the leading standard of living which we have achieved have been a direct result of the competitive system where free people have been encouraged to compete against each other to see who could produce better products at lower prices. To anyone but the hopelessly prejudiced, this free system has proved its superiority over any other system in the blessings it bestows upon those who live within it.

There are many factors which have contributed to the overriding necessity which now confronts us to place some controls upon this free system for a temporary period. The factors are too numerous for mention but among the most prominent are:

First. The dedicated resolve to reduce our Armed Forces in Southeast Asia and to wind down and wind out our military operations there. This has resulted in a reduction of forces and a reentry into the civilian job market of over 350,000 men in 3 years.

Second. Federal expenditures beyond the Nation's ability to pay, going back more than 10 years, much of the fault of which can be laid at the doorstep of the Congress of the United States.

Third. The success of organized labor in the securing of wage increases for their members in excess of increases in productivity and in many cases in excess of the increases of the cost of living.

The 90-day freeze, which ended on November 15, was supported overwhelmingly by the citizens of this country, many of whom bore inequities, in most cases cheerfully, in order to place a halt to the inflation which had over the years approached runaway proportions. Inasmuch as the prime forces of excessive inflation are still with us, it becomes necessary to continue controls over our free system during a phaseout period. During this period there are inequities which should be corrected.

To me the No. 1 inequity involves schoolteachers. These are the members of our society who cannot, by any stretch of the imagination, be said to be overpaid. In most cases they are underpaid. In most cases their contracts were negotiated prior to August 15 and in most cases there had been projection of income to accommodate the wages which had been negotiated. Teacher salaries are not inflationary in the first place and they would be higher were it not for the inhibiting nature of the taxes required to pay the bills. Recognition of negotiated contracts for teachers is an absolute necessity based on merit and justice and should not be delayed further.

For those employers who cooperated in freezing prices during the 90-day freeze, it is unconscionable that retroactive wage increases should now be forced upon them except in those cases where price increases were already made to accommodate previously negotiated settlements.

These are two of the most important of the issues which call for resolution by this Congress before it acts on the overriding necessity of continuing phaseout controls in a manner which will allow the competitive system to outlive the controls in a healthy and vigorous state.

Mr. PATMAN. Mr. Chairman, since all time has expired, I ask that the Clerk read.

The CHAIRMAN. Under the rule, the amendment in the nature of a substi-

tute recommended by the committee and printed in the bill will be read by sections as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Stabilization Act Amendments of 1971".

Mr. PATMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H.R. 11309) to extend and amend the Economic Stabilization Act of 1970, as amended, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of revising and extending their remarks within 5 days and to include extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION FOR MANAGERS TO FILE CONFERENCE REPORT ON H.R. 11341, DISTRICT OF COLUMBIA REVENUE BILL

Mr. CABELL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill, H.R. 11341.

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 if the conference report is complete and whether the conferees have completed their work?

Mr. CABELL. The conference has been completed. This has been cleared with the members of the committee, the leadership on both sides of the aisle and the ranking minority member.

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

Mr. GROSS. Mr. Speaker, further reserving the right to object, what is the nature of the legislation?

Mr. CABELL. This is the District of Columbia revenue bill for the fiscal year 1972.

Mr. GROSS. Mr. Speaker, I thank the gentleman and withdraw my reservation of objection.

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

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 92-740)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11341) to provide additional revenue for the District of Columbia, 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 1, 2, 3, 4, 5, 6, 7, 9, 15, 16, 17, 19, 20, 21, 22, 28, 30, 31, 32, 33, 34, 35, and 37.

That the House recede from its disagreement to the amendments of the Senate numbered 8 and 10 and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

On page 4, line 3, of the Senate engrossed amendments, strike out "502" and insert in lieu thereof the following: "402".

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 amendments, as follows:

On page 4, line 7, of the Senate engrossed amendments, strike out "503" and insert in lieu thereof the following: "403," and strike out the period immediately following "Act".

On page 4, line 8, of the Senate engrossed amendments, strike out "7-1571a" and insert in lieu thereof the following: "47-1571a".

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:

On page 4, line 11, of the Senate engrossed amendments, strike out "504" and insert in lieu thereof the following: "404".

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 matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 405. The amendments made by sections 401 and 402 of this title shall apply with respect to taxable years beginning after December 31, 1971, but before January 1, 1974. The amendments made by sections 403 and 404 of this title shall apply with respect to taxable years beginning on or after January 1, 1974."

And the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment and—

On page 7, line 17, of the House engrossed bill insert "(a)" immediately after "601.".

On page 7 of the House engrossed bill, strike out lines 19 through 21 and insert in lieu thereof the following: "is amended to read as follows:

"'SECTION 1. There are authorized to be appropriated, as the annual payment by the United States toward defraying the expenses of the government of the District of Columbia, not to exceed $173,000,000 for the fiscal year ending june 30, 1972, and not to exceed $178,000,000 for the fiscal year ending June 30, 1973, and for each fiscal year thereafter. Sums appropriated under this section shall be credited to the general fund of the District of Columbia.'

"(b)(1) In addition to the amount authorized to be appropriated under section 1 of Article VI of the District of Columbia Revenue Act of 1947 (D.C. Code, sec. 47-2501a) for the fiscal year ending June 30, 1972, there is authorized to be appropriated to the District of Columbia for such fiscal year not to exceed $6,000,000 which may only be used in such fiscal year to pay officers and employees of the District of Columbia increased compensation which is required by comparability adjustments made on or after January 1, 1972, in the rates of pay of statutory pay systems (as defined in secton 5301(c) of title 5, United States Code), based on the 1971 Bureau of Labor Statistics Survey.

"(2) In addition to the amount authorized to be appropriated under section 1 of Article VI of the District of Columbia Revenue Act of 1947 (D.C. Code, sec. 47-2501a) for the fiscal year ending June 30, 1973, and for each fiscal year thereafter, there is authorized to be appropriated to the District of Columbia not to exceed $12,000,000 for each such fiscal year which may only be used to pay officers and employees of the District of Columbia increased compensation which is required by comparability adjustments made on or after January 1, 1972, in the rates of pay of statutory pay systems (as defined in section 5301(c) of title 5, United States Code), based on the 1971 Bureau of Labor Statistics survey."

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 amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and—

On page 10, line 16, of the House engrossed bill, strike out "(including a sublessor)".

On page 10, line 18, of the House engrossed bill, strike out "shall" and insert in lieu thereof the following: ", after appropriate notice to all interested parties and an opportunity for a hearing, may."

On page 10, line 20, of the House engrossed bill, strike out "such notice" and insert in lieu thereof the following: "the notice to the Commissioner".

On page 11, line 22, of the House engrossed bill, strike out "shall" and insert in lieu thereof the following: ", after appropriate notice to all interested parties and an opportunity for a hearing, may".

On page 12 of the House engrossed bill, insert after the period at the end of line 11 the following: "If such recipient vacates the premises with respect to which such allegation was made, rents other premises in the District of Columbia, and the Commissioner determines on the basis of such allegation that such recipient was justified in vacating the premises with respect to which the allegation was made, the Commissioner may pay to the recipient an amount (not to exceed his monthly shelter allotment) to enable him to make the rental payment required (if any) for such other premises for the period preceding the period for which the recipent will first receive his monthly shelter allotment under the preceding sentence."

On page 12, of the House engrossed bill, strike out lines 12 through 14 and insert in lieu thereof the following:

"(d) The failure of any lessor to receive all or part of a monthly shelter allotment withheld from any recipient pursuant to subsection (b), or the suspension of rental payments under subsection (c), of this section shall not be cause for eviction of any recipient.

On page 12, line 25, of the House engrossed bill, strike out the quotation marks and add after line 25 the following:

"(f) For purposes of subsections (b) and (c), the term 'lessor' includes a sublessor.

"(g) The District of Columbia Council is authorized to issue such regulations as may be necessary to carry out the provisions of this section.".

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:

On page 7, line 10, of the Senate engrossed amendments, strike out "804" and insert in lieu thereof the following: "705".

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 matter proposed to be inserted by the Senate amendment insert the following: "706".

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 matter proposed to be inserted by the Senate amendment insert the following: "707".

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment and on page 14 of the House engrossed bill insert the following after line 21:

"Sec. 708. (a) Section 4(b) of the District of Columbia Minimum Wage Act (D.C. Code, sec. 36–404(b)) is amended—

"(1) by inserting 'or' at the end of paragraph (4),

"(2) by striking out '; or' at the end of paragraph (5) and inserting in lieu thereof a period, and

"(3) by striking out paragraph (6).

"(b) The amendments made by subsection (a) of this section shall take effect January 1, 1972."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29 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: "709".

And the Senate agree to the same.

Senate amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36 and agree to the same with an amendment as follows:

On page 10, line 18, of the Senate engrossed amendments strike out "905" and insert in lieu thereof the following: "805".

JOHN L. MCMILLAN,
EARLE CABELL,
W. S. (BILL) STUCKEY, Jr.,
ANCHER NELSEN,
JOEL T. BROYHILL,
Managers on the Part of the House.

THOMAS F. EAGLETON,
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CHARLES MCC. MATHIAS, Jr.,
LOWELL P. WEICKER, Jr.,
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. 11341) to provide additional revenue for the District of Columbia, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 16, 17, 19, 20, 21, 22, 25, 26, 29, 31, 32, 33, 34, and 35.

With respect to these amendments (1) the House either recedes or recedes with amendments which are technical, clerical, clarifying, or conforming in nature; or (2) the Senate recedes in order to conform to other action agreed upon by the committee of conference.

CIGARETTE TAX

Amendment No. 1. This amendment added to the House bill a provision which increases the sales tax in the District of Columbia on cigarettes from 4 cents per pack to 6 cents per pack. The Senate recedes.

UNINCORPORATED BUSINESS TAX

Amendments Nos. 11, 13 and 14. These amendments added to the House bill provisions which increase, in two stages, the rate of the tax on the income of unincorporated businesses in the District of Columbia. The first increase, Senate Amendment No. 11, increases the tax rate from 6 percent to 7 percent, effective with respect to taxable years beginning after December 31, 1971, but before January 1, 1974. The second increase, Senate Amendment No. 13, increases the tax rate from 7 percent to 8 percent, effective with respect to taxable years beginning on or after January 1, 1974. The House recedes with technical amendments.

The House conferees have agreed to the second increase in the tax rate on the income of unincorporated businesses because they believe that the additional revenue derived therefrom will be needed to offset the loss of revenue to the District of Columbia on account of the three-staged repeal of the business inventory tax made in section 201 of the House bill.

CORPORATE INCOME TAX

Amendments Nos. 12 and 14. A provision in the House bill raised the tax rate of the tax on the income of corporations in the District of Columbia effective with respect to taxable years beginning after December 31, 1971 but before January 1, 1974. The Senate amendments add a second increase of such tax rate, from 7 per centum to 8 per centum, effective with respect to taxable years beginning on or after January 1, 1974. The House recedes.

The House conferees have agreed to the second increase in the tax rate on the income of incorporated businesses because they believe that the additional revenue derived therefrom will be needed to offset the loss of revenue to the District of Columbia on account of the three-staged repeal of the business inventory tax made in section 201 of the House bill.

FEDERAL PAYMENT FORMULA

Amendment No. 18. This amendment added to the House bill a provision authorizing an annual Federal payment to the District of Columbia equal to 43 percent of all general fund revenues derived by the District of Columbia from taxes, and that part of the motor vehicle registration fees which is credited to the general fund. Senate Amendment No. 18 is in lieu of the House provision which increased the authorization of the annual Federal payment from $126,000,000 to $170,000,000.

The conference agreement authorizes the Federal payment to the District of Columbia to be increased in two steps. For the fiscal year ending June 30, 1972 there is authorized not to exceed $173,000,000, and not to exceed $178,000,000 for the fiscal year ending June 30, 1973, and for each fiscal year thereafter. In addition to such amounts authorized for such fiscal years, the conference agreement authorizes not to exceed $6,000,000 for the fiscal year ending June 30, 1972, and not to exceed $12,000,000 for the fiscal year ending June 30, 1973, and for each fiscal year thereafter, which may only be used to pay officers and employees of the District of Columbia (other than teachers, policemen, and firemen) increased compensation required by comparability adjustments made on or after January 1, 1972, in the rates of pay of statutory pay systems, based on the 1971 Bureau of Labor Statistics survey.

The managers believe that the Federal payment which is being authorized for the District of Columbia is a sum which represents not only, as it has in the past, a sum representing the amount of real estate taxes which would be paid to the District if the real property owned or held by the Federal Government in the District were subject to taxation, but also an amount to compensate the District because the Congress has decided that at this time it is unwise to levy an income tax on non-residents of the District who are employed in the District. Were the Congress to decide to authorize a nonresident income tax, it is expected that there would be a reduction in the Federal payment.

The managers have also for the first time authorized a two-step increase in the Federal Payment taking into account the anticipated revenue needs of the District government. This is to enable the District government to plan intelligently the allocation of its resources prior to the beginning of its fiscal year. By Congress setting the authorization in advance, the District government will know exactly what the authorized Federal Payment will be and, barring completely unforseen circumstances, the payment authorized will not be raised. In fact, barring such circumstances the appropriate committees of the Congress do not intend to be dealing with the Federal Payment during the second session of this Congress.

It should be noted that $6 million of the amount authorized for the Federal payment for fiscal year 1972 and $12 million of the amount authorized for fiscal year 1973, and for each succeeding fiscal year, have been specifically allocated to pay increases in compensation of officers and employees of the District of Columbia if authorized by Congress. These pay increases do not include any increases for policemen, firemen, or teachers. If the District government intends to ask Congress to consider pay increases for these groups, it is expected that in the same legislation there will be a financing proposal which in some way raises local taxes. There will be no increase in the Federal payment to cover this type of pay increase.

RENTAL PAYMENTS

Amendment No. 23. A provision of the House bill authorized the Commissioner of the District of Columbia to withhold a rental allotment payable to a tenant who fails to make his regular rental payment for 10 days. The tenant would retain possession of the rented premises until entitlement to the rent payments could be established. If the landlord is entitled to such payments, future monthly shelter allotments for such tenant would be made directly to the landlord. Similarly, the tenant could have such payments which were being made on his behalf stopped if the landlord failed to properly maintain the premises, or otherwise breached the rental agreement. Senate Amendment No. 23 strikes out this provision.

The conference agreement follows the House bill with changes which provide for notice to be sent to a tenant when his landlord notifies the Commissioner of a default on his rent payment and which give the tenant an opportunity for a hearing before his monthly shelter allotment is withheld. In addition, the conference agreement provides that if a tenant, on whose behalf rental payments are being made by the Commissioner, moves because the landlord has failed to maintain the premises according to applicable District housing regulations, the Commissoner may make a payment to such tenant, in an amount not to exceed his monthly shelter allotment, to enable him to rent new quarters.

IMPOUNDMENT OF MOTOR VEHICLES

Amendment No. 24. This amendment added to the House bill a provision which would authorize the police in the District of Columbia to impound a motor vehicle, against which there are at least two warrants or outstanding unsettled traffic tickets, if found unattended and without regard to whether it is at that time parked in viola-

tion of the traffic laws of the District of Columbia. The House recedes with a technical amendment.

OVERTIME REQUIREMENTS

Amendment No. 27. A provision of the House bill amended paragraph (6) of section 4(b) of the District of Columbia Minimum Wage Act to exempt interstate motor carriers domiciled in the District of Columbia from regulations imposed by the Wage and Hour Board of the District of Columbia if the carrier was subject to regulation by the Secretary of Transportation under section 204 of part II of the Interstate Commerce Act. Senate Amendment No. 27 strikes out this provision.

The conference agreement repeals the provisions of paragraph (6) of section 4(b) of the District of Columbia Minimum Wage Act.

REAL PROPERTY TAX EXEMPTION

Amendment No. 28. This amendment added to the House bill a provision authorizing the Commissioner of the District of Columbia, under regulations prescribed by the District of Columbia Council, to exempt property from real estate taxes. The Senate recedes.

COUNCIL TAXING AUTHORITY

Amendment No. 30. This amendment added to the House bill a provision authorizing the District of Columbia Council to impose any new tax in the District, except for an income tax on nonresidents, and to change the rate of any existing tax in the District. The Senate recedes.

CONGRESSIONAL POLICY ON METRO

Amendment No. 36. This amendment added to the House bill a provision reaffirming the policy of the Congress that the costs of the regional transit project not covered by user charges should be equitably shared among the Federal, District of Columbia, and participating local governments in the transit zone. The House recedes with a technical amendment.

TRANSPORTATION FUND

Amendment No. 37. This amendment added to the House bill a provision authorizing the District of Columbia to issue bonds, to be marketed through public sale on sealed bids and to be repayable in substantially equal installments over up to thirty years, in order to finance the District's share of capital outlays for approved transportation projects. The Senate recedes.

This amendment proposed a new method of financing the District's obligations for the Metro system and approved highway projects. The amendment is also relevant to the general problem of financing the District's capital outlays in the most efficient and economical way. While the Senate recedes on this amendment, the managers on the part of both Houses believe that these questions should receive further attention in this Congress, and hereby announce an intention to pursue the subject and explore all alternatives, including recommendations which may be made by the Nelsen Commission next spring.

JOHN L. MCMILLAN,
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W. S. (BILL) STUCKEY, Jr.,
ANCHER NELSEN,
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CHARLES MCC. MATHIAS, Jr.,
LOWELL P. WEICKER, Jr.,
Managers on the Part of the Senate.

GENERAL LEAVE ON CONFERENCE REPORT ON S. 1828

Mr. MCKINNEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the conference report on S. 1828, approved by the House today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROPOSED AMENDMENTS TO THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

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

Mr. MCCULLOCH. Mr. Speaker, today I have introduced legislation to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide benefits to survivors of law enforcement officers killed in the line of duty. Cosponsoring this legislation are the distinguished minority leader, GERALD R. FORD, and Messrs. MCCLORY, SMITH of New York, SANDMAN, RAILSBACK, FISH, COUGHLIN, HOGAN, and KEATING.

This bill would enable the Law Enforcement Assistance Administration to make payments from funds appropriated for that purpose upon certification to LEAA by the Governor of any State that a law enforcement officer, employed on a full time basis by that State or a unit of local government within that State, has been killed in the line of duty.

In June of this year, President Nixon recommended similar legislation that would provide $50,000 to survivors of policemen killed in the line of duty. Mr. Speaker, my bill differs in that it expands the coverage to include, in addition to police officers, correction officers, sheriffs, court guards, prison guards, judges, magistrates, and prosecuting attorneys.

In recognition of the every-day perils faced by our law enforcement officers and the disparity in benefits among the several States, this legislation would authorize payment of a gratuity of $50,000 to the family of a slain law enforcement officer. This gratuity would be in addition to any other benefit or payment made under any other State or local law or plan.

The major benefactor of this legislation, Mr. Speaker, will be the policeman. It is common knowledge that police officers are in increasing danger of their lives and well-being. During 1969, 35,202 policemen were assaulted, stabbed, beaten, or shot while on duty. This dismal statistic is unbecoming a civilized society.

In 1968, 64 police officers died in the line of duty. This figure jumped to 86 in 1969, and to 100 in 1970. In 1971, 99 policemen were murdered while protecting society. In the 10-year period—1961–71—more than 1,024 officers died in the line of duty. Despite all the dangers involved in keeping the peace, many States and communities have failed to provide death benefits to the survivors of the slain policeman. The Department of Justice reported in September of this year that:

As of October 1970, there were 18 States that provided no financial assistance to the immediate survivors of law enforcement men and women. Moreover, many small cities and towns throughout the land do not provide such benefits, or make only minimal compensation payments compared to that provided by large municipalities.

Even in those States that have compensation programs, there are wide gaps between the various plans, and an individual officer may or may not be covered by one or the other of them.

Workmen's compensation programs are spotty. Many local law enforcement officers are not covered for one reason or another. In many instances where they are eligible, the payments to their families are only minimal.

Although the Deputy Attorney General was addressing the problem of the deficiency in police officers death benefits, I am sure that most of his discussion is also germane to corrections. We are all well aware of the tragedies that have recently occurred at some State penitentiaries. Correctional officers, like policemen, confront daily the criminal element in our society. These people play a very important part in our system of criminal justice.

If we expect these hard-working and dedicated men and women to put their lives and safety on the line, day after day, the least this Government can do is provide some financial protection for their families.

Law enforcement like medicine will always have 24 hour responsibilities. Recruitment problems are aggravated by occupational dangers, low salaries, and long working hours. Law enforcement is, in fact, a difficult and often frustrating and discouraging field. Mr. Speaker, I am of the opinion that the benefits authorized in this legislative proposal may make these important jobs a little more acceptable and a little more attractive to those people interested in a career in law enforcement.

TRIBUTE TO TURNER N. ROBERTSON, MAJORITY CHIEF PAGE

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from North Carolina (Mr. FOUNTAIN) is recognized for 60 minutes.

Mr. FOUNTAIN. Mr. Speaker, a man whose face and name have been familiar to most members of this body for more than 32 years will soon enter into a well-earned retirement. I am referring to our good friend, Turner N. Robertson who has served the House of Representatives so ably and faithfully in his present capacity, as majority chief page, since 1947.

I think it is both fitting and proper that we pay tribute to this dedicated public servant before he leaves us.

The smooth and efficient functioning of the House of Representatives depends upon the dedicated work of many, many people—some in the limelight and some behind the scenes. In his unassuming way Turner Robertson has contributed greatly to this process during his years of dependable service to the Members of this body. Although Turner is officially an employee of the majority, I am sure his many helpful services are appreciated by Members on both sides of the aisle.

My predecessor in the Second Congressional District of North Carolina, the late John Kerr, brought Turner Robert-

son to Washington on April 6, 1939. Under Congressman Kerr's patronage, Turner served successively as an elevator operator, as a member of the Capitol Police Force, as a doorman on the House floor, as assistant librarian of the House of Representatives, and as librarian.

Then, on June 1, 1947, Turner Robertson was appointed chief page by the Speaker, who was then the Honorable Sam Rayburn. Subsequently, he was reappointed by Speaker McCormack and, also, by Speaker ALBERT.

The duties of chief page are well known to every Member of this body and to our staffs. We call upon Turner Robertson and his hardworking staff of 51 young men every day of every session, and we know that we can always count on their faithful service.

It is not easy to supervise 51 high-spirited and bright young men, but Turner does the job with skill and great patience and understanding. He not only has trained these young men to serve us courteously and efficiently, but he has in so many ways served them—as a friend, confidant, and, at times, a substitute father. The smooth and efficient way in which our page system functions is a great tribute to his tact, wisdom, and leadership.

Only eight Members of this 92d Congress were here as Congressmen in 1939 when Turner Robertson came to Washington from Scotland Neck, N.C. Many Members have come and gone since then, and Turner has greeted each of them with a winning, friendly smile, and a willingness to be of assistance in every way possible.

Turner Robertson is a native of Macon, N.C. Mrs. Robertson, the former Dorothy Ernestine Whitehead, hails from Hobgood, N.C. Both towns are located in the Second Congressional District of North Carolina, which I have the honor to represent. The Robertsons have one daughter, Mrs. Barbara Cooksey of Manassas, Va.

Not long ago I asked Turner to reminisce about his years on Capitol Hill. He spoke of memorable, but tragic days, such as when war was declared in 1941, and when news of the assassination of President John F. Kennedy reached Washington; he spoke of historic votes on legislation of great national consequence; he spoke of longer and longer sessions, and more and more legislation; he also spoke of physical changes to the Chamber and to the Capitol Building.

But, mostly, he spoke of how much he has enjoyed every day of his career on the Hill and how each Member he has known—and I expect he has known them all—has been helpful and considerate to him.

I suspect that his greatest thrill, through the years, has come from seeing our young pages develop and mature under his sympathetic and understanding guidance.

Well, Turner, you have been helpful and considerate to each one of us, too, and I know I express the sentiment of the entire House when I say Godspeed to you and your wonderful, loving, and devoted wife, Ernestine—wherever you go and in whatever you undertake. If at any time you would like to return here, I am confident we would quickly put you back to work.

Mr. Speaker, I now yield to my distinguished colleague from North Carolina (Mr. PREYER).

Mr. PREYER of North Carolina. Mr. Speaker, I thank the gentleman. It is an honor to rise to note the retirement of one of nature's gentlemen, Turner Robertson.

I want to commend the gentleman in the well for bringing about this special order, to give us an opportunity to express our feelings about Turner. I regret that it occurs at this hour of the night, at this stage of the legislative week, but I am sure the special order appearing in the RECORD tomorrow will provoke a great outpouring of expression of appreciation to Turner.

As a relatively new Member of Congress, I want to pay tribute to Turner Robertson for all he has meant to the new Members of Congress. Turner is efficient, helpful, and useful to all Members of Congress; but to freshman Members he is much more—he is essential. To the neophyte lost in the parliamentary and legislative maze of the House, there was only one solution—"Ask Turner." I speak for all who have ever been freshmen Congressmen during Turner's reign in expressing to him our sincere appreciation for his unfailing courtesy and sympathy to those who stand lowest on the seniority totem pole, and for sharing so generously with us the legislative lore he has accumulated over 32 years of service to the House of Representatives.

Turner comes naturally by his courtesy and intelligence since he was born and raised in North Carolina. We are proud of our native son and his record. Scotland Neck, N.C., his home, is famous for two things—Turner Robertson, and the millions of starlings which unaccountably settle there near Turner's home each winter. The word is that when Turner retires and moves to Fort Lauderdale, the birds are going, too. They know a good man when they see him. We will miss Turner much more than the birds.

We hope Turner will remember North Carolina, and I know he will never forget the House of Representatives and the years he has spent here and the friends he has made. The House of Representatives will never forget its faithful servant, Turner Robertson.

Mr. FOUNTAIN. Mr. Speaker, I thank my distinguished colleague from North Carolina (Mr. PREYER) for his generous remarks. I, too, should like to say that I regret we did have to pay this tribute at such a late hour, because I am sure there are many, many Members of the House who would like to express themselves.

As the gentleman has pointed out, I hope that this discussion, as it appears in the RECORD, will serve notice to the Members that they will have time within which to express themselves.

GENERAL LEAVE

Mr. Speaker, at this point I ask unanimous consent that all of the Members of the North Carolina delegation be permitted to revise and extend their remarks relative to Turner Robertson immediately following the remarks just made by the gentleman from North Carolina (Mr. PREYER), and I ask unanimous consent that all Members of the House have 5 legislative days within which to extend their remarks on the same subject.

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

There was no objection.

Mr. JONAS. Mr. Speaker, I am pleased to join my distinguished colleague from North Carolina (Mr. FOUNTAIN) and others who will be participating in this discussion, in saying a few words of tribute to Turner N. Robertson who is retiring after more than 32 years of service to the Members of the House of Representatives.

Although Turner Robertson's title has been that of chief Democratic page, he has rendered services from time to time to those of us who sit on the Republican side of the aisle. I wish to comment especially on his uniformly friendly attitude and his willingness to go beyond the call of duty in accommodating me on many occasions during my 19 years of service in this body. I have had occasion frequently to seek information from him and to solicit his help and always found him willing to cooperate and anxious to please.

I can say without any fear of contradiction that Turner Robertson enjoys the respect and confidence of all the Members of the House of Representatives, and this includes Republicans as well as Democrats.

Mr. Robertson is completing a career of outstanding service as an employee of the House, where he has directed the activities of the pages under his jurisdiction with efficiency, courtesy and dedication, and in doing so he has gained the affectionate regard of all of us who serve here.

I join his many friends in this body and elsewhere in wishing for him in his retirement many long years of happiness and peace of mind. As he leaves Washington he will go with the understanding that he will be missed by all of us who have been the beneficiaries of his service.

Mr. LENNON. Mr. Speaker, I rise today to honor a fellow Tarheel, who has served the U.S. House of Representatives for over 32 years with dedication, sincerity, modesty, and pride. His service has been marked with distinction and honor, because he is a sensitive individual and responsive to the needs of those about him. As you know, Mr. Speaker, I am talking about our own chief page, Mr. Turner Robertson.

Turner has served with some great Representatives in the U.S. Congress as Democratic Chief Page. His appointment by Sam Rayburn on January 4, 1947, and his subsequent appointments by Speaker John McCormack and Speaker CARL ALBERT are living testimony of their faith in his ability and his outstanding performance.

It is a privilege to have worked with Turner Robertson, and I join with my many colleagues in wishing him a con-

tinued long life of service to mankind in his future undertakings.

Mr. HENDERSON. Mr. Speaker, I want to join my colleagues in paying tribute to one who has served us all faithfully and well for a long time.

Turner Robertson, our chief page, has been foster father, boss and field general of our pages for many years. It is significant of the job he did that we seldom received any complaints from the pages and very few from Members regarding the quality of the service they received.

On the surface, it might seem that the job of heading up the page service would be an easy one or at least one lacking in significant pressures or responsibility, but often some of the most vital and important communications in the Nation have been entrusted to our page service and mistakes or dalliance in their handling could have been of critical importance.

Turner Robertson has approached his work on the theory that service to the Members of the Congress is the sole reason for being of the page setup, and he has performed his function so well that we have come to take for granted the extremely high degree of excellence he has maintained.

We will all miss Turner. He has set a high standard for his successor to follow and I know all of us wish him well as he begins a well-deserved retirement and enters a new phase of his activity.

Mr. TAYLOR. Mr. Speaker, during the time that I have been in Congress, "calling Turner" has been the quickest and most effective way of finding out what is happening on the House floor and what will most likely happen next.

Very few people outside of Congress realize the full responsibilities of a chief page or the contribution that an outstanding chief page can make to the orderly and efficient operations of the House. Turner Robertson has made us realize that a chief page can be one of the most important officials connected with this body.

When I think of Turner Robertson's 32 years of service in the House of Representatives, competence, integrity and performance are the words that enter my mind. I appreciate his competence and I treasure his friendship.

Turner Robertson is retiring as chief page at a point in time when the House is on the threshold of joining the computer era. Within a year, plastic cards will instantly register our votes and better technical methods may be devised for getting information from the House floor to our offices; but technological progress will never replace the warm, personal responsiveness that has been Turner Robertson's hallmark. His willingness to serve, his unusual degree of knowledge and diligence and his unfailing loyalty to the House have earned for him the respect and admiration of all Members of this body.

Doubtless, other Members of Congress who have sponsored more pages than I will comment on the personal confidence which Turner has given to the hundreds of young men whose good fortune placed them under his supervision.

I feel a deep sense of loss in thinking of Turner's absence from the daily sessions of this body, but this is coupled with a feeling of appreciation for being for 11½ years a beneficiary of his labors.

I will miss my fellow North Carolinian, Turner Robertson, and the example he has set for us in our daily operations here. Let us hope that his retirement will be long and enjoyable and rewarding as his career has been, and that when the fish are not biting in Florida he will frequently pay us surprise visits and we can again be "calling Turner."

Mr. BROYHILL of North Carolina. Mr. Speaker, after more than 32 years of service in the House of Representatives, Turner Robertson has decided to retire to Fort Lauderdale, Fla. In my five terms in the House, I have found Turner to be most helpful. He has always been ready to lend assistance and he has been a storehouse of knowledge. When called upon for information, he has always responded quickly and accurately, and I am most appreciative of his friendly and courteous manner.

Of course, I have urged that Turner stay with us in the House, but I respect his personal decision to seek a little quieter life. I want to extend to Turner my sincere thanks for a job well done and to offer to him my best wishes for many more years of happiness.

Mr. JONES of North Carolina. Mr. Speaker, I am happy to participate in this tribute to my good friend, and as a matter of fact, a friend to every Member of this House—Turner Robertson. All of us have observed during his many years of service his pleasant disposition and genuine warmth, and I challenge anyone to recall a day or an occasion when we were not greeted by Turner with a warm, friendly smile, and more important, a pleasant word. In fact, the word "service" must be his motto.

