growing several times faster on farms than in the rest of the economy, as it has for many years, it is the disadvantaged rural people who pay the price. Mechanization, ever-increasing production, and the slow disappearance of the small farms have driven hundreds of thousands of farmworkers to the cities seeking work. Too frequently they do not find it, and become welfare cases.

If we can offer the prospect of improved opportunity in the rural areas, this not only can stop the migration to the large cities, but to some extent reverse it. The more attractive environment in the country will hold and attract the people as residents, provided there is employment, and for the young people an expectation to be able to improve their economic status—goals to strive for, with a reasonable hope of achieving them by hard work.

In my judgement, this bill offers reasoned and thoughtful solutions to the problems that plague the rural countryside. If the rural areas are revitalized, we will have gone far toward solving some of the urban ills that are becoming so costly.

So, Mr. President, I am looking forward to continued debate on the pending bill. It has worked out well. Its basic principles are sound. The need is evident and has continued and will continue.

We have lost some time already in providing this solution.

Thus, I urge that we go on and enact the law in this field the best we possibly can and put it in motion and learn from experience. I believe that the fruits will be certain. I believe that progress will be rapid.

I strongly urge passage of the Rural Development Act of 1972 and hope to take part further in the debate and discussion on this valuable bill which seeks to solve this highly important and demanding problem.

QUORUM CALL

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

The PRESIDING OFFICER (Mr. BENTSEN). On whose time?

Mr. GRIFFIN. I ask unanimous consent that the time required for the quorum call be equally allotted to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 9:45 a.m. tomorrow. After the two assistant leaders have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senators PROXMIRE, GRAVEL, BELLMON, JAVITS, and ROBERT C. BYRD, after which there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 3 minutes.

The resolution submitted by the Senator from Arizona (Mr. GOLDWATER), going over under the rule because of objection today to its immediate consideration, will automatically come before the Senate at the end of the morning business on tomorrow. However, if debated until the hour of 11:45 a.m., the resolution will automatically go on the regular calendar.

That being the case, the Senate will then resume the consideration of the unfinished business, S. 3462, a bill to provide for the development of rural areas.

Rollcall votes will occur on tomorrow, especially on the Ellender amendment. Also, rollcall votes may occur on other amendments. A rollcall vote will undoubtedly occur on final passage of the bill.

Due to the fact that there are time limitations on the bill and on all amendments, final action is anticipated on tomorrow. In that event, the Senate will adjourn at the close of business until Monday morning next.

There may be other items on the calendar to be disposed of tomorrow, and conference reports may, of course, be called up if any are ready, but I know of none.

It is urged that committees take advantage of the opportunity on Friday to meet in the hope that most of the major Senate business can be disposed of prior to the conventions.

ADJOURNMENT TO 9:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9:45 a.m. tomorrow.

The motion was agreed to; and at 5:16 p.m. the Senate adjourned until tomorrow, Thursday, April 20, 1972, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate April 19, 1972:

DIPLOMATIC AND FOREIGN SERVICE

Martin J. Hillenbrand, of Illinois, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Germany.

NATIONAL TRANSPORTATION SAFETY BOARD

William R. Haley, of the District of Columbia, to be a member of the National Transportation Safety Board for the term expiring December 31, 1976, vice Oscar M. Laurel, term expired.

U.S. ADVISORY COMMISSION ON INTERNATIONAL EDUCATIONAL AND CULTURAL AFFAIRS

The following-named persons to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs for terms expiring May 11, 1975:

David R. Derge, of Indiana;
Jewel LaFontant, of Illinois;
William C. Turner, of Arizona.

U.S. MARINE CORPS

The following-named staff noncommissioned officer for appointment to the grade of first lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

William D. Rusinak.

CONFIRMATION

Executive nomination confirmed by the Senate April 19, 1972:

NATIONAL COMMISSION ON MATERIALS POLICY

Peter G. Peterson, of Illinois, to be a member of the National Commission on Materials Policy.

HOUSE OF REPRESENTATIVES—*Wednesday, April 19, 1972*

The House met at 12 o'clock noon.

Rabbi Kenneth Segel, Rodef Shalom Temple, Pittsburgh, Pa., offered the following prayer:

God of Life, Thy children seek Thy help. These, Thy sons and daughters, are charged with the awesome responsibility of directing the affairs of our Nation. Inspire them to rediscover that which is truest and best in the American dream. Help them to stand aside from the world's conspiracy of fear and hate. Aid them to grasp once more the great monosyllables of life: Faith, hope, and love.

May our country combat fear with trust; hate with love; suspicion with faith; and injustice with righteousness.

May we so conduct ourselves that those who know us will think of our country not as the mightiest nation, but as the freest; not as the wealthiest, but as the most humane and generous; not as the leader of the world but as the servant of humanity and the steward of liberty for all men. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

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

H.R. 8817. An act to further cooperative forestry programs administered by the Secretary of Agriculture, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 222. Joint resolution relating to the furnishing of Secret Service protection to major presidential and vice-presidential candidates.

PITTSBURGH RABBI GIVES TODAY'S INVOCATION

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

Mr. MOORHEAD. Mr. Speaker, it is with the greatest honor that I inform the House that today's invocation was given by a constituent of mine, Rabbi Kenneth Segel of Rodef Shalom Temple in Pittsburgh.

He is assistant rabbi to one of the largest Jewish congregations in the United States.

I think we all were moved by his stirring prayer and we thank him for seeking for us God's guidance and strength.

Rabbi Segel represents the new breed of clergymen. He is very active in community and civic affairs in addition to his role as religious leader to the Rodef Shalom Congregation.

A graduate of the State University of New York at Buffalo, Rabbi Segel received his master of arts in Hebrew letters from Hebrew Union.

He serves on numerous committees and commissions including: Planned Parenthood of Allegheny County; Allegheny County Concerned Clergymen's Committee; Recognize All Potential—RAP; Clergymen Action Committee for Neighborhood Cooperation, and others.

The rabbi was accompanied to Washington today by his wife, Sandra, and his parents, Mr. and Mrs. David Segel, of Buffalo, N.Y.

I want to thank and congratulate all of them.

REPRESENTATIVE GIBBONS TO OFFER AMENDMENT TO AMENDMENT OFFERED IN DEMOCRATIC CAUCUS BY REPRESENTATIVE O'NEILL

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

Mr. GIBBONS. Mr. Speaker, I use my time of 1 minute now to inform the Members of the House, particularly the Democratic Members, that on tomorrow during the Democratic caucus when the O'Neill amendment is considered, I shall take the opportunity to offer an amendment to that amendment. That amendment will read as follows:

That it is the sense of the Democratic Caucus of the House of Representatives that in the 92d Congress the House of Representatives:

Should condemn the current military invasion of South Vietnam by the forces of North Vietnam;

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

Mr. GIBBONS. I am glad to yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I thank the gentleman for yielding. I think the gentleman's additional language to the O'Neill amendment would certainly improve its attractiveness to a great many members of the Democratic caucus, and I am very pleased to hear the gentleman say that he intends to offer that amendment. It should be a part of any final expression by the caucus on this matter.

Mr. GIBBONS. I thank the gentleman from Oklahoma.

THE NEED TO ELIMINATE CROSS BUSING

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

Mr. MIZELL. Mr. Speaker, I rise at this time to impress again on my colleagues, as I have done on many past occasions, the urgency of passing meaningful and effective legislation to deal with the problem of cross busing to achieve racial balance in our public schools.

Another school year will soon be coming to a close, and yet another will follow in a matter of a few weeks, but we in the Congress will find ourselves engulfed in a quagmire of debate and indecisiveness.

The American people are anything but indecisive on this issue. The results of the busing referendum held in conjunction with the Florida presidential primary showed heavy opposition to cross busing in a State which has often been called a microcosm of the Nation.

Recent Gallup polls registered opposition to busing at 76 percent nationwide, and a recent poll conducted by the National Institute of Student Opinion for Scholastics magazine showed only 8 percent support for busing among 34,000 high school students surveyed throughout the country.

Public opinion against busing for racial balance is so great that we will be abdicating our responsibility if we do not solve this problem once and for all in this session of Congress, and the people will know it. Commonsense and an unmistakable popular mandate demand that we not even think of adjourning this Congress until we settle the issue.

President Nixon has called for action and recommended a possible solution; the people continue to demand clear and decisive action by their representatives to deal with the situation; and many of us have offered legislative measures designed to deal effectively with this problem.

It is left to us to respond to the people's will, to the various initiatives several of us have proposed, and to the clear voice of commonsense by completely eliminating this practice of cross busing from the educational process in America.

POINT OF PERSONAL PRIVILEGE

The SPEAKER. The Chair recognizes the gentleman from New Jersey (Mr. GALLAGHER).

Mr. GALLAGHER. Mr. Speaker, I rise on a point of personal privilege.

The SPEAKER. The gentleman will state the point of personal privilege.

Mr. GALLAGHER. Mr. Speaker, I wish to answer charges involving a matter of personal privilege relating to an indictment against me last week, stemming from charges in certain publications that bear upon my personal integrity. I will answer that today because it reflects upon my integrity and my conduct in a most reprehensible manner.

The SPEAKER. The gentleman from New Jersey is recognized for 1 hour.

Mr. GALLAGHER. Mr. Speaker, I read this statement at a news conference on April 11, 1972:

This is a political indictment aimed specifically at discrediting me at a time Congressional redistricting is the major issue in New Jersey. It is also directly related to the terrible smears published in Life magazine, which have been totally disproved. I have retained Edward Bennett Williams as my counsel, and I believe I will be vindicated.

The indictment rests on the purchase of bonds. In fact, bonds were purchased by the Broadway National Bank for two men who told me they were investing Hudson County Democratic funds for future Party use. These men were Mr. Thomas Flaherty, of the Jersey City Party and Mr. Ben Schlossberg, formerly the perennial campaign manager for the County-wide Party.

At no time did I regard these as personal funds or income. The indictment accuses me of tax evasion, but since they were Party funds, the indictment rests on false allegations.

I had no reason not to believe Mr. Flaherty and Mr. Schlossberg. The Dembe brothers, who actually purchased the bonds and who owned the Bank, said it was all perfectly legal and proper.

These were never my funds, these were never my bonds, and I never realized any personal benefit from them.

Mr. Schlossberg asked me, because of my position at the Bank, to act as trustee and custodian of bonds purchased at his request. Mr. Schlossberg died while I was trustee. Due to the disarray of the Hudson County Democratic Party I voluntarily turned them over to the United States Government when I appeared before the Grand Jury. If I would have considered them mine, I could have paid income taxes and realized approximately $200,000, free and clear. But they were not mine; I was the trustee. I had intended to place the bonds with the court and interplead the matter as any trustee would have done under similar circumstances.

I am in fact being condemned for my honesty.

What makes this case different is that this is a political matter. All parties have funds they need to invest.

If the same ground rules were in effect for all political funds as those being used in Hudson County, I.T.T. would probably be under an intensive Grand Jury investigation at this moment. But these were Democratic Party funds in Hudson County. I am accused of knowing that the funds were not Party funds, but I had no way to have such knowledge.

I intend to speak out on the Floor of the House in the very near future and disclose the operations of a monolith which operates totally free of any constitutional or congressional restraint. What was done to me was done by the total corruption at the highest levels of the American secret police. I was selected as a "target" because I opposed those illegal and corrupt methods. A target is a man who opposes unrestrained power and the monolith then sets out to invent a crime to smear the target and to punish him for his opposition.

I am informed that over $11 million in tax payer dollars have been spent to destroy me. I have undergone the most relentless investigation in modern political history for nearly four years, ever since leaked Federal raw investigative files were handed to LIFE. Any citizen—office holder, local policeman, anyone—who disagrees with our new Caesars will be the victim of this terrible repression. I have spoken out against it for 9 years and

for four years my family and friends have been subjected to a terror equal only to the oppression in Nazi Germany. In the days to come, I shall speak out on this—I will name names.

I expect to be re-elected, but perhaps more important, I will lay out for the first time on the public record the full story of the new surveillance subculture and those who would pervert democracy in the lust for uncontrolled power.

Mr. Speaker, I stand here today to redeem that pledge. I will not comment further today on the allegations of my indictment. I believe I will be vindicated and I await judgment in a court of law.

However, I would point out in reference to my remark about the disarray of the party in Hudson County that at least two groups have now lodged a claim to the bonds I voluntarily turned over to the grand jury.

But I do intend to name names today and I do intend to disclose exactly why I was chosen as a target. To do that demands a brief description of the actions of my Privacy Subcommittee and it demands an understanding of bureaucratic infighting within the Department of Justice. I commend Victor Navasky's book "Kennedy Justice" as a brilliant description of the competing forces at Justice. It is invaluable background material on the complex events I will allude to today.

I would also suggest that anyone seriously interested in the framework of what I will disclose today should read an outstanding article by Richard Harris on recent actions by the Department of Justice and the legislation it has succeeded in having the Congress pass. This article appeared in the March 25, 1972, issue of the New Yorker and is reprinted on page E3351 of the CONGRESSIONAL RECORD of March 30, 1972, where it was inserted by our perceptive colleague, Congressman MICHAEL HARRINGTON.

Let me now begin my own story.

In 1963, I stimulated the Committee on Government Operations to hold a series of hearings on the polygraph. These hearings, held by the subcommittee of Congressman JOHN MOSS, were widely reported as was my role in being their instigator. I was also making statements about other aspects of privacy, such as trash snooping and mail covers. In 1964, the privacy inquiry was formed by Chairman William Dawson and the press at that time indicated that I would undertake a detailed series of investigations of the current erosion in America of human rights of its citizens.

The first inkling I had that this emerging focus on privacy had been noted in the big leagues was when a Mr. Sid Zageri came to my office. Mr. Zageri was General Counsel and chief lobbyist for the Teamsters Union at that time. Mr. Zageri offered me a series of documents detailing practices of the Internal Revenue Service, and components of the Department of Justice. Much of the material referred to his contention that Robert Kennedy had railroaded Jimmy Hoffa and Mr. Zageri requested I hold a hearing with my Privacy Subcommittee on this material.

I was surprised at the depth of the research, and I was greatly shocked at the detailed allegations of improper behavior by Federal agencies. When I questioned the validity of the documents, Mr. Zageri told me that they were the work of the Federal Bureau of Investigation and that since I was regarded as a friend of the FBI and a defender of privacy, he wanted me to see them first.

I flatly refused to hold such a hearing or to get involved in the bureaucratic infighting over Mr. Kennedy's new idea he advanced as Attorney General of a total combined effort by all Federal agencies and the more traditional, separated approach advocated by the FBI. These were things few in Congress knew or understood and at that time I found it hard to believe.

I put Mr. Zageri's offer out of my mind until I read of the sensational series of hearings held by Senator Edward Long's Senate Judiciary Subcommittee on Administrative Practices and Procedures in February and March of 1965. Some of the disclosures were quite similar to the ones I had seen in the documents Mr. Zageri brought me.

Three facts which emerged from those hearings are relevant: First, the then Senator Robert Kennedy was sharply criticized; second, the charge was made that information was leaked to Life magazine in 1961 from the Department of Justice which allegedly resulted in a story critical of Jimmy Hoffa; third, Roy Cohn testified about his personal and professional harassment by the U.S. Attorney for the Southern District of New York.

In June 1965 my Privacy Subcommittee held a widely reported hearing into psychological testing and I was speaking out frequently against what I regarded as the erosion of the Bill of Rights. In addition, the preparations for my July 1966 hearings into the computer and invasion of privacy had stimulated a great deal of press interest. I was obviously being regarded as the leader in the House of Representatives on the issue of privacy, and my Privacy Subcommittee was regarded as a force to be reckoned with in Washington.

In June of 1966 I came into my office one day—it was a Monday—and my administrative assistant, Mrs. Elizabeth May, gave me a large batch of mail to sign. But one particular letter caused me quite a shock. Its contents were a request by me, as chairman of the Special Subcommittee on Invasion of Privacy, to then Attorney General Nicholas deB. Katzenbach for copies of the authorizations for illegal bugging of Rev. Martin Luther King and of the casinos in Las Vegas.

I asked Mrs. May where that letter had come from and she replied that she thought I had known that the letter was dictated to her by Mr. Roy Cohn several days earlier. She said that Mr. Cohn had told her that he would talk with me about the letter over the weekend but, in point of fact, Mr. Cohn had not talked to me.

I immediately got Mr. Cohn on the phone and asked him what this letter was all about. I was very unhappy that he would think I would send out such a letter because no one except members of my staff ever prepares letters for my signature. He told me that he had been trying to reach me to have dinner and talk about it, but did not realize I had already returned to Washington. He said it was very important that I sign and send the letter.

I asked him why it was so important. He said that the man who signed the authorizations for those two electronic surveillances was Robert Kennedy when he was Attorney General. I told Mr. Cohn that I would not become involved in any feud between him and Robert Kennedy.

He responded that this was not his request. He stated that this letter was written by Mr. Deke DeLoach, then No. 3 man at the FBI, with the specific approval of J. Edgar Hoover. He told me that the Federal Bureau of Investigation would consider me a good friend if I were to make public those authorizations. He told me that Mr. Hoover was very upset about the statements being made by Mr. Kennedy about widespread illegal wiretapping, eavesdropping, and bugging, and that Mr. Hoover was sick and tired of being made the sole brunt of that kind of criticism. He stated that Robert Kennedy had authorized those two activities by the Federal Bureau of Investigation and that Mr. Hoover was furious with Senator Kennedy who was blaming it on Mr. Hoover.

I told Mr. Cohn again that I did not want to get involved in the dispute between them and that, frankly, I opposed the use of such methods, no matter who had done it and that it was a disgrace what they were doing to Reverend Martin Luther King. Mr. Cohn then said that this could be very important to my career and that the Federal Bureau of Investigation, Mr. Hoover, and Mr. DeLoach were extremely helpful. They regarded me as a friend.

I told Roy Cohn that I was their friend and in point of fact I had been a loud and vocal supporter of the FBI up until that time. I opposed the proliferation of police agencies within the Federal Government because of the lack of responsibility which happened when other Federal agencies developed their own investigative capability. I thought that if other Federal agencies needed investigators that the FBI should contract its agents to them for they were professional and responsible men. If any agency needed nonuniformed investigators, the FBI should provide them rather than having dozens of investigative forces developed without centralized responsibility.

Up until that time, I was a believer in and a supporter of the FBI and I said so publicly on many occasions.

To continue, I told Mr. Cohn that I did not want to get involved in this sort of bureaucratic infighting and I recounted to him my refusal to conduct the hearings brought to me by Mr. Zageri. And I told Mr. Cohn that I would not send out the letter.

Mr. Cohn then said that he would advise me to do it. I said, "Come on, get off it. What do you mean 'advise me to do it?' " He said that if I was interested in my own future that I should do it. I asked: "Is it the practice of the FBI to

threaten or blackmail a Member of the Congress of the United States?"

He replied that he was only telling me this as a personal friend and that if I was not regarded as a friend of the FBI it was his experience that you would be regarded as an enemy. He said they were dangerous people to have as enemies.

I replied that I had done nothing to be regarded as an enemy, so why should I worry about something like that. I added that I was not totally sure that I believed him.

Mr. Cohn replied, "You'll be sorry."

I said, "Is that another threat?"

"No," he said. "That is advice and counsel of a friend. I know how they work." He added "We can get someone else to do it if you refuse. We have other friends."

I asked who would do such a thing and he replied that either Senator Edward Long or Senator Everett Dirkson—both friends of the FBI—would do it. I responded that if either one of them wanted to do something like that, that was their business. I repeated that I would not.

Several times shortly thereafter I met Mr. Cohn or talked to him on the phone. He clearly let me know that Deke DeLoach had composed the letter with the full knowledge and approval of J. Edgar Hoover and that Mr. Cohn had been specifically told to ask me to send it. Mr. Cohn emphasized that the Federal Bureau of Investigation wanted my Special Subcommittee on Invasion of Privacy to be the vehicle through which Mr. Hoover could relieve himself of the public criticism. He said they were very unhappy that I would not send the letter.

It was very clear that I was expected to use my position as chairman of the Special Subcommittee and my position as a Member of Congress to intervene directly in the running feud between Mr. Hoover and Mr. Kennedy. Mr. Cohn made that point to me and I had no reason to doubt that Mr. Cohn did speak for the FBI, for I knew of his relationship with them since the days of Senator Joseph McCarthy.

Nor did I have any reason to doubt that Mr. Cohn was speaking to me as a friend. I knew Roy Cohn long before I came to the Congress. I first met him when he was counsel to Union News and American News, New York corporations. When the board of directors and Mr. Cohn were indicted in New Jersey, I represented them and won dismissal of the case. I then began to represent those New York corporations and Mr. Cohn and I developed a professional and personal relationship. We had dinner together many times and on occasion, my wife and I were guests at his home where we would have dinner with his mother and friends.

We never agreed politically, but we became friends. There was a rapport between us and there was a basis for Mr. Cohn to talk to me about confidential matters.

After I made it very clear to Mr. Cohn that I would not send the letter he had transmitted to me from the Federal Bureau of Investigation, I held the pioneering and widely praised hearing into the computer and invasion of privacy in July of 1966. The FBI considered this hearing a challenge because, unknown to me, they were themselves developing large data banks of their own information. I never knew whether Senator Edward Long had indeed sent out the letter, but ironically, documents leaked by the Organized Crime Division—at that time locked in a titanic bureaucratic struggle with the FBI—or some other group formed the basis for a highly destructive article in Life on him. Obviously, Senator Long's hearings had humiliated the Internal Revenue Service and others connected with the new concept of "strike forces" within the Department of Justice. Retaliation was swift, hard, and resulted, I am sad to say, in his defeat in the election of 1968.

Senator Edward Long was punished by one branch of the competing bureaucratic forces for assisting the other, in my judgment. I am sure that I soon found myself in a similar position for the opposite reason: Senator Long was damned because he did and I was soon to be damned because I did not. It would have been a bearable position for us both if other Federal agencies had been involved but with these agencies, competing for the highest stakes, it was untenable. Both of us had insulted agencies which have had life-and-death power over public men for far too long.

I tried to put the letter out of my mind, and I continued to meet Mr. Cohn occasionally. Interestingly, the only two times I met Deke DeLoach, he was with Mr. Cohn. Mr. DeLoach was No. 3 man in the FBI, and considered the heir apparent to Mr. Hoover. The former No. 2 man in the FBI, Mr. Lou Nichols, had become chairman of the board of Schenley Liquors and it was widely believed that Mr. Cohn was responsible for getting him that position. The point is that they were all very close and Roy Cohn was and is very well wired in to the FBI. Mr. Cohn's credentials with the Bureau had been very sound, ever since the McCarthy hearing days.

The first shot fired across my bow was in 1967 when Life magazine tagged on to the end of a story about organized crime the allegation that I was a "tool and collaborator" of a man who was reputed to be influential in the Mafia. This, of course, was the real beginning of "Mafiaism"—which has even greater potential than McCarthyism. They charged that I had brunch on Sundays with this man at a restaurant on the Saw Mill River Parkway. They left it at that, but it was quite sensational in my hometown and needless to say, I was considerably disturbed by it. I had never, never even heard such a story. It was a complete bolt out of the blue.

I immediately went to the corporate offices of Life magazine to tell them that I had never had brunch on the Saw Mill River Parkway with the gentleman and that I had never had any meal with him in any place. In point of fact, I insisted, I had never eaten a meal at a restaurant along the Saw Mill River Parkway in my life. No one seemed very interested in listening to me and I got the polite run around. Finally, I barged into the office of Mr. James Linen, president of Time-Life, interrupting a conversation he was having with Senator Jacob Javits. Mr. Linen asked who I was, as I had made quite a loud noise on my way into his office, and I told him that I was Congressman Gallagher and said, "your magazine is telling lies about me."

I tried to tell him my story but he said that he did not know very much about the editorial part of the magazine. But he did take me to meet the publisher of Life, a Mr. Hardy. I told Mr. Hardy that what they had written was wrong. As proof of my innocence, I offered to drive with Mr. Hardy, or anyone else he chose, to the Saw Mill River Parkway, and since I did not even know what restaurant they were talking about, I would take a chance on their integrity. They could take me to the restaurant they thought I brunched at and if one person there said I was ever in the place before, I would give them the benefit of the doubt.

Mr. Hardy said that sounded like a very fair test and he said he thought that should be done immediately. He asked me to wait outside his office. Ten minutes later he came out and said, "I'm sorry but we are sticking by the story." "What about going up to the Saw Mill River Parkway?" I asked.

"I'm sorry, but we don't do that," Mr. Hardy replied.

And that was that. That was the courtesy a Member of the Congress of the United States received from Life magazine.

I can only speculate what happened during those 10 minutes to change Mr. Hardy's mind. Obviously, he called the writers of the story, who checked their sources. They undoubtedly received assurances that not only was the original story true, but that there was much more to it.

I protested loudly to Mr. Hardy and I returned again to Life a couple of times to continue my protests. I got nowhere.

I got less than nowhere in several interviews with Life's General Counsel John Dowd. Mr. Dowd seemed to believe that the Mafia was a monolithic international conspiracy and to justify his belief, he asked me if I could deny that I knew an extraordinary number of Italians. I was flabbergasted. Italian Americans comprise the largest single group in my 13th District of New Jersey, exactly the same as true statewide. I also tried to make the point that Jesse James was an early member of organized crime but that he was not Italian.

Second, he asked me why I was against bugging, eavesdropping, and wiretapping if I had nothing to hide. Since he was obviously quite proud of the large autographed picture of himself and Cardinal Spellman which hung behind his desk, I told him I would tell him a story which had shocked Cardinal Spellman when I told him.

I had received a letter from a girl in New Jersey who informed me of a pervert who sat in the Catholic church and di-

rected a parabolic mike toward the confessional. He had recordings of the confessions by young women and compromised them by threatening to play the tapes to their husbands or parents.

I explained to Mr. Dowd my belief that the proliferation of surveillance and computer techniques would soon eliminate all privacy in the country. He disagreed. I now understand why. It is obvious that Life had publication rights to almost all the illegal wiretaps gathered by the FBI and others. It was profitable journalism, free from libel suits, and Mr. Dowd was doing an outstanding job for Life.

About a week later began a terrible ordeal for me and my family. Life whispered it about that I was to be the subject of a full-scale, major exposé and every day or so some new rumor would float into my hometown of Bayonne. Wherever I would go, I was told of a fresh rumor. Life people visited newspapers in Hudson County asking for information about my career. Photographers drove around my home with a telescopic camera frightening my children. The day after Senator Robert Kennedy was shot, my youngest daughter ran screaming into our house saying that a man was pointing a rifle out of a car at her. When I initiated congressional consideration of credit bureaus with my Privacy Subcommittee, a Life photographer was prominent in the audience. It was at this hearing that the first disclosure came about the incredible ease with which FBI and IRS agents gained access to consumer files. In almost all cases no subpena was required to have this data held by private companies become part of FBI and IRS dossiers. Friends and acquaintances would tell me that reporters from Life had been nosing around, searching for derogatory information.

Four basic sources for the story Life later published have emerged. First, and foremost, is Harold "Kayo" Konigsberg who, as a creature and a captive of the Federal Bureau of Investigation, was responsible for the most serious charges. Second was Tom Quinn who wrote letters to the FBI. Third was Cliff Koerkle who also wrote many letters to Federal officials. Fourth was Salvatore Spezio, a local John Birch Society leader.

I will discuss Mr. Konigsberg at length later in this speech but I will not bring myself to comment on the other three today except to point out that Tom Quinn ran against me in congressional campaigns twice and that it was his letter, in the possession of the Federal Bureau of Investigation, which made the charge that I was a political "boss" in Bayonne in spite of the fact that I never held any office in Bayonne at any time. His letter—all lies—sent to the FBI appeared in Life.

One extremely significant event occurred after that first Life article in 1967. I received a telephone call from Mr. Roy Cohn. Mr. Cohn told me that he had called Deke DeLoach and told him, "that was a pretty dirty trick the Bureau did to NEIL GALLAGHER."

"That's just like you, Roy," Mr. DeLoach responded, according to Mr. Cohn, "always standing up for guys who don't stand up for us."

Mr. Cohn obviously called me for one of two reasons. Either he wanted to confirm absolutely that he was speaking for the FBI when he talked to me originally or else he wanted me to know that he was disturbed by what had happened and that he still considered himself my friend.

In any event, the year between the first story and the major story about me in 1968 was one of the most terrible in my experience up till that time. But it is one thing to be treated that way by a magazine and another to be treated that way by your Government. It now seems that 1967–68 was a vacation when compared to 1968–72, when the full weight of the awesome resources of the Federal Government was brought to bear to substantiate the story and destroy me.

On July 3, 1968, three reporters from Life magazine came to my office and I spoke with them for several hours. Also at that meeting were Mr. Larry Weisman, my attorney and Mr. Charles Witter of my staff. That meeting convinced me that there was nothing I could possibly do to prevent the terrible stories from eventually being published and, indeed, the August 9 issue of Life carried an incredible mixture of lies, innuendoes, half-truths, and if it were not for the New York Times against Sullivan and subsequent cases, allegations which would now be publicly branded as the libel I know them to be.

People have always asked me why I never sued Life. Of course, I could have sued, but I would have become a "career plaintiff," the case would not have been decided for years, and Supreme Court decisions say you can lie about public officials. I could sue, go broke, and find that the court still holds that a public official who has been libeled has no recourse at law. A public official cannot win, and so in the public mind, which is not as sophisticated about libel law as are attorneys for the media, the verdict must mean that the attack was true. I can only add that some protection against libel must be restored to public men.

To return to my case, a most important event occurred in the month between the interview with the Life reporters and the publication of the story in August. I have discussed this with very few people and I am still reluctant to tell it to anyone, much less my colleagues in the House and the American people.

It was the most outrageous and appalling thing that has ever happened to me and had more impact than any horror story I have ever read. And it was done to me and my family by my Government, a Government I had served honorably in war and peace, as an infantryman and a Congressman.

And it was done to me by your FBI.

I tell the story reluctantly today because the magnitude of the lie sickens and offends me still though almost 4 years have passed. But it should be part of the public record now so that all will know the corruption that exists at the highest levels of your FBI.

Let me preface it by saying that the major point in the Life article that most people remember relates to the alleged removal of the dead body of Barney O'Brien from my house by Harold "Kayo" Konigsberg. Life devotes four full pages—emphasized by a photograph of Mr. Konigsberg with his most fearsome grimace—to the "body in the basement" allegation.

Life came very close to calling me a murderer. Though that innuendo was there, it was hedged later by saying that O'Brien had died of natural causes. I was supposed to have panicked upon discovering Barney O'Brien's body and called Harold Konigsberg to remove the body. Mr. Konigsberg was supposed to have checked with Joseph Zicarelli, allegedly the mob leader for whom Mr. Konigsberg did unsavory jobs.

All this was written in the fictional style for which Life has become so famous. Let me say now that neither Mr. Konigsberg nor Mr. O'Brien were ever in my house during the 27 years I lived there, that no such phone calls were ever made, and that even today, no law enforcement agency actually knows whether Barney O'Brien is alive or dead.

When the Life reporters asked me about this in my office, I thought they were joking. I had never heard this story connected to me before, though through the years at election time, a similar story would always surface about some candidate but never with names. It was a part of the folklore from olden times in Hudson County politics.

In any event, shortly before the publication in August 1968 of the major story about me in Life, my attorney, Larry Weisman, called me from New York and said that it was urgent that we meet promptly. I flew to Newark Airport and Mr. Weisman and a mutual friend, Mr. Neil Walsh, were waiting for me.

Mr. Walsh was a very trusted friend of mine, but when I asked Mr. Weisman why the meeting was so important, he said he could not talk in front of Mr. Walsh. This was so important and of such a personal nature that Mr. Weisman said he had to speak to me alone. When we were alone, Mr. Weisman told me that he had just come from New York and that he had been with Mr. Roy Cohn. While he was in Mr. Cohn's office, Mr. Cohn had been on the phone with Deke DeLoach. Mr. DeLoach said that every expression and every word I had used in the interview with the Life writers was known to the FBI because they rechecked the story, especially the body story. While Mr. DeLoach was telling Mr. Cohn about the interview, he said:

If you still know that guy, you had better get word to him to resign from Congress. He's not going to last more than a week after the story hits.