His job of advising and directing the young pages I am sure at times has been most trying. But their admiration and respect for him was evidenced at a reception given him by his employees a few days ago. Yes; the House floor will not seem the same when Turner and his wife leave the Capital City for a well deserved retirement in the State of Florida.

Along with others, I sincerely wish him many years of health and happiness, and this includes hopefully, pleasant memories of the Members of Congress just as we shall hold the same kind memories of him.

Mr. GALIFIANAKIS. Mr. Speaker, the playwright Ibsen once wrote:

> A thousand words will not leave so deep an impression as one deed.

After 32 years of Turner Robertson's deeds, there are few words that could add to the indelible impression this remarkable man is leaving on the U.S. House of Representatives.

Those of us from North Carolina feel a very special pride in the accomplishments and contributions made here by our fellow Tar Heel and Turner has reciprocated by making all of us feel very special.

I think it can be safely said that this conscientious, courteous, and kind gentleman is truly loved by all those who have had the privilege of knowing him. His perennial patience, calmness, and cheerfulness have made many dull, dark days sparkle because of his particular brand of sunshine.

As he goes now to enjoy his own well-deserved days of sunshine, Turner will be missed, but the spirit of friendship and cheer with which he has touched all our lives will remain in this body forever.

It is with great gratitude that I join my fellow Tar Heels today in offering a heartfelt thank you to this splendid public servant.

And I would like to share with my colleagues the recent unsolicited expression of one of Turner's pages, who offered perhaps the most significant tribute of all. He said simply, "Turner Robertson is the greatest guy in the world."

Mr. FOUNTAIN. Mr. Speaker, I am happy to yield to the gentleman from West Virginia (Mr. KEE).

Mr. KEE. I thank the gentleman in the well very much.

Having known Turner during his entire career here, I could not agree with the gentleman more. He has been the most effective man that we have had to help us, to guide us; not only the new Members but also folks who have been here for a few years and folks who have been here during his entire service.

I have never seen a more dedicated and more cooperative public servant or man to help us do our job.

I thank you very much.

Mr. FOUNTAIN. I thank the gentleman very much.

Mr. McKINNEY. Will the gentleman yield?

Mr. FOUNTAIN. I am delighted to yield to the gentleman from Connecticut.

Mr. McKINNEY. I am a freshman here myself. I know that if the minority leader were here, he would want to join in personally congratulating Turner Robinson for all his good service to this House.

I would simply state that although I am a freshman and certainly not having known Turner very long, I would like to pay all of the respect that the Members on the minority side of the aisle feel for Turner on this occasion.

Mr. FOUNTAIN. I thank the gentleman for his remarks.

I am sure, also, the minority leader would want to express himself on this subject, and I hope he will take advantage of the opportunity to do so.

I yield to the gentleman from New Jersey (Mr. PATTEN).

Mr. PATTEN. Mr. Speaker, I would like to be associated with the gentleman's remarks regarding Turner Robinson. The appraisal you make is a truthful and well founded one.

I know in the 9 years I have been here Turner has been truly helpful at every turn. He has always been gracious and polite. It is amazing how he handles these young, bright upstarts, as you say.

So it has all been delightful. You are on a good foundation when you praise Turner Robinson.

I do not know the details and I did not know you had this special order, but I am happy to join with you and vouchsafe that we have learned to love and

admire him, and we wish him and his family the best of everything that may be in their plans.

Mr. FOUNTAIN. I thank the gentleman very much.

I have just been advised that three of these "upstarts" to whom the gentleman makes reference are Members of Congress of the United States today and are Members who served under Turner when they were pages here in this body.

Mr. WYLIE. Will the gentleman yield?

Mr. FOUNTAIN. Yes. I yield to the gentleman.

Mr. WYLIE. I would like to associate myself with the remarks of the gentleman in the well and join him in paying tribute to Mr. Turner Robinson.

Mr. Robinson will not remember this incident as I do. It is a little personal incident that took place on the first day I arrived in the Capitol after having just been elected to Congress in December of 1966.

Fishbait Miller was introducing me around when Turner Robinson came into his office. He was very cordial and made me feel most welcome at a time when I was a little awed by the whole situation, by the circumstances and the setting.

I would like, because of that little personal incident and the friendship he showed me, to acknowledge in my own way his outstanding contribution to this Nation as a person who has worked effectively for this House of Representatives for such a long time.

Now, I have heard it said that Turner has a little place that he is going to retire to in Florida. Well, I go down to Florida rather frequently myself, and I intend to be down there over the holidays this year, as I have every Christmas since 1952, I guess, and I hope that we can get together so that I can further pay my heartfelt respect to this great gentleman.

I thank the gentleman for yielding.

Mr. FOUNTAIN. I thank the gentleman for his very kind remarks.

Someone suggested at a luncheon today given to Turner by the North Carolina delegation at which time they presented him with a plaque commemorating his many years of service here that Turner Robinson ought to erect a guesthouse back of his home in Fort Lauderdale, Fla., so that those of us who had been associated with him for these many years would have the opportunity of visiting with him.

He said he did not know about that, but we were all welcome. So, I am sure there will be some bedrooms and some floorspace if we get stranded there on any occasion, or if we under any other circumstances are there, I am sure Turner will be delighted to see us.

Mr. GONZALEZ. Mr. Speaker, I take this opportunity to add my voice to that of my colleagues who have extolled the virtues of Mr. Turner Robertson and have expressed regrets because of his retirement from service.

I wish to express my deep and heartfelt gratitude to Turner for his many courtesies and kindness. I will say, by way of conclusions, as we say in Texas: "Hasta la vista, Turner."

PROPERTY TAX RELIEF FOR THE ELDERLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, 40 Members of Congress are joining me today in reintroducing H.R. 11640, a bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65. A list of the cosponsors follows my remarks. Each believes that it is time to do something about—to use the President's phrase—"the crushing burden of property taxes for older Americans."

Probably the one thing which most jeopardizes the security of old age, which most threatens the happiness of older Americans, is the property tax. The effect which it can have upon the elderly can be devastating.

The facts are that 70 percent of all Americans over 65 own their homes. It is the accumulation of a life's work, containing the memories, both happy and sad, of marriage, children, and all the things that make up life.

Yet, spiraling property taxes are forcing many to sell their homes and move into small, cramped, unfamiliar quarters, or to liquidate precious retirement assets which should be used sparingly only to provide for the necessities of old age. Those who live in apartments feel the burden just as painfully in the form of rent increases.

In the last 5 years alone, property taxes have shot up by 40 percent. Those over 65 generally live on greatly reduced incomes which are either fixed or declining. Income taxes take their changed economic status into account, but ever-increasing property taxes do not. As the President told the White House Conference on Aging, "because of property taxes, the same home which has been a symbol of their independence often becomes the cause of their impoverishment."

This bill we are introducing today provides older Americans of low income a $300 Federal income tax credit, or a payment from the U.S. Treasury if they pay no income taxes, to offset State and local property taxes they must pay on their homes.

Those over 65 whose annual income is under $6,500 would be eligible, whether they own their own house or not. If they rent, the portion of rent which covers taxes will be computed. If their Federal income tax is $300 or less, they will be eligible for a payment from the U.S. Treasury instead of a tax credit to make up the difference. The maximum tax credit or payment will be $300.

This tax break for the elderly will not be inexpensive, but we can be sure that the money will be going to those who most need it. It is estimated that three quarters of the cost to the Treasury will be in the form of direct payments to those elderly whose income is so low that they pay no income taxes at all. This should surprise no one, since a congressional committee has estimated that 25 percent of all older Americans have an income of less than $2,000 per year.

These are the people who desperately need help. These are the ones who will not be helped at all by other proposals for property tax reform. President Nixon has wisely recommended a "complete overhaul of our property taxes and of our whole system of financing public education," but such an overhaul will undoubtedly be too little and too late to help the elderly who are now being crushed by property taxes. Whatever reform is finally adopted—whether it be revenue sharing, "piggybacking," a national sales tax, or some other—no one suggests that already high property taxes will decline. Yet it is today's high property taxes which are forcing too many Americans to sell their homes and spend their last years in poverty.

President Nixon told the aging conference last week:

> These remedies will involve large sums of money. But we are prepared, however, to make the hard decisions we are going to have to make to provide property tax relief.

The Members who cosponsor this bill today are similarly prepared to make those hard decisions.

I hope that at an early date hearings will be scheduled on this bill, and that when older Americans file their 1972 tax returns, they can look forward to a Federal tax credit or payment for the property taxes they must pay.

LIST OF COSPONSORS

James Abourezk, Democrat, of South Dakota; Joseph P. Addabbo, Democrat, of New York; Tom Bevill, Democrat, of Alabama; Edward P. Boland, Democrat, of Massachusetts; James M. Collins, Republican, of Texas; William R. Cotter, Democrat, of Connecticut; John G. Dow, Democrat, of New York; Robert F. Drinan, Democrat, of Massachusetts; Thaddeus J. Dulski, Democrat, of New York; Paul Findley, Republican, of Illinois; Hamilton Fish, Jr., Republican, of New York; Edwin B. Forsythe, Republican, of New Jersey.

Cornelius E. Gallagher, Democrat, of New Jersey; Barry M. Goldwater, Jr., Republican, of California; Ella T. Grasso, Democrat, of Connecticut; Seymour Halpern, Republican, of New York; Lee H. Hamilton, Democrat, of Indiana; Michael Harrington, Democrat, of Massachusetts; Augustus F. Hawkins, Democrat, of California; Ken Hechler, Democrat, of West Virginia; Floyd V. Hicks, Democrat, of Washington.

Frank Horton, Republican, of New York; Jack F. Kemp, Republican, of New York; Joseph M. McDade, Republican, of Pennsylvania; F. Bradford Morse, Republican, of Massachusetts; Robert N. C. Nix, Democrat, of Pennsylvania; David Pryor, Democrat, of Arkansas; Tom Railsback, Republican, of Illinois; John J. Rhodes, Republican, of Arizona; Donald W. Reigle, Jr. Republican, of Michigan; Robert A. Roe, Democrat, of New Jersey.

William R. Roy, Democrat, of Kansas; Fernand J. St Germain, Democrat, of Rhode Island; Fred Schwengel, Republican, of Iowa; Robert L. F. Sikes, Democrat, of Florida; Robert H. Steele, Republican, of Connecticut; Charles Thone, Republican, of Nebraska; John Ware, Republican, of Pennsylvania; Gus Yatron, Democrat, of Pennsylvania; John M. Zwach, Republican, of Minnesota.

Mr. Speaker, my distinguished colleague from Illinois, Congressman RAILSBACK, is a cosponsor of this bill. He has

long demonstrated a deep and abiding interest and concern for the problems of the elderly. I yield to my good friend for such comments as he may wish to make.

Mr. RAILSBACK. Mr. Speaker, property taxes affect all homeowners, but for those who live on a fixed and limited income they are a heavy burden.

About 70 percent of the 20 million senior citizens in the United States own their own home. However, one in four of these Americans is now living on an income of less than $2,000. They are desperately in need of a tax break.

Unlike our Federal income tax, property taxes have no relation to the income of the taxed. Instead, the value of the property, achieved only after years and years of mortgage payments, is considered. In the past 5 years, property taxes have risen 40 percent. Relief must be offered to our senior citizens, whose incomes have not kept pace with inflation.

In Fairfax, Va., a new ordinance will exempt certain senior citizens from property tax liability. Those included will be individuals 65 or older with gross incomes of less than $7,500 a year and net worth—excluding their homes—of $20,000. It has not as yet been determined how the loss of revenue is to be absorbed, but it is clear that some assistance to senior citizens is long overdue.

President Nixon has also pledged to ease the crushing burden of property taxes on the aged. At the White House Conference on Aging, he stated we must do something because, "the entire Nation has a high stake in a better life for its older citizens."

Therefore, I am pleased to join the gentleman from Illinois (Mr. FINDLEY) in sponsoring legislation which will give senior citizens of limited income a Federal income tax credit to offset the local and State taxes they presently pay on their home property.

Under this proposal, a person whose annual income is under $6,500 would be eligible. He would receive a tax credit or payment of up to $300 from the U.S. Treasury.

I certainly hope this legislation will be given a hearing and an evaluation at the earliest possible time. We must provide relief for the many millions of Americans whose tax problems have been ignored too long.

GENERAL LEAVE

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent that all Members may have permission to revise and extend their remarks as a part of my special order today.

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

There was no objection.

THE BUFFALO RIVER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, on behalf of myself and Congressmen DULSKI and CONABLE, I am introducing a bill to authorize a program for the improvement and restoration of the Buffalo River Basin, N.Y.

Mr. Speaker, the bill contains the following provisions:

First, the Secretary of the Army, acting through the Chief of Engineers, would be authorized to investigate, study, and undertake measures in the interest of water quality, environmental quality, waste-water management, recreation, fish and wildlife, and flood control, for the Buffalo River Basin, N.Y. Such measures would include, but not be limited to, clearing, snagging, and removal of debris and derelict structures from the river's bed and banks; removal of polluted materials; esthetic and structural measure to improve appearance and water quality; and bank stabilization by vegetation and other means. In carrying out such studies and investigations the Secretary of the Army, acting through the Chief of Engineers, would cooperate with interested Federal and State agencies.

Second, in the words of the bill, prior to initiation of measures authorized by the act, such non-Federal public interests as the Secretary of the Army, acting through the Chief of Engineers, may require, shall agree to such conditions of cooperation as the Secretary of the Army, acting through the Chief of Engineers, determines appropriate, except that such conditions shall be similar to those required for similar project purposes in other Federal water resources projects.

Since the late 1960's, considerable local, State, and Federal efforts have been expended to abate the pollution discharged into the streams in the Buffalo, N.Y., area. Industries, which include some of the largest steel, coke, refinery, and chemical manufacturing complexes in the United States, have met and exceeded Federal and State standards through the installation of equipment at a cost of more than $50 million.

In a joint venture with the city of Buffalo, these industries developed a low-flow augmentation project at an initial cost of $8 million. The companies have assumed the cost of the loan for the project, as well as operating expenses. The city also sought and received a matching grant in 1969 from the Federal Government to abate oil pollution. To date, these efforts have been highly successful.

The cleanup of municipal wastes has not been as rapid. However, all of the communities whose sewage discharge to the Buffalo River and its tributaries, are within State timetables to remedy their respective problems. Most of the pollution will be solved through the construction of a $73 million tertiary treatment plant by the city of Buffalo to which wastes from more than 500,000 individuals who reside in the Buffalo River watershed will be transported. Therefore, by 1975, the date the Buffalo sewage treatment plant will be in operation, most of these wastes will be abated.

Despite these efforts, the Buffalo River, which drains more than 400 square miles, will remain a liability if additional measures are not taken. These problems include flooding, erosion, and the leaching of pollutants from the sediment. To solve these situations that could negate more than $100 million in past and present expenditures, a comprehensive improvement program must be instituted. This must include upstream dredging, removing debris—fallen trees, cars, and so forth—and bank improvements. The bill which is being introduced today would accomplish these objectives.

Mr. Speaker, I believe that there is an urgent need for this legislation. We are all aware of the tragic condition of the Cuyahoga River which is so badly polluted, that not long ago it caught fire and damaged a number of bridges. Imagine—if you can—a river even more polluted than the Cuyahoga. In 1966, the Buffalo River was described by the Commissioner of the Federal Water Pollution Control Administration as "the worst polluted river in the country." The commissioner put the Cuyahoga River and the Detroit River in the same unhealthy category and stated:

> These are three of the most grossly polluted rivers in the country. There are other sources of pollution, but these three rivers are the worst examples.

Our goal of a clean Lake Erie will never be achieved until these rivers are restored. Last year a bill similar to the Buffalo River proposal was introduced for the improvement of the Cuyahoga River. That legislation is now public law and the Corps of Engineers informs me that studies for the Cuyahoga's restoration are now in progress.

The passage of the Buffalo River bill would mean that two out of three of the worst polluted waterways in our country would be well on their way to being restored.

Furthermore, a restored Buffalo River could serve as a model and incentive for other pollution abatement programs in the United States, as well as a graphic example to the Canadian Government whose section of the Niagara River and Falls is fouled by this tributary, of our cooperation in the improvement of the quality of boundary waters.

A beginning has been made and I believe that the bill which I am introducing today for myself and Congressmen DULSKI and CONABLE will be another vital step forward toward a pollution-free Lake Erie and clean waterways for our Nation.

The Buffalo River has been described by the environment editor of the Chicago Tribune, Casey Bukro, as a "swamp in slow motion." I include at this time his article concerning the Buffalo River which gives a vivid description of the extent of its pollution.

[From the Chicago Tribune, Oct. 13, 1970]

THE BUFFALO RIVER: SWAMP IN SLOW MOTION

(Three years ago, The Chicago Tribune began a campaign to end the pollution of Lake Michigan and other Great Lakes. Its slogan was "Save Our Lake," which caught the imagination of millions of people thruout the country. Its symbol was a pollution-coated black band. This is a progress report)

(By Casey Bukro)

The Buffalo River in Buffalo, N.Y., looks like a swamp in slow motion.

The water is black and seemingly motionless. Years of heavy oil pollution have left the river water syrupy, so that waves formed by passing boats are flattened by the weight of the dense pollution. There is no biological life in the lower river.

The Buffalo is one of the many grossly polluted rivers that contribute to the pollution of the Great Lakes.

COULD BE USED FOR ROAD

"It is the only water I've seen in the country outside of a swamp that looks like that," said a federal pollution official of the river. He looked serious when he said that waste sediment covering the river bottom to a depth of six or seven feet is so much like asphalt, it could be used to pave a road.

Crumbling timber docks and abandoned warehouses give the riverside area the dilapidated look of a ghost town. The water comes alive, tho, where industrial wastes tumble and gush into the waterway that once was described as "a stagnant cesspool."

"We are not happy with the state of the Buffalo River," said William M. Friedman, regional director of environmental quality for the New York Department of Environmental Conservation. "It's a mess, but it was a messier mess a year and two years ago. It is improving and will continue to improve."

OIL REFINERY SUED

In the last three years, the state of New York has sued the Mobil Oil refinery in Buffalo for failing to comply with an order to improve waste treatment at the plant by 1969. The town of West Seneca also was sued. Both of them discharge wastes into the Buffalo River.

The Buffalo Dye Division of Allied Chemical Corp., Republic Steel Corp., and the Donner-Hanna Coke plant have been ordered by the state to complete water pollution control improvements by next year. Asked if industry in the area was dragging its feet on pollution control, Friedman replied:

"The fact that some of them have been referred for legal action meant they were lagging."

POLLUTION IS NOTORIOUS

Pollution in the Buffalo River is notorious because slow flow caused wastes to stay in the river as long as 70 days, while industry continued to draw water from the river and discharge more wastes. Industrial wastes and oil became highly concentrated and rotted until the river flow moved again, forcing giant slugs of concentrated pollution into the northeastern tip of Lake Erie and into the Niagara River, then over Niagara Falls.

A TRIBUNE reporter-photographer team accompanied Lawrence Moriarty, acting regional director of the Lake Ontario basin office of the Federal Water Quality Administration on an inspection tour of the Buffalo River by boat to view its legendary pollution.

The still black waters offered a stark backdrop for the multicolored display of pollution we saw.

WATER IS RUST COLORED

Rust-colored wastes rushed from a small tunnel from the Republic Steel plant, like a boiling river of red paint. The river seemed alive with billowing clouds of red sand swirling in the water, leaving a dusty film of iron particles on the surface.

The most brilliant and diverse pollution display came from the Buffalo Dye Division of Allied Chemical Corp. Every few minutes, wastes of a different color would spill from the dye plant and into the river—blue, green, red, yellow, orange and purple.

Some colors combine on the surface, forming psychedelic swirling patterns. When the dyes mixed with clumps of rotting sewage, they turned purple and gave the river surface the lumpy, discolored look of skin cancer. The air was heavy with the smell of shoe polish.

The Buffalo dye plant has been spilling its wastes into the Buffalo river for decades. The dyes, reacting with the river water, are what has turned the river black, said federal officials.

DETERGENT SUDS FLOW

White detergent suds streamed from another Allied Chemical plant nearby.

The Buffalo River is always coated with oil, its most visible problem. It has been estimated that industry in the Lackawanna-Buffalo area dumps 43,000 pounds of oil into waterways every day. Principal sources of oil were identified as the Pennsylvania railroad shops, Mobil Oil refinery, Donner-Hanna Coke, and the Republic Steel Corp.

The amount of oil accumulating on the river has dropped noticeably since last year, when the department of the interior announced it intended to trace all sources of oil being discharged into the river as an oil removal demonstration project. Mere announcement of the program caused Buffalo industry to begin tightening up on oil disposal practices, said an official.

Some improvement in the appearance of the river has been made by five Buffalo River industries that began pumping water from Lake Erie in 1967, and discharging the used water into the Buffalo River at the rate of 100 to 150 million gallons a day. This gives the five industries cleaner water than they got from the Buffalo River, and creates a flow in the river so wastes do not stagnate over long periods of time.

"It serves to flush out the stagnant river and add a little dilution water," said a federal official, but it does not reduce the amount of wastes being discharged.

The so-called Buffalo River Improvement Project had been under consideration by Buffalo industry since 1937. Among the industries taking part are the Buffalo dye plant, Mobil Oil, Republic Steel and Donner-Hanna Coke.

Moriarty points out that as old problems are corrected, new ones appear. His staff is engaged in field surveys and reports on the mercury content of the waters of Lake Ontario and the Buffalo and Niagara Rivers.

"Right now, they're driving us crazy with this mercury business," said Moriarty. The only commercial fisherman in Buffalo left last year when state officials confiscated $15,000 worth of fish found to be contaminated with mercury.

OMNIBUS CORRECTIONAL REFORM ACT OF 1971

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, I would like to bring to the attention of my colleagues the Omnibus Correctional Reform Act of 1971. This act is designed to change the nature and direction of the Nation's correctional system over the next 20 years. The need for such legislation is vital and I trust the subject will be given top priority when Congress reconvenes for the 1972 session.

The main feature of the five-part bill is its emphasis upon replacing the present system of large penal institutions located far from major urban areas with small, community-based corrections facilities designed to make rehabilitation a realistic goal. More than $800 million would be authorized in the first year alone for this and other purposes, including expanded rehabilitation services, new training and education programs, special probation programs, and a Federal Corrections Institute.

For too long, the Congress and the Nation have wasted billions of dollars in a vain attempt to salvage an archaic system which does far more harm than good. Our prisons do not correct offenders; they create them, toughen them, embitter them, and further educate them in the ways of crime. My proposal would give us a chance, in the course of the next 20 years, to sweep away the present system and replace it with a system that is correctional in the true sense of the word.

The events of the last week at Attica State Prison dramatically illustrate the dire need for penal reform. The Tombs, San Quentin, and Attica will merely be the first in a long line of prison uprisings, unless we face the fact that a major overhaul of our prison system is the only way to overcome its failure.

Arrest, court, and prison records all testify to the fact that the American prison system actually contributes to the Nation's crime problem. According to the FBI's Uniform Crime Reports, 70 percent of all crimes committed in this country last year were committed by people with previous convictions. Of the approximately 100,000 persons released from confinement each year and returned to society, 75 percent again commit serious crimes and return to confinement.

The proposed legislation contains five approaches:

First, the bill would provide funds to phase out the large penal institutions located a substantial distance from major urban areas and replace them with small, community-based corrections designed to utilize the most modern corrections theory.

Second, the bill would provide funds for programs of rehabilitation, job placement, on-the-job counseling, and correctional education for criminal offenders, youth offenders, and juvenile delinquents.

Third, the bill would provide special funding for the development of specialized school curricula, for the training of educational personnel, and for research and demonstration projects. These programs would be primarily tailored to the needs of persons detained in State and local correctional institutions.

Fourth, the bill would provide financial assistance to the States for the creation of special probation programs designed to reduce the necessity of committing youthful offenders to State correctional institutions.

Fifth, the bill would create a Federal Corrections Institute to provide a focal point for the collection and dissemination of information in the corrections field.

It would be ironic, indeed, if it were to take a tragedy of the magnitude of Attica to bring major correction reform to our Nation, but the greatest irony of all would be to learn no lesson from the lamentable events still so fresh in our memory.

In light of these facts, Mr. Speaker, I would like to submit an article from the Christian Science Monitor depicting the problems faced by those released from prison and the efforts being made to help them.

[From the Christian Science Monitor, Apr. 28, 1971]

HELPING CONVICTS KEEP "EX" RATING

(By Landt Dennis)

NEW YORK.—First one telephone rang, then the other. David Rothenberg answered both. Could he wangle two tickets to "Hair," one caller asked. Her husband was in jail. Could he help her find a way to support herself and her two children, queried the other. "I said, yes, to the prisoner's wife. No, to the other."

That was the moment Mr. Rothenberg gave up the theater publicist job, to devote all his time to helping prisoners and their families. "The importance of the one clearly outweighed the routine of the other," Mr. Rothenberg remembered.

Today Fortune Society, which he founded in 1967, attracts more than 150 ex-convicts each week. "All of them come to us because they know they will receive understanding in their fight against fright, and search for direction," the young crusader says.

"Many of these men and women have spent the majority of their lives behind bars. For the most part, they haven't been motivated or rehabilitated to cope with 'the outside world.'

"They need jobs, housing. Sometimes, they're drug addicts. Others are alcoholics. We held them with all these problems. But above all, we're out to show the public that indifference to prison reform breeds crime's expansion.

"Over 90 percent of the people in jail will get out. But, the majority of them will return after committing another crime, perhaps worse than the one they're in for now," he contends.

Originally oblivious to prison life and inmate frustration, Mr. Rothenberg's exposure to it came unexpectedly. As a highly successful press agent for Broadway shows, including "Hamlet" with Richard Burton, he was asked to read the script to "Fortune in Men's Eyes." It was written by an exconvict, John Burton.

"The play's honesty about prison life and the need for change struck me immediately," Mr. Rothenberg said. "Producers everywhere turned it down. It was too strong for the public, they said. So, I stepped in. On $12,000, we opened off-Broadway. For the 11 months it ran, it was commercially unsuccessful. We never had a full house. Not once, But, what happened was more important. We exposed a desperately overlooked cry for help."

Advertising post-performance discussions on prison problems between the cast and the audience, "Fortune in Men's Eyes" began to attract ex-convicts to the theater.

"I'll never forget the first time one of them stood up," Mr. Rothenberg continued. "He admitted he'd been in prison 20 years, then proceeded to tell what it was really like. The audience was electrified. 'If there's a fault in the play, it's because it understates the situation,' he said."

Soon Mr. Rothenberg felt compelled to form an unofficial organization to assist the growing number of parolees and former inmates who came to the theater for help. He named it Fortune Society.

Shortly afterward ex-convicts appeared on the David Susskind television program. "Twice they mentioned the informal help Fortune Society gave and the address of the office," Mr. Rothenberg said. "Both times, they were asides, since the men were on the show to talk about prison reform, not our work."

Next day he was barely able to fight his way into his office because of the several hundred people, who had seen the show and come for assistance. Mr. Rothenberg immediately took steps to expand.

Today, backed financially by over 5,000 contributors, and with more space, and a larger staff, he still is barely staying afloat. "Shortly, we'll have to move again. Over 150 ex-cons come here each week and there just isn't space to fit everyone in."

Away from the theater entirely now, the Fortune Society director scratches his full head of curly black hair over the nation's penal system.

"Because all prisoners, from petty thieves to psychopathic murderers are put together, prisons breed criminals," he says. "Prison systems are to help correct, to heal people, right? You can therefore say they're like hospitals in a way. But, it turns out they're hospitals which release patients in such poor health they need a rest home to recover."

A "rest home" which, to date, has helped over 5,000 ex-convicts, the Fortune Society's hope is "to go out of business eventually," according to Mr. Rothenberg. By that he means the day may arrive when prison reform makes his job unnecessary.

"Right now, things look better, but I'm not counting on closing down for a long time to come," he says.

TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation.

According to the Federal Power Commission, the United States still leads the world in electric generating capacity, with more than twice the kilowatt hours as the Soviet Union.

OLDER AMERICANS ACT AMENDMENTS OF 1972

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Indiana (Mr. BRADEMAS) is recognized for 15 minutes.

Mr. BRADEMAS. Mr. Speaker, during the past 20 years the average life span here in the United States has increased by over 20 years. Uncounted millions of dollars and years of human energy have been expended toward this achievement. Ironically, however, not nearly as much money or dedication has been spent to see that these added years are not only years of comfort and enjoyment but also years of contribution to society.

There are today in the United States 21.5 million men and women over the age of 65 and by 1990, the Census Bureau tells us, there will be nearly 30 million older persons in the nation.

Over and over again we have been reminded of the needs of the elderly in American life—adequate retirement income, decent health care, sound nutrition, recreational and community service opportunities, housing, transportation, education and employment, housing—to cite only the most obvious.

Last week the second White House Conference on Aging in 10 years was completed in Washington. I call your attention to material which I inserted into the RECORD—December 2, page 41326–41327—from that conference.

Mr. Speaker, local, State, and national conferences on problems of aging are all well and good. But if nothing but reports and rhetoric come out of them, such conferences might as well not be held.

On June 25, 1971, President Nixon declared that "the generation over 65 is a very special group which faces very special problems—it deserves very special attention."

I concur with these words of the President and it is for that reason that along with other colleagues of this Body, I am sponsoring H.R. 12017, the Older American Act Amendments of 1972—aimed at providing comprehensive services for the elderly, including nutrition, transportation, preretirement training, health and expanded work service opportunities.

Mr. Speaker, let me conclude with some words of an old friend of mine whom I once had the honor to serve for nearly a year, the late Adlai E. Stevenson.

Said Mr. Stevenson:

What a man knows at 50 that he did not know at 20 is, for the most part, incommunicable. The knowledge that he has acquired with age is not the knowledge of formulas or forms or words, but of people, places, action—a knowledge not gained by words but by touch, sight, sound, victories, failures, sleeplessness, devotion, love—the experiences and emotions of this earth and one's self and of other men and perhaps, too, a little faith and a little reverence for the things you cannot see.

The kind of knowledge, the kind of faith, the kind of reverence which characterizes the older people of our society is much too scarce and much too precious in this great and wealthy Nation of ours to be either wasted or, perhaps worse, ignored.

The time has come then—the time is now—for a genuine commitment—not of words but of deeds—to lifting the quality of life of the older citizens of the United States.

Mr. Speaker, on December 2, 1971, on behalf of myself and other members of the Committee on Education and Labor, I introduced H.R. 12017, the Older Americans Act Amendments of 1972 and today, I introduce identical companion bills on behalf of other Members of the House who are cosponsoring this legislation.

Following is a list of cosponsors to date of the Older Americans Act Amendments of 1972:

Mr. Brademas, Mr. Perkins, Mrs. Mink, Mr. Meeds, Mr. Scheuer, Mr. Gaydos, Mr. Clay, Mrs. Chisholm, Mr. Dent, Mr. Reid, Mr. Melcher, Mr. Badillo, Mr. Mikva, Mr. Dingell, Mr. Boland, Mr. Bevill, Mr. Rosenthal, Mr. Carney, Mr. Harrington, Mr. Koch, Mr. Hechler (W. Va.), Mr. Hawkins, Mr. Podell, Mr. Vanik, Mr. Green (Pa.), Mr. Yates, Mr. Bingham, Mr. Halpern, Mr. Rangel, Mr. Nix, Mr. Sarbanes, Mr. Miller (Calif.), Mr. Addabbo, Mr. Karth, Mr. Brasco, Mr. Dulski, Mr. McDonald, Mr. Gonzalez, Mr. St Germain, Mr. Yatron, Mr. Gallagher, Mr. Rees, Mr. Moorhead, Mr. Keating, Mr. Hathaway, Mr. Ryan, Mr. Cotter, Mr. Mitchell, Mr. Link, Mr. Eilberg, Mr. Fascell, Mr. Stokes, Mr. William Ford (Mich.), Mr. Ullman, Mr. Roncalio, Mr. Biaggi, Mr. Begich, Mr. Corman, Mr. Abourezk, Mr. Pucinski, Mr. Roy, Mr. Rooney (Pa.), Mrs. Hicks, Mr. Helstoski, Mr. Edwards (Calif.), Mr. Denholm, Mr. Burke (Mass.), Mr. Roe, and Mr. Rodino.