Mr. DeLoach continued that I would resign from the Congress, that Mr. Cohn would be doing me a favor by telling me to do so, and that the end of GALLAGHER was only days away.

Obviously the Life reporters were in close contact with Mr. DeLoach all the time and they must have told him that I really believed that Mr. O'Brien was

never in my house. The Life writers were informed by Mr. DeLoach, just as Mr. Cohn later relayed his words to Mr. Weisman, of the following story:

My "family were nothing but pigs." Whether I believed it or not, the Federal Bureau of Investigation had "incontestable" proof that Barney O'Brien died in my house. Rather than allow the terrible scandal to my family to become public, I would resign. If I did not resign from the Congress, the FBI and its captive writers were prepared to go "beyond any story hinted at before."

Deke DeLoach then said that Barney O'Brien died in my own bed—

He had a heart attack while lying next to Gallagher's wife" and that "when Gallagher learned of this, he rushed home from Washington and called Konigsberg to remove the body.

And Deke DeLoach added that if I did not quit the Congress, this story would appear in a future issue of Life magazine.

Does not this incredible lie by the No. 3 man in the Federal Bureau of Investigation go far beyond anything we public men have become accustomed to in the rough-and-tumble world of politics? That outrageous, appalling statement by Deke DeLoach is a greater lie than any man has the right to whisper about another. I had difficulty restraining myself from going after Mr. DeLoach the second I heard it and I am just as mad now as I was then.

If anyone found me overly emotional or paranoid when I talked about these matters before, I would ask them how they would react to the burden of carrying this dirty FBI lie around with them for almost 4 years, when I know my wife to be a wonderful and decent woman. She has raised a splendid family and we were all scurrilously slandered by the FBI.

Was I overstating the case when I spoke of Nazi Germany? I doubt if even Goebbels had the terrible capacity of a DeLoach to spread the big lie, nor could Goebbels exceed the filthy mind of a DeLoach.

It would seem to me that decent newspapermen would have checked out the "body in the basement" allegation, especially since it might go as far as the Federal Bureau of Investigation was pushing it. But it was only after the story was in print that Sandy Smith, one of Life's writers, walked into the Bayonne Police Station to even inquire about Mr. O'Brien, or to even look at a very thorough file on his disappearance.

Life felt its "informed sources" were unimpeachable because Mr. DeLoach was speaking with the full authority of the FBI, but the FBI's source was Harold "Kayo" Konigsberg who, as I shall shortly show, was hardly reliable.

What went into the FBI's files as garbage, came out as gospel. It was gospel not only to Life, but to all to whom this terrible smear was whispered.

The FBI was spreading the story that Mr. O'Brien died in my bed while with my wife. Mr. Cohn was to make me aware of this and the FBI was convinced that I would resign from the Congress and that would write finis to the career of Congressman GALLAGHER. And I wonder how many other Members quietly left this body from the same treatment and how many Americans have suffered, as I have, from their terrible lies and deeds.

The FBI told this to Life. The FBI told this to Roy Cohn who told Mr. Weisman to get in touch with me right away and get GALLAGHER to quit. The FBI was spreading this story through Deke DeLoach.

All this was being spread around in back-alley whispers by the chief investigative arm of the Federal Government, when in point of fact, it could never have happened. This whole thing is one monstrous lie.

On a matter like this, Mr. DeLoach must have had the approval of Mr. Hoover and that alone is enough for Mr. Hoover to resign. If Mr. Hoover did not know of this, he is obviously incompetent to run the Bureau and he should resign.

But where did this lie come from? It came from Harold "Kayo" Konigsberg. Konigsberg has on several occasions been certified insane. Konigsberg has been called the most brutal killer on the eastern seaboard, and Konigsberg was totally a creature of the Federal Bureau of Investigation. For some time, he lived in luxury, providing himself with steaks and women by playing Scheherazade for the FBI.

He would tell a new story every day, and receive his reward every night. He played exactly the same role in my case that Boyd Douglas played in the Harrisburg Seven case. These men are heroes and voices of credibility at the top level of the FBI. Remember Itkin of the Marcus case?

This was the ultimate "informed source" for both the FEI and for Life magazine. The FBI had Mr. Konigsberg in its possession. He is where the original allegation about my being a "tool and collaborator of the Mafia" came from. I was supposed to have been blackmailed by the Mafia because Kayo Konigsberg said he removed Mr. O'Brien's body from my house. The only blackmail involved, however, was the blackmail of the Federal Bureau of Investigation and the only body to be removed was the body of GALLAGHER from the Congress of the United States.

Aside from the fact that Mr. Konigsberg or Mr. O'Brien were never in my house in the 27 years my family has lived there, let me make two additional points about him.

First, Konigsberg himself said the body in the basement story was false. He is quoted in the New York Times of August 18, 1968. Mr. Konigsberg's exact quote is:

The whole thing was a lie anyway, because I never removed O'Brien's body . . . I never testified to a grand jury in my life, but I will do it now in order to exonerate Gallagher, even though I have no special love for him. But the whole story of Barney O'Brien is a phony.

And Mr. Konigsberg filed suit in New York federal court on August 8, 1968, to prevent Life from distributing the issue containing the story about me.

Second, Life itself completely discredits its own witness. On June 25, 1971, Life prints one of its misnamed "Investigative Reports" entitled, "The Gorilla Cowed His Keepers." Life describes Mr. Konigsberg's stay at the U.S. Medical Center for Federal Prisoners in Springfield, Mo., and tells how he was wild, irrational, and disrupted the entire Federal prison system. Several quotes are interesting.

First. Once, through his lawyer, he even approached Life with a proposal to do a series of stories, a sort of "murder of the week" serial which would run for 12 weeks. He would be the source.

Life did not take the offer because it would have cost them money. They waited until Kayo could be the source for FBI reports given to Life.

Second. Digging unearthed the remains of two bodies and evidence of a third—Life. August 9, 1968.

The arrogance of the parentheses around Life, August 9, 1968, is really incredible, since that is the only reference to the story about me. Here they impeach his story but omit saying he lied about me. He may very well have known where some bodies were hidden, but the point is that Mr. Konigsberg did not remove Mr. O'Brien's body from my house.

Third. The year before, while in an eastern jail, he had approached the FBI with a proposition: information in exchange for money and freedom. An agent started "working" Kayo, and his reports went directly to J. Edgar Hoover. The more Konigsberg talked, the more excited the FBI became.

If any further proof of my charges that Konigsberg was a creature and a captive of the FBI are needed, I offer that statement. Life has made a number of statements through the years which are totally wrong but, since they have such a close working relationship with the FBI, I think we should believe them on that one.

There is one more comment to make about the phony "body in the basement" story. A close examination of the Life article on me in 1968 reveals that the date when that fake event was supposed to have occurred was October 14, 1962. My wife and I were at a political dinner that evening when I received the public thanks of James Fair, a young black men whose life I had saved by personally interceding with the Governor of Georgia. The Jersey Journal of August 21, 1968, presents indisputable evidence which placed me in full view of hundreds during that evening. I have here photographs of that night which include Mr. Fair, my wife, dozens of other people, and myself. We were all at this dinner at the very hour when those terrible events were supposed to be taking place. It happened. It was one terrible hoax aimed at discrediting my work and ruining my career.

Life exposed Mr. Konigsberg. The New York Times exposed Mr. Konigsberg. My documented presence at the dinner where I received the thanks of James Fair exposed Mr. Konigsberg. Mr. Konigsberg himself exposed his own erratic and unreliable behavior when he filed suit to stop distribution of the issue of Life where the story he had so charmed Mr. Hoover with was being printed.

But just as Sandy Smith only checked out the Barney O'Brien story after the

story was printed, so dozens of news reports now circulating accept the absurdity of the "body in the basement." I have just shown four easily checkable items. I hope and pray that one result of my speech today will be to forever ban the "body in the basement" story from public print.

And every other part of the Life allegations against me is equally false. The fact that my indictment is not based on anything remotely connected with the Life story, even after every investigative agency—Federal, State, and local—had checked it, offers my final vindication from Life's crude transmission of what was given to them by the Federal Bureau of Investigation.

But that transmission served the purpose. Federal agents swarmed about me and I answered every question about the Life stories. They began to joke with me about how impossible it would be for any sane man to believe it. But the credibility of more than GALLAGHER was at stake here, and the Life story served as a springboard for the investigations which have eventually led to my indictment on charges which, I am convinced, will eventually be shown to be as false as what Life printed.

But the essential point is that every time I wanted to take the floor and demolish the garbage in Life, Federal agents said that my total vindication of all allegations was just a week or so away. That went on for 4 years, my friends, until at long last the grand jury took an action which freed all restraints from me. For 4 years, the so-called crime fighters could not let me off the hook after they have spent $11 million to keep me on the hook that Life baited. And so a new attempt—a political indictment—a new smear right before redistricting in New Jersey and right before my primary.

DE LOACH AND THE PRESS

In the world of journalists relying on leaked documents and "informed sources," one of the rules of the game is that the identity of the source remains confidential. The fact that Federal documents and federally compiled raw investigative files are supposed to be confidential is less important than maintaining the integrity of the source.

In addition to the proof I have disclosed earlier, however, I now offer two published pieces of evidence, which show that Mr. DeLoach has been the FBI's conduit to the press on other occasions as well.

Just last Sunday in The Philadelphia Inquirer, Columnist Jim Bishop complains about the public relations activities in behalf of the Bureau. His column, in the form of a letter to Efrem Zimbalist, Jr., contains the following paragraph:

> This letter comes from one who depended upon J. Edgar Hoover and his lieutenants—Lou Nichols, Cartha DeLoache (sic) and Tom Bishop—for guidance in researching several books. Without violating security, they cheerfully put me back on the rails every time the research ran up a blind alley.

A far more serious exposure of Mr. DeLoach's role is found in a footnote on page 35 of Victor S. Navasky's splendid book, "Kennedy Justice." Mr. Navasky describes the terror the existence of FBI files creates in public men, particularly since those files can be leaked. He says:

> Perhaps the most blatant leaks were tapes played for journalists by Cartha DeLoach in connection with the alleged indiscretions of Martin Luther King. Journalists were told that if they attributed the tapes to DeLoach, he would deny it.

It will be remembered that Mr. Hoover had publicly called Dr. King a liar, and here we see Mr. DeLoach again operating in his customary role of confirming the Director's prejudices.

ONLY THE TIP OF THE ICEBERG

I have disclosed today how the No. 3 man in the Federal Bureau of Investigation spread monstrous lies about my own wife. In this, Deke DeLoach must have enjoyed the connivance or cooperation of J. Edgar Hoover. I have shown how the lies of a man who has been certified insane at various times and who is a convicted murderer were apparently believed at the highest levels of the FBI. Kayo Konigsberg's fabrication was given by Deke DeLoach to the editors of Life magazine undoubtedly with the encouragement and cooperation of J. Edgar Hoover. I have shown how Roy Cohn acted as a conduit to bring the hideous story of my wife to me.

This FBI corruption attempted to subvert congressional responsibility. The Federal Bureau of Investigation tried to use my privacy subcommittee as a tool in its running battle with Robert Kennedy by delivering a hearing to me. The FBI tried to subvert my position as chairman when Roy Cohn was the conduit for a letter actually composed by Deke DeLoach, for me to sign and send to then Attorney General Nicholas deB. Katzenbach which would relieve J. Edgar Hoover of public criticism.

This is corruption at the highest level of the Federal Bureau of Investigation, and when I would not cooperate, in retaliation, every possible filth was used to force me from the Congress.

And, Mr. Speaker, this personal record which I am now putting on the public record for the first time is the tip of the iceberg. I have referred to the ludicrous Harrisburg Seven case and the attack on the Reverend Martin Luther King—both conceived and carried out by J. Edgar Hoover and his political publicity arm. There is even more now on the public record which corroborates my charge that there is an emerging police state in this Nation and that for dissenters or for selected public figures who deviate from blind obedience to the Bureau or any of the secret police, repression is here today.

As a further example of corruption at the highest level, the FBI has flatly denied ever conducting bugging, wiretapping, or eavesdropping on Members of the House or Senate.

Who can deny that former Senator Daniel Brewster was overheard by the Federal Bureau of Investigation? Who will deny that the Federal Bureau of Investigation outfitted an informer with an electronic recording device when he visited the office of Congressman JOHN DOWDY? Can anyone deny the testimony of Acting Attorney General Richard Kleindienst in the Carson trial when he swore, under oath, that the Federal Bureau of Investigation was conducting electronic surveillance in the office of Senator HIRAM FONG?

How else could so much evidence have been gained on Speaker McCormack's assistant unless some form of electronic surveillance was conducted in the office of the Speaker of the U.S. House of Representatives? John McCormack was a man of unimpeachable integrity, he occupied the third highest office in this land, and he was, in my judgment, one of the greatest public servants in America's history. During the time he was Speaker, he was, in both a symbolic sense and a very real sense, the House of Representatives.

I am convinced that electronic surveillance by the FBI was operating in the office of our Speaker and it is a fact that much of the evidence used in later trials was printed in Life magazine.

To follow this theme just a bit further, Mr. Speaker, Senator Edward Long was the pioneer in privacy in the Senate just as I was in the House of Representatives. Yet leaked documents were the basis for the destruction of his career via a story in Life magazine. And leaked documents were the basis for a Life story which ended the career of Senator Joseph Tydings.

Deke DeLoach operated as J. Edgar Hoover's publicity arm to ruin or discredit the Reverend Martin Luther King in the same way he did in my case. The publicity arm of the Federal Bureau of Investigation began to work on the Harrisburg Seven long before they were indicted in exactly the same way as happened in my case. The "Media" papers show that the same harassment, intimidation, and corrupt methods were used against thousands who opposed the war or who spoke out against racism.

In support of my charge that the congressional oversight function of the Federal Bureau of Investigation has been subverted, I remind my colleagues that JOHN DOWDY is a member of the House Judiciary Committee and that Senators Edward Long and Joseph Tydings served on the Senate Judiciary Committee and that Senator HIRAM FONG now sits on the Senate Judiciary Committee.

In addition, it is known that the House Appropriations Subcommittee with jurisdiction over the Federal Bureau of Investigation regularly employs FBI agents as their own investigators. When one asks the question: "Who will investigate the investigators?" we find that the investigators are investigating the investigators.

Along with the harassment of our former Speaker, our current Majority Leader Hale Boggs took the floor of the House on April 22, 1971, to vividly and eloquently describe his own harassment.

CONCLUSION

So, Mr. Speaker, my colleagues, and my friends, this is the real Life story. I have lived with this for over 4 years, always expecting that the investigations would end and that I would be allowed to go on with my life and career. But, of course, they could never let it end and

so persecution finally escalated to prosecution.

And, in a strange way, I welcome the indictment. Now I can speak freely, and I shall continue to speak out before any forum I can find. I will make additional speeches on the floor and I will say, today, off the floor what I have said on the floor. I will be happy to appear before any body and swear to the facts as I have described them.

I am a candidate for reelection because I love the House of Representatives, although it saddens me to see that we have become so irrelevant in these important matters. I have described how our behavior has been conditioned by those forces who should be subject to congressional authority. In this area, we have seen the total collapse of the checks and balances which are vital to make our Republic work. I believe there has never been a finer, more dedicated and honest group of men and women than those who now sit in this body. But faceless men intimidate us, precisely because what has happened to me can happen to anyone.

And when we lose our power and our authority, what happens to those who have reposed their trust in us? Our constituents are even more vulnerable than we are, and many of them know it and have felt the vicious lash of unbridled power.

Why does this generation fight as hard to stay out of society as my generation fought to get in? In my judgment, it is because they know America is no longer the land of the second chance and for those who choose to follow a path which could harm the unelected elite, there may be no real chance at all.

Mr. Speaker, this is corruption at its worst and its central figure is J. Edgar Hoover. It is he whose unchecked reign of absolute power has intimidated this Congress to the extent that a serious question has not been asked about his management of the Federal Bureau of Investigation for 10 years—maybe longer. He has become the American Beria, destroying those who threaten his empire, frightening those who should question his authority, and terrorizing those who dissent from his ancient and anachronistic view of the world.

J. Edgar Hoover should resign. If he will not he should be fired.

I know what I have said today will shock a great many people. God knows, I myself probably would not have said it if at some point in the road, decency and honesty would have intervened. Let me make it clear that my quarrel is not with the rank and file of the Federal Bureau of Investigation, for many of them personally suffer from the same scowl from Olympus. My quarrel is not with the brave men who risk their lives now as in the past to combat terrorists, murderers, and those who owe allegiance to a foreign enemy.

No, Mr. Speaker, my quarrel is with the political arm of the FBI which regards the decent American as the enemy. I am talking about the FBI which intimidates Congress and dares Presidents to try to control it.

I am talking about the FBI which employs swarms of informers, spies, and an incredible array of sophisticated surveillance devices—not to pursue enemies of the United States but to destroy citizens of the United States.

I am talking about the man who loudly proclaims that he does not want a Federal police force, yet who through grants, compatible computerized information systems, and often sheer brute force or fear is making every local police force totally dependent on Federal good will, financing, or often directly intervenes in strictly local matters.

And I am talking about the surveillance subculture and the police state mentality which have set loose an investigative insanity that truly threatens the ability of every elected official—Naional, State, and local—to properly function.

And I am talking about the army of investigators recruited from all the Federal agencies who band themselves together and so terrorize a local jurisdiction that its elected officials cannot discharge their responsibilities at a time when our cities and counties need the full attention of the best people we can find.

Finally, I am talking about the perversion of freedom and liberty and the clear possibility, in my view, of a dictatorship in America. If we do not reverse our course and if we do not live up to our responsibilities in this Chamber, Mr. Speaker, I am convinced that we will earn the legitimate scorn of history and the rightful contempt of our children.

REQUESTING CERTAIN INFORMATION FROM THE PRESIDENT AND THE SECRETARY OF DEFENSE RELATIVE TO THE MILITARY INVOLVEMENT OF THE UNITED STATES IN INDOCHINA

Mr. HÉBERT, from the Committee on Armed Services, reported the following privileged resolution (H. Res. 918, Rept. No. 92–1003) which was referred to the House Calendar and ordered to be printed:

H. RES. 918

Resolved, That the President and the Secretary of Defense be, and they are hereby, directed to furnish the House of Representatives, within ten days after the adoption of this resolution, with full and complete information on the following—

(1) (a) The number of United States military personnel in South Vietnam at the present time;

(b) The number of these individuals who are combat personnel;

(2) (a) The number of sorties flown by United States military airplanes, for bombing purposes, in and over North Vietnam during the first ten days of March 1972;

(b) The number of sorties flown by United States military airplanes, for bombing purposes, in and over North Vietnam during the first ten days of April 1972;

(c) The number of sorties flown by United States military airplanes, for bombing purposes, in and over South Vietnam during the first ten days of March 1972;

(d) The number of sorties flown by United States military airplanes, for bombing purposes, in and over South Vietnam during the first ten days of April 1972;

(3) (a) The tonnage of bombs and shells fired or dropped into North Vietnam by the United States during the first ten days of March 1972;

(b) The tonnage of bombs and shells fired or dropped into North Vietnam by the United States during the first ten days of April 1972;

(c) The tonnage of bombs and shells fired or dropped into South Vietnam by the United States during the first ten days of March 1972;

(d) The tonnage of bombs and shells fired or dropped into South Vietnam by the United States during the first ten days of April 1972;

(5) (a) The cost of all bombing and shelling carried on by the United States in or over North Vietnam during the first ten days of March 1972, including the costs of bombs and shells, ships and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes, salaries of United States military personnel involved in operating and maintaining such ships and airplanes, and all other expenses attributable to such bombing and shelling;

(b) The cost of all bombing and shelling carried on by the United States in or over North Vietnam during the first ten days of April 1972, including the costs of bombs and shells, ships and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes, salaries of United States military personnel involved in operating and maintaining such ships and airplanes, and all other expenses attributable to such bombing and shelling;

(c) The cost of all bombing and shelling carried on by the United States in or over South Vietnam during the first ten days of March 1972, including the costs of bombs and shells, ships and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes, salaries of United States military personnel involved in operating and maintaining such ships and airplanes, and all other expenses attributable to such bombing and shelling;

(6) List separately the number of United States military personnel (if any) killed, wounded or reported missing in action during (a) the first ten days of March 1972 and (b) the first ten days of April 1972, specifying how many in each such category were killed, wounded or reported missing in action in or over South Vietnam and how many in each such category were killed, wounded or reported missing in action in or over North Vietnam;

(7) Whether there is a target date for the achievement by the Army of the Republic of Vietnam of complete military independence of United States air, naval, and ground support and participation and, if so, what date;

(8) Whether there has been any bombing or shelling carried on by the United States in or over Laos or Cambodia since January 1, 1972, and, if so, the number of sorties flown by United States military airplanes, for bombing purposes, in or over Laos or Cambodia since that date, the tonnage of bombs and shells fired or dropped by the United States into or over Laos or Cambodia since that date, and the cost of all bombing and shelling carried on by the United States in or over Laos or Cambodia since that date, including the costs of bombs and shells, ships and airplanes employed in the transportation and dropping or firing of such bombs and shells, maintenance of such ships and airplanes, salaries of United States military personnel involved in operating and maintaining such ships and airplanes, and all other expenses attributable to such bombing and shelling;

(9) Whether there has been an increase in the movement of military airplanes, military ships, other military equipment, military supplies, or military personnel of the United States to Southeast Asia, including the islands of the South Pacific Ocean, since

March 15, 1972 (relative to the thirty-day period immediately preceding that date), and, if so, the nature and extent of the increase in each such category; and

(10) What actions, if any, have been taken to comply with the provisions of section 601 of Public Law 92–156, approved November 17, 1971.

HOUSE RESOLUTION 918

Mr. HÉBERT. Mr. Speaker, in connection with the resolution which has just been ordered to be printed, I have an agreement with the gentlewoman from New York who introduced the resolution that I will not call it up until next Monday or Tuesday when she will be on the floor, and I wanted her to be so informed. Under the normal procedure, the 7 days arrives on Friday, but, by agreement with her, I wiil not call it up until she is on the floor.

APPOINTMENT OF CONFEREES ON H.R. 9212, FEDERAL COAL MINE HEALTH AND SAFETY ACT

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9212) to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes, with 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 Kentucky? The Chair hears none, and appoints the following conferees: Messrs. PERKINS, DENT, PUCINSKI, BURTON, GAYDOS, ERLENBORN, ESCH, and STEIGER of Wisconsin.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

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

[Roll No. 113]

Abbitt	Edwards, La.	Morgan
Ashbrook	Esch	Poage
Ashley	Eshleman	Reid
Belcher	Fountain	Riegle
Bingham	Fulton	Rosenthal
Blackburn	Galifianakis	Rousselot
Bray	Gettys	Saylor
Brown, Mich.	Griffin	Scheuer
Carey, N.Y.	Gubser	Shipley
Carney	Hanna	Sisk
Celler	Johnson, Pa.	Smith, N.Y.
Chisholm	Jones, Ala.	Springer
Clark	Kee	Staggers
Clay	Keith	Stanton,
Conable	Landrum	J. William
Culver	Long, La.	Stanton,
Curlin	Long, Md.	James V.
Dent	McCloskey	Stephens
Dickinson	McEwen	Stokes
Dow	Macdonald,	Stubblefield
Dowdy	Mass.	Thompson, N.J.
Dwyer	Mills, Ark.	Ware
Edmondson	Moorhead	

The SPEAKER. On this rollcall 368 Members have answered to their names, a quorum.

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

HANOI INVASION OF SOUTH VIETNAM CONDEMNED

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

Mr. McCLORY. Mr. Speaker, it is shocking to me and to the American people that the Government of North Vietnam has seen fit to add a whole new dimension to the Indochina conflict. The invasion by North Vietnamese regular forces—indeed the commitment of virtually all of the North Vietnamese combat troops—is a marked setback for the cause of peace, a goal toward which President Nixon has been working unceasingly.

The invasion across the DMZ—as well as the invasions from Laos and Cambodia—with heavy arms, innumerable tanks, and other sophisticated weapons must shock every thoughtful and peace-loving American.

Mr. Speaker, it seems appropriate to me to condemn the North Vietnamese political leaders who have directed the launching of these attacks at a time when the withdrawal of our American combat troops is virtually completed.

Mr. Speaker, it seems also that the decision of the President to authorize the bombing of military and other support targets in the DMZ and around Hanoi and Haiphong is essential to the protection of our American forces and to our continued troop withdrawal, as well as to advance our policy of Vietnamization. It it my understanding that no American forces have been involved in these military actions in recent days. However, all of our remaining forces there—most of which are not in any combat role—would be jeopardized unless we take steps to prevent further military supplies, as well as fuel and munitions, from reaching the North Vietnamese combat divisions now operating in South Vietnam.

Mr. Speaker, it is my hope that the military invasions by North Vietnam will be turned back and that the North Vietnamese will come to realize that they should negotiate seriously in Paris and cooperate in the final termination of the seemingly endless Vietnam conflict.

Mr. Speaker, I am confident that our troop withdrawal will continue, and I am hopeful that Vietnamization will succeed. Furthermore, I hope and expect that the invaders will be turned back and that the Members of this Congress will rise in condemnation of this new and dangerous military action. In addition, it is my hope that the President's continuing efforts for peace will not be undermined by any partisan attacks, but that the Members of this Chamber may provide the encouragement and support upon which a final resolution of the Vietnam conflict depends. The flagrant escalation of the war by North Vietnam must be denounced and repelled so that the goal of peace in Indochina and elsewhere may prevail.

Mr. Speaker, it is my understanding that my colleagues from Illinois, Mr. DERWINSKI, and from Louisiana, Mr. WAGGONNER, propose to introduce a resolution expressing the sense of the Congress in a manner consistent with these remarks. I intend to cosponsor that resolution and to use my influence in what I truly believe to be the most direct and promising path to peace for this and future generations.

PROVIDING FOR CONSIDERATION OF BILL FOR SUPPLEMENTAL APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I have two unanimous-consent requests to make.

The House Appropriations Committee will report on Monday two bills.

First, Mr. Speaker, I ask unanimous consent that it may be in order on any day after Tuesday of next week—and that would be Wednesday or thereafter—to consider a general appropriation bill making supplemental appropriations for the fiscal year ending June 30, 1972, and for other purposes.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, may I ask the gentleman how it is proposed to handle these bills, in the absence of a rule?

Mr. MAHON. Mr. Speaker, if the gentleman from Iowa will yield, this is a general supplemental appropriation bill which would supply funds to many agencies of the Government.

Mr. GROSS. Yes, I understand that.

Mr. MAHON. I understand, but permit me to explain further. It covers many agencies of Government. Most of the additional money is the result of pay increases which have been accorded by or pursuant to law. It will be the plan of the committee to call the bill up for general debate with 2 hours of debate, to be divided equally, and then under the 5-minute rule, as we usually do on appropriation bills.

This request is for the purpose of bringing the bill up on Wednesday, if possible.

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

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

Mr. RYAN. Mr. Speaker, reserving the right to object, would the distinguished chairman of the Appropriations Committee inform us as to whether or not it is contemplated that the supplemental appropriation bill will include any money for the military?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, the bill will include several hundreds of millions of dollars for pay increases for civilian and military personnel, based on laws heretofore enacted.

It is now a matter of providing the additional funds with which to make the payments so authorized.

Mr. RYAN. For personnel?

Mr. MAHON. Yes.

Mr. RYAN. Will it include any money for military operations in Southeast Asia?

Mr. MAHON. No; this is not related to

Southeast Asia. Of course, in a sense the whole military program is related to Southeast Asia and areas all over the world. But the supplemental amounts are not related directly to Southeast Asia.

It does provide for pay of military personnel, of course.

Mr. RYAN. Does the bill itself, in addition to pay increases for civilian and military personnel, contain any money for military operations in Southeast Asia?

Mr. MAHON. Not as such at all; no.

The whole objective here is to bring the bill up on Wednesday rather than Thursday in order to expedite the business of the House.

Mr. RYAN. But there is no military money involved, except for pay increases?

Mr. MAHON. Generally speaking, that is correct. I would be perfectly happy for the gentleman to look at the report which is not in final form, but which is available in draft form.

Mr. RYAN. I am concerned about the chairman's statement "generally speaking." Is there some other money, other than for pay increases?

Mr. MAHON. No; not at all.

Of course, the House can work its will on whatever it wishes to do with the bill which will be before us next week.

I would say to the gentleman from New York that it provides for the Department of Defense—military, retirement pay, and increased pay and retirement. In respect to the Defense Department and to a large extent otherwise, it is a routine appropriation to supply supplemental funds for pay cost increases heretofore put into effect.

Mr. RYAN. In other words, the only military funding is for the payment of personnel, either pay increases or increases in retirement pay?

Mr. MAHON. The gentleman is correct.

Mr. RYAN. And there is no money for procurement of weapons, or for conducting military operations?

Mr. MAHON. This did not provide for the procurement of weapons or ammunition.

Mr. RYAN. I thank the gentleman.

Mr. Speaker, I withdraw by reservation of objection.

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

Mr. PICKLE. Mr. Speaker, reserving the right to object, do I understand the chairman to say that there will be a report available on this supplemental?

Mr. MAHON. Yes, when the bill is reported. It will be reported on Monday.

Mr. PICKLE. Would we be able to have a copy of the report by Monday?

Mr. MAHON. Yes; just as soon as the committee reports it Monday afternoon.

Mr. PICKLE. And not before?

Mr. MAHON. Not before, because the bill will not be approved before. The report, in fact, is not yet finalized. If the gentleman needs to know what is tentatively in the bill, it can be provided; we have a draft of the bill and report, but the point is the whole committee has not yet considered and voted on it. There could be changes next Monday.

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

The SPEAKER. Is there objection to the request of the gentleman from Texas (Mr. MAHON)?

There was no objection.

PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION MAKING A SPECIAL APPROPRIATION IN RESPECT TO DOLLAR DEVALUATION

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on any day after Tuesday of next week to consider a House joint resolution making a special appropriation for the purpose of carrying out the Par Value Modification Act (Public Law 92–268) the dollar devaluation bill.

This is a bill to provide for funds necessary as the result of the devaluation of the dollar.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume this is commonly known as the maintenance of value bill?

Mr. MAHON. That is correct.

Mr. GROSS. And will the same provision for debate and consideration of this bill apply as to the previous bill, with 2 hours of general debate?

Mr. MAHON. This would be a special measure, but we would ask for ample time—an hour to each side, and then the 5-minute rule.

Mr. GROSS. With that understanding, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas (Mr. MAHON)?

There was no objection.

PUBLIC BUILDINGS AMENDMENTS OF 1972

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 931 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 931

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 the consideration of the bill (H.R. 10488) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes. 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 Public Works, 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 Public Works now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against said substitute for failure to comply with the provisions of clause 7, rule XVI, and clause 4, rule XXI, are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on 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. 10488, the Committee on Public Works shall be discharged from the further consideration of the bill, S. 1736, and it shall then be in order in the House 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. 10488 as passed by the House.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, this is a rule that proves how complicated a simple open rule providing for 1 hour of general debate can be. It makes in order the committee substitute for consideration as an original bill for the purpose of amendment. It waives points of order for failure to comply with the 3-day rule, but copies of the report are available.

There are three sections of the bill which are, in effect, reappropriations of funds and, therefore, points of order had to be waived against them for failure to comply with clause 4 of rule XXI which makes it against the rules to have appropriations in authorizing bills.

Sections 7 and 9 of the substitute which we make in order for consideration as an original bill were not in the original bill and there is some question of germaneness. Therefore, points of order are waived against that in order to comply with clause 7 of rule XVI.

Then less unusual, we provide that after the passage of the House bill, the Committee on Public Works shall be discharged from further consideration of Senate 1736 and it shall be in order to move to strike out all after the enacting clause of the Senate bill and amend it with the House passed language.

I believe that describes all the unusual features of the rule.

I will say that there was no opposition to the rule among witnesses before the committee. I do understand there is some controversy in the matter that will be made in order by the rule and if my friend from Iowa would like me to yield, I will attempt to answer his questions.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I am not at all surprised that there was no opposition to this rule from members of the committee because this certainly accommodates them. I do not see how they could ask for more—they got all outdoors right along with the protective provisions they have in the bill.

Mr. BOLLING. The only thing I can say to the gentleman is that we could have waived all points of order without pointing out what they were in detail.