LEGISLATION FOR SENIOR CITIZENS

Mr. ST GERMAIN. Mr. Speaker, the empty promises that have marked Federal efforts to help the elderly under the Older Americans Act of 1965 have

dramatically demonstrated the need for stronger and more comprehensive legislation.

In order to revitalize and strengthen these programs, I have today joined a number of colleagues in the House in introducing a comprehensive older Americans services bill.

I am sponsoring this legislation because I understand the problems facing the Nation's 20 million citizens over 65. Present laws, or the lack of them, have forced many hardworking citizens into poverty and an early grave.

Regardless of where they live, in the big city or the rural hamlet, the biggest problem of the aging is always the same—money. Today's economic situation puts particularly acute burdens on the elderly, and the longer they live the worse it gets.

Understandably, the elderly blame the Government for the constant erosion of their incomes in the squeeze between rising costs and their fixed incomes. They feel the Government has failed to take adequate steps to protect them against inflation. I have repeatedly called for social security increases to keep pace with our rising cost of living.

Increased school and property taxes, food allowances that are far below survival levels, and the limitations of medicare and medicaid conspire to deprive the elderly of essential nutrition and health care at a time when they need it most.

As one senior citizen recently told a Senate Committee on Aging:

> We are not beggars, neither do we want to feel that we are a burden on our children. As long as we are able to work, we would like to be engaged in some part-time employment to furnish these extras. Low-cost housing would eliminate worries of high fuel bills and constant repairs, and our lives would be more carefree and, consequently longer.

Old age should be more than a period when people decline and die. Life has been hard for many of our citizens. They have made many sacrifices, and yet for the great majority, the margin of savings has been small. Furthermore, they have made many worthwhile contributions to society and have a right to enjoy the remaining years they have to live. In short, they would like to be happy, but happiness is not something one can buy, it is not something that can be given us. To those for whom life is dear, it cannot be found by making adventurous explorations in space. For many aged citizens happiness is a state of mind that results from a sense of well-being based on an independence they can maintain if given the opportunity of part-time employment.

That is one of the goals of the legislation being introduced today. This measure will provide effective coordination of Federal aging programs, upgrade the Administration on Aging to a position directly responsible to the Secretary of Health, Education, and Welfare; establish multipurpose senior citizen community centers, authorize a new national information and resource center on aging, create a research center to study the aging process, and establish a new system of delivering services to older citizens.

More concretely, it is designed to provide a wide range of services including nutrition, pre-retirement training, low cost transportation, and health services.

Previous efforts to create a central agency to coordinate Federal programs for the elderly, such as the Older Americans Act of 1965, were hobbled by shortsighted planning. These efforts fell apart when their authority was splintered and their programs were scattered with few clearcut goals.

I believe 1972 is the year in which mounting doubts about the effectiveness of these programs have reached their peak.

The Older Americans Act of 1965, which expires in June 1972, has raised a crucial question about the future of Federal programs for the aging: How should these programs be changed to best help the Nation's 20 million elderly?

I feel our senior citizens deserve something better than being forced into poverty. Retirement should not be a form of solitary confinement; it should be a time of happiness, a time to do things and see places that they have never before been able to do or see.

To a very large degree, all Americans, regardless of their ages, have a vital stake in the future of this legislation. For someday we must all face old age.

This legislation I am sponsoring today is the first step toward the kind of national policy for the aging we need to provide the kind of happiness and comfort our older citizens deserve.

ASPIN SCORES AIR WAR OVER NORTH VIETNAM

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Wisconsin (Mr. ASPIN) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, the Pentagon recently released statistics detailing the level of bombing over North Vietnam. Those figures indicate that the air war over North Vietnam is increasing at an alarming rate.

The Cornell air study, which was released November 7 and which I discussed with my colleagues on November 9, contained data through July of this year indicating an escalation of the air war over North Vietnam in 1971 compared to 1970. However, since July, there has been, according to the most recent Pentagon figures, an even more dramatic escalation of the bombing compared to previous years. From July 1, to December 1, 1971, there have been 37 protective reaction raids. Only four such raids were conducted during the same period last year, and only six during 1969. Since December 1, there have already been five raids over North Vietnam. No protective reaction raids occurred during either December 1970 or December 1969.

Protective reaction raids have been described by the administration as air strikes to protect aircraft operating over North Vietnam, Laos, and South Vietnam, and occasionally for the protection of ground troops. Some attacks are massive raids involving as many as 200 sorties and more than 300 tons of bombs against SAM missile sites, others against antiaircraft guns, against artillery in North Vietnam, and the demilitarized zone.

These raids are divided into three types, according to the Pentagon. The first type is described as immediate protective reaction for North Vietnam reconnaissance missions. If a plane over North Vietnam is fired upon, often we will return to attack the antiaircraft position. The second category of raid is an immediate protective reaction for aircraft in Laos and the Republic of Vietnam near the North Vietnam border. The Pentagon also indicates that this type of raid may be used in response to enemy action against U.S. and Allied forces, including ground troops. The third category is termed by the Pentagon as limited duration protective reaction strikes.

The third type of raid is the most destructive. This type is carried out not because of a specific provocation, but as a normal bombing raid. Some of the raids, according to the command in Saigon, have been directed against not only missile sites but also oilfields.

It is clear now what is happening. With no notice to the American people, the administration is sharply stepping up the pace of bombing over North Vietnam.

These raids have little, if anything, to do with the withdrawal of American troops, which is going on hundreds of miles away in the south. The Nixon administration, with its troop withdrawals, has attempted to lull the American people into believing that the war is ending. The war is not ending.

As the Cornell air war study indicated and the latest Pentagon figures confirmed, the war is now being conducted in the air, including over North Vietnam.

The Cornell air war study indicated that there had been an increase in air activity over North Vietnam during the first 7 months of 1971. During 1970 there was a total of 20 protective reaction raids over North Vietnam. That number was doubled during the first 7 months of 1971. A total of 46 raids were conducted over North Vietnam during the first 7 months of 1971.

I was very concerned when I read the Cornell air war study about the increase of air activity over North Vietnam. I am now shocked to learn that the air war has so dramatically escalated over North Vietnam during the past several months. During November 1971 there was a total of 15 raids over North Vietnam. During November 1969 there was only one protective reaction raid. In November 1970 there were only two such raids. There is no doubt that the air war has intensified over North Vietnam during the past year.

The administration has indicated the use of air power is the key to success of the Vietnamization program. That policy, more than any other, results in the death of innocent people in Indochina. As the Cornell air war study indicated, air power has failed to reach our objectives in Indochina. Yet the United States continues to follow a policy that not only emphasizes but, in fact, is totally dependent upon the use of air power. The lesson of the Cornell air war study clearly has not been learned. This adminis-

tration plans to continue to rely on the often indiscriminate bombing of sites both military and civilian throughout Indochina.

As the data which follows indicates one aspect of that air war over North Vietnam has escalated during the last several months. The chart follows.

CHART I

PROTECTIVE REACTION RAIDS AGAINST NORTH VIETNAM

	1969	1970	1971
Total number of raids	75	20	[1] 88
Total number of raids (July–November)	6	4	37
Total number of raids, November	1	2	7
Total number of raids, December	0	0	[2] 5

[1] As of Dec. 9, 1971.
[2] Through Dec. 9, 1971.

CALLING OFF THE COLD WAR IN EASTERN EUROPE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, the time is opportune for U.S. initiatives to seek improved political relations with the countries of Eastern Europe and a substantial increase in trade between our countries. In particular, if the United States move to settle some disputes with various Eastern European countries that date back to the immediate post-World War II years, and to lift our many restrictions on trade with these countries, we will have gone a long way toward calling off the cold war in Eastern Europe.

The United States and the countries of Eastern Europe obviously stand to benefit directly from increased contacts and exchanges of goods. Because the accompanying reduction in cold war tensions between our countries should also further the cause of detente throughout Europe, all countries stand to gain.

Much has transpired in the recent past to indicate that U.S. overtures to Eastern Europe would now be timely.

First, there is evidence of some softening in Soviet policies toward Eastern Europe. Second, there are increasing contacts between the countries of Western Europe and Eastern Europe. Third, several countries in Eastern Europe now appear disposed to respond favorably to U.S. initiatives.

Even though it has been only 3 years since the invasion of Czechoslovakia and the announcement of the interventionist Brezhnev doctrine, the Soviet Union has recently indicated that it is finding such an extreme position counterproductive. While Russia certainly has not instituted a "Good Neighbor Policy" toward the Communist countries on its periphery, there are signs of a greater toleration of independent activities by the countries of Eastern Europe. Several examples of this toleration come to mind. The most prominent is the willingness of Soviet Communist Party Leader Brezhnev to recognize the special status of Yugoslavia in his recent visit to Belgrade. Probably the most significant aspect of the worker's riots in Poland last December was that Moscow refused to intervene directly to assist Polish Communist Party First Secretary Gomulka. In the last analysis it would appear that the Russians are willing to go to fairly great lengths to avoid another Czechoslovakia, even though that invasion effectively halted Czechoslovakia's headlong rush toward independence.

There are other indications that the Soviet Union wants to pursue a policy of detente in Eastern Europe. The initialling of the Four Power Berlin Agreement is one of these. Further, the Russians have pressured the East Germans to negotiate seriously with Bonn on the provisions necessary to implement the accords. It would have been easy for the Russians to allow their East German clients to stall sufficiently to prevent implementation of the accords.

In addition to local Eastern European considerations, there are special factors which have helped condition the Soviet Union to seek detente in Europe. It is evident that the Russians are very concerned about the Chinese. Whether or not this fear is justified, it is real and is a significant incentive to Soviet cooperation in efforts to promote restraint and calm in Europe. There are also special economic reasons for present Soviet policy. Clearly, Moscow desires more normal relations with the West in order to obtain advanced Western technological and managerial assistance.

From the point of view of U.S. policy, the main problem in calling off the cold war in Eastern Europe lies in reconciling the immediate, direct interests of the Soviet Union in the area with the more general, indirect U.S. interests in the same area. We must move to improve our position in Eastern Europe and, at the same time, make it clear that we have no intention of trying to supplant the Soviet Union. We must not directly threaten Russian political and economic interests in Eastern Europe while carrying out our policy. The best way of achieving our goals here is by enlisting the aid of our European allies.

We are now reaching a time when the unnatural division of Europe as a result of the Second World War makes less and less sense to all Europeans. There are several indicators that this division is becoming less effective as a barrier. Perhaps the most significant of these is the burgeoning economic interchange between Eastern and Western Europe. East European imports from the West have doubled since 1963, from $9 billion to $18.4 billion a year. The largest share of this trade in 1970 was with West Germany—$2.1 billion—and Italy—$1.5 billion. The U.S. portion of this $18.4 billion was a meager $240 million.

Members of the European Economic Community are the major trading partners of the countries of Eastern Europe for reasons of contiguity, cultural affinity, and immediate availability of many desired goods. For these same reasons, political relations between the Six and Eastern Europe have improved steadily.

This situation offers a rare opportunity for the United States to build upon the foundations that the West Europeans have laid without appearing to directly threaten Soviet interests. In this respect, the Ostpolitik of West German Chancellor Willy Brandt could be considered an extension of U.S. policy, since it is an attempt to lessen tensions in an area of direct U.S. concern. As the specter of an aggressive, militaristic Germany fades, the Soviet Union will have less and less justification for repressive policies in Eastern Europe.

As for the countries of Eastern Europe, it is clear that the neighbors of the Soviet Union are themselves the strongest supporters of detente. A policy of detente will allow them more latitude in their unequal relationship with Moscow. The history of Eastern Europe since 1945 has been that of the efforts of various countries to gain the maximum freedom from Russian domination that their geographic position would allow. The East German worker's riot in 1954, the Hungarian revolt and Polish near-revolt in 1956, and the Prague spring are all manifestations of the strong desires of the Eastern Europeans to control their own affairs. This same basic desire for more independence lies at the base of East European support for the proposed European Security Conference.

Thus, if we examine the situation in Eastern Europe today, we see several factors working toward detente. The West Europeans, for both economic and political reasons, wish to normalize relations in Eastern Europe. The Eastern Europeans themselves, for political and economic reasons—though different in motivation from their western brethren—seek the same goal. And finally, the Soviet Union appears to realize that change in Eastern Europe is inevitable, and that it had better adjust rather than risk the creation of a ring of chronically unsettled satellites that prove to be an economic and strategic liability rather than an economic and strategic asset.

Having touched upon the general background in which a realistic U.S. policy must operate, I would now like to look at some specific relationships between Eastern European countries and the United States, to identify some issues of particular concern and to examine the potential for better U.S. trade relations.

U.S. relations with Rumania are a good example of what can be accomplished by flexible U.S. policies in situations which at first glance may not be economically and politically promising.

The policy followed by Rumanian President Nicolae Ceausescu has as its basic goal establishing economic independence from Russia to accompany Rumania's independence in foreign policy. President Ceausescu is trying to place his country in a stronger position to resist the use of economic pressures by the Soviet Union designed to force compliance with Soviet foreign policy. In addition to differences on foreign policy, Rumania was unwilling to accept the second class status assigned to it by the Soviet union in Comecon planning. Rumania's desire not to be the hewer of wood and drawer of water for Eastern Europe means that Bucharest will be extremely interested in importing capital goods, from whatever source, that will

allow it to industrialize its economy. As a result of Rumania's independent economic policy, Russia's share of Rumanian exports has fallen from 40 percent in the mid-1960's to 28 percent, while imports from Russia have declined from 38 percent to 27 percent. U.S. exports to Rumania total some $32 million a year. While this is an increase from the $6 million figure for 1965, it is still an extremely small percentage of total Rumanian imports of $1.8 billion.

President Nixon, to his credit, has cultivated improved relations with Rumania. His visit to Bucharest in August 1969 was the first visit of an American President to a Communist country. By October 1970, United States-Rumanian relations had reached the point where President Ceausescu's visit to Washington included talks with the Secretary of Commerce and American industrialists designed to improve conditions for U.S. investment in Rumania and for expansion of trade between the two countries.

In Yugoslavia, the political system is relatively responsive to the wishes of the people, there are no state trading agencies to deal with, the economy is open to foreign investment under certain conditions, and the country studiously avoids bloc politics. The desire of President Tito for complete independence has been the foundation for the relatively open social and economic structure in Yugoslavia. The visit of President Tito to this country in late October of this year served to strengthen further recent good relations between the United States and Yugoslavia. The level of trade and investment between our two countries remains disappointingly small, however. Total U.S. exports in 1970 amounted to $160 million out of total Yugoslav imports of $3.2 billion.

Other East European countries offer a rather different picture. All still have tightly controlled economies and political systems, and all follow closely the Soviet line in foreign policy. In recent years the Hungarians and Poles have made tentative moves in the direction of rationalizing and decentralizing their economies. Such changes in direction, however beneficial, are often difficult to implement. In Poland, for example, movement toward rationalization led to riots by workers last December. Both Hungary and Poland have indicated that they intend to devote more resources to consumer goods production. The United States can have only a peripheral indirect role in such an evolutionary process. We can encourage the trends toward liberalization, all the while keeping in mind our limited leverage and the complications that could result from an overactive policy.

Even with major changes in U.S. policy, there seems to be little prospect for any quick improvement in relations with East Germany. The departure of Walter Ulbricht from power has brought no change in the rigid, orthodox, cold war position of the East German government. East German Communist Party First Secretary Eric Honecker has indicated that he intends to forge even closer ties with the Soviet Union while, at the same time, continuing to rationalize the East German economy. Honecker's desire to forge closer ties with the Russians has already had unexpected repercussions. The most interesting of these, already noted, was the pressure on the East Germans by the Russians to negotiate the operational portions of the Berlin Accords in good faith. Thus, it is possible the Russians may actually encourage further East German flexibility to fit in with present Soviet policy. However, even if East Germany did move toward more normal relations with the West, the most likely beneficiary would be West Germany—already East Germany's major western trading partner.

The possibility for improved relations with Poland is greater than it is for East Germany, Czechoslovakia, or Hungary. Because of the riots at the end of 1970 and the leadership change which resulted from them, an atmosphere of change exists. The Polish Politbureau has stated that more resources were to be devoted to consumer goods and that expanded trade with the West would be given a high priority. The presence of First Secretary Giereck and a large delegation at the Poznan Trade Fair is an indication of the seriousness of Polish intions to expand trade, some 70 percent of which now comes from or goes to other Communist countries.

In foreign policy, the Poles fall somewhere between East German rigidity and Romanian independence. Former Party First Secretary Gomulka negotiated the treaty normalizing relations between Poland and West Germany and gradually responded to Chancellor Brandt's Ostpolitik. As time passes and Polish fear of West Germany decreases, the flexibility of Polish foreign policy should increase. Any increase in Polish flexibility is likely to benefit United States-Polish relations, which have already registered steady improvement over the last several years.

So much for the present status of U.S. policy toward the area, and the specific problems facing us. I now turn to some of the possible steps we can take to indicate that we are willing to call off the cold war in Eastern Europe.

In the economic sphere, it should be emphasized that there is potentially a sizable market for U.S. goods and services in Eastern Europe. It has been estimated that total U.S. sales to this area could reach $2 billion in 5 years. Regardless of the actual amounts, a ready market exists today for certain American goods, specifically, computers and advanced office equipment, electronic numerically controlled machine tools, specialized road construction machinery, and agricultural produce, especially soybeans and soybean derivatives. In addition to these immediate commodity needs, there is a very strong demand in the East European countries for American management skills and techniques in the operation of the advanced capital equipment needed for development. This demand is universal, and we are excellently placed to meet it since we possess the most advanced managerial and industrial technology. And unlike the Soviet Union, our own development requirements do not impede our ability to meet the demand for these exports.

Thus, there are real opportunities in Eastern Europe for American firms offering both advanced technology items and specific agricultural commodities. Now we must develop the potential market.

There are several specific policies we could adopt that would make it easier to increase the level of trade with Eastern Europe.

First, a generalized most-favored-nation treatment could be accorded all of the countries of the area. At present, only Yugoslavia and Poland receive most-favored-nation treatment, leaving the other countries of Eastern Europe to face high tariffs on their exports to this country. Generalized most-favored-nation treatment would make it easier for Eastern Europeans to trade with us in order to generate hard currency to pay for U.S. exports. In addition, granting most-favored-nation treatment would be tangible evidence of our interest in accelerating the reduction of cold war tensions in Eastern Europe.

In the Senate, Senators MAGNUSON, RIBICOFF, and COOPER, along with 22 of their colleagues, have introduced the East-West Trade Relations Act of 1971 (S. 2620), which would authorize the President to extend most-favored-nation treatment to all the countries of Eastern Europe. Along with eight of my colleagues in this body, I have sponsored similar legislation (H.R. 10443). It is my hope that in the next session of the Congress, the administration will actively support consideration and passage of this legislation.

A second step which should be taken is to liberalize export controls. U.S. strategic export controls are the most stringent in the non-Communist world. None of our NATO allies or trading partners have the extensive limitations on trade that we do. One result of our policy is that Eastern Europeans often purchase second-hand American technology or management techniques from non-Communist European countries rather than buying direct from American firms. A general loosening of export controls would allow American firms to compete in the areas of our greatest strength. Specifically, manufacturers of electron tubes and very heavy transportation equipment have indicated that a ready market exists for their products, but that it is effectively blocked because of export controls. A corollary to liberalized export control is more even-handed administration. While U.S. permission for Rumania to purchase a catalytic cracking petroleum plant may have furthered United States-Romanian relations, denial of a similar request by Poland certainly did not help United States-Poland relations at all.

The recent passage of Public Law 92–126, the Export Expansion Finance Act of 1971, is a good example of our willingness to move toward a normalization of trade relations with Eastern Europe. However, the 1971 act did not go far enough, since a presidential determination is still required, according to section 2(b)2 of the basic legislation, before any sales to Eastern European countries can

take place. Therefore, section 2(b)2 of the Export-Import Bank Act should be deleted in future legislation. The language of section 2(b)3 contained in Public Law 92–126 provides adequate protection to American national interests without unduly restricting trade.

In the political sphere, we should give our enthusiastic backing to Chancellor Brandt's Ostpolitik, since this is the best route to detente in Europe itself. As the Russians and East Europeans begin to lose their fear of West Germany, political, cultural, and economic relations will return to a more normal basis. While there are potential commercial problems with this policy—the West Germans taking economic advantage of good political relations—the resulting overall detente will mean much greater opportunities for sales of those categories of goods in which the United States is clearly the world leader.

Politically, the United States could also accelerate the process of detente in Eastern Europe by resolving the expropriation and war damage claims against Czechoslovakia and Hungary. In 1962, the Foreign Claims Settlement Commission recognized some 2,630 claims against the Czech Government. The total of these claims, including interest, now amounts to $113 million. No negotiations concerning these claims have taken place between our Government and the Czech Government since 1968. In return for an equitable resolution of the claims, we could give our agreement to the Tripartite Gold Commission to release the $20 million worth of Czech gold that was stored in London during the Second World War. Since the British and French have already agreed to the return of the gold, our permission is all that is lacking. A similar process should be undertaken with Hungary where there are some $58 million in claims outstanding.

In general, efforts by the administration to normalize relations with the Soviet Union should be encouraged. While it is not the primary goal of his trip to Moscow next spring, the President can further detente in Eastern Europe by confirming our interest in improved trade relations with this area as well as with the Soviet Union. Visits by U.S. Cabinet figures to Eastern European countries also serve to indicate that the United States is prepared to do its part to call off the Cold War in Eastern Europe. The recent visits to the Soviet Union and Poland by Commerce Secretary Stans, and to Poland by Transportation Secretary Volpe, are good starts on demonstrating our interest in improved trade relations. These visits should be followed by others.

The role of Congress in promoting improved relations with Eastern Europe can be a major one. Building on past investigations, hearings by the appropriate committees can follow and project the impact of increased political and economic interchange with Eastern Europe. As part of a continuing reexamination of United States-East European relations, more visits to Eastern Europe by Congressmen and Senators should be undertaken in order to gather first-hand information.

The Congress could also take the initiative and pass the Ribicoff-Magnuson East-West Trade Exchange Act (S. 2460). The act is designed to help develop academic, business, and financial expertise on Eastern Europe and the Soviet Union through personnel exchanges, participation in educational and technical conferences, and reciprocal studies of market and nonmarket economics. Through such legislation, Congress can take the lead in making available to its members and the general public realistic and comprehensive data on the social, political, and economic structures of Eastern Europe and the Soviet Union.

I believe that U.S. relations with Eastern Europe can be improved substantially. But we must approach that region with an appreciation of the existing political and economic realities, or our policy will be either destructive or nonproductive. We know that a substantial market for American goods exists there. Breaking into it will require thorough preparation, and it is by no means an uncompetitive situation. Regardless, this market should be developed.

If we proceed with a realistic awareness of the power relations in the area, our interests in detente can coincide with the interests of the Russians in achieving the same goal. Finally, the Congress can and should play a major role in persuading the American people that the cold war in Eastern Europe can be ended, and should be ended.

STATEMENT OF CONGRESSWOMAN ABZUG IN SUPPORT OF HER RESOLUTION REQUESTING THE PRESIDENT TO DECLARE AN INDEFINITE MORATORIUM ON ALL U.S. UNDERGROUND NUCLEAR TEST EXPLOSIONS, TO INITIATE ACTIVE NEGOTIATIONS SEEKING AGREEMENT WITH THE SOVIET UNION ON A COMPREHENSIVE BAN ON ALL NUCLEAR TEST EXPLOSIONS, AND TO WORK TOWARD EXTENSION OF A PROHIBITION AGAINST NUCLEAR TEST EXPLOSIONS TO THE OTHER NUCLEAR POWERS, INCLUDING FRANCE AND CHINA

The SPEAKER pro tempore. Under previous order of the House the gentlewoman from New York (Mrs. ABZUG) is recognized for 15 minutes.

Mrs. ABZUG. Mr. Speaker, the Atomic Energy Commission, under express orders from the President of the United States, and evidently contrary to the advice of the majority of advisers in his own executive family, has detonated "Cannikin," a 5-megaton nuclear weapons test on the Island of Amchitka in the Aleutians. This test was finally admitted to be a test of the Spartan missile, a major component of the ABM system.

The test was said to have been "successful" from the military point of view, and the AEC promised that it would be the last of the large underground tests and the last at Amchitka. Where does that leave us? The AEC has already resumed testing of smaller weapons in the Southwest of the United States.

The test was said to have "yielded the necessary information," although the full extent of the damage to the ecology will not be known for months, if ever. Already the AEC has admitted that the effects of the explosion on the creatures of the ocean and their watery environment was greater than anticipated by the "experts." While we mourn for uncounted and uncountable numbers of sea otters and other wildlife, including fish, which perished from the effects of the blast, we are relieved that to date no catastrophe to man appears to have occurred as a result.

The AEC promised that "Cannikin" would be the last of the large underground tests and the last at Amchitka. Where does that leave us? Testing of smaller nuclear devices in the Southwest of the United States has already resumed.

In the Soviet Union, likewise, these explosions will go on. More radioactive poisons will be locked into the earth's crust—unless, of course, there is some kind of mishap, and Mother Earth decides to regurgitate them.

The United States has announced a total of 336 underground nuclear tests. The Soviet Union is believed to have conducted 59. This makes us a few up in this game of underground overkill—the ratio is about 6 to 1 in our favor. If quantity is any indicator, it appears that we know a whole lot more than they do.

What else do we need to know? We know how to kill people with big nuclear bombs and small nuclear bombs, with intercontinental ballistic missiles—ICBM's—with weapons launched from aircraft, from ships and submarines, in single shots and in clusters. Our ABM marksmen now claim to be able to stop a nuclear "bullet" in midair.

American taxpayers have spent billions and billions of dollars and exploited the talents of thousands of scientists to gain this information, this capability.

Is there anything more to be gained from piling on more and more refinements, more and more sophisticated methods of killing with weapons which will never be used? If we continue this madness, will we be any more secure?

The time is long overdue to put a stop to it. Our true security, as we are learning to our sorrow, lies not in weapons of destruction but in the health, prosperity, and well-being of our citizens, in the soundness of our economy, and in the permanent reduction of world tensions.

I am therefore today introducing a resolution, which I hope will be overwhelmingly endorsed by my colleagues in the House and in the Senate, that the United States declare and observe an indefinite moratorium on all future underground nuclear testing. The resolution recommends that active negotiations be undertaken immediately with the Soviet Union to extend the limited test ban treaty negotiated in 1963 to all nuclear tests of any kind. It further recommends that the United States actively seek to extend the prohibition on nuclear testing to the other nuclear powers, including France and China, through negotiations conducted at the Geneva Disarmament Conference scheduled for early next year.

At the time the limited test ban treaty was negotiated, grave fears were expressed in Congress that the Soviets

would abrogate the treaty or cheat in some way that would bring mortal peril to the United States. These fears have proved groundless.

Nevertheless, our Government is still sound by four "safeguards" which were recommended by the Joint Chiefs at that time and exacted by suspicious legislators in return for approving the treaty. These so-called safeguards include the maintenance of nuclear weapons laboratories at peak efficiency and capacity, constant readiness to test nuclear weapons in the atmosphere, and the conduct of an aggressive underground nuclear test program. These programs have cost the taxpayers literally billions of dollars over the past 8 years. It is time—long past time—to let them fade away.

As for the proposed comprehensive test ban treaty, I do not intend to become mired in the quicksands of arguments supporting or opposing this or that number of onsite inspections. Nor shall I attempt to explore the possibilities of hiding illegal nuclear weapons tests in natural earthquakes or masking their size through various diabolical techniques. Dr. John Foster, Director of Research and Engineering in the Department of Defense, and his opposite number in the Soviet Union, can doubtless dream up ways to "cheat" on any arms control treaty either nation might sign, if they continue to be provided with the funds and the will to do so.

When will we begin to use a little commonsense in these life and death matters? The Soviets have not abrogated the limited test ban treaty. Why should they now abrogate a comprehensive test ban treaty? They can simply refuse to sign it, as they have before. Then the onus for continuing the arms spiral will be on them.

Our nuclear weapons technology is in fact what the weapons experts call "mature." That means that we have reached the point of diminishing returns on further testing. I should like to read to you the figures supplied to me by the Atomic Energy Commission since the Amchitka test on the total numbers of tests conducted in the atmosphere, under the sea, and under the ground by the Soviet Union and the United States. They are:

	U.S.	U.S.S.R.
Underground	336	59
Atmospheric	181	124
Underwater	5	1
	522	184

These figures indicate that we have a 4-to-1 lead in all types of nuclear test explosions and about a 6-to-1 lead in underground tests.

It appears that every scientist of note who through government service has had access to the facts of nuclear weaponry agrees that it is time to stop this continuously dangerous test program. The environmentalists certainly oppose it. Only a few diehards in the Pentagon, and a few politicians who, for undeclared purposes, desire to continue the arms spiral, press for continuation.

The former Director of the Arms Control and Disarmament Agency, William C. Foster, in a speech at Fairleigh Dickinson College February 21 of this year, stated categorically:

> It is fully within our scientific competence to monitor . . . a total test ban. With our present means of instrumentation and other sources of information, it is not conceivable that the Soviets could carry out clandestine testing *on a scale which could affect the strategic balance.* (Emphasis added.)

William Foster went on to point out that the risks of continuing the arms race are infinitely greater than the miniscule risks of undetected violation. A comprehensive test ban, he said, would "deal a blow at the very heart of the nuclear arms race." He believes that a total test ban would make progress on the limitation of strategic nuclear weapons—that is, progress at the SALT talks—much more likely.

There is an argument to the effect that nuclear testing is needed to assure the continuing reliability of our nuclear deterrent. In answer to this, let me read a sentence from a recent report of the Subcommittee on Arms Control, International Law, and Organization of the Senate Foreign Relations Committee, as follows:

> Any diminution of confidence in the reliability of the nuclear stockpile should operate with comparable effect on all nuclear powers which are parties to [a comprehensive test ban] treaty, and hence a CTB could be a stabilizing factor *which would actually enhance the existing state of mutual deterrence.* (Emphasis added.)

In other words, under a total test ban agreement, any limitations on us, would be equally operable on them. It is as if the referee in a boxing match said, "OK, fellahs, I am going to tie one of your hands behind your backs."

And we are going to have to agree to keep one hand tied behind our backs. David Packard, the Deputy Director of the Department of Defense, in a remarkable conversation with the Aviation Space Writers Association at the National Press Club on October 21, 1971, put it this way, and I quote from an unofficial transcript:

> I think we're in a situation today that almost any conceivable nuclear exchange is going to be almost unlivable for both the Soviet Union and the U.S. So, when you talk about superiority in terms of nuclear war, the question of whether you have a few more or less is not really the issue.
>
> Both the U.S. and the Soviet Union have adequate number of weapons that [sic] a nuclear war is unthinkable today, particularly in terms of what it was 10 or 15 years ago; it was unthinkable then but it's just completely unthinkable today.

The Deputy Secretary of Defense says the nuclear war is unthinkable. Let us pause a moment to think about the unthinkable. Let us resolve to make it impossible. And the sooner the better.

Finally, I should like to urge my colleagues to recall that in two separate treaties within this past decade, this Nation solemnly pledged to work for "discontinuance of all test explosions of nuclear weapons for all time," and agreed to continue negotiations to this end. This was the language incorporated into the limited test ban treaty of 1963. The same pledge was made by us in the preamble of the nonproliferation treaty which came into force on March 5, 1970, having been consented to by the Senate on March 13, 1969, and signed by the President on November 24, 1969.

We have made some progress in the past decade in getting this genie of nuclear weapons back into its bottle. China's entry into the world family of nations is an encouraging development and it may soon be possible to conduct arms control negotiations with China.

Certainly, China's statement at the United Nations that she will never be the first to use nuclear weapons should be welcomed by all nations, and a similar pledge should be made by the United States and the other nuclear powers.

At a time when we see an old war continuing in Indochina, a new one developing between India and Pakistan, and the Middle East still standing on the precipice of armed conflict, the United States has an obligation to change those policies that, by example, encourage other nations to attempt to resolve disputes by military force.

As the House knows, I believe our Government should promptly withdraw all its forces from Indochina. This action, together with a moratorium on nuclear testing as a prelude to a comprehensive nuclear test ban, could dramatically change the international situation and strengthen the hopes of all mankind for world peace. These two steps can be taken by the President without his having to set foot out of the White House. They would certainly make his coming visits to China, the Soviet Union and other foreign countries much more productive.

I know that my colleagues in the House share my concern on these issues, and I hope that this resolution will receive speedy consideration.

The resolution follows:

H. CON. RES. 480

> Concurrent Resolution expressing the sense of Congress that the President should take the necessary steps to initiate active negotiations seeking agreement with the Soviet Union on a comprehensive ban on all nuclear tests, explosions, to work towards extension of a prohibition against nuclear testing to the other nuclear powers, including France and China, and to declare and observe an indefinite moratorium on all nuclear test explosions
>
> Whereas, the United States solemnly pledged itself in both the Limited Test Ban Treaty and the Nonproliferation Treaty to work towards "discontinuance of all test explosions of nuclear weapons for all time" and to continue negotiations to this end; and,
>
> Whereas, the security of our nation and of all mankind is diminished by the continuing upward spiral of the nuclear arms race; and,
>
> Whereas, due to progress in methods of detection, the risks of "cheating" on underground nuclear tests are now virtually nil; and,
>
> Whereas, such "cheating," if it occurred, could in no way affect the military strategic balance; and,
>
> Whereas, a comprehensive ban on nuclear weapons test explosions would stabilize and retard the arms race and make early agreement among the nuclear powers on a mutual limitation on strategic nuclear weapons much more likely; and,
>
> Whereas the requirements of national security include the health, prosperity and well-being of our citizens, the soundness of our economy and the reduction of tensions at home and abroad;
>
> *Resolved* by the House of Representatives (the Senate concurring), that it is the sense of Congress that the President should immediately take the necessary steps to initiate

active negotiations seeking agreement with the Soviet Union on a comprehensive ban on all nuclear test explosions; and,

Resolved further, that it is the sense of Congress that the President should take the necesary steps to work toward extension of a prohibition against nuclear testing to the other nuclear powers, including France and China; and,

Resolved further, that it is the sense of Congress that the President should immediately declare an indefinite moratorium on all nuclear test explosions.

[KENNEDY LETTER, SEPTEMBER 11]

LETTER FROM PRESIDENT KENNEDY TO SENATORS MANSFIELD AND DIRKSEN REGARDING THE TEST-BAN TREATY, SEPTEMBER 11, 1963 [1]

DEAR SENATOR MANSFIELD AND SENATOR DIRKSEN: I am deeply appreciative of the suggestion which you made to me on Monday morning that it would be helpful to have a further clarifying statement about the policy of this Administration toward certain aspects of our nuclear weapons defenses, under the proposed test ban treaty now before the Senate.[2] I share your view that it is desirable to dispel any fears or concerns in the minds of Senators or of the people of our country on these matters. And while I believe that fully adequate statements have been made on these matters before the various committees of the Senate by the Secretary of State,[3] the Secretary of Defense,[4] the Director of Central Intelligence, the Chairman of the Atomic Energy Commission, and the Joint Chiefs of Staff, nevertheless I am happy to accept your judgment that it would be helpful if I restated what has already been said so that there may be no misapprehension.

In confidence that the Congress will share and support the policies of the Administration in this field, I am happy to give these unqualified and unequivocal assurances to the members of the Senate, to the entire Congress, and to the country:

1. Underground nuclear testing, which is permitted under the treaty, will be vigorously and diligently carried forward, and the equipment, facilities, personnel and funds necessary for that purpose will be provided. As the Senate knows, such testing is now going on. While we must all hope that at some future time a more comprehensive treaty may become possible by changes in the policies of other nations, until that time our underground testing program will continue.

2. The United States will maintain a posture of readiness to resume testing in the environments prohibited by the present treaty, and it will take all the necessary steps to safeguard our national security in the event that there should be an abrogation or violation of any treaty provision. In particular, the United States retains the right to resume atmospheric testing forthwith if the Soviet Union should conduct tests in violation of the treaty.

3. Our facilities for the detection of possible violations of this treaty will be expanded and improved as required to increase our assurance against clandestine violation by others.

4. In response to the suggestion made by President Eisenhower to the Foreign Relations Committee on August 23, 1963,[5] and in conformity with the opinion of the Legal Adviser of the Department of State, set forth in the report of the Committee on Foreign Relations,[6] I am glad to emphasize again that the treaty in no way limits the authority of the Commander-in-Chief to use nuclear weapons for the defense of the United States and its allies, if a situation should develop requiring such a grave decision. Any decision to use such weapons would be made by the United States in accordance with its Constitutional processes and would in no way be affected by the terms of the nuclear test ban treaty.

5. While the abnormal and dangerous presence of Soviet military personnel in the neighboring island of Cuba is not a matter which can be dealt with through the instrumentality of this treaty, I am able to assure the Senate that if that unhappy island should be used either directly or indirectly to circumvent or nullify this treaty, the United States will take all necessary action in response.

6. The treaty in no way changes the status of the authorities in East Germany. As the Secretary of State has made clear, "We do not recognize, and we do not intend to recognize, the Soviet occupation zone of East Germany as a state or as an entity possessing national sovereignty, or to recognize the local authorities as a government. Those authorities cannot alter these facts by the act of subscribing to the test ban treaty." [7]

7. This Government will maintain strong weapons laboratories in a vigorous program of weapons development, in order to ensure that the United States will continue to have in the future a strength fully adequate for an effective national defense. In particular, as the Secretary of Defense has made clear, we will maintain strategic forces fully ensuring that this nation will continue to be in a position to destroy any aggressor, even after absorbing a first striking by a surprise attack.[8]

8. The United States will diligently pursue its programs for the further development of nuclear explosives for peaceful purposes by underground tests within the terms of the treaty, and as and when such developments make possible constructive uses of atmospheric nuclear explosions for peaceful purposes, the United States will seek international agreement under the treaty to permit such explosions.

I trust that these assurances may be helpful in dispelling any concern or misgivings which any member of the Senate or any citizen may have as to our determination to maintain the interests and security of the United States. It is not only safe but necessary, in the interest of this country and the interest of mankind, that this treaty should now be approved, and the hope for peace which it offers firmly sustained, by the Senate of the United States.

Once more, let me express my appreciation to you both for your visit and for your suggestions

Sincerely,

JOHN F. KENNEDY.

MCNAMARA-SEABORG LETTER, APRIL 16

LETTER FROM SECRETARY OF DEFENSE MCNAMARA AND AEC CHAIRMAN SEABORG TO PRESIDENT JOHNSON: IMPLEMENTATION OF TEST-BAN TREATY SAFEGUARDS, APRIL 16, 1964 [1]

DEAR MR. PRESIDENT: The Department of Defense and the Atomic Energy Commission have reviewed the status of our joint progress on the implementation of the limited test ban treaty safeguards recommended by the Joint Chiefs of Staff and approved by President Kennedy.

The status of implementation of the safeguards is as follows:

SAFEGUARD 1

"The conduct of comprehensive, aggressive, and continuing underground nuclear test programs designed to add to our knowledge and improve our weapons in all areas of significance to our military posture for the future."

In the eight months since the signing of the limited test ban treaty, the United States has announced a total of 20 underground detonations. The test program has in fact been more extensive than this since it has been and will continue to be the policy that the AEC will not announce all detonations at the Nevada Test Site.

Important information has been obtained on new weapons designs and weapons effects. The highest yield nuclear device ever detonated in the continental United States was fired underground at the Nevada Test Site. Weapons effects tests have been carried out underground and others are being planned and prepared.

SAFEGUARD 2

"The maintenance of modern nuclear laboratory facilities and programs in theoretical and exploratory nuclear technology which will attract, retain and insure the continued application of our human scientific resources to these programs on which continued progress in nuclear technology depends."

During Fiscal Year 1964, the AEC and DoD will spend about $350 million on weapons development and effects laboratory research. During this period, over $25 million will be expended on improvements of AEC nuclear laboratory facilities. Technical programs are being maintained at a high level to meet military requirements and increased effort is being placed on research and development programs to gain more fundamental knowledge in nuclear weapons technology.

Program adjustments are underway in the Department of Defense weapons effects laboratories. These adjustments are designed to emphasize development of improved laboratory simulation and analytical approaches to weapons effects problems, as well as full exploitation of underground testing.

SAFEGUARD 3

"The maintenance of the facilities and resources necessary to institute promptly nuclear tests in the atmosphere should they be deemed essential to our national security or should the treaty or any of its terms be abrogated by the Soviet Union."

The DoD and AEC are proceeding on sched-

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[1] *Department of State Bulletin*, Sept. 30, 1963, pp. 496–498.

[2] *Ante*, pp. 291–293.

[3] *Ante*, pp. 302–311.

[4] *Ante*, pp. 312–326.

[5] Nuclear Test Ban Treaty: *Hearings Before the Committee on Foreign Relations, United States Senate, Eighty-eighth Congress, First Session, on Executive M, 88th Congress. 1st Session*, pp. 846–848.

[6] *Ante*, pp. 343–346.

[7] *Ante*, p. 308.

[8] See *ante*, p. 313.

[1] White House press release, Apr. 20, 1964. The White House also made the following statement:

"In releasing this letter, the President re-

emphasized the statement he made today in a speech before the Associated Press [*infra*] that his administration is committed to the policy first expressed in the four points in President Kennedy's letter to Senators Mansfield and Dirksen on September 11, 1963 [*Documents on Disarmament, 1963*, pp. 489–490]. These four points were restated in the McNamara-Seaborg letter released today.

"The President also pointed out that while an adequate underground testing program is, under present circumstances, essential to our national security, the United States continues to be alert to possibilities for the relaxation of tensions and the building of a permanent peace. Although we are testing nuclear weapons as now permitted by the limited test ban treaty [*ibid.*, pp. 291–293], we still support a complete cessation of all testing of nuclear weapons accompanied by an adequate system of inspection to insure both sides against violations. The United States Government is ready at any time to negotiate a treaty providing for such a comprehensive test ban."

ule, with the development of a capability "to institute promptly nuclear weapons tests in the atmosphere" on minimum reaction times. As of January 1, 1965, the United States will have the capability to proceed with: (a) tests to verify designs of stockpile weapons within two months; (b) tests of entire nuclear weapons systems, including delivery vehicles, missile and nuclear warhead proof tests within two months; (c) tests of experimental devices designed to explore new concepts of nuclear weapons technology within three months; and (d) tests relating to military effects of nuclear detonations within a period of six to nine months.

SAFEGUARD 4

"The improvement of our capability, within feasible and practical limits, to monitor the terms of the treaty, to detect violations, and to maintain our knowledge of the Sino-Soviet nuclear activity, capabilities, and achievements.

The Atomic Energy Detection System is being augmented to improve our capability to monitor atmospheric tests by other countries and to improve our identification ability at higher altitudes. Studies are continuing in ways and means to improve detection techniques and systems for both underground and space shots. The detonations at the Nevada Test Site are providing valuable information to improve techniques for detection of underground nuclear shots. A nuclear experiment designed specifically to provide data for improvement of underground nuclear shots. A nuclear experiment designed specifically to provide data for improvement of underground detection systems was executed on October 26, 1963, near Fallon, Nevada. Construction is proceeding for other experiments designed to investigate the phenomenology of underground detonations. In mid-October 1963 an Atlas Agena rocket successfully placed into orbit two instrumented satellites designed for the detection of nuclear explosions in deep space. Work is continuing on ground based detectors of nuclear explosions in space.

We will be pleased to discuss any aspects of these programs at your convenience.

Respectfully yours,

ROBERT S. MCNAMARA,
Secretary of Defense.
GLENN T. SEABORG,
Chairman, Atomic Energy Commission.

[Limited Test Ban Treaty Preamble, 1963]

TREATY BANNING NUCLEAR WEAPON TESTS IN THE ATMOSPHERE, IN OUTER SPACE AND UNDER WATER

The Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics, hereinafter referred to as the "Original Parties",

Proclaiming as their principal aim the speediest possible achievement of an agreement on general and complete disarmament under strict international control in accordance with the objectives of the United Nations which would put an end to the armaments race and eliminate the incentive to the production and testing of all kinds of weapons, including nuclear weapons,

Seeking to achieve the discontinuance of all test explosions of nuclear weapons for all time, determined to continue negotiations to this end, and desiring to put an end to the contamination of man's environment by radioactive substances,

Have agreed as follows:

ARTICLE I

1. Each of the Parties to this Treaty undertakes to prohibit, to prevent, and not to carry out any nuclear weapon test explosion, or any other nuclear explosion, at any place under its jurisdiction or control:

(a) in the atmosphere; beyond its limits, including outer space; or underwater, including territorial waters or high seas; or

(b) in any other environment if such explosion causes radioactive debris to be present outside the territorial limits of the State under whose jurisdiction or control such explosion is conducted. It is understood in this connection that the provisions of this subparagraph are without prejudice to the conclusion of a treaty resulting in the permanent banning of all nuclear test explosions, including all such explosions underground, the conclusion of which, as the Parties have stated in the Preamble to this Treaty, they seek to achieve.

2. Each of the Parties to this Treaty undertakes furthermore to refrain from * * *

TREATY ON THE NONPROLIFERATION OF NUCLEAR WEAPONS. JULY 1, 1968 [70]

The States concluding this Treaty, hereinafter referred to as the "Parties to the Treaty",

Considering the devastation that would be visited upon all mankind by a nuclear war and the consequent need to make every effort to avert the danger of such a war and to take measures to safeguard the security of peoples,

Believing that the proliferation of nuclear weapons would seriously enhance the danger of nuclear war,

In conformity with resolutions of the United Nations General Assembly calling for the conclusion of an agreement on the prevention of wider dissemination of nuclear weapons,

Undertaking to cooperate in facilitating the application of International Atomic Energy Agency safeguards on peaceful nuclear activities,

Expressing their support for research, development and other efforts to further the application, within the framework of the International Atomic Energy Agency safeguards system, of the principle of safeguarding effectively the flow of source and special fissionable materials by use of instruments and other techniques at certain strategic points,

Affirming the principle that the benefits of peaceful applications of nuclear technology, including any technological by-products which may be derived by nuclear-weapon States from the development of nuclear explosive devices, should be available for peaceful purposes to all Parties to the Treaty, whether nuclear-weapon or non-nuclear-weapon States.

Convinced that, in furtherance of this principle, all Parties to the Treaty are entitled to participate in the fullest possible exchange of scientific information for, and to contribute alone or in cooperation with other States to, the further development of the applications of atomic energy for peaceful purposes,

Declaring their intention to achieve at the earliest possible date the cessation of the nuclear arms race and to undertake effective measures in the direction of nuclear disarmament,

Urging the cooperation of all States in the attainment of this objective,

Recalling the determination expressed by the Parties to the 1963 Treaty banning nuclear weapon tests in the atmosphere in outer space and under water in its Preamble to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time and to continue negotiations to this end,[71]

Desiring to further the easing of international tension and the strengthening of trust between States in order to facilitate the cessation of the manufacture of nuclear weapons, the liquidation of all their existing stockpiles, and the elimination from national arsenals of nuclear weapons and the means of their delivery pursuant to a treaty on general and complete disarmament under strict and effective international control,

Recalling that, in accordance with the Charter of the United Nations, States must refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State, or in any other manner inconsistent with the Purposes of the United Nations, and that the establishment and maintenance of international peace and security are to be promoted with the least diversion for armaments of the world's human and economic resources,

Have agreed as follows:

ARTICLE I

Each nuclear-weapon State Party to the Treaty undertakes not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly, or indirectly; and not in any way to assist, encourage, or induce any non-nuclear-weapon State to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices.

ARTICLE II

Each non-nuclear weapon State Party to the Treaty undertakes not to receive the transfer from any transferor whatsoever of nuclear weapons or other nuclear explosive devices or of control over such weapons or explosive devices directly, or indirectly; not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices; and not to seek or receive any assistance in the manufacture of nuclear weapons or other nuclear explosive devices.

ARTICLE III

1. Each non-nuclear weapon State Party to the Treaty undertakes to accept safeguards, as set forth in an agreement to be negotiated and concluded with the International Atomic Energy Agency in accordance with the Statute of the International Atomic Energy Agency [72] and the Agency's safeguards system, for the exclusive purpose of verification of the fulfillment of its obligations assumed under this Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices.

FOOTNOTES

[70] ACDA files. The treaty was opened for signature on July 1, 1968, at Washington, London, and Moscow. The following countries signed it on that date at Washington: Afghanistan, Austria, Barbados, Bolivia, Botswana, Bulgaria, Ceylon, China, Colombia, Costa Rica, Cyprus, Czechoslovakia, Dahomey, Denmark, Dominican Republic, El Salvador, Finland, Ghana, Greece, Haiti, Honduras, Hungary, Iceland, Iran, Ireland, Ivory Coast, Kenya, Korea, Laos, Lebanon, Liberia, Malaysia, Mauritius, Morocco, Nepal, New Zealand, Nicaragua, Nigeria, Norway, Panama, Paraguay, Peru, Philippines, Poland, Romania, San Marino, Senegal, Somalia, Togo, Tunisia, U.K., U.S., U.S.S.R., Uruguay, Venezuela, Vietnam. The U.S., the U.K., the U.S.S.R., and many of these countries also signed the treaty at London and Moscow. The U.A.R. signed it at Moscow and London. The treaty was signed at Moscow by Chad, the so-called German Democratic Republic, Iraq, Mongolia, and Syria. For the U.S. attitude toward signature by the G.D.R. or other unrecognized regimes, see statement of June 12 by Ambassador Goldberg (*Department of State Bulletin*, July 1, 1965, pp. 7–8).

[71] *Documents on Disarmament, 1963*, pp. 291–293.

[72] *American Foreign Policy: Current Documents, 1956*, p. 915.

KENNEDY ADDRESS, JUNE 10

We have also been talking in Geneva about other first-step measures of arms control, designed to limit the intensity of the arms race and to reduce the risks of accidental war. Our primary long-range interest in Geneva, however, is general and complete disarma-

ment, designed to take place by stages, permitting parallel political developments to build the new institutions of peace which would take the place of arms. The pursuit of disarmament has been an effort of this Government since the 1920's. It has been urgently sought by the past three administrations. And however dim the prospects may be today, we intend to continue this effort—to continue it in order that all countries, including our own, can better grasp what the problems and possibilities of disarmament are.

The one major area of these negotiations where the end is in sight, yet where a fresh start is badly needed, is in a treaty to outlaw nuclear tests. The conclusion of such a treaty—so near and yet so far—would check the spiraling arms race in one of its most dangerous areas. It would place the nuclear powers in a position to deal more effectively with one of the greatest hazards which man faces in 1963, the further spread of nuclear arms. It would increase our security; it would decrease the prospects of war. Surely this goal is sufficiently important to require our steady pursuit, yielding neither to the temptation to give up the whole effort nor the temptation to give up our insistence on vital and responsible safeguards.

I am taking this opportunity, therefore, to announce two important decisions in this regard.

First: Chairman Khrushchev, Prime Minister Macmillan, and I have agreed that high-level discussions will shortly begin in Moscow looking toward early agreement on a comprehensive test ban treaty. Our hopes must be tempered with the caution of history, but with our hopes go the hopes of all mankind.

Second: To make clear our good faith and solemn convictions on the matter, I now declare that the United States does not propose to conduct nuclear tests in the atmosphere so long as other states do not do so. We will not be the first to resume. Such a declaration is no substitute for a formal binding treaty, but I hope it will help us achieve one. Nor would such a treaty be a substitute for disarmament, but I hope it will help us achieve it.

PAYMENT OF CLAIMS RESULTING FROM DAMAGE ASSOCIATED WITH METRO CONSTRUCTION

The SPEAKER pro tempore. Under a previous order of the House the gentleman from California (Mr. McFALL) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, during the consideration of the supplemental appropriations bill—H.R. 11955—a question was asked me concerning the payment of claims for damages incidental to the construction of the Metro system.

Subsequent to that inquiry, I requested that the Washington Metropolitan Area Transit Authority provide a statement on this subject. Their statement is as follows:

COST OF DAMAGE ASSOCIATED WITH METRO CONSTRUCTION

In all construction projects, it is anticipated that some damage may be occasioned through circumstances unforeseen by the contractors. For this reason, contractors are required to be covered by sufficient insurance to meet any claims which may develop.

Thus far Metro has had little experience in this regard. Some superficial damage resulted in connection with the underpinning of the Smithsonian Fine Arts Gallery. The cost of this will be covered by the contractor. It has been erroneously reported that some damage was caused to the Treasury Department Building. This report is incorrect. The only damage in the vicinity of the Treasury relates to cracks in sidewalks. These will be repaired by the contractors.

In short, damages incidental to construction will not increase cost of Metro.

ADDITIONAL SPONSORS IN REFILING THE FOREIGN TRADE AND INVESTMENT ACT OF 1972

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, my action today in refiling the Foreign Trade and Investment Act of 1972 with 24 additional cosponsors should be viewed against the depressing backdrop of dismal unemployment figures, dismal trade figures, and dismal balance-of-payment figures that we have been experiencing these past few months. Legislation as complicated and far reaching as this act does not pick up support all that easily. Members who agreed to cosponsor this legislation know full well they are cosponsoring controversial legislation. Thus, just as it is true that legislation such as this would not have been filed in the first place were it not for the serious situation our country is facing, it is also the reason why so many have since agreed to cosponsor it. In fact, they were compelled to do so because of the extreme gravity of the economic crisis currently facing this country. The last thing that this Nation can afford at the present moment is more unemployment from any cause. When a cause such as cheap foreign imports is so easily singled out as a major contributor to the serious decline into which many of our key industries have fallen lately, then it is time to act. Certainly it is time to begin to act, for Congress to begin consideration of remedial legislation. In this case, nothing more nor less than a complete review of this Nation's existing trade policies is in order. As I said the other day:

If there is a need for action on the domestic front in the form of phase I and phase II, there is as much need for action on the international front. Without such corresponding action, phase I and phase II will be doomed to failure.

Therefore, I am very happy to be welcoming to the ranks of the ad hoc committee to save our jobs, 24 new members; I am particularly pleased that a number of my colleagues on the Ways and Means Committee, which has jurisdiction in this area, have seen fit to join me in this important legislation. I am also proud that a number of Members have seen fit to file in their own name legislation either exactly the same as mine or a modified version. These, too, I welcome to the save our jobs committee of the House of Representatives. The complete list of the committee is as follows:

Bella S. Abzug, New York; Joseph P. Addabbo, New York; Frank Annunzio, Illinois; William A. Barrett, Pennsylvania; and Nick Begich, Alaska.

Tom Bevill, Alabama; Ray Blanton, Tennessee; Edward P. Boland, Massachusetts; Frank J. Brasco, New York; and Jack Brinkley, Georgia.

James A. Byrne, Pennsylvania; Goodloe E. Byron, Maryland; Charles J. Carney, Ohio; Shirley Chisholm, New York; and Frank M. Clark, Pennsylvania.

James C. Cleveland, New Hampshire; George W. Collins, Illinois; William R. Cotter, Connecticut; Dominick V. Daniels, New Jersey; and George E. Danielson, California.

John H. Dent, Pennsylvania; Thaddeus J. Dulski, New York; Joshua Eilberg, Pennsylvania; Daniel J. Flood, Pennsylvania; and Richard H. Fulton, Tennessee.

Edward A. Garmatz, Maryland; Joseph M. Gaydos, Pennsylvania; Ella T. Grasso, Connecticut; William J. Green, Pennsylvania; and Charles H. Griffin, Mississippi.

Seymour Halpern, New York; James M. Hanley, New York; William D. Hathaway, Maine; Augustus F. Hawkins, California; and Ken Hechler, West Virginia.

Louise Day Hicks, Massachusetts; Ed Jones, Tennessee; James Kee, West Virginia; Peter N. Kyros, Maine; and Mike McCormack, Washington.

Joseph M. McDade, Pennsylvania; Spark M. Matsunaga, Hawaii; Ralph H. Metcalfe, Illinois; Joseph G. Minish, New Jersey; and Robert H. Mollohan, West Virginia.

Thomas E. Morgan, Pennsylvania; John M. Murphy, New York; Robert N. C. Nix, Pennsylvania; Carl D. Perkins, Kentucky; Bertram L. Podell, New York; and Melvin Price, Illinois.

James H. Quillen, Tennessee; Roman C. Pucinski, Illinois; William J. Randall, Missouri; Teno Roncalio, Wyoming; Fernand J. St Germain, Rhode Island; and John P. Saylor, Pennsylvania.

Robert L. F. Sikes, Florida; John M. Slack, West Virginia; Harley O. Staggers, West Virginia; Samuel S. Stratton, New York; Robert O. Tiernan, Rhode Island; Joe D. Waggonner Jr., Louisiana; and Gus Yatron, Pennsylvania.

FELONIOUS ASSAULTS AGAINST FIREMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 15 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, I take no joy in doing this, but it is imperative that I set the RECORD straight on the personal danger that confronts the firefighters of this Nation and that brings anxiety to their families. Who would believe that the Nixon administration, which has produced reams of propaganda about law and order, would profess not to know that our city firemen literally place their lives in jeopardy every day that they report for duty? Time and again, this Congress has been given the facts on this situation, yet we find that on November 30 an administration spokesman made an appearance before Members of the Senate and said:

By and large, they (the firefighters) are not victims of felonious assaults.

The witness, Mr. Speaker, was Richard Velde of the Law Enforcement Assistance Administration. He was objecting to a proposal under which the families of firemen would be included in legislation that provides a $50,000 death benefit when law enforcement officers get killed while performing their duty.

I would like to know, Mr. Speaker, how many more firemen will have to lose their lives, or be wounded, or be shot at, or become the target of rocks and other missiles, before the administration will bring itself to admit that what we are dealing with may safely be defined as "felonious assaults?" I, for one—and I am certain

this is true of most of my colleagues here—became convinced of this fact a long time ago. I have statistics which I am about to produce, but I want to say first that, long before I obtained these figures, I was aware of what was happening. In fact, virtually every citizen knows this. Is it possible that the administration is ignorant of what is going on?

As a citizen of Cleveland, Ohio, I know that about a dozen bullets were sent crashing into a fire station at East 105th Street and Superior Avenue about a year and a half ago. I know that the men working out of that station were returning from a false alarm a short time afterward and were fired at four times by snipers. I know that a fire station at East 66th Street and Chester Avenue twice became the target of snipers, the first assault occurring while two firemen stood on the sidewalk in front of the station. I know that firemen working out of the station at East 79th Street and Holton Avenue were stoned when they responded to still another alarm.

I know too, Mr. Speaker, because I come from a family of firefighters, that these hazards are not part of custom or tradition. They constitute new perils that afflict these public servants as a result of the troubled times we live in. I recall the stories I was told about my grandfather, the late Fire Lieutenant Peter McFadden. When he would arrive at the scene of a fire, half the neighborhood would turn out to help the firemen in any way they could. Today, my brother Thomas Stanton, also a firefighter, often finds himself in need of a police escort when he rushes to the scene of a conflagration. He goes there to save lives, and then finds that his own life is threatened.

Mr. Speaker, on the same day that Mr. Velde gave his testimony on behalf of the administration, a statement was submitted to the Senate Subcommittee on Criminal Laws and Procedures by the International Association of Firefighters. This statement asserted:

> The Federal Government's own investigation into the loss of life and injury during the riots of Watts, Detroit, Newark and Cleveland showed that firefighters suffered more casualties than police officers.

One year ago, a House judiciary subcommittee was advised by this same organization:

> Any discussion of firefighting today must include acknowledgment of a new hazard. Fire fighters are prime targets—sitting ducks—to those who foment and promote civil disorders. Virtually every city in the land is experiencing a fantastic increase in the number of false alarms to which firefighters must respond. A firefighter is just as dead when killed by a fall from his truck as he is when killed in a burning building. And every additional false alarm increases the chances of such a fatal accident. A firefighter is just as dead when killed by a sniper's bullet as he is when killed in a burning building. And our newspapers and other news media have been filled with stories of sniping attacks on firefighters during times of civil disorder. Indeed, one study of civil disturbances in 11 cities reported four firefighters killed and some 400 injured, a greater toll than that suffered by police.

At about the same time, the Senate Internal Security Subcommittee heard this testimony from the firefighters' organization:

> If there is a conspiracy against the establishment, and we believe there is, we firefighters are a part of the establishment, and in our every day work are sitting ducks for attacks from this sick element in our society. Will you picture in your mind a firefighter on a ladder silhouetted against a fire-filled window—what a target for that sniper atop the building across the street.
>
> Do you gentlemen, of this Committee, realize that in many of our cities fire equipment will not roll into certain sections until police protection arrives, and when attacks, throwing of rocks and bottles, and sniper fire become too intense, the firefighter is under orders to withdraw and let the fire rage until it burns itself out. This is an intolerable situation and a solution must be found.

The facts are, Mr. Speaker, that from 1967 to 1969, over 600 firefighters were injured during civil disorders. In 1970, 195 firefighters were injured during such disturbances, and an additional 113 sustained injuries due to acts of individual violence. In my own vocabulary, these are felonious assaults.

However, as I pointed out to my colleagues here yesterday, it is not only policemen and firemen who are threatened—or who feel threatened. All persons involved in law enforcement, public safety work, and the administration of criminal justice, with their families, have become the victims of fear. For this reason, I have introduced legislation, H.R. 11677, which extends the $50,000 death benefit coverage to all these public servants. For technical reasons, I have also introduced a companion bill, H.R. 11993: I expect hearings to be scheduled early next year on one or both of these bills, and I urge all my colleagues here to support the legislation.

At this time, as another showing of the scope of this problem, I would like to commend to the attention of my colleagues a letter I received today from the Chief Probation Officer of the Cleveland Municipal Court. The letter follows:

CLEVELAND MUNICIPAL COURT,
PROBATION DEPARTMENT,
Cleveland, Ohio, December 7, 1971.

Hon. JAMES V. STANTON,
Congress of the United States,
Washington, D.C.

DEAR JIM: It was with relief that I read the copy of your bill since each working day begins with fear and trepidation as our probation officers set out to visit the homes of their probationers. No area is safe and many persons have suggested that we discontinue field calls. I have resisted setting such a policy since our work requires a close relationship with persons placed on probation by the court. Our offenders are misdemeanants, often thought of as persons in trouble rather than criminals. If we are to succeed even remotely in our efforts to help them become productive members of society, we must do so by individualized counselling through the establishment of a professional relationship based on knowledge, confidence and trust. Such a relationship must be preceded by getting to know the person in his individual milieu.