Mr. GROSS. I understand that.

The SPEAKER. The gentleman from Ohio (Mr. LATTA) is recognized.

Mr. LATTA. Mr. Speaker, I agree with the statement just made by the gentleman from Missouri (Mr. BOLLING) concerning the rule. I think it is a good rule. I think it is the only thing the Committee on Rules could do in this case.

H.R. 10488 amends both the Public Buildings Act of 1959 and the Federal Property and Administrative Services Act of 1949 in numerous respects.

A major purpose of the bill is to require Government agencies using public buildings to budget and pay for the use of the space they occupy. The receipts would then be used by the General Services Administration to finance its public buildings construction and operations, but only after these funds have been appropropriated by Congress.

A second major purpose of the bill is to authorize the Administrator to enter into purchase contracts with independent contractors for the purchase of buildings, with payments to be made over a period of from 10 to 30 years. This authority would be valid for 3 years, and would make it possible to construct some of the 63 public buildings already authorized by the House and Senate Committees on Public Works, but not yet funded. The committee report refers to this provision as a "stop-gap expedient, an attempt to reconcile the urgent need for new Federal facilities with present economic conditions." The bill would also, in limited situations, permit the lease-construction of Federal buildings authorized but not funded. The committee report describes lease construction as a "remote alternative, available only when direct Federal construction and purchase contracting are not feasible."

A third provision in the bill authorizes $1,500,000 in fiscal year 1972 for payment of costs of the publicly related functions of the memorial aspects of the John F. Kennedy Center for the Performing Arts. I oppose the inclusion of this section to this bill.

In addition to the $1,500,000 for the Kennedy Center, the committee report shows the cost of this bill over the next 6 years as $1,430,800,000. However, the cost figures in the committee report do not take into consideration the fact that the purchase contract arrangement, assuming 30-year contracts, will continue to cost the taxpayers approximately $100,000,000 per year until the contract expires. These additional cost estimates were provided by the GSA Office of the Budget.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. GRAY. 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. 10488) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois.

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. 10488, with Mr. ASPINALL 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 Illinois (Mr. GRAY) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. HARSHA) will be recognized for 30 minutes. The gentleman from Illinois (Mr. GRAY) is recognized.

Mr. GRAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, members of the committee, your House Committee on Public Works is privileged to bring before you today for consideration the bill H.R. 10488 that would amend the Public Buildings Act of 1959 to provide for financing the acquisition, construction, alteration, maintenance, operation and protection of public buildings in the United States, Puerto Rico, and the Virgin Islands.

Mr. Chairman, I can assure you that this legislation is in the public interest and in the long run will save many millions of dollars of the taxpayers funds. There are five main provisions of the bill before you.

First, H.R. 10488 would substitute a private entrepreneur method of financing public buildings known as purchase-contracts for a short period of 3 years only in place of direct Federal funding in order to immediately construct 63 much needed Federal buildings in 37 States, Puerto Rico, and the Virgin Islands. Mr. Chairman, most of these buildings have been authorized for many years with no funds to construct them. While these much needed facilities have been on the shelf, inflation has increased their aggregate cost by approximately $100 million per year. In addition, the Federal Government has been leasing space from private individuals with no equity accruing to the taxpayers other than the space used. The General Services Administration estimates that by owning these buildings and paying into equity we can save a minimum of $71 millions per year.

Mr. Chairman, the second provision I would like to explain will also affect great savings to the taxpayers. It would authorize establishment of a public buildings fund into which will be deposited user charges or rents collected from all Federal departments and agencies using space in GSA operated buildings and from which will be drawn the funds to finance the construction and operation of the new Government buildings. Under present law, any agency of Government can request as much space as they want without having to request 1 cent in their budget.

We know for a fact that indiscriminate requests have been made for space that is now costing the taxpayers millions of dollars per year. By requiring every agency to pay for the space they use in all Government owned or rented buildings for the first time in our history we will know exactly what it is costing us to provide this space. Second, we know that agencies will be prone to consolidate some of their far-flung operations and to save millions of dollars by requesting smaller amounts of money in their budgets. The Appropriations Committees of the House and Senate will approve these appropriations which will continue to give Congress full control over this new revolving fund. The moneys collected in the revolving fund then can go to pay the purchase contract payments for the 63 new buildings and others that may be approved later.

Third, this legislation would preserve basic congressional controls over the building authorization and spending process while permitting necessary administrative flexibility. The bill contemplates no change in the past requirement that the House and Senate Public Works Committees approve building prospectuses. In addition, the General Services Administration would be required, as at present, to submit annual budget requests to the House and Senate Appropriations Committees and such requests would have to be approved by both Houses before GSA could make any expenditures from the fund. Thus, the Congress would continue to approve construction on a building-by-building basis and to impose spending limitations.

Fourth, the bill would require the Administrator of GSA to submit a prospectus for approval by the House and Senate Public Works Committees wherever he proposes to secure leased space for which he pays an average annual rental in excess of $500,000. This is a tightening of congressional control over present leasing laws. At the present time, Congress has no control over leasing of public buildings. We feel this should be brought under control so we can monitor the amount spent for leased space where it is not feasible to construct a new building.

Fifth, lastly, the bill would authorize $1.5 million for the nonperforming arts functions at the John F. Kennedy Center. Mr. Chairman, I want to make it crystal clear that these funds are for the security, maintenance, and other necessary expenses in connection with the memorial and not the performing arts functions of the Center. Your committee on public works was requested to provide several million dollars to pay for cost overruns due to labor disputes, inflation, and other factors. Those funds are not in this bill. The $1.5 million is to pay the National Park Service for guard protection, to pay for electrical and air-conditioning bills and other expenses in connection with keeping the Kennedy Center open to the general public during daytime hours when the performing arts part of the Center is not in operation. This authorization expires at the end of this fiscal year with no continuing authorization and it will be our intention under the 5-minute rule to offer an amendment giving the

responsibility of providing security and Maintenance at the Kennedy Center to the National Park Service which is charged with the responsibility of maintaining all monuments in the Nation's Capital. This is where this responsibility rightfully belongs. I am sure the Members of the House and the other body do not want to be saddled with this obligation as the years go by. The Park Service has agreed to accept the responsibility and I again want to reiterate it is only the responsibility and expense connected with the daytime operation of the nonperforming arts functions of the Kennedy Memorial.

Mr. Chairman, at the present time, there is an average of 8,000 to 10,000 persons per day visiting the Kennedy Center, some holidays produce even more. It is the second highest visitation point at the present time of any monument or facility in Washington. It is second only to the Capitol Building. The monument was closed for more than 3 months which brought public clamor from all over the United States. It was reopened recently and if the authorization you are being asked to support is not adopted, the Board of Trustees will have no alternative but to once again close the Center during daylight hours. To me, Mr. Chairman, this would be a national disgrace. Since the bill before you will save the taxpayers many millions of dollars, I am sure every Member can justify voting for the entire bill including this Kennedy Center amendment, since the $1.5 million will be offset by savings affected in other sections of the bill.

Mr. Chairman, in closing let me tell you that the American public deserves good service from their Government whether it be in the adjudication of a social security claim or help from the many other Federal agencies. This bill will bring together all of these dispersed offices under one roof in 63 communities, catch up the 10-year backlog of public building construction and make in order the consideration of other projects in other congressional districts as the need arises. If we are to maintain a good court system and provide good public service, we can do no less than send this bill on to the White House immediately in its present form since it has already passed the other body overwhelmingly.

In closing, I have been asked by the gentleman from California (Mr. BURTON) whether or not the Social Security Building in San Francisco could be moved from that city under the terms of this bill; the answer is "No."

I shall be delighted now to yield to any Member who might have any questions concerning this measure.

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

Mr. GRAY. I am delighted to yield to my friend from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What is the total cost of this bill?

Mr. GRAY. In the present estimate of the cost of the 63 buildings, it aggregates approximately $1.4 billion. As I pointed out in my statement earlier, many of these projects have been authorized for many years, and it has cost the American taxpayer about $100 million per year in inflation for these 63 projects.

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

Mr. GRAY. Mr. Chairman, I yield myself 2 additional minutes.

Putting it very simply, what we could build today for $1.4 billion, if we waited another year, would have a cost of $1.5 billion, and, at the present rate of inflation, would have a cost of $1.7 billion 2 years from now, and so on.

Mr. GROSS. Is the total, as set forth in the report, $1,430,800,000? Is that the total cost of the bill, and does that take into account the cost of the 61 buildings?

Mr. GRAY. The 63 buildings. That is not the total cost.

We must remember that many of these projects were approved as long as 9 years ago. This is the best figure we could get now from the General Services Administration.

I certainly want to be fair and candid for the Members, as I have always tried to be. I believe we can say by going the private entrepreneur route, a $10 million building over a period of 30 years would cost approximately double that, or $20 million. So we are really talking about a cost of close to $2 billion over the next 10 years to 30 years.

There is a $71 million per year saving by moving out of rented space, where the taxpayer is getting no return for his investment, and by going into Government-owned buildings.

Add that up, and subtract it from the $2 billion.

The best estimate I can give my friend is to look at page 30, and to say that when those buildings are finally owned by the taxpayer they will cost us double.

Mr. GROSS. Is the figure of $1,430 million limited to the 63 buildings?

Mr. GRAY. Yes, this is limited to the 63 buildings.

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

Mr. GRAY. Mr. Chairman, I yield myself 2 additional minutes.

In some cases it may be advantageous to the Government to take as short as a 10-year contract. We allow an escalation of between 10 and 30 years for contracts.

Putting it very simply, the figures are what the building will cost. You have to add what the costs of other goods and services are, such as architectural and engineering costs, and so forth. That is why I am being candid in saying that it will cost double.

The General Services Administration is spending millions a year now for leased space, and I think you have to add that in, with nothing in return to the taxpayer.

Mr. GROSS. Are there no other costs expenditures other than $1.5 million for that monstrosity down on the Potomac?

Mr. GRAY. That is the entire cost. I understand the gentleman now. There is no cost in here except the cost for the 63 buildings plus the $1.5 million for the Kennedy Center. I am sorry I did not understand the gentleman's question before.

Mr. LENNON. Will the gentleman yield?

Mr. GRAY. I yield to the gentleman,

Mr. LENNON. On page 25 of the committee report, as you describe the term "public buildings," beginning on line 13, where it describes it as "any other building or construction project, the inclusion of which the President may deem, from time to time hereafter, to be justified in the public interest." For the purpose of precedent, is the annual authorization bill or such authorization bill as has been brought out by the Committee on Public Works relating to public buildings giving the President of the United States the authority to make the selection of the site and then Congress will fund whatever he says should be built, whether it is a center in the District of Columbia for a sports arena or not? Have we done this before?

Mr. GRAY. The gentleman has raised a very important question. If you will refer to the report, you will see the bill you are being asked to vote on here today does not authorize a single project beyond the 63 line items put in this report on page 30.

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

Mr. GRAY. Mr. Chairman, I yield myself 5 additional minutes in order to answer questions.

It does not authorize one single project beyond the 63 enumerated in the report. If any additional buildings are required any place in the country, whether in the gentleman's congressional district or mine or anyone else, you would have to go through the regular procedure of the General Services Administration making a survey of the space needs and working up what is known as a prospectus and submitting this prospectus to the House Committee on Public Works. It would then have to be approved by the Senate Committee on Public Works before any money could be spent from the revolving fund for any purpose for any type of building.

Mr. LENNON. I very much appreciate the gentleman's explicit and definitive explanation, but I am concerned as to why in your report you state as it is used this term: "Public buildings," and then it goes on to say that a public building is any building or construction project the inclusion of which the President may deem from time to time hereafter to be in the public interest.

Why is that language used if you get to stand in the well of the House and say you are now authorized to build any building the President may decide he wants to build?

Mr. GRAY. Let me say, you may have a parking facility or a warehouse or something that does not fit into the general category of a Federal office building. Therefore we have given him that flexibility. But let me remind you it only allows the President the authority to request the Congress to do this. We will still have to approve it by line item, as any project that he deems to be in the public interest.

Mr. LENNON. Let me call my distinguished friend's attention in the same paragraph to the place where you define a public building as record centers, appraiser's stores, courthouses, wa-

ter inspection facilities, warehouses, and all of these other things.

Then, you conclude the definition of a public building as any building that the President decides should be built in the public interest.

Are you saying to this House today, sir, that there is nothing in here that would authorize the construction of a sports center or recreational center here in the District of Columbia?

Mr. GRAY. I am stating emphatically that any such request by the President would have to be submitted to the House and Senate Committees on Public Works and approved by it on a line item request.

Mr. LENNON. I say this because some members of the Public Works Committee, although I am not a member of that committee, are concerned about this language.

Mr. GRAY. I am sure that any request would have to be approved by the House and Senate Committees on Public Works on a line item basis.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. I notice on page 30 there is included some 30 States and 54,000 square feet of buildings in the Virgin Islands.

Am I to assume that there are no approved projects in the State of West Virginia contained in this bill?

Mr. GRAY. I would remind my friend from West Virginia that the projects that are contained in this bill are projects that have been authorized by the House and Senate Committees on Public Works for as long as 9 years ago.

The purpose of getting this bill passed and getting these 63 projects out of the way is in order that we can build additional facilities in West Virginia and in other places instead of renting that space for the use of social security offices, draft boards and others which are now operating in rented space where the private investigator gets the equity and it never accrues to the benefit of the taxpayers.

I think it is time that we consolidated these operations in West Virginia and in other States in Federal buildings.

Mr. HECHLER of West Virginia. Mr. Chairman, if the gentleman will yield further, I certainly hope that the gentleman and his committee would be sympathetic next year toward the space needs of our State.

Mr. GRAY. We are always sympathetic.

Mr. Chairman, I reserve the balance of my time.

Mr. HARSHA. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the principal aim of any sound Government building program is to assure that space authorizations are attuned to space needs. Thus, when the appropriate committees of Congress find that a Government building is needed, it should be constructed. If this is done, a building program can keep apace with space requirements and Government can operate more efficiently and effectively in the public interest.

Unfortunately, the Federal building program in recent years has not kept abreast of agency requirements. Because of funding limitations, much-needed buildings located in 37 States throughout the Nation, although authorized as long as 9 years ago, have not been built. This is not to be critical of anyone or any committee because we have had priority problems and only so much money with which to meet those problems. However, this has posed a severe hardship on those agencies whose space needs have not been met. And it has proven extremely costly to American taxpayers. The inflation toll alone caused by construction delays amounts to over $100 million annually.

Presently, there is a backlog of 63 public buildings which have been authorized but not built. Clearly, the time has come to eliminate the backlog and to put the Federal building program on a sound budgetary basis.

H.R. 10488 is fashioned with this objective in mind. First, it would authorize GSA to contract, over a 3-year period, for the construction of the 63 backlog buildings. The device used would be purchase contract authority. Such authority would enable GSA to enter into agreements with independent contractors for the purchase of buildings through payments spaced over a period of time up to 30 years. At the conclusion of the contract term, title would vest in the United States. Throughout the contract term, however, the buildings in question would remain in private ownership, subject to State and local taxation. This would mean that the Federal presence in an area would constitute a tax benefit rather than a tax burden.

But I wish to stress that the lease purchase authorization is a stopgap measure. It is not our intention that this type of funding arrangement become permanent. What we are simply doing is providing a mechanism which will enable us to place the Federal building program on a sound and financially responsible basis in the future.

A logical first step is the elimination of the backlog which the lease-purchase or contract purchase authorization over the next 3 years would accomplish. Additionally this legislation establishes a Federal building fund into which user charges would be paid by agencies occupying Federal office space. Each Federal agency would be required to pay into the fund user charges equivalent to commercial rates for the space and related services received.

Since the user charges made would be set at commercial equivalents, sufficient funds would be generated to finance future construction needs.

The General Services Administration strongly endorses establishment of the building fund. In a letter to the Speaker, Assistant Administrator Harold S. Timmer, Jr., declared:

> Requiring all agencies to finance the cost of the space they occupy is consistent with the performance budgeting concept under which total program costs are reflected in the cost accounts of the program agency. Review of agency budgets internally by review authorities in the Executive Branch and by the Congress would be more realistic. This would be a significant change in the method of funding building operating and capital costs, but would be both practical and businesslike.
>
> The new budgeting approach would enhance the ability of General Services Administration to provide faster and better service with respect to space needs of agencies, both by new construction and lease. Provision of funds for space would be directly related to the programs involved. Authorization would be based on better information and costs estimates. Funds for specific projects would be provided at one time in lieu of the present two or more budget requests for the same project, each involving a full cycle.