Our departmental problems in this area have to date been somewhat minor, but the atmosphere of fear prevails. It is only just that in the event of the death of a probation officer, some consideration might be given to his family. I would wish that your bill could include some plan for compensation in the event of attack and injury.

Thank you for your consideration of this problem and I wish you unqualified success.

Sincerely,

MARY E. BUSHER,
Chief Probation Officer.

GENERAL LEAVE TO EXTEND

Mr. KEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include extraneous matter on the conference report on House Concurrent Resolution No. 6.

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

GENERAL LEAVE

Mr. KEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include extraneous matter on the special order given today by the gentleman from Indiana (Mr. BRADEMAS).

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

There was no objection.

REMARKS OF GENERAL STILLWELL TO THE GRADUATING CLASS OF THE INTERNATIONAL POLICE ACADEMY

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

Mr. HALL. Mr. Speaker, on November 5, 1971, the International Police Academy, a part of the Office of Public Safety of our Agency for International Development, graduated another class of security officers and national police officers, who come from many nations in the world to learn the techniques of law enforcement.

At the request of Mr. Byron Engle, Director of the Office of Public Safety, General Stillwell delivered the address at the graduating ceremony, a task that was enjoyed by this Member of Congress on an earlier occasion.

Herewith for the enlightenment of our colleagues, are the remarks of Gen. Richard Stillwell:

INTERNATIONAL POLICE ACADEMY GRADUATION

Members of the Diplomatic Corps, members of the graduating classes of the International Police Academy, Mr. Engle, Mr. Finn and distinguished guests:

There are several reasons why I consider it a privilege to have the opportunity to participate in this graduation ceremony.

The first—and most obvious—is to extend heartfelt congratulations to the 81 officers who have completed their studies at this Academy. Each of you has full reason to be proud of the achievement this graduation represents. Even cursory examination of the several curricula makes one appreciate that these past few weeks have placed heavy demands on mind and spirit—in terms of intellectual concentration and exercise of reasoning powers; in terms of absorption through linguistic and cultural barriers; and in terms of distilling from total intakes that

which has application to your special environment and responsibilities.

This is a unique institution—one that exemplifies multi-lateral co-operation. Its real value and strength stem from the pooling of knowledge and experience, the sharing of problems (some peculiar to individual countries and some common to many) and the joint addressal of solutions. No one could have explained this synergistic effect better than did Commissioner Tapesar in his perceptive remarks. Thus, each participant contributes much and each gains more. And the Academy itself constitutes a permanent and expanding memory bank from which all can draw. This is the essence of a viable partnership among nations. So I'd like to pay homage to the late President Kennedy who inspired the concept; to the high-level group—chaired by Ambassador Alexis Johnson—that developed the design; and to the chief architect who translated blueprint into structure: my long time friend, Mr. Byron Engle. The two of us have been associated off and on for twenty years. I have a deep respect for him and for the Office of Public Safety over which he presides. The latter has contributed significantly to the collective security of the Free World.

Thirdly, this occasion allows me, as a representative of the Armed Forces, to express admiration for the professionalism and dedication of members of National Police Forces throughout the Free World. In more than three decades of soldiering—mostly abroad—I have had the good fortune to have been in many of the 22 countries you represent; and have rubbed shoulders with your fellow police officers in areas urban and rural, on highways, waterways and frontiers, during the conduct of investigations and in the combating of active insurgency. I have deep appreciation for the challenges and vicissitudes your organizations face, and full understanding of the vital role you play in the quest for the establishment for the rule of law—locally, nationally and throughout the international community.

The police officer and the soldier have much in common. Both wear a uniform; both are symbols of order and authority; both are sworn to defend the institutions and populace from enemies, foreign or domestic; and both are prepared to lay down their precious lives in the execution of their tasks. The policeman and soldier come from the people; their effectiveness depends on close affinity with and support of the people; and yet they are men apart. Neither the soldier nor the policeman get much in the way of intrinsic reward for the dangers to which exposed, the arduous conditions under which they operate or the relentless pressures which engulf them. The sustaining strength which makes soldier and policeman brave in battle, and circumspect of conduct before the civilian populace, is a deeply held belief in the supreme importance of their role as guardian of country and people.

These points of commonality between the military and the police in no way suggest interchangeability of roles. The enforcement of a country's laws, the guaranteeing of social justice, the collection, analysis and evaluation of intelligence vital to the security of the nation are all indisputable police tasks demanding the utmost professionalism and meticulous preparation. The vital and sensitive duties of search, arrest, criminal investigation, detention, and interrogation must be carried out with precision and in a framework of civil law which all understand. By the same token, a policeman cannot also be a field soldier, chasing guerrillas through mountains, jungle, and swamp. Consequently, one must be skeptical about programs for mobile police reserves, armed and equipped as light infantry and charged with tasks which parallel the traditional functions of the military.

Every country needs a police force. And every country—except those few fortunate enough to have no potential external threat—needs an Army. Each force has exclusive tasks which shape its doctrine, organization equipment and training. Conversely, each force has—or should have—the capability to complement and assist the work of the other. And indeed, experience of the past two decades—the world over—has taught us that mutual cooperation and support between the military and the police are vital to the security of countries threatened from within or without. Permit me just a few observations in this regard.

We of the military—while constantly prepared for war in the conventional sense—will hopefully always be in reserve; when and if required to do battle, it will normally be on the frontiers—apart from the populace. Not so the police. Your duties are constant, around the clock; and your "front lines" are in the midst of your countrymen. In any nation, a government's concern for the security and well-being of its citizens is manifested through its programs and the representatives who administer those programs at various echelons. The people's judgment of responsiveness of government to their basic needs will depend, in large measure, on the manner in which these representatives carry out their duties.

The police constitute the most visible link between the government and the people; and bear the enormous responsibility of carrying out the two most crucial obligations of any state: the maintenance of order and the protection of person and property. These are tough tasks under any circumstances; they are doubly so when banditry and terrorism and subversion are rife. They can only be accomplished by a police force that reflects high discipline, professionalism, scrupulous personal conduct and rigid observance of local custom. Conversely, the police force that can meet these basic needs of the people, can in fact be the "keepers of the law" and arbiters of social justice, will do more to insure local acceptance and support of the government than any other national instrument.

A police force which has demonstrated its competence, its interest, its objectivity will earn the respect of the population and the confidence that flows therefrom. A policeman isolated from the community has only one pair of eyes and ears—and these not fully effective. A policeman who is as one with the population finds he has 1000 eyes and ears. He will then be able to discern aberrations on the local scene, to have early evidence of incipient problems, to detect subversive activities outside the law. Such a police force can deal with threats to internal security in the early stages. And that is certainly the common objective!

In the turbulent years of 1964–65 in Vietnam, it was the absence of this kind of police force which led to the rapid loss of confidence of the people in the government and the equally rapid expansion of the Viet Cong structure and capabilities. When, at length, the rebuilding of the Vietnamese National Police Force was addressed, it proceeded all too slowly due to misjudgments as to correct priorities. Happily, the situation has since been rectified thanks to the diligent efforts of Mr. Engle's Office of Public Safety and key decisions by the Vietnamese Chief of State. In my estimate, a principal reason for the current advanced state of pacification throughout South Vietnam is the fact that over 50% of the National Police Force of over 110,000 is positioned at the village level.

There is at least one very major lesson from the Vietnam conflict with universal applicability. When a country is confronted by an aggravated threat to its internal security, the *first* countermeasure—and the *top* claimant for additional resources—*must* be the strengthening of the National Police.

The scope and diversity of specialized functions a National Police Force must perform are bewildering—even your wide ranging coverage here was not all-inclusive. A related fact is the limited human resources that a country can afford to put in uniform. We have a saying in our reducing Army, "every man must count." I submit this is a lesson to which the National Police must be attentive. This means a professional force—with high standards for acceptance and retention; and training programs which are rigorous and progressively more advanced. Poorly motivated and poorly trained policemen are worse than none at all. I remember the comments of Sir Robert Thompson in a field Special Branch installation in Southeast Asia two years ago. Twelve men proved incapable of dealing with the jobs at hand. Sir Robert's analysis was that two properly prepared men could easily accomplish what the twelve could not do.

While the primary responsibilities for maintenance of the rule of law and of internal security reside with the police, the military has key support roles on both an ad hoc and a continuing basis.

When police resources are inadequate to meet unexpected crises, the military should be called upon for reinforcement. The length of time required to field a professional policeman and the size of the training establishment preclude rapid expansion of the police force; furthermore, it would be an unwise diversion of resources to attempt such expansion for short term needs. Conversely, the military constitute a ready force-in-being to directly augment a police unit, or to cordon off an infected area or to help enforce population/resource control and perform related tasks, in coordination with and as agents of the police. As you have learned, the U.S. Armed Forces, primarily Army, have a contingent responsibility to assist our State authorities in quelling civil disturbances, when the President so directs. But even then the fundamental principle remains inviolate: the enforcement of law is still the responsibility of civil authorities. Our military forces are employed in a security role only; and they have performed this role with commendable restraint and discipline—as late as last May in Washington.

Second, the military can assist importantly in training regular police and auxiliaries. In the interest of economy, efficiency and speed, maximum use should be made of military facilities and instructor capability for police specialty training and to handle unprogrammed requirements beyond normal capacity of the police establishment. The same applies for training of para-military forces intended to operate under police aegis. As one example, my Army runs a periodic Civil Disturbance Training Course for large numbers of civil police at Fort Gordon.

Thirdly, the military can provide significant help to the police in the area of recruitment by earmarking capable, knowledgeable personnel on the eve of their release from active srvice; by providing their names and records to police authorities; and by facilitating their transfer. The U.S. Army does this in major degree. In close coordination with the International Association of Chiefs of Police, we even provide such personnel, while still on active duty, an initial 240-hour course of instruction in law enforcement.

These are typical of areas in which the military can be of help to the police and other agencies charged with the maintenance of the kind of order and internal stability within which a society may evolve without violent upheavals. But I would stress that these military contributions can only be of a supporting nature. Even under conditions of insurgency, most of the myriad of countermeasures are outside the military ken; all must be in accordance with the body of law—and law enforcement is *not* a military function. What is vital is to insure the closest liaison, planning and co-operation among the military, the police and the civil authori-

ties to insure the decisive concentration and application of all available resources.

Although we would wish it otherwise, there is nothing on the horizon to suggest that the tasks you face in your respective countries will ease in the years ahead. To the contrary, the prospect is for problems of heightened complexity and difficulty. You can expect accelerated pressures for change—political, economic, societal—in your country; and all the pressures associated with such changes. These are natural concomitants of the evolution of any society; but they do bring into play dislocations and turbulence which place the great demands on the police. Beyond that, however, there will be darkly sinister forces at play in Latin America, in Asia, throughout the Free World—to include my country. Such forces will continue to seek by all means—clandestine and overt, outside of the law and by clever manipulation thereof—to undermine the fabric of government, subvert values and destroy relations between government and governed. Externally inspired guerrilla warfare will still be in vogue; and urban areas will be increasingly the focus of attack. In combating these inimical and dangerous forces, your National Police Forces, as Ambassador Johnson said some weeks ago, "will be the first line of defense." And the supreme challenge to your professionalism will be to achieve full success in suppressing the violent and ruthless attempts to overthrow your nation's institutions while allowing orderly change to occur. No element of your government will be as embattled as the police; but no other service has such potential to bring about realization of the legitimate aspirations of your peoples.

The final thing that the soldier and the police officer have in common is concept of duty, in the performance of which they must be uncompromising and unyielding. It is that fierce allegiance—to country, institutions and citizenry—which summons from within us that extra effort which ofttimes spells the difference between success and failure. I know that you possess that concept of duty.

In conclusion, let me repeat that it has been an honor to have been with you on this auspicious occasion. On behalf of the United States military, and on the eve of your return home to loved ones and to assume your most significant responsibilities, I wish you an abundance of all things good, personal and professional.

Thank you.

THE PRAYER AMENDMENT—A THOUGHTFUL COMMENTARY BY THE LAWRENCE EAGLE-TRIBUNE

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

Mr. CLEVELAND. Mr. Speaker, recently the House considered the proposed constitutional amendment to allow voluntary prayers in the public schools of America. I supported this amendment, because of my belief that our Founding Fathers intended to allow such prayers when they wrote the Constitution. It is my firm belief that it is the courts which have altered the Constitution and that the amendment we considered would have restored it to what it was throughout our history until the 1960's.

It is important that this House not lose sight of the important fact that an overwhelming majority of the American people favor allowing voluntary prayers to be said in our schools. Recently the Lawrence, Mass. Eagle-Tribune commented on this situation, in an editorial which is deserving of our attention.

The editorial follows:

NO PRAYER IN SCHOOL

The session of the House as usual was opened with prayer. And chiselled in sight of all the representatives was the national motto, "In God We Trust." Then the House refused to approve an amendment to the Constitution that would permit voluntary prayer in public schools. The effort required for success a two-thirds majority. The vote was 28 short.

The strongest reason for rejecting the amendment is the fact that the Supreme Court in its original decision did not invalidate voluntary prayer in the schools. It invalidated only officially prescribed prayer.

Thus theoretically voluntary prayer can be uttered in public schools without statutory action or constitutional amendment. Actually, however, it can't as the Massachusetts town of Leyden learned when it tried to restore prayer to its classroom in strict conformity with the court's original decision.

The amendment failed, however, for the traditional reason—fear of violating the First Amendment by inviting or encouraging the establishment of a state religion. This fear was expanded by the American Jewish Congress which called the proposed prayer amendment a dangerous precedent, "paving the way to other restraints on our basic liberties such as freedom of speech, press and assembly."

This reasoning baffles us. The First Amendment sternly forbids Congress to make any law respecting an establishment of religion or abridging the freedom of speech and press and the right of assembly. Nothing in prayer in school has even the remotest bearing on a law to establish a religion.

Prayer in school was an American tradition until less than a decade ago. No religious tyranny developed from this tradition.

The question of prayer in school should be resolved locally. In some communities there may be in classrooms students of so many different faiths or lack of them that prayer would be objectionable. In others, however, it could be a inoffensive and beneficial custom.

If God is as dangerous, as the foes of His presence in the classroom believe, then the national motto should be abolished and Congress should not open its sessions with prayer.

LYNDON B. JOHNSON, A MOST REMARKABLE LEGISLATIVE LEADER

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

Mr. ROBERTS. Mr. Speaker, one of the most controversial and difficult issues to come before this Congress has been the foreign aid bill. And yet, this is not a new struggle. A recent column by Robert E. Thompson which appeared in the Hearst newspapers traces another long and arduous congressional deliberation over the foreign aid bill which took place 8 years ago.

Mr. Thompson's comments concern President Lyndon B. Johnson's account of the December 1963 passage of the foreign aid bill in his book, "The Vantage Point." I share his deep admiration and sense of awe for Lyndon Johnson's legislation and leadership ability. History has shown again and again that Lyndon Johnson is truly "a most remarkable man."

I would like to share Mr. Thompson's excellent article with my colleagues. I think it offers an interesting perspective for all of us as the session draws to a close.

PERSPECTIVE

(By Robert E. Thompson)

NEW YORK.—It is difficult, if not impossible, to imagine that the Senate could have indulged itself in such a shocking and reckless charade as the recent 41–27 rejection of foreign aid in the days when Lyndon Johnson was a majority leader or president.

This is a thought that comes to mind while reading the former president's new book, "The Vantage Point," and from having watched him at close hand during the tumultuous White House years when he initiated and successfully passed an unparalleled domestic legislative program.

Johnson was not only a staunch advocate, and sometimes savior, of American economic and military assistance abroad, he was a master at counting heads, influencing votes and timing legislative showdowns so that he could win. He understood the storage, intricate maneuverings of Congress as well as any man who ever sat in its halls and he knew how to utilize them to achieve his objectives.

As majority leader, Johnson simply would not have permitted so crucial a vote to take place with one-fourth of that body's members absent. As president, he would have not been caught off guard by the vote nor would he have spared himself or his staff in his relentless battle to save foreign aid.

It goes without saying that had Johnson or the 1968 Democratic presidential nominee, Hubert Humphrey, been at the helm of government when the United Nations voted to exclude Taiwan and include mainland China, they would have been crucified by the Republican right wing. But even under such circumstances, Johnson would have recognized the impending doom in the Senate and refused to lose his foreign aid bill by default.

I recall vividly the dramatic role played by Johnson, then Senate majority leader, in the final, hectic hours of a congressional session at the end of the Eisenhower Administration. In and out of conferences, on and off the telephone, Johnson spent an entire night working out compromises that would prevent the demise of Ike's foreign assistance program.

When he suddenly was thrust into the presidency in November, 1963, Johnson's first major legislative battle was over foreign aid, a struggle that he describes graphically in "The Vantage Point."

It began as soon as he and Lawrence O'Brien, then the president's congressional liaison chieftain, returned to the White House from laying John Kennedy to rest in Arlington National Cemetery. Faced with a Senate vote the following day on a foreign aid amendment that would have prevented the United States from selling wheat to the Soviet Union, Johnson summoned the grief-stricken O'Brien to his office to map their strategy.

The issue involved not just continuation of foreign aid but also a threat to the new president's executive authority. Johnson was not about to forfeit either after only four days in office.

"If those legislators had tasted blood then," Johnson writes in his book, "they would have run over us like a steamroller when they returned in January, when much more than foreign aid would depend on their actions."

Johnson and O'Brien won their skirmish in the Senate. But, despite their valiant efforts, they suffered a setback in the House, where many congressmen sympathetic to the legislation already had headed home for the Christmas recess.

The new president refused to be defeated. He summoned the congressmen back to Washington. He and Ladybird entertained them with a Dec. 23 reception at the White House, where Johnson mounted a chair to make a passionate plea for his foreign aid bill. Then, at 7 o'clock the next morning the House approved the bill and defeated the crippling amendment.

Writing of the incident, Johnson recalls: "A weary Congress headed for home. An even wearier president boarded Air Force One and flew to the LBJ ranch for the Christmas holidays.

"I had just completed one of the most trying and most intensive, sustained efforts of my life. While I knew there would be hard days ahead—and bitter fought battles—I knew at least that the reins of government were in my hands for a while. And I believe the nation knew it too."

This is but one memorable anecdote from "The Vantage Point" that provides us with an insight into Johnson's monumental success with Congress. He fought for what he believed in and he did not give up until he had won.

It is true, as others have written, that the great power and sweep of Johnson's personality—the humor, the mimicry, the folksiness, the fantastic fund of memories—are diluted by the formal prose of the book. He obviously felt it necessary in this first major endeavor since leaving the White House simply to record, as he says, "a president's personal and political philosophy, a president's experience and knowledge, a president's aspirations, and a president's response to the demands that were made on him."

Perhaps now that he has accomplished this task, he will undertake to write, in his own inimitable personal style, the colorful story of his life. It is one of the most remarkable stories in the annals of American history because Lyndon Johnson himself is a most remarkable man.

MR. PRESIDENT, HAVE YOU FORGOTTEN THE HOUSEWIVES?

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

Mr. PODELL. Mr. Speaker, yesterday, President Nixon proposed a plan to reform and expand private retirement programs and to preserve pension rights of employees. This program, while laudable, omits from consideration our Nation's hard-working homemakers who toil daily to maintain their homes and families. In this era of equal rights I am surprised that the President neglected our Nation's housewives.

In order to render justice to the American housewife, today I am introducing, along with 39 cosponsors, a bill to provide a pension plan for these forgotten workers. This proposal is unique because it is the first attempt to afford our housewives the right to their own pension. My plan would give these working Americans a chance to save for their later years, just as every other self-employed American is allowed.

The American housewife is not covered by existing minimum wage and hour laws; yet her work, as the traditional saying goes, "is never done:" her services are essential to the well being of our Nation's homes, families, and our society. I believe that the American housewife should be financially secure in her later years, and my plan would provide for this security.

For too long a period of time the housewife has taken a back seat when benefits were administered. Now, every household manager, whether married or single, would be eligible to participate if they have no other pension or retirement plan. Women who manage homes are fulfilling a vocation. On any form or questionnaire asking for "occupation," the response "housewife" is accepted.

Managing a home is most definitely employment. Housewives surely rate benefits that accrue to other employees in general. Pensions or retirement plans are one of the benefits of employment. Under my proposal, almost 30 million American women would qualify as household managers and be eligible for the housewives pension plan. Under my plan, the housewife could use a percentage of the money that she received for the weekly management of her household to create a retirement fund for herself. She would receive the designation of "independent proprietor." After all, her proprietary work includes a range of activities from child care to accountancy. She must be a combination manager-economist, laborer-psychologist. Moreover, while all currently eligible pensionees leave their work at the end of their day, our Nation's housewives, currently ineligible for pension rights, can never truly leave their work.

It is a fact of life and death that women usually outlive men. There are many cases of widows living on their husband's social security or retirement benefits. But if the woman is fortunate to have her retired husband alive, and if she were a housewife throughout her life, the two would have to share only the husband's retirement benefits. The woman, never having had an independent income, would have no fund of her own to draw upon.

The plain fact is that the notion that two can live as cheaply as one is sheer fantasy when the two must worry about high medical expenses and the rising cost of living. Too often, the benefits received by our senior citizens are below subsistence level. My proposal would provide a partial solution by creating a fund that a woman could draw upon if she were suddenly widowed or that she and her husband could use upon retirement.

The plan itself is simple in concept and operation. A housewife would deposit in a bank or invest a sum of money up to $25 per week. This maximum of $1,250 per year could be invested until retirement at the age of 59. At that time, the housewife would draw upon this sum as a pension until her death. This fund could take the form of a trust, an annuity, or a custodial account. The money would not be subject to taxation until it is withdrawn from the fund upon the retirement of the individual. The $25 maximum per week was designated to prevent the retirement fund from becoming an income averaging plan in which the wealthy could put away money to prevent its being taxed at the present rate. There would be penalties established for any funds withdrawn earlier than the law permits.

President Nixon's proposal announced yesterday would allow individuals to deduct from their tax returns up to $1,500 per year. Self-employed individuals would be given a more generous credit, with up to $7,500 per year being tucked away in a retirement plan. This $5,000 a year increase for self-employed individuals and the $1,500 a year deduction for other workers do not provide for our Nation's hard-working housewives. My proposal of $1,250 per year for housewife retirement is not outrageously large but is essential in order to provide some equality for all American workers.

In addition to creating equality for all occupations, this bill will provide a sense of recognition to all housewives that her occupation is definitely part of America's labor force.

The bill also encourages the housewife to provide for her retirement. The $25 per week would be tax exempt at the time it is earned. The fact that this money would earn interest would add a new dimension to the traditional idea of the "rainy day fund."

If my plan were instituted by Congress, I believe that it would free the American housewife from the financial insecurity she often must face. By providing an incentive for the housewife to put away money from her household management funds, I believe that we will meet the American housewife's desire for some financial independence and security.

While this proposal does not liberate our women from the kitchen or any of the other household chores, it is a start toward recognizing their work as legitimate employment. Twenty-five dollars per week put toward a pension fund is a sum we must allow the housewife when considering all the cleaning, cooking, darning, dishwashing, laundering, and marketing she labors at without any monetary compensation.

REORGANIZATION WITHIN NASA

(Mr. MILLER of California asked and was given permission to extend his remarks at this point in the RECORD.

Mr. MILLER of California. Mr. Speaker, the Science and Astronautics Committee was recently notified of a reorganization within NASA whereby the Office of Space Science and Applications has been divided into two new offices, one for science and the other for applications, with an Associate Administrator at the head of each.

The stated purpose is to strengthen NASA activities in the development of space applications.

I want to call my colleagues' attention to the fact that one of our most distinguished Members was instrumental in bringing about this reorganization in NASA.

I am referring to our colleague the Honorable THOMAS N. DOWNING of Virginia, a senior member of the Science and Astronautics Committee who has served for several years as the ranking majority member of the Subcommittee on Space Science and Applications.

Congressman DOWNING saw the need to place greater emphasis on space applications some time ago, and has made public statements urging NASA to do so.

Let me quote briefly from a speech he made last October in which he observed that the need for increased public support is a matter of great importance to the future of the space program.

He went on to say:

I believe that NASA must place a much stronger emphasis on those activities in space that will result in economic benefits for our people.

I have in mind, of course, applications satellite systems—communication, meteorology, earth resources surveys, navigation and air traffic control . . . .

Much more can and should be done in this area. In order to insure that the space applications program will receive appropriate emphasis in the future, I would recommend that NASA establish a separate office of applications and appoint an associate administrator as its head.

Congressman DOWNING has earned the respect of NASA's top management because of his thoughtful and dispassionate contributions to that Agency's policymaking.

I am proud to have THOMAS DOWNING with me on the Science and Astronautics Committee, and I am pleased that the National Aeronautics and Space Administration has the wisdom to listen when he speaks.

CONSTITUENT GIFT TO FIGHT DRUG ABUSE

(Mr. MILLER of California asked and was given permission to extend his remarks at this point in the RECORD).

Mr. MILLER of California. Mr. Speaker, I would like to share with my colleagues a story of extraordinary generosity on behalf of one of my constituents, Mr. Mervin G. Morris, chairman of the board of Mervyn's, a northern California department store chain. Mr. Morris has given to the San Lorenzo Unified School District a gift of $36,000 to be used over the next 2 years for their drug abuse project.

The major objective of this project is to establish effective drug treatment and prevention programs within the school system. In order to achieve the major objective, the following are the specific objectives of the program:

First. To establish on-campus centers to deal with drug-related crises at the high school level;

Second. To provide direct counseling and treatment services for all students who have a drug problem and wish to obtain help;

Third. To create a school environment and educational program which enhances the self-concepts of all young people, thereby equipping them to confront realities without resorting to drugs;

Fourth. To enhance the home environment by facilitating greater mutual understanding between parents and youth; and

Fifth. To attempt to develop interest alternatives for young people of a recreational, social and educational nature.

To achieve the stated objectives, the project will be composed of five basic components, which will be implemented systematically through the district, over a 2-year period.

TRAINING

In-service activities to train teachers, counselors and students in group counseling techniques will be provided. This will establish a pool of training personnel to work at the various levels within the schools in both the treatment and prevention of drug problems.

PARENT

Parent groups of the following types will be made available:

First, counseling groups for parents of drug abusers;

Second, counseling groups for parents whose children are presenting serious nondrug oriented behavioral problems at home and/or school;

Third, small discussion groups centering on the general problems of drug abuse; and

Fourth, small group workshops designed specifically to enhance communication skills.

STUDENT

Student groups will be established at each school as need develops. Leadership will be provided by trained teachers and counselors. It is anticipated that some student leadership will be employed. Groups will not necessarily be formed on the basis of drug abuse.

TEACHER

Teachers will be trained in methods which make them more sensitive to the needs of youth. The classroom atmosphere will facilitate improved self-concepts and an increased sense of personal worth and acceptance of responsibility for one's behavior.

EVALUATION

At the end of each year, an evaluation will be made of the effectiveness of the various components of the project. Evaluations will involve self-appraisal, subjective evaluation of all participants, and analysis of numbers participating in each of the components.

Mr. and Mrs. Morris have four children. Mr. Morris, a third-generation Californian, was born in San Francisco and raised in the San Joaquin Valley. Following service in the U.S. Army in World War II, he opened a small two-employee clothing store in San Lorenzo in 1949. Today, Mervyn's has eight stores and 2,000 employees. Mr. Morris is active in numerous civic and community affairs throughout the San Francisco Bay area.

Commenting on his gift, Mr. Morris said:

I shall always be grateful to the community which helped launch this business and which today provides a cordian environment for the corporation's headquarters. I share, with others, a deep concern for all young people to overcome the tragic menace of drug abuse.

THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT

(Mr. MILLER of California asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MILLER of California. Mr. Speaker, a few weeks ago it was my privilege to serve as the congressional adviser to the American delegation at the meeting of the Ministers of Science of the OECD in Paris.

As many members are aware, the OECD, which is the Organization for Economic Cooperation and Development, is the organizational outgrowth of the Marshall Plan. Originally it consisted only of those industrial European nations which had common postwar economic problems. Now it has been expanded to include 25 of the most advanced countries in the world, and aside from the Western European nations includes the United States, Canada, Japan, Australia, and others.

Essentially, the OECD has grown into one of the more influential international bodies which concentrates on the following areas: Economic affairs, environment, development assistance, international trade, financial affairs, science and education, manpower and social affairs, industry and energy, agriculture and fisheries, and nuclear power.

The meeting of the Ministers of Science of the OECD countries, held in mid-October, was the fourth plenary session of its kind since the OECD was formed 11 years ago. It was, however, the first meeting of the Science Ministers of the 25 nations involved since 1968.

The entire conference was devoted to the problems of "Science and Technology for Society." Particular attention was given to: First, changing patterns of national R. & D. priorities toward qualitative objectives; second, the encouragement of technological innovation in the context of economic growth; third, the need for innovation in the social and service sectors; and fourth, international cooperative projects designed to assess technological options for social and environmental improvement.

The U.S. delegation was headed by Dr. Edward David, Jr., Science Adviser to the President and Director of the Office of Science and Technology. His alternates were the Honorable Joseph A. Greenwald, the American Ambassador to the OECD, and Dr. John V. Granger, Deputy Director, Bureau of International Scientific and Technological Affairs of the Department of State. In addition to the congressional adviser, the delegation included such advisers as the Honorable James Wakelin, Assistant Secretary for Science and Technology of the Department of Commerce, and Dr. Raymond L. Bisplinghoff, Deputy Director of the National Science Foundation.

Mr. Speaker, in a few days I shall issue a complete report of the meeting to the Committee on Science and Astronautics and to the Congress. The report will undertake to describe not only the background of the conference, but the American philosophy presented there, the observations of the congressional adviser, the action taken by the OECD and its significance.

I will not take the time at this point to elaborate further on the details of the conference.

I do wish to point out, however, that it would hardly be possible for anyone to observe a meeting of this kind and remain unaware of the marked extent of two things: First, the close relationship which technology and its applications has for the respective economies of each of the nations involved; second, the degree of interface, or interrelation, mutually shared in these matters by the OECD nations. Indeed, it is my belief that one could go further and apply the same rules not only to the OECD nations but to virtually all of the world's national political units.

Mr. Speaker, it is my hope that when the report I have referred to is issued that it will serve as a useful communication not only to the appropriate committees of the House and Senate, but to the executive departments and agencies as well.

LEAA COMMUNICATIONS EQUIPMENT GRANTS SUSPENDED IN IOWA

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

Mr. MONAGAN. Mr. Speaker, recently the House Government Operations Subcommittee on Legal and Monetary Affairs, which I chair, concluded a series of hearings on the administration of the block grant programs of the Law Enforcement Assistance Administration—LEAA. In the course of the testimony it was disclosed that purchases of communications equipment by State and local governmental agencies in Arkansas and Wisconsin were frequently made without competitive bidding and on specifications prepared predominantly by one supplier and that LEAA had failed to act effectively to insure adherence by State agencies to proper purchasing practices. It was announced at the hearings that the Governor of Wisconsin would impose a freeze on grants for the purchase of communications equipment pending implementation of new procurement policies and completion of State investigations on the extent of abuses in the purchase of such equipment under the LEAA programs. The State of Arkansas has informed the subcommittee of a series of basic reforms that it has instituted in this area subsequent to the subcommittee's hearings.

I have been advised that in the last few days another State has imposed a freeze on grants for the purchase of communications equipment under the LEAA block grant program. Gov. Robert Ray of Iowa is to be commended for the forthright action he has taken to make this important program function honestly and effectively in that State. The suspension of grants and the investigations that his and the State's attorney general's offices have commenced in this area are evidence that a nationwide attack on this problem is necessary.

Following are a series of newspaper articles from the Des Moines newspapers reporting the actions which have been taken and the reasons for those actions:

[From the Des Moines Register, Nov. 21, 1971]

FREEZE IOWA CRIME FUNDS; PROBE BIDS—QUESTION CONTRACTS FOR RADIOS

(By Michael Serkin)

A $665,000 federal anticrime grant to Iowa lawmen has been frozen pending an investigation into suspected bid-rigging on police communications equipment.

The freeze affects funds that were to have been distributed to police and sheriff's departments in some 60 Iowa counties by the Iowa Crime Commission, which administers the money.

The commission ordered a ban on distribution of the funds immediately after it was discovered that the Cerro Gordo County Crime Commission had awarded a contract for a police radio setup to a supplier who bid almost $14,000 higher than the lowest bid, The Sunday Register learned.

METHOD USED

The winning supplier had made it impossible for competitors to get the contract by drafting the exact specifications used by the Cerro Gordo County commission and then analyzing for the commission all of the bids received, said George Orr, director of the state Crime Commission.

The winner bid $79,800 for the equipment, he said, adding that another firm offered a comparable "if not better system" for $65,950. He declined to name the winning supplier.

The same supplier has had "amazing luck" in winning other contracts throughout the state, said John Van Brocklin, the state Crime Commission's project director.

He said a still-uncompleted survey of all county and multi-county crime commissions reveals that this supplier has been awarded "an extremely high percentage" of contracts for police and sheriff's department radio and other communications networks.

Orr said he ordered the statewide ban on distribution of the funds after conferring with the Iowa attorney general's office.

A recommendation to Orr from Asst. Atty. Gen. Bennett Cullison, jr., said:

"Pending completion of the investigation, no further Crime Commission funds be released for purchase of communications equipment where there is reason to believe all suppliers have not had an equal opportunity to submit proposals, or that suppliers themselves have allocated customers or rigged their bids."

Van Brocklin said he and agents of the State Bureau of Criminal Investigation will be in Mason City this week to investigate the Cerro Gordo County situation.

Said Orr: "It is timely that the state . . . make sure that bid rigging, price fixing or other unethical practice is not making victims of the taxpayers of Iowa."

The frozen funds are part of $5.7 million allocated to Iowa for 1973 by the Law Enforcement Assistance Administration (LEAA) of the U.S. Justice Department. The program is the Nixon administration's anticrime revenue sharing assistance to state and local governments.

The federal government funds 75 per cent of these programs, while local governments pay the remaining 25 per cent.

There are indications the LEAA program may be in trouble nationwide.

Recently the governor of Wisconsin put a freeze on LEAA funds for communications purchases in that state. A Wisconsin official told a congressional commitee investigating the LEAA that grants for communications equipment will be held up "until we are satisfied at the bidding practices."

One communications company, Motorola, Inc., has captured nearly all the market for communications equipment in both Wisconsin and Arkansas, the committee was told.

Motorola had 90 per cent of the market for police communications equipment in Arkansas in 1969 and 100 per cent of the sales there so far this year, David Hodges of the Arkansas Crime Commission told the House investigating committee in October.

One problem in Iowa, Van Brocklin said, is that there is no state law requiring government agencies to take formal bids on equipment purchases.

But there is a state law requiring agencies to use "sound business practices," Van Brocklin said. "That means you have to have a pretty good reason not to take the lowest offer," he added.

Van Brocklin said he also is concerned about "the small town official who is being taken in by the smarty."

State Crime Commission records list the following allocations to county and multi-county crime commissions for now-frozen communications purchases. In some cases, the allocations are tentative:

Allamakee, $14,000; Benton, $9,893; Black Hawk, $15,000; Buchanan, $12,800; Beuna Vista, $9,700; Cass, $17,460; Cedar, $4,162; Cerro Gordo, $30,500; Clay, $2,800; Clayton, $3,600; Davis, $4,000.

Also, Des Moines, $32,600; Dickinson, $1,500; Dubuque, $2,600; Fayette, $3,200; Floyd, $20,616; Franklin, $2,700; Fremont, not specified; Grundy, $850; Hancock, $11,778; Harding, $16,600; Henry, $5,540.

Howard, $2,900; Humboldt, $1,675; Iowa, $1,300; Jackson, $3,250; Lee, $13,700; Linn, $14,263; Louisa, $1,200; Lucas, $325; Mahaska, $6,750; Marshall, $7,900; Mills, $3,500.

Also, Mitchell, $5,000; Muscatine, $1,750; Northwest Iowa Regional Crime Commission, $14,202; Palo Alto, $1,250; Plymouth, $3,300; Central Iowa Regional Crime Commission (Polk County), $524,000; Powshiek, $1,304.

Ringgold, $5,200; Sac, $6,700; Scott, $4,315; Shelby, $1,400; Southwest Iowa Regional Crime Commission, $7,401; Stony, $1,080; Tama, $1,650; Van Buren, $600; Washington, $5,300; Winnebago, $3,535; Woodbury, $23,310; and Wright, $8,525.

[From the Des Moines Register, Nov. 23, 1971]

ORDERS RADIO BIDDING PROBE

(By James Flansburg)

Gov. Robert Ray said Monday he has ordered a check of state purchases of radio equipment.

The governor's order came on the heels of a freeze on a $665,000 federal anticrime grant pending an investigation of suspected bid-rigging on police communications equipment by local crime commissions.

Ray said he wants to know if the bid specifications on radio equipment bought by the state—primarily the Public Safety Department—are fair to all equipment suppliers.

He said investigators are working on reports—involving the freeze on the anticrime money—that an equipment supplier has written specifications for local crime commissions so that the supplier's equipment is the only equipment meeting the specifications.

Ray identified the supplier as Motorola, Inc., which has captured nearly all the market for communications equipment in Arkansas and in Wisconsin, where Gov. Patrick Lucey has ordered a similar freeze on purchases of radio equipment.

[From the Des Moines Tribune, Nov. 23, 1971]

DENY BIDS REVIEWED BY FIRM

MASON CITY, IOWA.—City officials have denied that the company that won the contract for Mason City police communications equipment analyzed the bids for the city before they were awarded.

The denial followed disclosure by the Iowa Crime Commission that an investigation was under way into suspected bid-rigging in connection with a contract awarded by the Cerro Gordo County Crime Commission for police radio equipment in Mason City.

The state agency ordered a freeze on $565,000 in federal anti-crime funds to lawmen in some 60 counties pending completion of the Cerro Gordo County probe.

Motorola, Inc., an electronics and communications manufacturing firm, was awarded the contract here even though its bid was $13,850 higher than the only other bid—submitted by General Electric.

Iowa Crime Commission Director George Orr charged that the winning supplier made it impossible for competitors to get the contract by drafting the exact specifications used by the Cerro Gordo County commission and then analyzing for the county unit all bids received.

COMPLAINT

Orr said Monday a complaint from General Electric prompted the investigation by his office.

But Mason City Mayor Tom Jolas said,

"General Electric never complained about the specifications."

Orr said Monday he was "asking the question if there was a possibility" that incorrect bidding procedures had been used.

Orr said Glenn Anderson, state communications director, analyzed the bids and the review of the bids and had told Orr "the review was awfully close in the way the specifications were written."

Jolas said no engineer from Motorola or General Electric analyzed the bids for the city council.

REVIEW

He said sales representatives of the two firms reviewed each other's bids when they were opened by the council.

"The council reviewed the bids," Jolas said. "We used the specifications from a Waterloo communications system and modified them for Mason City."

Orr said it would be "foolish in the light of national concern over the bidding procedures that we not investigate these charges."

Meanwhile, Gov. Robert D. Ray has ordered a check of state purchases of radio equipment. He said he wants to know if the bid specifications on radio equipment bought by the state—primarily the Public Safety Department—are fair to all suppliers.

[From the Des Moines Register, Nov. 26, 1971]

ALMOST PAID $6,744 MORE ON EQUIPMENT—STATE HAD ACCEPTED HIGHER BID

(By James Flansburg)

The Iowa Executive Council almost paid $75,544 last year for radio equipment that could be bought for $68,800, says a staff report to Gov. Robert Ray.

Ray had ordered a check on state purchases after a freeze on a $665,000 federal anticrime grant pending an investigation of suspected bid-rigging on police communications equipment by local crime commissions.

CURRENT PROBE

The staff report said that the Executive Council in the summer of 1970 had thrown out a low bid of another supplier and had accepted a higher bid by Motorola, Inc. of Chicago, Ill.—the firm in the center of the current investigation—to supply eight pieces of radio equipment to the state.

Later, the council reversed itself and accepted the lower bid of Technical Products Engineering Co., Hollywood, Calif.

The Executive Council makes many of the day-to-day administrative decisions in state government and consists of Ray, Secretary of State Melvin Synhorst, State Auditor Lloyd Smith, State Treasurer Maurice Baringer and Secretary of Agriculture L. B. Liddy.

Executive Council minutes say that the acceptance of the Motorola bid, which was $6,744 higher than Technical Products' bid, was recommended by State Communications Director Glen Anderson and by Boyd Porter, communications supervisor in the Department of Public Safety.

They argued that the Technical Products' equipment used only one common power supply so that the whole radio console, to be used by the Iowa Highway Patrol, would break down—unlike the Motorola unit, which would only partially break down because the different parts of the console have different power supplies.

STIFF PROTEST

A stiff protest by the Technical Products firm led the council to turn down the recommendation by Porter and Anderson and to buy the Technical Products' equipment.

All of the Executive Council actions were unanimous.

Motorola, in a letter to the council, complained that the Technical Products' bid did not meet specifications.

Earlier this week, Ray said that state investigators are working on reports—involving the state's freeze on the anti-crime money—that Motorola has written specifications for local crime commissions so that Motorola equipment is the only equipment meeting the specifications.

Motorola has captured nearly all the market for communications equipment in Arkansas and in Wisconsin, where Gov. Patrick Lucey has ordered a similar freeze on the purchases of radio equipment.

RURAL POST OFFICES ON THE CHOPPING BLOCK?

(Mr. PICKLE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PICKLE. Mr. Speaker, already we are seeing the results of the Postal Reform Act. Already we are seeing the price of stamps keep marvelous pace with the inflationary cycle—and we will see even more increases in the costs of stamps.

But there is another move afoot that sounds unbelievable and almost sinister on the face of it. Postal Service officials tell me that surveys are underway throughout the Nation with an eye toward closing out many small rural post offices. Is that what the Congress intended?

I suspect that many of these small post offices could shortly become window dressing only—that is, they would become one-window operations with no postmark, little service, and little function.

This survey is being conducted in the name of efficiency. Mr. Speaker, I contend this is counter-productive. I might even be so bold to say that it will not speed the mail service and will, instead, impede the flow of mail in rural America. I am unconvinced that a streamline operation in a large metropolitan area can offset the miles of mail that will be trucked into the sectional centers.

There are two basic ways to cut the cost of mail: Reduce service and increase the price of stamps. Unfortunately, the Postal Service has done both.

Unfortunately, we see the signs of less and less service for rural America—instead of more and more.

For some time now, we have known that the Postal Service was considering putting the torch to the smaller third and fourth class post offices. While this is regrettable, what I am telling you is even more so. In addition to the third and fourth class facilities, the Postal Service is considering closing or severely reducing the services of some second class and even first class post offices in rural communities.

This is serious—real serious. Just the fact that a task force is even considering closing down first class operations is a sober, shocking realization. I think all Members of Congress should begin to give this development their long, hard attention. The new Postmaster General should personally look into this matter immediately.

DO NOT DRAFT MARITIME CADETS

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

Mr. MONAGAN. Mr. Speaker, a constituent of mine recently brought to my attention the fact that cadets attending State maritime academies are eligible for the draft while cadets attending the U.S. Merchant Marine Academy are deferred from being drafted. The Assistant Secretary of the Navy for Manpower and Reserve Affairs, James E. Johnson, has stated:

As cadets in the U.S. Maritime Service, and as members of a quasi-military organization, they (cadets at state academies) are required to take naval science courses and U.S. Naval Reserve commissions upon graduation. They appear, from the viewpoint of the Navy, to be entitled to deferments in much the same manner as midshipmen in the U.S. Merchant Marine Academy.

Because of the concerns of my constituent, which I share, I requested the Department of Defense to review the apparent inequity in draft classification policy afforded cadets of State maritime academies.

I was gratified to receive a reply from Assistant Secretary Johnson indicating the Navy is requesting the Director of Selective Service to grant draft exemption for cadets at the maritime colleges. In addition, Mr. Johnson indicates he has initiated action to consider the appropriateness and the legality of appointing the cadets at the various State maritime academies as midshipmen in the U.S. Naval Reserve.

Assistant Secretary Johnson, on behalf of the Navy, has taken commendable action. I am hopeful that the Director of the Selective Service System will do likewise. The correspondence follows:

WASHINGTON, D.C.,
December 6, 1971.

Hon. JOHN S. MONAGAN,
House of Representatives,
Washington, D.C.

DEAR MR. MONAGAN: Your letter of December 1, 1971, addressed to Mr. Richard G. Capen, Jr., has been referred to me for reply as a matter under the cognizance of the Department of the Navy.

Your letter forwarded correspondence from Mr. Albert Gartland, Trumbull, Connecticut, and the Selective Service Headquarters, Washington, D.C. Both letters referred to the Selective Service status of cadets attending State Maritime Academies. This matter is of primary concern to me and I am requesting the Director of the Selective Service System to reconsider his decision concerning the eligibility of the cadets at the Maritime Colleges for draft deferments. I am urging him to grant draft exemptions for these individuals so that the Maritime Colleges may continue to contribute to all aspects of our maritime capability. I have every hope that the Director of the Selective Service System will be able to grant these students a deferment by virtue of their cadet status. A copy of my letter to Dr. Tarr is attached.

I have also initiated action to consider the appropriateness and the legality of appointing the cadets at the various State Maritime Academies as midshipmen in the U.S. Naval Reserve.

The Department of the Navy is genuinely concerned over the draft status of the cadets involved, and we will continue to take appropriate action to insure that the cadets may complete their training in an orderly fashion.

Your interest in this matter is sincerely appreciated.

Sincerely yours,

JAMES E. JOHNSON,
Assistant Secretary of the Navy,
Manpower and Reserve Affairs.

DEPARTMENT OF THE NAVY,
Washington, D.C., November 22, 1971.
Dr. CURTIS W. TARR,
Director, Selective Service System,
Washington, D.C.

DEAR CURTIS: It is my understanding that young men enrolled as cadets in the state maritime academies of Maine, Massachusetts, New York, Texas and California are no longer eligible for student deferments under the 1971 revisions to the Selective Service Act.

I would urge you to reconsider their eligibility. As cadets in the U.S. Maritime Service, and as members of a quasi-military organization, they are required to take naval science courses and accept U.S. Naval Reserve commissions upon graduation. They appear, from the viewpoint of the Navy, to be entitled to deferments in much the same manner as midshipmen at the U.S. Merchant Marine Academy.

The historic close association of the Merchant Marine with the Navy, as separate but complementary forces to exploit seapower in support of the National Interest, especially in time of war, is a matter of history. The need for a viable merchant marine, manned by professionally trained officers has been amply demonstrated, but perhaps we in the Navy realize better than anyone the vast amount of cooperation and coordination which is essential to effective joint operations. Such operations can only be conducted by officers knowledgeable of each other's capabilities and limitations. The state supported maritime academies currently furnish over 50% of the officers required by the various merchant shipping companies.

In the Navy of today and tomorrow, implementation of the All Volunteer Force has dramatically reemphasized the role of the Reserve components within the Total Force concept for the defense of our country. If we are to attract and retain Reserve officers qualified to exercise, in addition, the unique capabilities of the U.S. Merchant Marine in peace and in war, we must support the state maritime academies as well as the federal academy, as the only viable sources of such officers. Continuation of draft exemptions for the cadets at the state supported maritime academies will enable these institutions to continue to contribute to all aspects of our maritime capability. I highly recommend such a course of action to you.

I would be pleased to discuss this matter further with you at your convenience.

Sincerely yours,

JAMES E. JOHNSON,
Assistant Secretary of the Navy,
Manpower and Reserve Affairs.

CLAREMONT DAILY EAGLE PRAISES INNOVATIVE EDUCATIONAL PROGRAM

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

Mr. CLEVELAND. Mr. Speaker, for some time now I have been disturbed by the apparent lack of results commensurate with the large investment the Federal Government makes annually to improve education. Recently an editorial was brought to my attention which lauds the achievements of a program called "performance contracting," initiated as an experiment in 1970 by the Office of Economic Opportunity. I believe that the preliminary success of this program deserves recognition and consideration.

Performance contracting introduces into the educational system a profit motive, keener competition and, consequently, more tangible results. The contractor gets paid according to the actual advances made by the students and does not get paid if there are no gains.

Initially many teachers feared they might lose their jobs to performance contractors, but evidently they are benefiting instead by learning how to be "more efficient, more effective teachers."

Many people have accepted as absolute the premise that the quality of education is directly proportional to the quantity of money spent. In turning attention more towards performance and results, perhaps, as the editorial states, we might be "on some sort of right track."

The editorial, which appeared in the Claremont, N.H., Daily Eagle, a respected New Hampshire newspaper, on October 21, 1971, follows:

Don't look now, but after all these years educators may finally be discovering why Johnny can't read, especially if Johnny comes from an inner-city school. To be more accurate, they are finding out more about the how-to of reading, which is only the other side of the why-not.

One of the most promising, certainly one of the most controversial, developments is "performance contracting." A publisher of learning materials guarantees to raise the performance levels of a certain number of pupils by a certain amount in a certain period of time. No performance, no payment.

The first experiment took place in Texarkana in 1969 when Dorsett Educational Systems contracted to teach reading and mathematics to potential high school dropouts. Results were encouraging but marred by charges that some of the pupils had been coached on tests.

In April, 1970, the Office of Economic Opportunity initiated a $6.5-million experiment involving six companies in 18 school districts. By the next school year, more than 40 companies were negotiating performance contracts in 170 school districts.

The results from one of them, Philadelphia's inner-city District 4, were released recently and are the most encouraging to date.

A total of 14,261 students participated in a program known as "Project Read G," conducted by Behavioral Research Laboratories (BRL) of Palo Alto, Calif. Project Read is a system of individualized reading materials. Each student works at his own pace in the programmed text and receives continual testing, reinforcement and encouragement from the classroom teacher, who is assisted by professional BRL consultants.

Of the total, 9,914 students were eligible for the money-back guarantee by attending classes 150 days or more. Of these, 50 per cent gained one full academic year or more. About 60 per cent achieved month-for-month gains. The average growth for all students was nine months during the eight months of the program.

The results are particularly striking when it is realized that about 5,000 of the students were selected for the program because they were underachievers. Included among them were 506 retarded children.

The company lost money on the majority of these, yet according to District 4 superintendent, Dr. Ruth W. Hayre, "many of them did make gains of as much as six to nine months, or more than they had ever achieved previously."

In this as in other performance contracts there are a number of beneficial side effects. Probably the most important is a feeling of pride and accomplishment in children who have known mostly failure in school work. Success in reading, the most basic of knowledge skills, cannot help but be reflected in other studies.

The principal of a Lansing, Mich., high school also took part in a Project Read program, reports that since the children now experience success rather than frustration, his discipline problems have been cut in half.

Teachers are also discovering that performance contractors are not taking over their jobs or "programming" them out of the classroom. Instead, they are being helped to be more efficient, more effective teachers.

Performance contracting is not, of course, a magic wand that will transform every student into a scholar. As the experiments continue, there will undoubtedly be mixed results from some teaching methods or programs and possibly some negative results.

But we do seem to be on some sort of right track.

THREE GOOD MONTHS ON THE INFLATION FRONT

(Mr. ARENDS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ARENDS. Mr. Speaker, release of the wholesale price index for November shows that since the freeze began we have had 3 extremely good months on the inflation front. For the whole period of the freeze wholesale prices actually declined. The seasonally adjusted index for all commodities at wholesale rose only one-tenth of 1 percent in November, following a similar small rise in October and a decline of four-tenths of 1 percent in September. The index for industrial commodities is especially significant, because the prices there are less volatile and because the prices of raw agricultural products are not controlled. The index for industrial commodities did not rise at all in November, declined by three-tenths of 1 percent in October, and declined by one-tenth of 1 percent in September. Altogether the total index fell by two-tenths of 1 percent during the 3-month freeze period and industrial commodities fell by three-tenths of 1 percent.

Mr. Speaker, despite these statistics we are constantly barraged by political-type statements to the effect that the President's economic program is not working. We in this House understand the dialog of politics, but at a time when inflationary expectations are being rapidly eroded by the new economic policy, it is quite clear that there are some in this country who for their own special interests do not want to see this all-out effort succeed. I, for one, hope the American people will reject these divisive voices and will base their economic plans on the more positive factors implicit in the official statistics.

NATIONAL FORESTS IN JEOPARDY

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

Mr. SAYLOR. Mr. Speaker, the St. Louis Post-Dispatch of November 22, 1971, carried an editorial under the heading "National Forests in Jeopardy" in which this outstanding newspaper took note of the fact that our national forests are "being needlessly wasted and abused."

The article refers to a bill, H.R. 7383, which I have had the honor to cosponsor with my good friend, Congress-

man JOHN D. DINGELL of Michigan. I commend this editorial to my colleagues and that its text appear at this point in the RECORD:

NATIONAL FORESTS IN JEOPARDY

Americans, as they take to the open road during the vacation season, can observe how a priceless part of their natural heritage—the national forests—is being needlessly wasted and abused. The deterioration of this great material and recreational asset, described in a recent series of articles by Gladwin Hill of *The New York Times*, is all the more regrettable because, unlike other aspects of the environmental crisis, it is due largely to mismanagement by the federal government.

Although the 187,000,000 acres in the national forests (including 1,426,000 acres in Missouri) are by law supposed to serve multiple functions, the Forest Service has allowed the commercial functions of timber production, grazing and mining to take precedence over the conservation functions of watershed maintenance, recreation and wildlife preservation.

The commercial emphasis takes visible form in Montana, where whole mountainsides have been skinned of centuries' growth of Douglas fir and ponderosa pine; in West Virginia, where the Monongahela National Forest is riddled by coal mining oprations and the landscape defaced and wild game routed by clear-cutting of timber; in various parts of the West, where 18 million acres have been declared in "poor" condition as a result of systematic over-grazing.

As Senator Gale McGee of Wyoming has pointed out, "soil is eroding, reforestation is neglected if not ignored, streams are silting, and clear-cutting remains a basic practice." Clear-cutting is a major example of bad management. Adopted in 1964 under pressure from the timber industry, it consists of stripping forest tracts bare, a practice which not only undermines watershed maintenance, wildlife protection and recreational values but also runs counter to the selective cutting and sustained yield concepts by which the Forest Service is supposed to operate.

So strong has been the commercial bias of the Forest Service that it has increased the "allowable cut" from 5.6 billion board feet in 1950 to 13.74 billion feet in 1971 without a corresponding increase in the yield of comparable timber. As a result, some critics foresee a timber "deficit" in less than 50 years.

While the Forest Service has concentrated on timber production, it has let its recreational facilities and services deteriorate and has resisted and hampered efforts to set aside some 6,000,000 to 8,000,000 acres (about 4 per cent of its lands) as wilderness areas. Already under heavy pressure from timber, mining and grazing interests and poorly organized for its task of management for multiple purposes, the Forest Service's job is being made even more difficult by White House insistence on still higher timber production to meet projected future needs for housing lumber. And Senator Mark Hatfield of Oregon, a state with big timber interests, has introduced a bill with the same objective. (Meanwhile timber exports are running at about 5 billion board-feet a year.)

To protect the public interest in both national and private forests, Rep. John Dingell has drafted a bill to set up federal standards for timber management, logging and environmental protection on public and private forest lands. And the President's Advisory Council on Executive Reorganization—viewing the Forest Service as a land management rather than a crop-growing agency—has recommended that it be removed from the Department of Agriculture and put into a new Department of Natural Resources.

To rescue the Forest Service from its commercial constituency and give it a better chance to serve its 200,000,000 owners, Congress should give prompt consideration to both the Dingell bill and the reorganization plan.

LEST WE FORGET—THE NATIONAL DEBT REACHED $414,620,110,923.89 ON NOVEMBER 30

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

Mr. SAYLOR. Mr. Speaker, on November 30, 1971, the gross public debt of the United States of America reached the grand total of $414,620,110,923.89. That amount represented an increase of $2.7 billion since November 1. Compared to the same date 1 year ago, the gross public debt increased over $30 billion.

I bring these staggering figures to your attention, because there is an all too unfortunate tendency on the part of Members of both Houses of Congress to forget that the American taxpayer is forced to shoulder the financial burden resulting from our deliberations.

Day after day, month after month, and year after year, Federal programs for this, that, and everything are added to the law books and the money used to pay for the schemes thus created comes from the citizen's wallet.

When, and usually, money is not readily available to pay for the programs voted by Congress and approved by the President, the size of the national debt is increased; the resulting debt is financed through the issuance of Government securities. In order to pay the interest cost on this whopping debt of nearly $415 billion, the Federal Government has budgeted the tidy sum of $21,150 million for fiscal year 1972.

To pay interest on the debt, during the month of November, the Federal Government made withdrawals in the amount of $2,247,188,533.92 from the accounts of the Treasurer of the United States. That amount was the third largest withdrawal for the month following withdrawals for, first, the Department of Defense; second, Federal old-age, disability, and health insurance trust funds; and third, "all other" withdrawals.

One tends to ignore figures of the magnitude thus far mentioned—therefore, a more meaningful and personal comparison is made: The current gross national debt on November 30, 1971, is a financial burden to the tune of $1,989.52 for each of the 208,402,503 men, women, and children in the United States. For the average family of four, its national debt bill was $7,958.08 on November 30.

In times past, when the people demanded that the Federal Government give to the public without first taking from the public, the solution was the printing of worthless paper money, commonly referred to as "greenbacks." When used by the Central Government to pay its bills, such paper money acquired value at the expense of the value of all the other money. The printing of greenbacks—to permit "giving" without seeming to be taking—was, in effect, an invisible tax on anybody who had any money.

Today, under the more sophisticated modern banking system, Government no longer prints greenbacks when it is called upon to spend more money than it takes in from taxes or through the sale of bonds to the public. In order to raise additional funds necessitated by congressional and executive action, the Government sells interest-bearing securities in the financial market. Many of the Government IOU's become a part of the commercial bank's reserves thus permitting the creation of "checkbook" money. The effect of this checkbook money on the value of the public's money is the same as if greenbacks had been printed. But it also has an effect that greenbacks did not have: The public must be taxed to pay the bank interest on the IOU's and then taxed again to pay back the banks.

This custom of governments everywhere, and particularly the Federal Government of the United States—the creation and spending of new, unearned money—is the root cause of inflation. The simple lesson to be learned from this admittedly abbreviated discourse on economics is that in order to control inflation, the Federal Government must be controlled. And that is our primary responsibility as Members of Congress.

TRIBUTE TO THE LATE RALPH J. BUNCHE

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

Mr. FRASER. Mr. Speaker, early this morning death came to one of the greatest citizens of this country and of the world—Ralph J. Bunche. Born in poverty in the black ghetto of Detroit, Ralph Bunche rose to become one of the world's foremost international statesmen as Under Secretary General of the United Nations. No American has ever surpassed his record of accomplishment in the United Nations system.

As the U.N. mediator in Palestine his efforts resulted in the armistice agreements between Israel and the Arab States in 1949. In recognition of his work there he was awarded the Nobel Peace Prize in 1950. As Under Secretary General for Special Political Affairs he played the leading role in U.N. peacekeeping for almost two decades in the Middle East, Kashmir, the Congo, Yemen, and Cyprus. Long active in efforts to create international systems for the control and peaceful use of atomic energy he was principally responsible for the establishment of the International Atomic Energy Agency.

In the field of education he held professorships for many years at Howard and Harvard Universities. A fighter for human rights for more than 40 years, he was instrumental in achieving racial desegregation of public facilities in the District of Columbia during the 1930's. In recognition of his outstanding work in many fields the President of the United States awarded him the Presidential Medal of Freedom in 1963.

While attaining positions of world prominence, Ralph Bunche never lost his feeling of basic humility and compassion

toward his fellow man—qualities which endeared him to both friend and foe in the international community. He was the epitomy of the unselfish international civil servant, an untiring soldier for peace, whose passing will be mourned by men and women of peace throughout the world.

I am planning a special order next Tuesday for a more extended discussion of the enormous contributions which Ralph Bunche made to our Nation and to the world.

NIXON VETO A CRUEL FREEZE ON THE LIVES OF CHILDREN

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

Mr. BRADEMAS. Mr. Speaker, President Nixon's veto today of the legislation containing the comprehensive child development program imposes a cruel freeze on the lives of millions of children.

With one stroke of the pen, President Nixon has broken his own promise to support child development and has shattered the chances for healthful and stimulating growth of preschool children of middle-income families as well as children of the poor.

Mr. Speaker, President Nixon's veto of this historic advance for young children and working mothers is one more example of his failure to match his political promises with action.

For it was, I remind you, President Nixon, who in February 1969, told Congress:

> So critical is the matter of early growth that we must make a national commitment to providing all American children an opportunity for healthful and stimulating development during the first 5 years of life.

And I remind you, Mr. Speaker, that it was President Nixon who on August 11, 1969, in proposing his welfare reform bill and calling for federally supported child development centers said:

> The child care I propose is more than custodial. This Administration is committed to a new emphasis on child development in the first five years of life.

Mr. Speaker, the child development program contained in the bill extending the Economic Opportunity Act provides just the kind of quality services for all American children that President Nixon has repeatedly said he wants.

That he killed this bill for children is therefore all the more astonishing. Moreover, Mr. Speaker, until the White House mounted a campaign to defeat the child development bill in the House of Representatives, this legislation had enjoyed wide bipartisan support.

For example, Republican Members of the Senate voted for the bill by a margin of over 2 to 1.

Indeed, the Republican leader of the Senate and the Republican whip both voted for the bill as did the chairman of the Republican National Committee, also a Senator.

Still further I would add, Mr. Speaker, nearly 100 Members of the House of Representatives, Republicans as well as Democrats, introduced child development legislation this year, thereby indicating their support for such programs.

Mr. Speaker, I would recall to your attention that it was the White House Conference on Children of 1970, called by President Nixon himself, that endorsed the comprehensive child development bill and declared this legislation to be its No. 1 priority.

I was struck, Mr. Speaker, by the irony of the speech delivered in Washington yesterday by the distinguished Secretary of Health, Education, and Welfare, the Honorable Elliot Richardson, in which he attacked, to quote him, "the propensity of politicians who promise more than they can possibly deliver."

Mr. Speaker, I am sure you will agree that in light of what Mr. Nixon has been promising for children, today's veto makes President Nixon a prime example of what Mr. Richardson was complaining about.

WHY CHILD DEVELOPMENT LEGISLATION

Now, Mr. Speaker, why is child development legislation so important?

First, more and more research has told us of the significance for the rest of human life of what happens in the earliest years.

Again and again child psychologists and educators have attested to the value of early childhood education. I here cite only one of the most frequently quoted findings—that of Benjamin Bloom; namely, that:

> In terms of intelligence measured at age 17, about 50% of the development takes place between conception and age 4, and 30% between ages 4 and 8, and about 20% between ages 8 and 17.

A second reason for the comprehensive child development bill is the finding of the Coleman report that poor children develop much more rapidly when they participate in programs with children of middle-income backgrounds than when they are segregated by family income.