Let me make this clear, however. In authorizing the establishment of a public building fund, the Congress would not be surrendering congressional control over the building authorization and spending process. The Committees on Public Works of both House and Senate would still approve individual building prospectuses. What is more, GSA would continue to submit annual budget requests to the Appropriations Committees. Such requests would have to be approved by both Houses before any expenditures could be made by GSA from the building fund. Thus, Congress would maintain present authorization and spending control over Federal construction.

As an additional safeguard, H.R. 10488 would require the submission of a prospectus to the Public Works Committees whenever annual rentals for leased space exceed $500,000.

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

Mr. HARSHA. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I rise in support of H.R. 10488, the Public Buildings and Grounds amendments.

This bill allows the Federal Government to authorize construction of Federal office buildings by private contractor, with the General Services Administration leasing the building for a specified period and applying the rent toward the final purchase price. The effect would be to allow the construction of at least 63 public buildings already authorized by the House and Senate Committee on Public Works, but which have been thus far unfunded and hence unconstructed.

Included among these 63 proposals is a new Federal Office Building for the city of Albany in my congressional district, the capital of New York State.

The design of this building was completed some time ago and site acquisition will be completed as soon as this legislation is enacted. Although the prospectus for this new Albany Federal Building was approved by both Public Works Committees as far back as 1964, it is estimated that by following present procedures it could be another 10 years before the Capital of New York State had its new Federal office building.

The Administrator of the GSA informs me, however, that when the bill before us today is enacted into law, the GSA is prepared to begin immediately the contract award process for Albany with the building itself to be completed within 2 years.

The purchase contract arrangement provided for in the committee bill is, it appears to me, a far superior method of having Federal buildings constructed than the present piecemeal method of annual appropriations. By funding already authorized buildings on a one-shot basis, the GSA could have the buildings constructed over a relatively short term, and then gradually purchased them by means of the rents collected from the tenant agencies. Until the Federal Government had paid the final purchase price the buildings would be subject to real estate taxes. At the same time a special public building fund would be set up, into which user charges, collected from all Federal agencies using space in GSA buildings, would be deposited. Money from that fund could go toward financing the construction and operation of still other Government buildings.

I urge my colleagues to support this bill so that we will at last have a realistic and financially workable means of constructing new and much needed Federal office buildings, and so we can get going at once on the construction of the new Albany Federal Office Building.

Mr. GRAY. Mr. Chairman, I yield such time as he may desire to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Chairman, I thank the distinguished gentleman.

In our city of San Francisco, we have a payment center for the Social Security Administration. They employ some 1,700 people. A number of them are very highly skilled, of course, but there are also a great number of jobs that require somewhat less skill. This employment is very vital to our city. I understand from the remarks of the gentleman from Illinois that there is nothing in this bill that authorizes or encourages the removal of that payment center from San Francisco; is that correct?

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

Mr. BURTON. I yield to the gentleman.

Mr. GRAY. Absoultely nothing—there is absolutely nothing in this bill that would cause the removal of the facility in San Francisco.

Mr. BURTON. I would hope the gentleman from Illinois would agree with me in view of the difficulty of employment in the core cities—that a move of that sort should not be taken without an overwhelming case being made for the removal of this kind of job opportunity for the residents in our central city.

Mr. GRAY. I agree with the gentleman completely.

Mr. BURTON. Mr. Chairman, I yield to my friend, the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Chairman, I appreciate the gentleman yielding.

I just want to state to the gentleman, he has my full support for this bill. The bill has particular reference to my home community where we are seeking the location of a Federal social security payments faciilty for many of the same reasons that my good friend and colleague from San Francisco, the gentleman from California (Mr. BURTON) has suggested. We need to alleviate the unemployment problems in the Richmond area. We see this bill as a major help in that direction and we commend the gentleman and the committee for moving in that direction.

Mr. GRAY. I thank the gentleman from California and I assure the gentleman the committee will be sympathetic to any request that is received.

Mr. Chairman, I yield such time as he may require to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I also rise to say I support fully the gentleman in this legislation.

I just have one question along the line that the first gentleman from California (Mr. BURTON) inquired about, and it has to do with the net impact of this legislation.

My question is simply this. In my home district of San Antonio, we have had authorized and appropriated for a postal facility for several years. This legislation in no way would detrimentally affect those plans; would it?

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

Mr. GONZALEZ. I yield to the gentleman.

Mr. GRAY. I want to make it perfectly clear that there is nothing in this bill that would preclude an ongoing project from continuing whether it is the GSA or the Postal Service.

Mr. GONZALEZ. I thank the gentleman.

Mr. HARSHA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York (Mr. GROVER), the ranking minority member on the subcommittee who has done such outstanding work on this legislation.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. GROVER. I yield to the gentleman.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of this legislation and compliment the committee for the work that they have done.

Mr. Chairman, I rise to express my strong support for H.R. 10488, a bill to eliminate the backlog in the construction of public buildings authorized by Congress.

As a member of the Committee on Public Works, I can assure this body that it is generally the position of our committee to fund the planning and construction of Federal facilities directly through appropriations and that by no means is the committee attempting to create a precedent for fundings these projects.

However, flexibility of policy is urgently required in this instance if the Congress is to be able to meet its commitment to a backlog of over $1 billion in desperately needed Federal buildings. To do so directly would require what most certainly would be borrowed funds. This borrowing would add to an already immense deficit and seriously strain the competition for moneys in the lending markets.

By adopting the course indicated by this legislation, we can move rapidly to complete the construction of these buildings in a way that will provide a strong shot-in-the-arm for the economy at a time when the trend toward economic strength is becoming clearer with each passing day.

In addition, a key feature of the measure before us is that it provides a means to construct Federal facilities without depriving local government of vital portions of its tax base. Traditionally, Federal installations do not pay property taxes but H.R. 10488 leaves the property in private hands under the purchase-contract concept. Thus the property will make the Federal presence in the community much easier to accept.

And finally, one of the most important provisions in this bill is the assessment of user charges against the budget of those individual Federal agencies who occupy these buildings. The user fee assessments will require each agency to have to justify its space needs which will permit better congressional oversight both for the authorizing and appropriation committees. These fees will also invite the various agencies to reduce their space needs to the minimum thereby saving tax moneys.

On a national scale this bill will do the job. On the local level it is also excellent legislation as I am aware from the fact that one of the authorized buildings is in Santa Rosa, Calif., in my congressional district.

The bill will escalate the timetable for the construction of the Santa Rosa facility which is already long overdue. This building will effectively meet a need for part of the program of designing the city designed for living.

Mr. GROVER. Mr. Chairman, I wish to join with my colleagues in expressing support for this important bill. Over the past decade, the Committee on Public Works, acting under the Public Buildings Act of 1959, has considered and approved buildings for construction which it felt were vitally needed in the public interest. Because of financial constraints on the appropriation's process, the level of funding necessary to construct all of these much-needed facilities has not been provided.

Although appropriations averaged approximately $115 million per year, a backlog of 63 buildings has been built up. It is to accelerate construction of these facilities that the purchase contract authority contained in H.R. 10488 is directed.

Members of the committee are agreed that direct Federal construction is desirable. But we are facing a condition here, a state of facts, and not a theory. Approximately a billion dollars in Federal funding would be required to eliminate the construction backlog with which we are now faced. That kind of money is simply not available at the present time. Other spending priorities will not permit the immediate Federal investment necessary to get the job done.

It was to get the Federal building program back on the track again that the purchase contract program was devised.

In fashioning it, we have attempted to overcome the weaknesses that plagued its predecessor—the Lease-Purchase Act

of the 1950's. Interest rates determined by market conditions assure that rates will be reasonable. And present financial conditions assure healthy competition in the financing construction of these 63 buildings.

Finally, the legislative authorization will be for a period of only 3 years. Thereafter, the new revolving fund concept will become operative, making lease-purchase types of contracts no longer necessary.

Insofar as the new public building fund is concerned, this new device holds great promise. By imposing user charges on Government agencies for the space they occupy in GSA buildings, each Government agency will have an incentive to make space demands equal space requirements. The tendency would, therefore, be to promote the most efficient and economical use of all Government office and storage space.

The lack of sound business procedures in the operation of Government has long been a bitter refrain among critics. Authorization of a public building fund in which each agency would be charged the equivalent of rent for the space occupied makes sense, particularly since commercial rates will be charged. Moneys generated should be sufficient, not only to operate the Federal Establishment, but also to provide funds for future building needs. In the process, substantial savings in space requirements and the funds needed to provide them will be realized. If for no other reason, the consequent savings to the American taxpayer will, I believe, more than justify passage of this bill.

I, therefore, urge approval of H.R. 10488.

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

Mr. GROVER. I yield to the gentleman from New York.

Mr. WYDLER. I rise in support of this legislation, and I want to commend the gentleman for the work that he has done as a member of the committee considering this legislation. The largest single project in the bill before us is located on Long Island, which the gentleman and myself both represent here in the Congress. It is a Federal office building of a large size, but one which is desperately needed by the Federal Government and by the citizens of that area. I know that the gentleman in the well provided the leadership in the committee which was necessary to see that this particular building was proven necessary for the people in that area and to make it a reality.

Mr. GROVER. If I may return the compliment to the gentleman from New York, I should like to point out that he, himself, was the driving force on Long Island which brought to the committee and to the Congress the desperate need for a center on Mitchell Field on Long Island in the gentleman's district.

Mr. HARSHA. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin (Mr. THOMSON).

Mr. THOMSON of Wisconsin. Mr. Chairman, I rise in enthusiastic support of this legislation. It is badly needed, not only in the 63 areas that have been mentioned, but in the removal of a backlog. Removal of this backlog will facilitate the orderly development of needed Federal facilities throughout the country.

Mr. Chairman, this bill is badly needed and past overdue. If the other 61 cities besides the one in my district which will have their promised construction proceed under terms of this bill are in the same situation as La Crosse, Wis., I can only say that the Federal Government has done a disservice to the residents of these cities.

The La Crosse Post Office-Federal Building was authorized in 1966, 6 years ago. It is to be the central edifice in an imposing, modern civic center in the heart of downtown La Crosse. To prepare for this civic center, the city of La Crosse razed the existing city hall and built a beautiful new structure. Similarly, the county government tore down the old courthouse building and erected a modern courthouse, architecturally blending with the new city hall.

Amid this well-planned civic center stands the city's worst eyesore, the archaic Post Office Building and an adjacent vacant lot. This space has been acquired for the construction of the new Post Office-Federal Building promised 6 years ago. The architect assures that planning for the building is complete. But the vacant lot remains, a daily reminder to the citizens of La Crosse of the broken promise made to them by the Federal Government.

I cannot believe that anyone in this Chamber can justify keeping people waiting 6 to 10 years before the Federal Government gets around to keeping its promises. For La Crosse and 61 other cities, the bill we are debating today is the answer. Let us resolve to start delivering on these promises made so many years ago, promises which have triggered enormous local investments, and promises which have buoyed the hope of local citizens for years. This year, as political commentators tell us that the people are losing faith in the effectiveness of their Government and as historians tell us that our social problems are rooted in the unfulfilled promises of the decade of the 1960's, let us resolve to move forward to fulfill our promises and demonstrate our resolve to assist these needy and long-postponed projects. Let us pass this bill.

The CHAIRMAN. The gentleman from Illinois (Mr. GRAY) is recognized.

Mr. GRAY. Mr. Chairman, I intended to ask the gentleman from New York (Mr. GROVER) to yield, but he left the well before I had an opportunity to do so. I wish to state publicly for the record that he, as the ranking minority member of the Subcommittee on Public Buildings and Grounds, was of great help in writing this bill over the past several months, as were also the distinguished gentleman from Ohio (Mr. HARSHA) and the distinguished gentleman from Wisconsin who just spoke (Mr. THOMSON). They have all rendered valuable assistance, and I want publicly to thank them for their support, along with that of all Members on our side of the aisle.

I yield such time as he may consume to the very distinguished gentleman from Illinois (Mr. KLUCZYNSKI).

Mr. KLUCZYNSKI. Mr. Chairman, I thank the gentleman. I wish to compliment the gentleman from Illinois for bringing this much needed legislation to the floor today so that we will be able to vote on projects which have been pending for 8 or 9 years. Members know as well as I do that erecting public buildings is like the construction of highways. If you do not build them this year, they will cost you 10 or 11 percent more next year. I want to thank the gentleman from Illinois for bringing this legislation to the floor today, legislation which will save the taxpayers of this country millions and millions of dollars.

We have already heard a great deal about the staggering backlog of congressionally approved but unfunded Federal building projects. Throughout the Nation, the needs of our health, law enforcement, environmental, and other Federal agencies for efficient, modern facilities, are going unmet. Agencies continue to operate in inefficient and, in some cases, obsolete buildings. To the extent that they do, the taxpayer is penalized many millions of dollars in wasted employee time. He is also shortchanged in the delivery tc him of the Government services he wants, needs, and pays dearly for. In addition, each passing day erodes the value of $13.6 million he has invested in the purchase of sites and $12.4 million he has invested in designs for 50 buildings already approved by the committee.

No city on earth knows the costs of delay in Federal construction like Chicago. At long last, the new Federal building, for years just a big hole in the ground, is underway. Now the delay falls heavily upon the GSA Federal Records Center, which was first approved in 1966. The GSA Records Center is currently located in a leased building which is filled to capacity and does not comply with GSA's fire safety standards. It is necessary to utilize temporary storage space with inadequate cubic footage capacity at another Government-owned location and to ship a considerable volume of records for processing and storage to record centers in other States. These deficiencies result in delay, increased costs, and reduced operating efficiency—to say nothing of inconvenience to Chicagoans and other midwesterners.

The building will be 185,600 square feet. GSA is now leasing more than 102,000 square feet to house Federal records in Chicago alone. So, there will be a healthy saving in rents as soon as the new center is completed. To get the center completed, we need H.R. 10488. Without this bill, that building could wait another 6 years.

The history of GSA's construction appropriations since fiscal year 1959 shows that GSA has been able to average only $115 million per year for new construction. At that rate, if GSA were to work exclusively on overcoming the present backlog—giving no attention to new requirements as they arose—it would take 10 years to construct buildings we have already authorized.

We need those buildings now. On the other hand, we are in a period when fiscal restraint is the order of the day, and hope for appropriations in this or the next few fiscal years would indeed be wishful thinking.

The purchase-contract provisions of H.R. 10488 are an attempt to reconcile the urgent need for new Federal facilities with today's economic conditions. We are being asked for purchase-contracting of Federal buildings as a stopgap expedient. GSA is so convinced that purchase-contracting will help eliminate the backlog in a very short time that we are asking for this authority for only 3 years. GSA has, in fact, pledged that it can and will beat the backlog in that move to full implementation of the public buildings fund.

The purchase-contract authority proposed in H.R. 10488 would permit GSA to make regular payments over a period of from 10 to 30 years to entrepreneurs who would finance and construct buildings that meet GSA specifications. At the end of the contract term, title to the building would vest in the United States. During the contract term, a purchase-contract building would remain on the local tax rolls, helping to ease the burdens of the Federal presence upon the local community.

There can be no doubt that purchase-contracting for Federal construction projects will increase the total dollars GSA pays out for any specific building. Nevertheless, an analysis of purchase-contracting that takes into account the present value of dollars expended, national spending priorities, and the urgency of the need for these facilities convinces me that any additional costs to the Government, spread over a 10- to 30-year period, would be reasonable and warranted.

In weighing the total cost of home-ownership under a mortgage, the prospective home buyer considers many factors, including the amount of capital available to him, alternative uses for his capital—including the education of his children, the purchase of health care, transportation and other services, for his family—and the urgency of his housing needs. In the same way, I believe that it is appropriate for the Federal Government to consider its overall needs in finding a way to get our public building projects underway now. I strongly support H.R. 10488 and hope that other Members will join me in voting for this sound approach to getting the job done now.

Mr. GRAY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I take this time in order to have the RECORD show that we thank my distinguished friend, the gentleman from Illinois (Mr. KLUCZYNSKI) who has just spoken, who has rendered an invaluable service on this bill.

Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. HANLEY).

Mr. HANLEY. Mr. Chairman, I rise in support of this legislation and commend the chairman and the fine committee for their efforts in regard to this legislation.

Mr. Chairman, I am quite pleased that H.R. 10488 is under consideration today. I earnestly urge its adoption which will provide a procedure through which a backlog of 63 Federal buildings will be constructed. Most of these projects have been on the back burner for quite some time. Their need is great to provide the necessary accommodations to our citizens and the agencies which will occupy them.

My home community, Syracuse, N.Y., is the site for one of the projects. A dire need exists in that community as it does in the 62 other locales.

The longrun effect will be the convenience of the accommodation as well as the millions of dollars in savings to be enjoyed by the taxpayers.

Again I urge adoption of H.R. 10488.

Mr. GUBSER. Mr. Chairman, I thank the gentleman from Ohio for yielding.

I take this time for the purpose of asking a question. The city of San Jose in my congressional district is very much in need of a Federal office building. The General Services Administration has surveyed it. However, the priority is not sufficiently high at this time for it to be included in this list of 63 cities. My question is, if San Jose achieves priority at some time subsequent to the passage of this bill, can the list of 63 cities be expended?

Mr. HARSHA. First, let me say that this period of contract purchase is authorized for 3 years. At any time during that 3 years, any city which establishes the necessary priority with the General Services Administration can be included in this method of obtaining a Federal building for its community.

In addition, I would add for the gentleman's information that the new revolving fund, if this bill becomes law, will, even after the 3-year period, enable GSA to go about its program of providing needed office space on a much quicker basis than in the past.

Mr. GUBSER. Mr. Chairman, I thank the gentleman. I think this is excellent legislation. I shall support it.

Mr. HARSHA. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho (Mr. MCCLURE).

Mr. McCLURE. Mr. Chairman, as a cosponsor of this legislation, I thank the gentleman from Illinois and the gentleman from Ohio for their very great courtesy to me over the months this legislation has been under consideration, and publicly express my satisfaction that at last we are getting some House approval on a matter critical to every Member of the Congress—not just to those who happen to have buildings in their districts. As has been pointed out, this removes the backlog and allows an orderly consideration of those construction projects which are not included in the list included in this bill.

Mr. HARSHA. Mr. Chairman, I thank the distinguished gentleman from Idaho for his interest in this matter. He has very effectively pursued the interest of the people of his congressional district. He appeared before the committee in support of this legislation and he has conferred with me on several occasions on this matter. He has most urgently acted in pursuit of this legislation so that the citizens of his district can finally realize the benefits of a Federal office building in his district.

Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska (Mr. THONE), a member of the committee, and I reserve the balance of my time.

Mr. THONE. Mr. Chairman, I share the interest of many of my colleagues that the design of our public buildings should be the finest examples of American architecture. I am very pleased that the committee has adopted my amendment requiring the Administrator of the General Services Administration to give thorough consideration to the excellence of architecture and design during the development of plans for all public buildings.

In this regard, I am hopeful that the pending legislation will enable architects and engineers to continue to work effectively on public building projects without the possibility that their allegiance might be transferred away from their true client, the General Services Administration and the people of this country. I believe the design professions share this hope. It would be helpful if the distinguished gentleman from Illinois (Mr. GRAY), the subcommittee chairman, would clarify a few points relating to the pending bill.

Under the purchase contract authority of H.R. 10488, will GSA retain title to the drawings and specifications already prepared by the original design architect for the 63 authorized but unfunded projects?

Mr. GRAY. Mr. Chairman, will the distinguished gentleman yield?

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

Mr. GRAY. I am delighted to answer. I have been informed by the acting GSA Administrator, Mr. Rod Kreger, that the answer is yes, they will retain title to the architect's drawings and specifications.

Mr. THONE. I thank the gentleman.

Will the original design architect be retained for the administration and supervision of construction of projects under the purchase contract authority?

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. THONE. I yield further.

Mr. GRAY. The General Services Administration has stated categorically that it will establish procedures to have the original architect provide inspection services wherever possible. Although GSA does not anticipate this occurring frequently there may be cases where the architect and the successful offeror are incompatible for some reason; for example, they might not be able to agree on a fee. In those instances, GSA will insist upon approving the architect to inspect the project.

I am sure the gentleman will agree with this. Wherever possible it will be done, but if someone wants to charge an

exorbitant fee on a project the GSA is bound by law to seek out and find someone with a more acceptable fee.

Mr. THONE. I understand that, and that is as it should be.

Under this legislation, would GSA be prevented first, from maintaining a direct contractural relationship with and directly compensating the original design architect for any additional design services and supervision services, or second, from being reimbursed for that compensation through a provision in the agency's contract with the successful offeror.

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. THONE. I yield further.

Mr. GRAY. No. H.R. 10488 would not prohibit GSA from taking either action the gentleman has enumerated.

Mr. THONE. One final question. It is my understanding that GSA has requested the purchase contract authority due to the emergency need to provide long-required Federal office space throughout the country. It is correct that this is an emergency authority only and will automatically go out of existence at the end of 3 years when the Federal buildings fund goes into effect?

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. THONE. I yield further.

Mr. GRAY. The answer is emphatically "yes." The law provides for the expiration of the purchase contract authority after the 3-year period and reverting back to direct fund appropriations.

Mr. THONE. I thank the distinguished gentleman from Illinois.

Mr. Chairman, accountability is the most important aspect of the legislation we are considering.

At present, various Federal departments and agencies are not held fiscally responsible for the space they occupy. Instead, money to pay for building rentals, maintenance, and service is nearly all appropriated to the General Services Administration. In fiscal 1971, GSA was appropriated $660 million to provide more than 220 million square feet and necessary services for 820,000 Federal employes.

This proposed legislation, of which I am a cosponsor, will change this situation. It will provide that each agency will be accountable for the space it uses. Each agency will pay user charges for space. Governmental bureaus now may insist to GSA that they need more space than actually necessary. Each agency will be less likely to ask for more space than needed, when the cost of that space will be reflected each year in its annual appropriations request to Congress. Allocation of these costs will also give Congress, the President, and the general public a truer picture of the cost of each function of the Federal Government.

The user charges will provide a solution to a problem that has long troubled Congress. All user charges will be put into a GSA building fund. Operating costs of buildings will come out of this fund. As time goes by, the fund will have in it sufficient moneys to pay for new Federal buildings as they are needed. Thus, we hope to end the position it is now in, with 63 new Federal buildings authorized without funds being provided for construction.

That brings me to the second important aspect of this proposed legislation. It will allow Congress to keep the promises this body has made to communities all over America. Through authorization acts of Congress, these cities have been promised new Federal buildings. Citizens in these areas are beginning to wonder if Congress will ever keep these promises. Some of the Federal buildings were authorized 9 years ago and still have not been funded for construction.

At the rate appropriations for Federal buildings have been made over the past dozen years, it would take at least until 1982 to fund the 63 buildings authorized in 1969 and earlier.

In this bill, we have our solution. Through purchase contracts the Federal buildings already authorized by Congress would be built. Entrepreneurs would provide the capital to build the buildings to Government-approved plans and specifications. At the end of the contracts, the Government would own all these buildings. Bear in mind that the purchase contract phase of this legislation would only be in effect for 3 years. After that, the user charge fund should contain money to pay for Federal buildings as needed.

The effect of Federal building authorization without construction funding can be devastating for a community. I can speak firsthand for a city in my district, Lincoln, Nebr. The Senate approved the prospectus for a new Federal building in Lincoln in 1965 and the House of Representatives gave approval in 1966. The land involved consists of two square blocks in the heart of the central city district of this community of 150,000. For 6 years, the buildings on this land have been allowed to deteriorate. Some of this land, which is valuable enough for much higher use, has been used only for unpaved parking lots.

Much development by private enterprise has not taken place because this land has laid idle. If the Federal building is begun in the near future, I am certain that it will trigger much private development nearby.

The community of Lincoln, Nebr., illustrates another important factor that this body should consider. The Federal Government is now paying about $½ million annually for rental space scattered all over Lincoln. Some agencies are trying to conduct business in at least 3 buildings. This payment of rent by the Federal Government in Lincoln will be ended, this scattering of agencies will be ended, if the Lincoln Federal building is constructed.

In Lincoln and in 62 other American cities, we can stimulate employment and business by passing this act. We can end rental payments by constructing buildings that will be federally owned. We can keep promises made to people all over the Nation. We can make Government agencies accountable for the office space they use. We can provide a permanent solution to the persistent and troublesome problem of funding Federal buildings for construction. I urgently solicit your votes in favor of H.R. 10488, which is a companion bill of one that I introduced in this regard.

Mr. HARSHA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. I thank the gentleman for yielding.

I rise in support of this measure. I can testify from personal experience as to the need for the new Federal building for Dayton, Ohio, which is contained in this measure.

At the present time the Federal offices are located in a building which was constructed in 1915. Architecturally, this 57-year-old building is very beautiful. However, it is extremely inefficient, inasmuch as it was built to house a post office rather than Federal offices. Too, maintenance costs are extremely high.

Further, at the present time in the Dayton area the Federal Government rents approximately 41,000 square feet at an annual rental of $205,000. All of these offices will be consolidated in the new Federal building once it is constructed. The land is available. The architectural plans have been completed. We are ready to go.

Passage of this bill certainly will save at least 10 years in respect to correcting the costly, wasteful Federal office operation which presently exists in the Dayton area. Therefore, I hope my colleagues will support this measure.

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

Mr. GRAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Chairman, I shall use but a minute.

I want to observe that over the past decade I have waited for the day when I could look at a public works authorization bill and find not 1 cent spent for public office buildings in the District of Columbia. I believe that is a great precedent and a move in the right direction.

And lest some of my colleagues are looking in the direction of the Rocky Mountain States, there is not any item for the great State of Wyoming, either, or for the State of Colorado or Utah. There must be an end to District of Columbia Federal construction—a breathing spell.

I hope this is a landmark and a beginning to that end.

Mr. GRAY. Mr. Chairman, I yield myself the remaining time.

As I stated in my previous remarks, this is an historic bill in many ways, because I think it will save millions of dollars of the taxpayers' money in the long run by requiring Federal agencies to pay for the space they use. We can look at agencies all over the Nation and we can see them sprawling out in all kinds of ways in rented facilities. We think it is time that that practice came to an end and that they be held accountable. This bill requires that type of accountability, and we will take these savings in order to build much-needed facilities in congressional districts all over the Nation.

I want to thank the members of the House Committee on Public Works on both sides of the aisle, because this is a bipartisan measure which was reported out unanimously. I want to single out especially our very distinguished and able chairman, the gentleman from Minnesota (Mr. BLATNIK) who is always sympathetic and helpful, a man of compassion. This kind of critical legislation that comes from the Committee on Public Works unanimously could not have been brought here without his able assistance. I also want to thank our chief counsel, Mr. Sullivan, my able assistant, Mrs. Nancy Vitali, and the staff for their help.

Mr. BLATNIK. Will the gentleman yield?

Mr. GRAY. Of course I yield to the distinguished gentleman from Minnesota.

Mr. BLATNIK. I appreciate the very generous and certainly thoughtful comments and references to the chairman of the committee.

I would like to make a comment about the work of the subcommittee chairman, Mr. GRAY, and the cooperation received from the minority side in toto and the excellent staff work that has been done there.

Let me say each one of these projects represented a crying need in a given area. Yet it would seem that each one of these projects has some element of justifiable and understandable difference of opinion or judgment in it which could lead to divisiveness. It could either be so because the needs of the local community were opposed to the needs of a State agency or because of a conflict between one or more Federal agencies or because there was a difference of opinion between the members of the subcommittee. Each one of these projects was systematically, patiently, and considerately considered, and each problem was constructively worked out.

I want to commend the chairman of the subcommittee and all of the members of the subcommittee and the staff for the thorough and responsible manner in which they worked out this piece of legislation. It enables us to come out with a good solution to meet the needs of many areas.

I urge that the bill be approved by this full body as presented.

I yield back the balance of my time.

Mr. MCMILLAN. Mr. Chairman, I rise in support of the pending bill and would like to state that in my opinion, it is one of the most important bills that has been considered in the Congress since the Christmas holidays.

I am certain the chairman of the Appropriations Committee and the chairman of the Independent Offices Subcommittee of Appropriations will remember that in 1968, approximately $5 million was allocated for a Federal building in my hometown of Florence, S.C. The General Services Administration, the Post Office Department officials, and the U.S. district judges in South Carolina had decided on the type Federal building they wanted at Florence. The Congress passed the bill and the President added his signature; however, after the Federal Government had the plans for the new building drawn up, and the structures cleared from the lot which had been purchased for the new building, the President issued a freeze on all Federal buildings that had not actually begun.

I am delighted that the Public Works Committee has authorized this building in the pending bill and I hope the Members of Congress will understand just how badly we need this building since there are approximately 200 postal employees working in a temporary, abandoned, automobile salesroom. There are also approximately 75 social security employees in addition to the Labor Department inspectors and FBI agents who are waiting to use this new building. The court officials tell me that they are in dire need of a new courtroom as the one in the old building is completely outmoded.

I sincerely hope the Members of Congress will understand that this is, in my opinion, emergency legislation which should be enacted into law without further delay.

Mr. MIZELL. Mr. Chairman, I want to express my strong support for this legislation to provide for financing the acquisition, construction, alteration, maintenance operation, and protection of public buildings.

This legislation, which was reported out of the Public Works Subcommittee on Public Buildings and Grounds, of which I am a member, is a badly needed bill and a very sensible one as well.

Under provisions of this legislation, the Federal Government could authorize construction of Federal buildings by private contractors, and then lease the buildings for a specified period, with the rent payments being applied toward final purchase of the buildings by the Government.

When the lease expires, the Government assumes full ownership, but, until that date, the property and the building would be subject to local taxation.

There are currently 63 Federal building projects throughout the country which have been delayed for lack of Government funds. The General Services Administration is now required to provide direct Federal funding for new construction projects. The lack of sufficient funds has resulted in an estimated 10-year backlog of projects.

Of particular interest to the people of North Carolina's Fifth Congressional District, which I represent, is the effect this legislation would have on a proposed new Federal building to be constructed in Winston-Salem.

The Winston-Salem project was approved for construction 3 years ago, but progress beyond the designing stage has been stalled because of insufficient Federal funds. Estimated construction cost for the 287,000-square-foot building is $12.1 million.

The legislation we offer today will significantly accelerate work on the proposed Federal building in Winston-Salem, possibly pushing the completion date up by 10 years, and permitting similar accelerated construction schedules for other projects throughout the Nation.

I strongly recommend that my colleagues join me in voting for passage of this legislation.

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

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

The CHAIRMAN. In accordance with the rule, the committee amendment in the nature of a substitute printed in the bill will be read by the Clerk as an original bill for the purpose of amendment.

Mr. GRAY. Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

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

Mr. GROSS. Mr. Chairman, I would suggest to the gentleman that the bill be read by sections. This would require some eight unanimous-consent requests for the reading of the sections, and I realize this.

Mr. GRAY. Mr. Chairman, I withdraw my unanimous-consent request.

The CHAIRMAN. The Clerk will read.

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 "Public Buildings Amendments of 1972".

SEC. 2. The Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 601 et seq.), is amended as follows:

(1) strike out in subsection (b) of section 4 the figure "$200,000" and insert the figure "$500,000" in lieu thereof;

(2) strike out in subsection (a) of section 12 the following: "as he determines necessary,";

(3) insert at the end of section 12(c) the following sentence: "In developing plans for such new buildings, the Administrator shall give due consideration to excellence of architecture and design."; and

(4) section 7 is amended to read as follows:

"SEC. 7. (a) In order to insure the equitable distribution of public buildings throughout the United States with due regard for the comparative urgency of need for such buildings, except as provided in section 4, no appropriation shall be made to construct, alter, purchase, or to acquire any building to be used as a public building which involves a total expenditure in excess of $500,000 if such construction, alteration, purchase, or acquisition has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. No appropriation shall be made to lease any space at an average annual rental in excess of $500,000 for use for public purposes if such lease has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. For the purpose of securing consideration for such approval, the Administrator shall transmit to the Congress a prospectus of the proposed facility, including (but not limited to)—

"(1) a brief description of the building to be constructed, altered, purchased, acquired, or the space to be leased under this Act;

"(2) the location of the building or space to be leased and an estimate of the maximum cost to the United States of the facility to be constructed, altered, purchased, acquired, or the space to be leased;

"(3) a comprehensive plan for providing space for all Government officers and em-

ployees in the locality of the proposed facility or the space to be leased, having due regard for suitable space which may continue to be available in existing Government-owned or occupied buildings;

"(4) with respect to any project for the construction, alteration, purchase, or acquisition of any building, a statement by the Administrator that suitable space owned by the Government is not available and that suitable rental space is not available at a price commensurate with that to be afforded through the proposed action; and

"(5) a statement of rents and other housing costs currently being paid by the Government for Federal agencies to be housed in the building to be constructed, altered, purchased, acquired, or the space to be leased.