This is not a function of race; poor black children in classes with middle-class black children progress more rapidly than do poor black children segregated by socioeconomic background.

Our bill seeks to encourage the mixture of children of various social and economic backgrounds.

There is yet a third aspect of this legislation which makes it so significant that we must not forget it.

There are today some 8 million preschool children below the age of 6 in the United States whose mothers work; yet, day-care services are available to less than 700,000 of these children.

And this problem will be immensely compounded in the coming years because the U.S. Department of Labor estimates are that by 1980 there will be close to 7.6 million working mothers with children under 6 years of age—an increase of 43 percent between 1970 and 1980. This is a fact with obvious immense implications for the development of very young children in our country.

I have given you only three of the manifold reasons that those of us in Congress who have shaped this legislation—Senator WALTER MONDALE, of Minnesota, Representatives PATSY MINK, of Hawaii, OGDEN REID, of New York, and I—believe it so important.

As I have said, Mr. Speaker, nearly 100 Members of the House of both parties introduced the comprehensive child development bill on March 25, 1971.

On September 23, 1971, the full Committee on Education and Labor voted favorably to report the bill by a record vote of 28 to 3 and one present, with only two Republican votes against the measure.

PRINCIPAL CHARGES AGAINST THE LEGISLATION

Now, Mr. Speaker, I want to comment on three of the principal charges brought against the bill.

ADMINISTRATION OF PROGRAMS

First, it is contended that the bill does not allow an adequate role to the States in child development and that the program authorized is administratively unworkable.

Over two-thirds of the Republicans in the Senate obviously did not agree with this judgment.

But to get to the point it is simply inaccurate to charge that the States do not have a significant role.

Indeed, the language is specific in requiring State involvement at every stage: creation of prime sponsors, formation of comprehensive child development plans and project operation.

Moreover, up to 5 percent of operating funds will become available to States to carry out their functions. In this way, States are encouraged to provide technical assistance and coordination of child programs within their boundaries. The States can thus identify problems, help in solving them, and advise the Department of Health, Education, and Welfare on how effectively programs are meeting child development standards.

But there is still another way in which States may participate in the program. The bill specifically authorizes the Secretary to fund directly any program—including that of a State—whenever he finds that a local community has not submitted a program, submitted an inadequate program, or where a program does not or cannot meet the needs of children.

In fact, there can be no question that the comprehensive child development program which the President today vetoed provides a more important role for the States than does the present Headstart program.

So the argument that there is an inadequate role for the States is patently incorrect.

I must further add, Mr. Speaker, that the legislation also provides encouragement to local communities to join together to apply as prime sponsors for child development programs and the suggestion therefore that every small community in the country will be directly applying to the Federal Government is equally without foundation.

COST

Mr. Speaker, another major objection advanced by opponents of the bill is that its costs will be execessive and will damage attempts to reduce governmental spending during phase II.

Let me point out, however, that the bill requires the creation of a Child Development Council and the preparation and approval of a comprehensive child development plan. This means that 12 to 18 months will elapse before any substantial number of communities will be able even to qualify for operating funds. Therefore, neither the budget for the current fiscal year nor for fiscal year 1973 will be significantly affected.

The first substantial impact of the legislation will therefore not occur until fiscal year 1974. Even then, it is doubtful that communities will be prepared to spend more than $200 to $300 million above present levels. Surely, that level of funding, or even twice that level, is not excessive when viewed in light of the present total Federal budget of nearly $200 billion.

But, Mr. Speaker, we must look at the question of cost of the program as measured against the need for it.

Let me here cite two estimates. If $2 billion were available—the amount authorized for the next fiscal year—and if there were provided part-day services to children 0 to 5, we would be able to serve 1,538,462 children—42 percent of the eligible population under the family income level of $4,320.

For purposes of comparison, we are today serving only 20 percent of that population. In fiscal year 1972 all children served totaled 479,400.

Let me cite another estimate. With $2 billion, if it were decided to serve children of school age up to 14, and to provide full-day services for children 0 to 5 from families under $4,320 income, it would be possible to serve 625,000 preschool and 1,428,572 children of school age, a total of 2,053,572.

So clearly, Mr. Speaker, the funds authorized in this bill—even assuming full appropriations—would be far short of meeting the need.

Mr. Speaker, there is another charge on which I wish to comment.

COMMUNAL APPROACH

Some rightwing extremists are contending that the bill will produce a Sovietization of our children or as President Nixon said "commit the vast moral authority of the National Government to the side of communal approaches to child rearing" and their takeover by the Federal Government.

This charge of course is absurd and irresponsible. We have carefully drafted the bill to protect the rights of parents and their children.

First. Participation in the program is completely voluntary. Children will not participate without the specific request of a parent or legal guardian.

Second. Children will not be tested unless the parent or guardian is informed and given an opportunity to accept the child.

Third. The bill contains specific language providing protection against any infringement of the moral or legal right of parents or guardians with respect to the moral, mental, emotional, or physical development of their children.

To reiterate, the Child Development program, unlike the Public School program, is totally voluntary.

PARENTAL CONTROL

But even beyond what I have already said, I can tell you that no item in the bill received more attention than parental involvement and control.

The sponsors of the bill went to great extremes to assure that the legislation would help strengthen the family and family ties rather than weakening them.

I should explain that the bill provides Federal money to support comprehensive child development programs which includes day care, health, and educational programs. These programs must be planned, created, and operated at the local level by parents or by persons of their choosing. The Office of Child Development in the Department of Health, Education, and Welfare would be involved only in setting common standards and administering the funds on an allotment basis.

Indeed, we wanted this program to be operated locally without a new army of bureaucrats, as Mr. Nixon claims this legislation would produce.

Indeed, a principal purpose of the bill is to give the taxpayer some of his money back so that churches, schools, settlement houses, and parents of the local level can provide preschool programs for their children without the control of either State or Federal Governments.

Clearly, therefore, the bill would not mean, as some have charged, that the Federal Government take over responsibility for child development. This legislation should be viewed rather as providing an incentive to States and local communities to help them in developing their own child development programs.

NEED

Mr. Speaker, in his veto message President Nixon states that—

Neither the immediate need nor the desirability of a national child development program of this character has been demonstrated.

Mr. Speaker, I am tomorrow going to send President Nixon a set of the hearings of the Select Subcommittee on Education of the House Committee on Education and Labor during the period between 1969 and 1971 during which hundreds of witnesses—166 witnesses and statements—including parents, officials representing the Nixon administration, Governors from across the country testified on the need for precisely the kind of program which President Nixon today killed.

If the President will read these hearings he will see that many Republicans as well as Democrats on our committee indicated their conviction that indeed there is "immediate need" for such a program and that, moreover, it is highly desirable.

President Nixon has evidently not followed the expressed views of members of his own party in Congress nor indeed does his veto message reflect an awareness of his own previously stated calls for a national commitment to exactly the kind of program in the bill he has vetoed.

For, Mr. Speaker, to reiterate, President Nixon calls for day-care centers in his welfare program contained in H.R. 1.

In his August address, he said that he called for these day-care centers to provide care that would be "more than custodial."

He said then that the day care that would be part of this plan would be a quality that would help in development of children and provide for their health and safety.

But in his veto message today the President has retreated from this commitment and says only of H.R. 1 that day-care centers are needed for the children of the poor so that their parents can leave the welfare rolls to go on the payrolls. All of us, of course, want to encourage people on welfare to work whenever possible.

But it is indeed distressing that the President now seems to view day-care programs as simply babysitting centers to enable parents to work and has abandoned his earlier, more understanding view, that child development programs must focus on the good of the child.

All those who have been champions of child development legislation including, I have little doubt, some of my Republican friends, must be astonished at this latest Presidential retreat.

And, Mr. Speaker, do not forget that the Republican leader of the House, the gentleman from Michigan, Mr. GERALD R. FORD, was a cosponsor of a comprehensive child development bill last year, so I must assume that he thought there was a need for it.

In this connection, Mr. Speaker, is the President seriously charging—to quote his veto message once more—that the National Government is going to support "communal approaches to child rearing over against the family-centered approach"?

Is the President seriously charging that all those Republican Senators who voted for this legislation were voting for "communal approaches to child rearing over against the family-centered approach."

No thoughtful person would suggest that they would, any more than those of us who have championed this legislation do.

The President's charge is a specious one and is an indication of the extreme to which he has found it necessary to go to appease his radical rightwing critics who are distressed over his forthcoming visits to Moscow and Peking. He seems more interested in appeasing them than he does in making good on his 1969 commitment to American children.

Mr. Speaker, President Nixon said today in his veto message—

We owe our children something more than good intentions.

We owe the children of America, to quote Richard Milhous Nixon, "a national commitment to providing all American children an opportunity for healthful and stimulating development during the first 5 years of life."

NEW NATION OF BANGLA DESH

(Mr. HELSTOSKI asked and was given permission to extend his remarks at this point and to include a resolution and extraneous matter.)

Mr. HELSTOSKI. Mr. Speaker, I am today introducing a simple House resolu-

tion calling on the administration to extend full diplomatic recognition to the new nation of Bangla Desh.

My resolution, the text of which I shall include in the RECORD at the conclusion of my remarks, speaks for itself. The Government of Pakistan, through its heinous repression of the Awami League and the civilian population of East Bengal has forfeited any claim to the allegiance of the citizens of that region. The civil war which was initiated by Yahya Khan on March 25 and the recent outbreak of hostilities between India and Pakistan have sealed the fate of Pakistan as a unified nation.

Mr. Speaker, it is only a matter of time before Bangla Desh is an independent country. This morning's reports from that region indicate that Indian forces and the Mukti Bahini have surrounded and nearly defeated the Pakistani Army in what was once East Pakistan. I see no reason why victory will not be in the hands of these forces very shortly.

The United States, if acting only from realism, should take note of these recent developments and extend diplomatic recognition to this new nation of Bangla Desh. But reasons more compelling than international political pragmatism should prompt our Government to reverse its callous policy of support for the repressive Yahya regime and face up to the facts of life in South Asia.

Since March 25. our Government has, throug' its policy of silence, countenanced the genocidal attack which the West Pakistani Government launched against the East. India's vehement protests that this civil war, which had driven 10 million refugees into the environs of Calcutta, must be ended through international pressure on Yahya Khan fell on deaf ears in the White House and Foggy Botton. The unresponsiveness of our Government and its addiction to cold-war attitudes which required continued support of the Yahya government, served only to heighten tensions in South Asia and drive India to a friendship pact with the Soviet Union. The bankruptcy of our Government's ambivalent policy toward the tragedy of Bangla Desh is no better exemplified than by the administration's allowing arms shipment to continue to Pakistan for 8 months after the outbreak of the civil war.

Our policy of equivocation and appeasement of the Pakistani Government must end if the United States is to regain its good name in South Asia and hope for any measure of influence there in the decades ahead. Unfortunately, even in light of the rapidly changing political and military situation surrounding Bangla Desh, the U.S. Government fails to divorce itself from the Yahya dictatorship.

American policy in South Asia, thus, must be modified. The resolution I am introducing today provides us with a broad, new South Asian policy framework which would serve the interests of the United States and the peoples of South Asia well.

Apart from granting belated American recognition to the valiant independence efforts of the people of Bangla Desh my resolution calls for an immediate cease-fire coupled with withdrawal of all foreign troops from all sectors of South Asia. This would mean, among other things, withdrawal of Indian troops from Bangla Desh and a Pakistani withdrawal from Kashmir. We must not ignore, as well, the plight of West Pakistani troops now surrounded in Bangla Desh. In light of the atrocities perpetrated by the Pakistani Government in the past 9 months, it is not surprising that revenge might be wreaked on these survivors by elements in Bangla Desh. However, simple morality and respect for international law requires that no reprisals be undertaken. Accordingly, my resolution calls for prompt and safe repatriation of these West Pakistani troops. We must also press for similar treatment of Bengalis now in West Pakistan.

And, of course, my resolution recognizes that immediate efforts must be made to repatriate the millions of homeless refugees now in India. Our traditional American policy of giving succor to the suffering of the world dictates that we take the lead among developed nations in providing funds and material for this repatriation effort.

Mr. Speaker, I am convinced that time and a sense of belated concern for the masses in East Pakistan will require eventual recognition of Bangla Desh. Why not initiate such a policy now before the people of that new nation are totally alienated from the United States as well as from their former government in Islamabad? We must recover our sense of justice and morality in the field of foreign affairs. A start can be made by undertaking this long-overdue revision of our policy toward the peoples of South Asia.

Under unanimous consent, Mr. Speaker, I am including at this point in the RECORD several relevant articles from the New York Times as well as the text of my resolution:

RESOLUTION

Expressing the sense of the House of Representatives relative to the crisis in South Asia.

Whereas the people of East Bengal voted overwhelmingly last year for self-determination and autonomy, and

Whereas the government of Pakistan has engaged in a ruthless suppression of the civilian population of that region, has slaughtered hundreds of thousands and has driven 10 million refugees into India, and

Whereas the government of Pakistan has thereby forfeited any moral authority over East Bengal and has permanently and totally alienated the population of that region, and

Whereas the government of the United States has consistently failed to take note of the moral imperatives for ceasing support of the brutal and anti-democratic government of Pakistan, and

Whereas the current crisis has been aggravated by hostilities between India and Pakistan: Now, therefore, be it

Resolved, that it is the sense of the House that:

(1) The United States government should immediately take steps to modify significantly its policy in South Asia, especially with respect to the serious deterioration of its relations with the Government of India,

(2) The current embargo on arms shipments to both India and Pakistan should be extended indefinitely, and the United States should scrupulously avoid any military involvement in South Asia,

(3) The President should extend full diplomatic recognition to Bangla Desh as a free and independent nation,

(4) The government of the United States should press for a total cease-fire in South Asia, coupled with complete withdrawal of all foreign troops from Bangla Desh, Pakistan and India, including Kashmir,

(5) There should be a swift repatriation of all captives and refugees and full compliance with international law governing the treatment of prisoners and the conduct of war,

(6) There should be held, as soon as peace is restored, free elections in Bangla Desh to establish a provisional government, and

(7) The United States government should undertake maximum diplomatic efforts and should provide full economic and humanitarian relief assistance to aid in the attainment of the goals of this resolution.

STATE THAT NEVER WAS

LONDON.—On the Indian subcontinent a state is dying and a new nation has been born.

The theocratic state of Pakistan is struggling to avoid dismemberment, though it has but one unifying force within its boundaries: the Islamic faith of the majority of its citizens. It was in deference to religious bigotry that the geographic and cultural monstrosity called Pakistan came into existence in the first place.

Now the nationalism of the Bengalis has shattered Muslim unity, set an example for the disaffected Pathans and reduced the loyal area of Pakistan to the two provinces of Punjab and Sind. Since India cannot cope with the ten million refugees from East Bengal and wishes to send them back over the border, Mrs. Gandhi has seized upon President Yahya Khan's difficulties and by a skillful military escalation hopes to give the new nation of Bangla Desh the chance of self-government. The supply lines of the Pakistan Army are hopelessly stretched and they are being harassed by the Mukti Bahini in East Bengal. Since the Pakistanis also face trouble in the North-West Frontier Province and Baluchistan, they cannot long sustain Indian military pressure. As the chances of Chinese help recede their plight is desperate.

Pakistan has little claim upon our sympathy. She became a state because the intransigence of Mr. Jinnah and the Moslem League destroyed the chance of a secular all-Indian confederation. From its foundation this artificial state has been militaristic and bellicose and for two decades has spent 80 per cent of its budget on defense. Its present rulers are as stupid as they are brutal. Instead of working for a compromise with Sheik Mujibur Rahman and his Bengali Awami League, President Yahya Khan unleashed Gen. Tikko Khan and the Pakistan Army upon the hapless Bengalis in a campaign of indiscriminate slaughter.

Last week, as if to confirm the fact that he has very little political judgment, he banned the West Pakistan National Awami party and arrested some of its leaders. In so doing he has disfranchised the North-West Frontier Province and Baluchistan, which are now disaffected and may require watching by the already very much overcommitted Pakistan Army.

Perhaps the Pakistanis calculated that all internal risks were manageable because of the assured support of China. If so, they have been outmaneuvered by India and badly served by the U.N. vote that admitted China to membership. The Indians have exerted military pressure at a time when the mountain passes, through which Chinese help would have to come, are blocked by snow. They will stay blocked for at least another three months, which gives the Indian Army

plenty of time to intensify its military activity to the point where Pakistan breaks.

Not that it is very likely that the Chinese have considered sending help. It would be a bad start to China's U.N. membership for her to become involved in an Asian land war that might well involve not only India but also the U.S.S.R. The Chinese have more important aims than the maintenance in power of Yahya Khan. The Sino-Pakistan alliance has always been an opportunistic deal between utterly dissimilar societies who believe they have common enemies. China will not wish to be saddled with an ally who cannot maintain internal peace and so threatens to embroil the Chinese in conflicts which do not affect their national interests.

The Pakistanis fear that if they wait upon events the Indian Army will not confine its activities to the frontier regions of East Bengal but will strike at Lahore in an attempt to cut West Pakistan in two. India has 29 divisions to Pakistan's 19, a million men to 400,000, command of the sea, more and better tanks and twice as many military aircraft. Despite the excellent quality of the Pakistani forces there is little doubt about the result of full-scale warfare. The Indians hold the initiative and it is to be hoped that circumstances will allow them to use it for ending the existence of the unitary despotism which is the present Pakistan and bringing to birth new states with more reasonable aims and boundaries.

ALIENATING INDIA

President Nixon's declaration of "absolute neutrality" in the Indian-Pakistani conflict fails to conceal Administration policies, which have, in fact, been obviously biased in favor of the Government of President Yahya Khan in Islamabad.

During the eight months of repression in East Pakistan which led to the present international conflict on the subcontinent, Washington's "neutrality" consisted of maintaining silence while Yahya's troops suppressed a freely elected autonomy movement in East Pakistan, were responsible for the death of thousands of Bengalis and forced millions more, mostly Hindus, to flee to India where their presence has posed a growing threat to Indian political, economic and social stability. For many months the Administration actually gave material support to this unconscionable repression by continuing to ship small amounts of military supplies to Islamabad.

Administration officials argue, as a White House briefing emphasized yesterday, that their public silence and the continuance of aid were designed to strengthen quiet efforts to promote a political settlement in East Pakistan that would bring peace and the return of the refugees. But there is no evidence that President Yahya has tried to reach any accommodation with the imprisoned Sheik Mujibur Rahman and the other elected representatives who command the confidence of the overwhelming majority of Pakistan Bengalis.

Having failed to condemn the repression in East Pakistan, the United States now charges India with "major responsibility" for the resulting international conflict; having waited months to suspend arms aid to Pakistan, the Administration has promptly suspended military and economic aid to India. This is hardly "absolute neutrality"—even though it must be fully recognized that India is by no means guiltless in the actual outbreak of armed conflict, and, despite all the hypocritical and self-serving statements issued from New Delhi almost daily, has been aggressively maneuvering against her northern neighbor. There is plenty of blame to go all the way around.

United States efforts at the United Nations, first in the Security Council and now in the General Assembly, have been aimed at bringing about a simple cease-fire and withdrawal of forces. Urgent and desirable as such action surely is, it cannot be practically effective unless the United Nations and its leading members—especially the United States—are prepared at the same time to recognize and attempt to deal with the root cause of the problem in Pakistan.

AN EFFECTIVE NATIONAL DEFENSE—WHY?

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

Mr. HOLIFIELD. Mr. Speaker, in October 1962 the world witnessed the Cuban missile confrontation between the two nuclear superpowers. In those few days the world moved rapidly toward the precipice of nuclear disaster. Because of the courage and determination of a great President and because of the strength of U.S. defensive power, the crisis passed and stability was returned to the Caribbean area.

Since that time it appears the Soviet Union has embarked on a deliberate course of obtaining military superiority over the United States. The Soviets have the SS–9 nuclear missiles with a capability of over 20 megatons—the equivalent of 20 million tons of TNT, an almost unimaginable explosion. This power is far in excess of the largest single nuclear missile in our stockpile. Their naval nuclear submarine strength has grown appreciably over the past few years and it is estimated that within a few years they will have more nuclear submarines capable of striking the United States than we have on station in the Atlantic, Mediterranean, and Far East in support of our commitments.

It is to prevent a recurrence of a Cuban missile crisis that both the United States and the Soviet Union are striving to develop an agreement at the strategic arms limitation conference currently underway in Vienna. I believe everyone in the Congress and the country joins me in the hope that there will be success at the SALT conference, and we will take a step away from the abyss of nuclear disaster.

It is well to look at both sides of the delicate balance of terror between the United States and the U.S.S.R. We pray for peace but yet we watch with anguish the ever-growing strength of the Soviet Union.

In this connection on Wednesday, November 17, 1971, Vice Adm. H. G. Rickover spoke before the American Ordnance Association in New York to discuss the need for an effective national defense. His speech gives cause for concern and, I think, deserves the attention of all of us.

In his speech, Admiral Rickover says:

If history teaches anything it is surely that weakness invites attack; that it takes but one aggressor to plunge the world into war against the wishes of dozens of peace loving nations, if the former is militarily strong and the latter are not. . . . What it means to be weak and without American protection should be evident to all who observed the tragic drama of Czechoslovakia "negotiating" with Russia the continuing subjugation of her people.

This week marks the 30th anniversary of the attack on Pearl Harbor. At that time our Nation was ill-prepared for war; our Pacific Fleet based in Hawaii presented an inviting target; the country was divided on our role in the ever-widening war abroad; and many of our Government leaders were attending a Redskins football game when the attack came.

Sound familiar—well it has been suggested that what is past is prolog but I do not believe that history should be allowed to repeat itself. I believe that we should never again issue an invitation to disaster. We must remain militarily strong, at the same time we must strive for peace through mutual arms reduction. These twin goals can and must be accomplished.

I include Admiral Rickover's remarks in the RECORD at this point:

AN EFFECTIVE NATIONAL DEFENSE—WHY?

(By Vice Adm. H. G. Rickover)

I have been asked to give you an estimate as to where we are and where we are going and what needs to be done in a military way in these times of turmoil and peril. There is, as you know, a division of opinion among the American people regarding the necessity of reinforcing our military strength.

The first point I would like to make is that in judging between conflicting views on this matter, the deciding factor must be their relevance to the world as it is, not as we would wish it to be. Granted the hideousness of modern war, can we deduce therefrom that mankind is now wise enough to forego recourse to arms? A look at history should put us on guard against those who claim that humanity has now reached a state where, in formulating national policy, the possibility of armed aggression can be safely disregarded.

I am reminded of the intense opposition to the Navy's 15-cruiser bill in 1929. It was argued by many that with the signing of the Kellogg Peace Pact the year before it was no longer necessary to build new warships. And this in light of the lessons of World War I which erupted despite the various Hague peace treaties. These ships were of inestimable value in helping us win World War II. The war itself was prolonged because Congress—heeding the "merchants of death" argument—in 1939 prohibited shipment of war materials to Britain and France.

Then, too, weight must be given to the *credentials* of those propounding opposite views. Are they public servants charged with the awesome responsibility to secure our country against foreign conquest, or are they private individuals not accountable to anyone for the consequences of their opinions; are they private individuals who feel free to express their personal abhorrence of war and to agitate, within the screen of rhetoric, for a reduction of the financial burden that military preparedness imposes on the taxpayer? Would the majority of the electorate accept their argument that, given our unmet domestic needs, we cannot afford an effective defense position vis-a-vis our potential adversaries? Or that war is so horrible that it is better to suffer defeat than to fight?

There can surely be no doubt that the overwhelming majority of the American people are opposed to relinquishment of our defense capability, recognizing full well that there will then be no one left to prevent the takeover by Communist power. Whether one takes the optimistic view that a permanent East-West détente can be negotiated, or the pessimistic view that ultimately we shall have to fight for our liberties, this Nation

has no future if it allows itself to be outmatched militarily.

As for the high cost of preparedness, the approximately 70 billion dollars allocated to defense for fiscal year 1971 was the smallest percentage of our Gross National Product in 20 years—just seven percent. Defense expenditures in that fiscal year represented about 35 percent of our total Federal budget outlays, compared to 44 percent in FY66. Omitting the costs of the Vietnam war and allowing for inflation, our Armed Forces have less buying power today than they had two decades ago. In the Soviet Union, on the other hand, resources have been diverted from the farm sector to defense, and there appears to be increasing preoccupation with national security. And you must bear in mind that actual war costs absorb but a small portion of their expenditures while we are spending many billions of dollars a year in Vietnam. As for myself, I would rather be alive at ten percent than dead at seven percent.

If history teaches anything it is surely that weakness invites attack; that it takes but one aggressor to plunge the world into war against the wishes of dozens of peace loving nations, if the former is militarily strong and the latter are not. Yet there are those who deprecate the need to maintain military supremacy or at least parity with the Communist empires, on the grounds that other nations have accepted a decline from first to second or third rank and that we ourselves for most of our history were militarily a second-rate power yet secure enough within our borders. They forget that we then profited from the Pax Britannica, even as the former great powers of Europe who have lost their defense capability enjoy political freedom today only because we are strong enough to defend them and ready to do so. What it means to be weak and without American protection should be evident to all who observed the tragic drama of Czechoslovakia "negotiating" with Russia the continuing subjugation of her people.

The concept that a "weapons race" is the cause of war was a widely held theory prior to World War I. Many historical studies of the causes of that war have disproved this fallacy. And certainly it cannot be claimed that World War II was caused by an armaments race. In fact that war might well have been prevented had Britain, France, and the United States been better prepared. It was for this very reason that at the end of World Wars I and II we vowed never again to be caught unprepared. Whether or not to use our military forces is decided by our civilian leaders, not by the military. The military is asked for advice, but the decision is that of the civilian leadership.

Our Navy is not a direct threat to any country. Its strength lies in its ability to be deployed rapidly at distances from the United States. Its very existence as a "fleet in being" serves to deter those who might otherwise think lightly about starting hostilities.

Many valuable lessons for today can be drawn from our experiences in past years. For example, when Germany decided to invade Russia in 1941, their staff studies showed that the Soviet Union would be defeated in eight weeks, ten weeks at most. Our military attaché in Moscow advised the War Department that the war would be over in three months. I well remember that the German estimate for the length of World War I was also three months.

These estimates should place us on guard against those who believe that long, worldwide wars are no longer possible. Even the present "minor" Vietnamese war has endured for longer than the foremost defense civilians and our military leaders predicted. Having served in both World Wars, I may perhaps be forgiven for not being as optimistic about permanent peace, the beneficence of unilateral disarmament, and the current belief held by many—especially by our "intellectuals"—that the sheer horror of a long war will compel its avoidance.

A brief look at some of the grim statistics of World War II will show why prevention of war is an order of magnitude less costly than engaging in it. The money we save today in lowering our defense will surely be but a pittance compared to what it will cost us if we are not strong enough to deter war.

Russia was invaded in June 1941. By winter of that year the cost of the war was already truly colossal. To the six million, possibly as many as eight million military losses in killed and captured were added millions of civilian casualties, a million or more dead of starvation alone in Leningrad during the winter of 1941–1942.

By the end of 1941 the Soviet Union had lost 47 percent of her inhabited places, territory in which 80 million persons had lived. That territory had produced 71 percent of Soviet pig iron, 58 percent of its steel, 63 percent of its coal, and 42 percent of its electricity. By the end of their 1941 offensive the Germans had occupied areas that had produced 38 percent of the grain and cattle and 84 percent of the Soviet sugar.

The total military service deaths on the Soviet side reached more than 12 million. The West German estimate of Soviet military losses is 13.6 million, including 1.75 million permanently disabled. The war also cost the Soviets some seven million civilians. The losses, civilian and military, of Finland, the Baltic States, and of eastern and southeastern European countries added millions more.

The German military dead in World War II numbered between three and 3.5 million; their civilian dead 1.5 million.

The figures I have stated are vastly increased by the military and civilian dead of Great Britain, France, the United States, Austria, Hungary, Italy, Japan, China, and of many more countries. Poland lost one-quarter of her entire people. The total of all soldiers killed in World War II was 26.8 million.

Unfortunately, few people study history, which accounts for the truism that history repeats itself. In fact, not many of our people understand the devastation wrought by World War II. That war ended a quarter of a century ago. Half the people in the United States were not alive then; they, as well as people then in their early teens had no direct connection with the war. It is not too farfetched to say that 75 percent of the American people have no vivid memory of what a world war really means. The lesson of that war, its page of history, is worth a book of logic.

You may remember Blackstone's statement that security of the person is the first, and liberty of the individual the second "absolute right inherent in every Englishman." Just so, the first right of every American is to be protected against foreign attack, and the first duty of Government is to keep our Nation alive. Given the world situation, this calls for maintenance of a defense capability adequate to discourage potential aggressors. President Nixon has said: ". . . it is essential to avoid putting an American President, either this President or the next President, in the position where the United States would be second rather than first, or at least equal to any potential enemy." He has also said, in discussing the Cuban Missile Crisis: "I do not want to see an American President in the future, in the event of any crisis, have his diplomatic credibility impaired because the United States was in a second-class or inferior position. We saw what it meant to the Soviets when they were second."

Turning back to the present, you may ask what needs to be done in these times of turmoil and peril. The blunt situation facing us is that Soviet Russia is doing all the things a nation would do if it wanted to be the number one military power with clear unequivocal superiority. The U.S. Navy has not taken any further steps to increase its strategic offensive force. There has not been an arms race; the Soviets have been running at full speed all by themselves.

However, as I am most familiar with the threat posed by the Soviets to our naval power, I would like to confine myself to this area, and specifically to submarines. But the logic of what I say is valid for our land, sea, and airpower as well.

The Soviets are embarked on a program which reveals a singular awareness of the importance of seapower, and an unmistakable resolve to become the most powerful maritime force in the world. They demonstrate a thorough understanding of the basic elements of seapower: knowledge of the seas, a strong, modern merchant marine, and a powerful new navy. They are surging forward with a naval and maritime program that is a technological marvel.

Starting with 200 diesel powered submarines at the end of World War II, most of which were obsolete, the Soviet Union embarked on the largest peacetime submarine construction program in history, producing over 580 modern submarines in 26 years—most designed for long-range operations. During the same period the United States built 113 submarines. In two years alone, 1955 and 1956, the Soviets completed 150 submarines, almost one and one half times the total number of submarines this country has produced in the past 26 years.

The Soviets have applied tremendous national resources to the expansion and modernization of their submarine construction yards. They now have the largest and most modern submarine building yards in the world, giving them several times the nuclear submarine construction capacity possessed by the United States.

They are credited with a nuclear submarine production capability of 20 ships a year on a single shift basis. They have the facilities to increase this rate of production considerably. At present, while our Poseidon conversions are going on, the maximum U.S. capacity to build nuclear submarines is less than half that of the Soviets. Upon completion of these conversions—about 1977—the best we could do would still be well below their capacity.

One of the most important steps they have taken has been the development of a large reservoir of trained engineers to support their submarine design and building program. They graduate ten times as many naval architects and marine engineers per year as we. While we cannot specifically count the number of Soviet scientists and engineers devoted to naval work, it is apparent that they have created a broad technological base. They have committed extensive resources to support development of their naval forces.

According to the latest unclassified data the Soviets now have a total of about 340 submarines, all built since World War II. About 100 of these are nuclear powered. The total U.S. force is 137 submarines, 95 of which are nuclear powered, the remainder diesel powered. Most of our diesel units were built during World War II.

Today, as a result of the Soviet large-scale construction program, our lead in nuclear powered submarines has disappeared. They are yearly outproducing us in nuclear submarines by 3 or 4 to 1. Even if we should decide at once to reverse this trend, our efforts could not begin to bear fruit for several years; in the interim the Russian lead will grow substantially. By 1975 it is estimated they will have something like 50 percent more nuclear submarines than the United States.

Of even greater concern than total numbers is the fact that since 1968 the Soviets have introduced several new designs besides converting older designs to improve their capabilities. They have introduced signifi-

cantly improved second generation versions of the first generation attack, cruise-missile and ballistic-missile nuclear submarine designs.

One of their current new designs is the Yankee Class nuclear powered ballistic-missile submarine introduced in 1968. These submarines look very much like our latest Polaris type, and are capable of submerged launching of 16 ballistic missiles with a range of 1,300 miles.

They now have some 35 of the Yankee Class in operation or under construction; this class is being built at a rate of about six to eight a year. It is estimated that they will surpass our Polaris fleet of 41 by 1974, probably sooner. Further, it must not be forgotten that the Soviets also have over 30 conventional and nuclear powered ballistic-missile submarines of an earlier design. Thus, we are faced with the imminent loss of our lead in numbers of sea based strategic missiles—no matter what action we take today.

While the extent of their submarine design and construction effort is alarming, this is not the only area of concern. We have long relied on superior quality in our submarines to compensate for lack of numbers. But recent evidence indicates that the Soviets are making considerable progress in all aspects of submarine capability, thus markedly reducing whatever qualitative advantage we may have had. Weapon systems, speed, detection devices, quietness of operation all make a significant contribution to the effectiveness of a submarine force. From what we have been able to learn, they have attained equality in a number of these characteristics, and superiority in some.

The Soviet submarine force, like the entire Soviet Navy, has become capable of sustained open ocean operations and is being used to support foreign policy in various areas of the world. Last year the tempo of worldwide Soviet submarine operations was at an all time high. During their 1970 large-scale naval maneuvers that included over 200 ships in the Atlantic and Pacific Oceans and in nine adjoining seas, they deployed a large number of nuclear submarines away from their home bases.

Because of their expanding range of operations, the Soviet Navy can now deploy long-range missiles in submarines hidden underwater along the entire length of our Atlantic and Pacific coasts and in the Gulf of Mexico. Thus, they can bring 95 percent of American population and industrial centers within the range of their submarine based missiles. We must now reconcile ourselves to living with the possibility of Russian submarines targeting their nuclear missiles on us from nearby ocean areas we thought of until recently as friendly American waters.

The Russians are in the Mediterranean. They operate regularly and continually in the North Atlantic and the Norwegian Sea. Russian naval units now are being seen with regularity in the Indian Ocean and off both coasts of Africa. They are in the Pacific, the Arctic, and the Antarctic. The swimming Russian bear is not yet ten feet tall, but he is five feet, eight inches, and growing rapidly. He has not yet wrested supremacy of the seas from the free world but he is making a very determined effort to do so. If we are not alert, we may find tomorrow that our strength has been checkmated at sea.

Throughout our history the waters that wash our shores have been friendly. They have given us geographical protection, making it practically impossible for anyone to attack us. They have also given us time to build up our strength when danger threatened.

But the tempo of modern technology has changed all this, as it has changed so many other things. It has stripped this country of our "friendly oceans." The Atlantic and the Pacific are no longer "friendly"; they have become broad highways whence attacks can be launched against us.

The fact that our country, previously invulnerable, has now become vulnerable must sink into the public consciousness.

Today it is fashionable to advocate a reduction in defense and to use the money saved for domestic purposes. Those who so advocate do not test their theories for their deductions by events. While men are perishing from the eruption of a volcano they are blissfully beating time and listening to the music of the heavenly spheres and marveling at the harmony. Meanwhile Soviet Russia is preparing a military establishment which, by 1975, can be ahead of ours in virtually all respects.

The bearer of bad news is always punished. In ancient times, he might be put to death. Today he becomes "controversial" and unpopular. But if there is one subject on which the American people must know the truth, however unpalatable, it is our military position vis-a-vis the Soviets.

"Peace for our time!" declared Neville Chamberlain. And what was to follow was six years of one of the bloodiest conflicts ever experienced by mankind—a conflict that nearly wrecked Western Civilization. Let us hope that the lessons of appeasement and unpreparedness have not receded into the dim shadows of past victory.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. VEYSEY, for December 10 and balance of the week, on account of meeting in Sacramento, Calif., with Federal and State officials on Salton Sea feasibility study.

Mr. THOMPSON of New Jersey, for December 13, 14, and 15, on account of official business.

Mrs. MINK, for December 10, 1971, and for 10 days thereafter, on account of official business.

Mr. GUDE (at the request of Mr. GERALD R. FORD), from 4:30 p.m. today and balance of week, on account of official business.

Mr. TALCOTT (at the request of Mr. GERALD R. FORD), after 4 p.m. today, on account of official business.

Mr. MCKEVITT (at the request of Mr. GERALD R. FORD), from 3:30 p.m. today, on account of death in family.

Mr. MIZELL (at the request of Mr. GERALD R. FORD), after 3:30 p.m. today, 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:

(The following Members (at the request of Mr. MCKINNEY), to revise and extend their remarks, and to include extraneous matter:)

Mr. FINDLEY, today, for 5 minutes.

Mr. KEMP, today, for 15 minutes.

Mr. HALPERN, today, for 10 minutes.

(The following Members (at the request of Mr. KEE), to revise and extend their remarks, and to include extraneous matter:)

Mr. BURKE of Massachusetts, today, for 5 minutes.

Mr. GONZALEZ, today, for 10 minutes.

Mr. BRADEMAS, today, for 15 minutes.

Mr. ASPIN, today, for 5 minutes.

Mr. REUSS, today, for 30 minutes.

Mr. FUQUA, today, for 10 minutes.

Mrs. ABZUG, today, for 15 minutes.

Mr. MCFALL, today, for 5 minutes.

Mr. JAMES V. STANTON, today, for 15 minutes.

Mr. DIGGS, on December 14, for 60 minutes.

Mr. FRASER, on December 14, for 60 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. ABZUG to extend her remarks on the tax bill following the remarks of Representative FRASER.

Mr. BARRETT (at the request of Mr. PATMAN) to extend his remarks in committee of the Whole on H.R. 11309.

Mr. HOLIFIELD to follow special orders today and include a speech by Adm. H. G. Rickover.

Mr. MILLER of Ohio in the body of the RECORD.

(The following Members (at the request of Mr. MCKINNEY), and to include extraneous matter:)

Mr. WARE.

Mr. GERALD R. FORD.

Mr. FREY.

Mr. CARTER in three instances.

Mr. JOHNSON of Pennsylvania.

Mr. STEIGER of Arizona.

Mr. THOMSON of Wisconsin in two instances.

Mr. HOSMER.

Mr. FISH.

Mr. BRAY in two instances.

Mr. GUDE in two instances.

Mr. HASTINGS.

Mr. MINSHALL in two instances.

Mr. BOB WILSON.

Mr. MCDONALD of Michigan.

Mr. MCCLORY in two instances.

(The following Members (at the request of Mr. KEE), and to include extraneous matter:)

Mr. DINGELL in two instances.

Mr. ROY.

Mr. GONZALEZ in two instances.

Mr. RARICK in three instances.

Mr. ROGERS in five instances.

Mr. HAGAN in three instances.

Mr. KLUCZYNSKI in three instances.

Mr. FOUNTAIN in three instances.

Mr. PUCINSKI in six instances.

Mr. ASPIN.

Mr. BOLLING in two instances.

Mr. KASTENMEIER in two instances.

Mr. PRYOR of Arkansas.

Mr. SYMINGTON in four instances.

Mr. MATSUNAGA in two instances.

Mr. BRINKLEY.

Mr. FULTON of Tennessee in two instances.

Mr. FOLEY in two instances.

Mr. KARTH.

Mr. VANIK in two instances.

Mr. BIAGGI in five instances.

Mr. BYRNE of Pennsylvania.

Mr. HARRINGTON.

Mr. JAMES V. STANTON.

Mr. JACOBS.

Mr. BURKE of Massachusetts.

Mr. MIKVA in five instances.

Mr. WOLFF.

Mr. RYAN in three instances.

Mr. BOGGS.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 978. An act authorizing the conveyance of certain lands to the University of Utah, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1113. An act to establish a structure that will provide integrated knowledge and understanding of the ecological, social, and technological problems associated with air pollution, water pollution, solid waste disposal, general pollution, and degradation of the environment, and other related problems; to the Committee on Science and Astronautics.

S. 1438. An act to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and to prevent unwarranted governmental invasions of their privacy; to the Committee on Post Office and Civil Service.

S. 2676. An act to provide for the control of sickle cell anemia; to the Committee on Interstate and Foreign Commerce.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 29. An act to establish the Capitol Reef National Park in the State of Utah; and

S. 1237. An act to provide Federal financial assistance for the reconstruction or repair of private nonprofit medical care facilities which are damaged or destroyed by a major disaster.

ADJOURNMENT

Mr. KEE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to: accordingly (at 8 o'clock and 16 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, December 10, 1971, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1348. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

RECEIVED FROM THE COMPTROLLER GENERAL

1349. A letter from the Comptroller General of the United States, transmitting a report on the management of selected aspects of the strategic and critical materials stockpile by the Office of Emergency Preparedness and the General Services Administration; to the Committee on Government Operations.

1350. A letter from the Comptroller General of the United States, transmitting a report on the feasibility of coordinating the deep-ocean geophysical surveys of the National Oceanic and Atmospheric Administration, Department of Commerce, and the Department of the Navy; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee of conference. Conference report on H.R. 11955. (Rept. No. 92–725). Ordered to be printed.

Mr. PERKINS: Committee on Education and Labor. S. 1163. An act to amend the Older Americans Act of 1965 to provide grants to States for the establishment, maintenance, operation, and expansion of low-cost meal projects, nutrition training and education projects, opportunity for social contacts, and for other purposes; with an amendment (Rept. No. 92–726). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee of conference. Conference report on Senate Joint Resolution 176 (Rept. No. 92–727). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Resolution 633. Resolution providing for the printing of additional copies of the committee print entitled "Review of SEC Records of the Demise of Selected Broker-Dealers" (Rept. No. 92–728). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Resolution 648. Resolution authorizing the printing as a House document the dedication ceremony of the portrait of Hon. F. Edward Hébert, chairman, Committee on Armed Services (Rept. No. 92–729). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 439. Concurrent resolution to provide for the printing of 50,000 additional copies of the subcommittee print of the Subcommittee on Domestic Finance, of the House Committee on Banking and Currency, entitled "A Primer on Money" (Rept. No. 92–730). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 441. Concurrent resolution authorizing the printing of "The Joint Committee on Congressional Operations: Purpose, Legislative History, Jurisdiction, and Rules" as a House document, and for other purposes (Rept. No. 92–731). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 469. Concurrent resolution to provide for the printing as a House document a compilation of the eulogies on the late Justice Hugo L. Black; with amendments (Rept. No. 92–732). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 30. Concurrent resolution authorizing the printing of the study entitled "Soviet Space Programs, 1966–70" as a Senate document (Rept. No. 92–733). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 31. Concurrent resolution authorizing the printing of the compilation entitled "Federal and State Student Aid Programs, 1971" as a Senate document; with an amendment (Rept. No. 92–734). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 34. Concurrent resolution authorizing the printing of the prayers of the Chaplain of the Senate during the 91st Congress as a Senate document (Rept. No. 92–735). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 44. Concurrent resolution authorizing the printing of the study entitled "International Cooperation in Outer Space: A Symposium" as a Senate document (Rept. No. 92–736). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. Senate Concurrent Resolution 50. Concurrent resolution authorizing the printing of the handbook entitled "Guide to Federal Programs for Rural Development" as a Senate document (Rept. No. 92–737). Ordered to be printed.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 11992. A bill to amend the District of Columbia Election Act, and for other purposes; with amendments (Rept. No. 92–738). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12115. A bill to amend certain provisions of subtitle II of title 28, District of Columbia Code, relating to interest and usury; with amendments (Rept. No. 92–739). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee of Conference. Conference report on H.R. 11341, with amendment (Rept. No. 92–740). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRADEMAS (for himself, Mr. REID of New York, Mr. MELCHER, Mr. BADILLO, Mr. MIKVA, Mr. DINGELL, Mr. BOLAND, Mr. BEVILL, Mr. ROSENTHAL, Mr. CARNEY, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. KOCH, Mr. HAWKINS, Mr. PODELL, Mr. VANIK, Mr. GREEN of Pennsylvania, Mr. YATES, and Mr. BINGHAM):

H.R. 12136. A bill to strengthen and improve the Older Americans Act of 1965; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. HALPERN, Mr. RANGEL, Mr. NIX, Mr. SARBANES, Mr. MILLER of California, Mr. ADDABBO, Mr. KARTH, Mr. BRASCO, Mr. DULSKI, Mr. MCDONALD of Michigan, Mr. GONZALEZ, Mr. ST GERMAIN, Mr. YATRON, Mr. GALLAGHER, Mr. REES, Mr. MOORHEAD, Mr. KEATING, Mr. HATHAWAY, Mr. ROE, Mr. RODINO, and Mr. RYAN):

H.R. 12137. A bill to strengthen and improve the Older Americans Act of 1965; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. COTTER, Mr. MITCHELL, Mr. LINK, Mr. EILBERG, Mr. FASCELL, Mr. STOKES, Mr. WILLIAM D. FORD, Mr. ULLMAN, Mr. RONCALIO, Mr. BIAGGI, Mr. BEGICH, Mr. CORMAN, Mr. ABOUREZK, Mr. PUCINSKI, Mr. ROY, Mr. ROONEY of Pennsylvania, Mrs. HICKS of Massachusetts, Mr. HELSTOSKI, Mr. EDWARDS of California, Mr. DENHOLM, and Mr. BURKE of Massachusetts):

H.R. 12138. A bill to strengthen and improve the Older Americans Act of 1965; to the Committee on Education and Labor.

By Mr. CHAMBERLAIN:

H.R. 12139. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. CHAPPELL (for himself, Mr. FREY, and Mr. ROGERS):

H.R. 12140. A bill to provide for the establishment of a national cemetery in Florida; to the Committee on Veterans' Affairs.

By Mr. DANIELSON:

H.R. 12141. A bill to amend the Internal Revenue Code of 1954 to raise the limitations on contributions by self-employed individuals to certain retirement plans and to permit certain employees to established qualified pension plans for themselevs in the same manner as if they were self-employed; to the Committee on Ways and Means.

By Mr. EDMONDSON:

H.R. 12142. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products made in whole or in part of imported meat be labeled "imported" at all stages of distribution until delivery to the ultimate consumer; to the Committee on Agriculture.

By Mr. EDWARDS of California (for himself, Mr. BURTON, Mr. DELLUMS, Mr. GUBSER, Mr. LEGGETT, Mr. Mc-

CLOSKEY, Mr. MOSS, Mr. WALDIE, Mr. GARMATZ, Mr. PELLY, Mr. CLARK, Mr. MAILLIARD, Mr. DINGELL, Mr. MOSHER, Mr. LENNON, Mr. KEITH, Mr. DOWNING, Mr. BRAY, Mr. BIAGGI, Mr. STEELE, Mr. ANDERSON of California, Mr. FORSYTHE, Mr. KYROS, Mr. DU PONT, and Mr. TIERNAN):

H.R. 12143. A bill to provide for the establishment of the San Francisco Bay National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

By Mr. GUDE:

H.R. 12144. A bill to authorize the Secretary of the Interior to establish the George Washington Boyhood Home National Historic Site in the State of Virginia; to the Committee on Interior and Insular Affairs.

By Mr. McCULLOCH (for himself, Mr. GERALD R. FORD, Mr. MCCLORY, Mr. SMITH of New York, Mr. SANDMAN, Mr. RAILSBACK, Mr. FISH, Mr. COUGHLIN, Mr. HOGAN, and Mr. KEATING):

H.R. 12145. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of law enforcement officers killed in the line of duty; to the Committee on the Judiciary.

By Mr. MONAGAN:

H.R. 12146. A bill to amend the Outer Continental Shelf Lands Act, to establish a National Marine Mineral Resources Trust, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. OBEY:

H.R. 12147. A bill to authorize emergency loans under subtitle C of the Consolidated Farmers Home Administration Act of 1961 to mink farmers who suffer severe losses caused by economic conditions; to the Committee on Agriculture.

By Mr. O'HARA:

H.R. 12148. A bill to require that all schoolbuses be equipped with seatbelts for passengers and seatbacks of sufficient height to prevent injury to passengers; to the Committee on Interstate and Foreign Commerce.

By Mr. PODELL (for himself, Mr. FRASER, Mrs. MINK, Mrs. CHISHOLM, Mr. KOCH, Mr. GETTYS, Mr. BURTON, Mr. THOMPSON of New Jersey, Mrs. HICKS of Massachusetts, Mr. ANNUNZIO, Mr. SYMINGTON, Mr. DANIELSON, Mr. GARMATZ, Mr. COLLINS of Illinois, Mr. BARRETT, Mr. THOMPSON of Georgia, Mr. MATSUNAGA, Mr. PEPPER, Mr. STEELE, Mr. MAZZOLI, Mr. PUCINSKI, Mrs. GREEN of Oregon, Mrs. ABZUG, Mr. GALLAGHER, and Mr. BIAGGI):

H.R. 12149. A bill to amend the Internal Revenue Code of 1954 to provide that the retirement benefits available to self-employed individuals shall be available to women who are able to put part of their household allowances into savings; to the Committee on Ways and Means.

By Mr. PODELL (for himself, Mr. MIKVA, Mr. ROSENTHAL, Mr. BRASCO, Mr. WALDIE, Mr. HOWARD, Mr. NIX, Mr. SCHEUER, Mr. MITCHELL, Mr. BINGHAM, Mr. BADILLO, Mr. HALPERN, Mr. WOLFF, Mr. RANGEL, Mr. RYAN, and Mr. WAGGONNER):

H.R. 12150. A bill to amend the Internal Revenue Code of 1954 to provide that the retirement benefits available to self-employed individuals shall be available to women who are able to put part of their household allowances into savings; to the Committee on Ways and Means.

By Mr. THOMPSON of Wisconsin:

H.R. 12151. A bill to make an appropriation for fiscal year 1972 for grants for programs to prevent and control measles; to the Committee on Appropriations.

H.R. 12152. A bill to amend section 6 of the United Nations Participation Act of 1945 to require approval by the Congress of the use of Armed Forces of the United States under article 42 of the Charter of the United Nations; to the Committee on Foreign Affairs.

H.R. 12153. A bill to amend title 38 of the United States Code so as to provide that public or private retirement, annuity, or endowment payments (including monthly social security insurance benefits) shall not be included in computing annual income for the purpose of determining eligibility for a pension under chapter 15 of that title; to the Commitee on Veterans' Affairs.

By Mr. VANIK:

H.R. 12154. A bill to amend the Civil Rights Act of 1964 in order to prohibit discrimination on the basis of physical or mental handicap in federally assisted programs; to the Committee on the Judiciary.

By Mr. VEYSEY (for himself, Mr. ADDABBO, Mr. BRINKLEY, Mr. DANIELSON, Mr. EDWARDS of California, Mr. EILBERG, Mr. ESCH, Mr. ESHLEMAN, Mr. FRENZEL, Mr. GARMATZ, Mrs. GRASSO, Mrs. GREEN of Oregon, Mr. GUDE, Mr. HALPERN, Mr. HOSMER, Mr. KEMP, Mr. McDADE, Mr. MAZZOLI, Mr. MITCHELL, Mr. MORSE, Mr. RANGEL, Mr. REES, Mr. RODINO, Mr. RUNNELS, and Mr. STEELE):

H.R. 12155. A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, to require licensing and inspection of all blood banks, and to establish a national registry of blood donors; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLFF (for himself, Mrs. ABZUG, Mr. ADDABBO, Mr. BIAGGI, Mr. BINGHAM, Mr. BRASCO, Mr. CAREY of New York, Mrs. CHISHOLM, Mr. COTTER, Mr. DENT, Mr. DOW, Mr. DRINAN, Mr. DANIELS of New Jersey, Mr. HALPERN, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. KEMP, Mr. KOCH, Mr. KYROS, Mr. MITCHELL, Mr. MURPHY of New York, Mr. O'NEILL, Mr. PEPPER, Mr. PIKE, and Mr. PODELL):

H.R. 12156. A bill to authorize an investigation and study of coastal hazards from offshore drilling on the Outer Continental Shelf in the Atlantic Ocean; to the Committee on Interior and Insular Affairs.

By Mr. WOLFF (for himself, Mr. BOLAND, Mr. BURKE of Massachusetts, Mr. DELANEY, Mr. FORSYTHE, Mrs. GRASSO, Mr. HATHAWAY, Mr. MINISH, Mr. RANGEL, Mr. REID of New York, Mr. RODINO, Mr. ROE, Mr. ROSENTHAL, Mr. RYAN, Mr. ST GERMAIN, Mr. SARBANES, and Mr. TIERNAN):

H.R. 12157. A bill to authorize an investigation and study of coastal hazards from offshore drilling on the Outer Continental Shelf in the Atlantic Ocean; to the Committee on Interior and Insular Affairs.

By Mr. WOLFF (for himself, Mr. BURKE of Massachusetts, Mr. FORSYTHE, Mrs. GRASSO, and Mr. SARBANES):

H.R. 12158. A bill to authorize the President to designate marine sanctuaries in areas of the oceans, coastal, and other waters, as far seaward as the outer edge of the Continental Shelf, for the purpose of preserving or restoring the ecological, esthetics, recreation, resource and scientific values of and related to such areas; to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG of Texas:

H.R. 12159. A bill to amend title 37, United States Code, to continue the retired or retainer pay of a member or former member of the uniformed services while in a missing status; and for other purposes; to the Committee on Armed Services.

By Mr. BIAGGI (for himself, Mr. HALPERN, Mr. BOLAND, Mr. BADILLO, Mr. DELANEY, Mr. RANGEL, Mr. BYRNES, of Pennsylvania, Mr. THOMPSON of New Jersey, Mr. HELSTOSKI, Mr. CORMAN, Mr. CAREY of New York, Mr. DONOHUE, Mr. ADDABBO, Mr. HARRINGTON, Mr. BINGHAM, Mr. ST GERMAIN, and Mrs. HICKS of Massachusetts):

H.R. 12160. A bill for the relief of residents of northern Ireland; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 12161. A bill to amend the Social Security Act to provide for the payment (from the old-age and survivors insurance trust fund) of special allowances to help elderly low-income persons and families to meet their housing costs; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia (for himself, Mr. GUDE, and Mr. STUBBLEFIELD):

H.R. 12162. A bill to exempt from taxation certain property in the District of Columbia owned by the Daughters of the American Revolution, Inc., and for other purposes; to the Committee on the District of Columbia.

By Mr. BURKE of Massachusetts (for himself, Mr. ADDABBO, Mr. BARRETT, Mr. BEGICH, Mr. BEVILL, Mr. BOLAND, Mr. BYRON, Mr. CLARK, Mr. COLLINS of Illinois, Mr. DANIELS of New Jersey, Mr. DANIELSON, Mr. FULTON of Tennessee, Mr. GARMATZ, Mrs. GRASSO, Mr. GREEN of Pennsylvania, Mr. GRIFFIN, Mr. KEE, Mr. KYROS, Mr. McCORMACK, Mr. McDADE, Mr. MORGAN, Mr. MURPHY of New York, Mr. NIX, Mr. ST GERMAIN, and Mr. SAYLOR):

H.R. 12163. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. BYRNE of Pennsylvania:

H.R. 12164. A bill to amend title 10, United States Code, to broaden the definition of the term "dependent," for certain purposes; to the Committee on Armed Services.

By Mr. DELLENBACK:

H.R. 12165. A bill for the relief of the city of Oakridge, Oreg.; to the Committee on the Judiciary.

By Mr. FINDLEY (for himself, Mr. ABOUREZK, Mr. ADDABBO Mr. BEVILL, Mr. BOLAND, Mr. COLLINS of Texas, Mr. COTTER, Mr. DOW, Mr. DRINAN, Mr. DULSKI, Mr. FISH, Mr. FORSYTHE, Mr. GALLAGHER, Mr GOLDWATER, Mrs. GRASSO, Mr. HALPERN, Mr. HAMILTON, Mr. HARRINGTON, Mr HAWKINS, Mr. HECHLER of West Virginia, and Mr. HICKS of Washington):

H.R. 12166. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. HORTON, Mr. KEMP, Mr. McDADE Mr. MORSE, Mr. NIX, Mr. PRYOR of Arkansas, Mr. RAILSBACK, Mr. RHODES, Mr. RIEGLE, Mr. ROE, Mr. ROY, Mr. ST GERMAIN, Mr. SCHERLE, Mr. SCHWENGEL, Mr. SIKES, Mr. STEELE, Mr. THONE, Mr. WARE, Mr. YATRON, and Mr. ZWACH):

H.R. 12167. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. REUSS (for himself, Mr. ABOUREZK, Mr. BURTON, Mr. CARNEY, Mrs. GRASSO, Mr. HANNA, Mr. METCALFE, Mr. MURPHY of Illinois, Mr. PATTEN, and Mr. RODINO):

H.R. 12168. A bill to amend and expand the

Emergency Employment Act of 1971 to reduce national unemployment and stimulate noninflationary economic growth; to the Committee on Education and Labor.

By Mr. ROY:

H.R. 12169. A bill to amend the Watershed Protection and Flood Prevention Act so as to provide necessary assistance in connection with rural development; to the Committee on Agriculture.

By Mr. SEBELIUS:

H.R. 12170. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 12171. 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. STRATTON (for himself and Mr. REID of New York):

H.R. 12172. A bill to authorize the Secretary of the Treasury to make grants to Eisenhower College, Seneca Falls, N.Y., out of the proceeds of the sale of minted proof dollar coins bearing the likeness of the late President of the United States, Dwight D. Eisenhower; to the Committee on Appropriations.

By Mrs. ABZUG:

H. Con. Res. 480. Concurrent resolution expressing the sense of Congress that the President should take necessary steps to initiate active negotiations seeking agreement with the Soviet Union on a comprehensive ban on all nuclear test explosions, to work toward extension of a prohibition against nuclear testing to the other nuclear powers, including France and China, and to declare and observe an indefinite moratorium on all nuclear test explosions; to the Committee on Foreign Affairs.

By Mr. HARRINGTON:

H. Con. Res. 481. Concurrent resolution expressing the sense of the Congress with respect to the rights of mentally or physically handicapped persons; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE:

H. Con. Res. 482. Concurrent resolution expressing the sense of Congress with respect to placing before the United Nations General Assembly the issue of the dual right of all persons to emigrate from and also return to one's country; to the Committee on Foreign Affairs.

By Mr. STAGGERS:

H. Con. Res. 483. Concurrent resolution providing for the reprinting of a House document entitled, "Report of Special Study of Securities Markets by the Securities and Exchange Commission"; to the Committee on House Administration.

By Mr. HELSTOSKI:

H. Res. 733. Resolution expressing the sense of the House of Representatives relative to the crisis in south Asia; to the Committee on Foreign Affairs.

By Mr. MORSE (for himself, Mr. SCHWENGEL, and Mr. GUDE):

H. Res. 734. Resolution to amend rules X, XI, and XIII of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. REES:

H. Res. 735. Resolution expressing the sense of the House of Representatives concerning the situation in Bangla Desh; 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 to as follows:

By Mr. DORN:

H.R. 12173. A bill for the relief of Edwin A. Manos, lieutenant colonel, U.S. Air Force: to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 12174. A bill for the relief of Alma Carrillio Custodio; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 12175. A bill for the relief of Azucena Castillo-Artavia; to the Committee on the Judiciary.

H.R. 12176. A bill for the relief of Gloria Hernandez; to the Committee on the Judiciary.

By Mr. WHITE:

H.R. 12177. A bill for the relief of Rico, Inc.; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 12178. A bill for the relief of Timothy J. Mayer; to the Committee on the Judiciary.

By Mr. YOUNG of Texas:

H.R. 12179. A bill for the relief of Swift-Train Co.; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

EMPHASIS IN SOLID WASTE HAS SHIFTED FROM DISPOSAL TO RESOURCE RECOVERY

HON. WILLIAM B. SPONG, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, December 9, 1971

Mr. SPONG. Mr. President, Mr. David P. Reynolds, executive vice president and general manager of Reynolds Metals Co., recently was named "Packaging Man of the Year" by the Packaging Education Foundation, Inc.

In accepting the award, Mr. Reynolds called upon the packing industry to use its technology and creativity in a united effort to solve the solid waste problem. He observed that technology is available now for separating steel, aluminum, glass, paper, and other materials from mixed garbage, and for recycling them into new products or useful energy.

He said the packaging industry is seeking to develop the most efficient and economical systems for bringing all of this technology into plants that can serve a whole municipality or region. He predicted that within the next several years the Nation will see the first municipal recycling plants begin operations in major cities.

Mr. President, it was Mr. Reynold's company, headquartered in Richmond, Va., which initiated the first national program to reclaim and recycle aluminum cans and other aluminum packaging at the consumer level. Representatives of the company testified on this achievement during hearings that led to the development of the Resource Recovery Act of 1970.

Mr. President, Mr. Reynold's comments on recycling will be of interest to every Member of the Senate, and I ask unanimous consent that the text of his remarks be printed in the RECORD.

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

REMARKS BY DAVID P. REYNOLDS

Mr. Chairman, Mrs. Knauer, distinguished guests, and my friends in the packaging industry: Thank you for this great honor. Nothing could be more gratifying to me than this award, because my company began as a packaging company, and I have spent the greater part of my life in packaging. I accept your award with humility, because no single person or company can claim more than a small role in an industry so large, so diverse and so important to modern life.

I am sure I don't have to sing the glories of packaging to this audience. Many of you have been in it longer than I have. But, since this is National Packaging Week, let us remind ourselves—and the world—of some of the contributions which packaging makes to the quality of life.

The packaging industry today is a vital part of our economy and society. It's a $21 billion-a-year industry in which hundreds of thousands of people design, engineer, manufacture and recycle billions of packages which bring us nature's bounty from all over the world—improve nutrition—protect our health—save us money—and add beauty, brightness and convenience to our lives.

And by all means—and I'm sure Mrs. Knauer would agree—let's not forget what packaging has done for women's liberation. It has telescoped meal preparation from hours to minutes.

There are some who decry our material progress and prosperity . . . our labor saving appliances . . . our convenience foods and packaging. They say we need more emphasis on spiritual and cultural values. This is true. But we must not forget that our business system and our technology have given us the leisure and resources to pursue the good and the beautiful.

Today there is rising public concern over solid waste and conservation of resources. It is ironic that this concern is focused on packaging, for packaging of all kinds amounts to only 13½ per cent of urban and industrial solid waste.

You are aware of the misguided legislative moves to restrict packaging . . . most numerous of which are bills to ban, tax or impose a deposit on non-returnable beer and soft drink containers.

The fallacies and futility in such legislation have been pointed out by William D. Ruckelshaus, head of the Environmental Protection Agency. In a press conference two weeks ago he made these points.

No. 1, increased use of returnable containers could worsen the solid waste problem because returnables have to be heavier to stand up to repeated use.

No. 2, requiring a deposit does not make the public return containers. Several surveys of litter have shown that people throw away returnable bottles—those on which they paid a deposit—almost as much as non-returnables.

No. 3, if the deposit was raised high enough to encourage people to return them, that would bring a new problem—counterfeiting. In a federally aided test in California, in which a deposit of 11 cents was established, counterfeiters discovered they could make the bottles cheaper than that, so they began making unauthorized bottles just to collect the deposit.

It is gratifying that a federal statesman like Mr. Ruckelshaus is "telling it like it is" in this era when so many public officials are tempted, by uninformed public pressure, to