"(b) The estimated maximum cost of any project approved under this section as set forth in any prospectus may be increased by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction or alteration costs, as the case may be, from the date of transmittal of such prospectus to Congress, but in no event shall the increase authorized by this subsection exceed 10 per centum of such estimated maximum cost.

"(c) In the case of any project approved for construction, alteration, or acquisition by the Committees on Public Works of the Senate and of the House of Representatives, respectively, in accordance with subsection (a) of this section, for which an appropriation has not been made within one year after the date of such approval, either the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, may rescind, by resolution, its approval of such project at any time thereafter before such an appropriation has been made."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 2 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to section 2? If not, the Clerk will read.

The Clerk read as follows:

SEC. 3. Subsection (f) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), is amended to read as follows:

"(f)(1) There is hereby established in the Treasury of the United States on such date as may be determined by the Administrator, a fund into which there shall be deposited the following revenues and collections:

"(A) User charges made pursuant to subsection (j) of this section payable in advance or otherwise.

"(B) Proceeds with respect to building sites authorized to be leased pursuant to subsection (a) of this section, and proceeds with respect to building sites, plans, and specifications authorized to be sold pursuant to subsection (h) of this section.

"(C) Receipts for carriers and others for loss of, or damage to, property belonging to the fund.

"(2) Moneys deposited into the fund shall be available for expenditure for real property management and related activities in such amounts as are specified in annual appropriations Acts without regard to fiscal year limitations.

"(3) There are hereby merged with the fund established under this subsection, unexpended balances of (A) the Buildings Management Fund (including any surplus therein), established pursuant to this subsection prior to its amendment by the Public Buildings Amendments of 1972; (B) the Construction Services Fund, created by section 9 of the Act of June 14, 1946 (60 Stat. 259), as amended; and (C) any funds appropriated to General Services Administration under the headings 'Repair and Improvement of Public Buildings', 'Construction, Public Buildings Projects', 'Sites and Expenses, Public Buildings Projects', 'Construction, Federal Office Building Numbered 7, Washington, District of Columbia', and 'Additional Court Facilities', in any appropriation Acts for the years prior to the fiscal year in which the fund becomes operational. The fund shall assume all the liabilities, obligations, and commitments of the said (1) Buildings Management Fund, (2) Construction Services Fund, and (3) the appropriations specified in (C) hereof.

"(4) In any fiscal year there may be deposited to miscellaneous receipts in the Treasury of the United States such amount as may be specified in appropriation Acts.

"(5) Nothing in this section shall preclude the Administrator from providing special services not included in the standard level user charge on a reimbursable basis and such reimbursements may be credited to the fund established under this subsection."

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

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

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to section 3?

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I take this time to ask the gentleman from Illinois, or some other member of the committee, what is proposed to be done specifically in this bill with respect to a sports center in the District of Columbia?

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

Mr. GROSS. I am glad to yield to the gentleman from Illinois.

Mr. GRAY. I would be happy and delighted to answer that question for my friend.

If you will refer to page 30 of the report, you will find a listing of all of the buildings authorized by line item in this bill. Then if you will refer to——

Mr. GROSS. Where on page 30 will I find them?

Mr. GRAY. If the gentleman will bear with me, I shall be glad to answer his question. I know this is an important matter.

Mr. HARSHA. Mr. Chairman, will the gentleman yield to me?

Mr. GROSS. Yes; I yield to the gentleman from Ohio.

Mr. HARSHA. There is nothing contained in the provisions of this bill that actually authorizes a building known as a sports arena or convention center.

Under the purchase contract authority, conceivably such a building could be built. However, first, it would have to meet certain requirements; that is, the President of the United States would have to declare that that building is a public building. Second, he would have to come before the House and Senate Public Works Committees and have the prospectus approved by those committees for the construction of the building.

Mr. GROSS. The President would have to come before the committee?

Mr. HARSHA. No.

Mr. GROSS. Who would come before the committee?

Mr. HARSHA. Representatives of the General Services Administration would come before the committee after the President made a finding that that was a public building and in the public interest. Then, there would be an amendment offered—and if it is not offered by anyone else, I shall offer it—that no building under this purchase contract authority can be approved until it, first, has been approved by both the Senate and House Appropriation Committees. So, you would have to get the authorization from the Senate and House Public Works Committees and then you would have to get the funding by resolution from the House and Senate Appropriation Committees. So, there would be three steps that would have to be followed in order to build such a building.

Mr. GROSS. In the matter of the construction of public buildings the gentleman's amendment would make a lot of sense and restore some degree of responsibility to the Congress that it has not had in the matter of authorizing buildings. Here, today, we are asked to vote for 63 buildings.

What do we know about the need and the necessity for them? They do not have to be justified on an individual basis. Complete authority has been delegated to this committee.

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

Mr. GROSS. In just a minute.

And as was explained to me earlier in the day in the matter of the 63 buildings, the Committee on Appropriations will look these things over. And then I heard from a veteran member of the Committee on Appropriations, who said, "We have already taken care of the funds for these buildings. You can start shoveling dirt almost the minute this bill passes, because we have already given our blessing to these 63 buildings."

Now I yield to the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, first, if I could, I now have the precise language, and I will read it to the gentleman, concerning the sports arena and convention center.

On page 18 of the report it says:

Except for previously approved prospectuses—

Meaning these 63 buildings—

referred to in (e) above, no purchase contract shall be entered into pursuant to the authority of this section until a prospectus therefor has been submitted and approved in accordance with section 8 of this Act.

So, I want to lay this perfectly clearly on the table where you can all see it; that, as far as the building of the sports arena and convention center, there is nothing in this bill to build the sports arena and convention center.

Mr. GROSS. We have been duped around here all too often with regard to the stadium and the so-called cultural center. We were told we were through

financing that thing, and the gentleman must admit——

Mr. GRAY. If the gentleman will yield further, we are through financing it.

Mr. GROSS. What do you mean we are through financing it? You have $1.5 million for it in this bill.

Mr. GRAY. For security.

Mr. GROSS. We have been told that before; that we had appropriated the last of the money for the Kennedy Cultural Center.

Mr. GRAY. For the construction. There is nothing in here for the further construction of the Kennedy Center, and there is nothing in this bill for the performing arts function of the Cultural Center. But if you go down to the George Washington Monument you can see that that facility was started, and it went up about 50 feet, and then for 60 years it was allowed to lie dormant. Finally Congress had to go in and finish it. You can see that that is so because of the different color in the stonework, and we have continued to maintain the security of that monument, and that is all we are doing to the monument for our deceased President, is to maintain the monument.

Mr. GROSS. Let me tell you something else about the Washington Monument. It took about 40 years to complete it. That was back in the days when they gave consideration to balanced budgets, and had some consideration for financial sanity in the Federal Government.

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

(By unanimous consent, Mr. GROSS was allowed to proceed for 5 additional minutes.)

Mr. GRAY. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. In just a minute. Yes, it took about 40 years to finish the monument to George Washington, and yet today it has to be instant salvation—we have to have these 63 buildings right now to take care of two things, more bureaucrats and forced-draft spending for employment. That is the story. Instead of doing what we ought to do, and that is to cut down on this bureaucracy so that we do not have to go out and put up 63 more buildings. Instead of doing the things that are sane and right and reasonable, we are going to spend money that we do not have for 63 more buildings.

Mr. GRAY. If the gentleman will yield further, I just want to say that when we wrote this bill we had the distinguished gentleman from Iowa in mind.

Mr. GROSS. If you really had me in mind you would not have put $1.5 million in this bill for that cultural palace in Foggy Bottom.

Mr. GRAY. I am talking about the general provisions of the bill. That amendment was added afterwards, but in the bill itself we did have the gentleman from Iowa in mind. Because this was tightening up of our procedure. But if the gentleman wants to know where the money is coming from, it is out of the money that we are now paying in rents. We think it is time that we should stop paying rents, and build some government-owned buildings so we will save money.

The gentleman from Iowa has been tremendously helpful, and I would like to see one of these buildings built in the gentleman from Iowa's district, and see the name put on it, the H. R. Gross Building.

Mr. GROSS. Just spare me that, if you will, please; just spare me in that.

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

Mr. Chairman, I have, of course tremendous affection for the members of the committee. But, I disagree with this bill as deeply as I can disagree with anything. There is a provision in it—you can go and get your chart out—yes, young lady, get the chart out and show them that in Indianapolis, Ind., there is a new Federal building proposed. But save the time of telling me about it because I already know it. I want the building. But I do not want Indianapolis Federal taxpayers to have to pay for it three or four times.

I would like to have it built with some kind of what they used to call fiscal responsibility.

It has already been acknowledged here by one Member that direct financing is the less expensive way to build. But we cannot afford to do that—there is too big a deficit in the Federal budget.

That is the same kind of shape that a bum is in when he goes to a bank to borrow money and they tell him—"You already owe us $40 billion—we are not going to lend you any money." So he goes out in the street and deals with sharpies. "How much interest?" "Oh, 25 percent or 30 percent—do not worry about it. Someone else will pay it off anyway. You can pay 25-percent or 30-percent interest and we will let you have $5 to go out and eat and have a good time this afternoon."

Well, I dub this approach in this bill a "hide the deficit bill." What you are going to do under this bill is take borrowed money and use it to pay rent to private contractors who borrowed money and put that borrowing in the structure of the rent that they charge.

So what you end up doing is borrowing twice and paying interest twice.

We have a truth-in-lending law. Why do we not have a truth-in-borrowing law for the American people and make it apply to the Congress and make it apply to the Federal Government? Under this bill which pretends we are not borrowing to put up the buildings, we end up borrowing more and paying more in interest.

What happens after these private people put up the building and each agency pays its own rent? We stop paying rent to the private facilities in the community that we are occupying now. The only thing I can tell you is, that in connection with this new library over here, the Manson Library, they are paying $3 million rent now around town to private places, and the interest on the bonds or the interest on the money borrowed to put up that building is going to be $5 million a year. That is how you save the taxpayers' money. It is costing them a net increase of $2 million per year. And "them" includes Americans yet unborn.

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

Mr. JACOBS. I yield to the gentleman.

Mr. GROSS. The gentleman is exactly right. The lease-purchase building arrangement certainly passes on to the generation to come the mortgage debt for these buildings. That is what we are doing; handing on to the children of today and tomorrow the obligations this Government ought to assume today.

Mr. JACOBS. Yes.

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

Mr. JACOBS. I yield to the gentleman.

Mr. GRAY. I know that the gentleman is honest and sincere and I have great respect for him. But let us look at the hard, cold facts of this proposed Federal building in Indianapolis, Ind.

Mr. JACOBS. That is what I was hoping you would do.

Mr. GRAY. Would the gentleman advocate that we eliminate the Federal Social Security Administration and the Department of Agriculture and the Department of the Interior and all of the other agencies in Indianapolis?

Mr. JACOBS. That is irrelevant to what I am talking about. What I am talking about is that if there are needs in this country, I am talking about meeting them responsibly.

Mr. GRAY. All right. I asked the gentleman a question—Do you see any possibility of eliminating them?

Mr. JACOBS. Why do not you ask me what I am going to have for dinner tonight? It is irrelevant. Of course, I do not advocate the elimination of legitimate needs of government in this country.

Mr. GRAY. That is the first part of the question and if the gentleman will yield further, I will answer the question propounded by him.

Mr. JACOBS. I yield further to the gentleman.

Mr. GRAY. This method is not going to cost the taxpayers more money. No. 1, we approved that building for your city in 1964, 8 years ago. There has been a 10-percent, and in some cases a 12-percent, escalation cost per year. That building now is going to cost the taxpayers double.

You will not have to pay an entrepreneur 100-percent interest when you borrow from him. If you wait any longer it will cost your taxpayers much more than the method provided in this bill.

By waiting the taxpayers of Indianapolis have already paid twice for that building and they still do not have it. That is being pennywise and dollar foolish. Every year that these 63 projects remain on the shelf results in another $100 million extra cost to the taxpayers. So we either eliminate the need for the buildings or we build them now.

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

(By unanimous consent, Mr. JACOBS was allowed to proceed for 5 additional minutes.)

Mr. JACOBS. I thank the gentleman for what he said just now, for it leads me into my next point: The escalation in the cost of building in Indianapolis. That is precisely why the building was not put up in 1965. The war in Vietnam was escalated, and $30 billion was piled on top of the Federal budget without a penny of additional tax being secured

or any fiscal responsibility shown—$30 billion was piled on top of the Federal budget with no additional taxes at all. After all, we were on a holy crusade and the Lord would provide us with some sort of alchemy through which we would produce that $30 billion. We would not have to tax for it.

I remember my father said at the time that if they raised the taxes to pay for this venture in the quicksands of Asia, the war in Vietnam, it would stop two things: It would stop the inflation and it would stop the intervention.

Now, there are direct funds available to back up the Penn Central loan and the Lockheed business. There are plenty of direct funds to pay wealthy farmers not to farm. And I have filed a discharge petition here to get rid of the "big shot" limousines the Federal Government pays for. Why, you cannot even walk across the street around the Capitol Building because chauffeurs with their fancy uniforms are leaning up against these limousines after hauling bureaucrats down here to tell us how to run the Government.

There are two signatures on that discharge petition, that of the gentleman from California (Mr. ROUSSELOT) and the gentleman from Indiana (Mr. JACOBS). That is an interesting combination. There are direct funds available for that purpose, but there are no direct funds available for buildings that the gentleman says we need, and in effect must borrow two or three times to buy.

I say again, and I emphasize it: You are passing here a new scheme to hide the deficit, to borrow money twice, to pay two interest rates on it, and to allow the fellow who puts up the building to use a little thing called depreciation that puts him on easy street for the rest of his life, and maybe for his descendants, too. So some descendants are getting something out of this.

Mr. Chairman, I should like to mention the pork barrel end of the proposal. Wonderful. Why, if you talk against this approach, we will go out and tell them you are against a new Federal building.

Go ahead and tell them. It is not true. I am in favor of a Federal building of some kind—with fiscal responsibility. Tell the American people how you are going to give them something they need. But remember that line in the show tune that "If you can give the baby a locket from her daddy's pocket you are a natural in politics."

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

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

Mr. GRAY. I am sure the gentleman would not want to leave the impression that the Congress is losing control and that there will be clever manipulations downtown in this program.

Mr. JACOBS. What do you mean? I just spent 8 minutes trying to leave that impression. I am not implying it; I am saying it directly.

Mr. GRAY. Then the gentleman does not understand the bill. The bill charges Federal agencies in your city for using space, and puts the money into a revolving fund. That revolving fund is spent through the actions of the House and the Senate Committees on Appropriation, and if they approve it, as we approve direct appropriations, the money goes to pay the developer of the building. Tell me where there are any hidden charges.

Mr. JACOBS. That revolving fund is being held at the head of every taxpayer and his descendants in this country. That is where the hidden charges are. If you want to find another place where they are trying to do something about inflation I suggest that you will find that by going to a grocery store; they do not even wait until the new stock comes in. They put higher price tags on top of the price tags. They change the prices before they even sell their existing stock. If you do not believe that, go and find out.

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

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

Mr. HARSHA. You talk about irrelevant arguments. The gentleman is now stating an irrelevancy.

Mr. JACOBS. Does the gentleman think the actions of the Federal Government in this particular instance are irrelevant to the inflation that is killing this country?

Mr. HARSHA. If the gentleman wants a compromise, we will accommodate him. The Indianapolis building is included at $28 million. We will take it out of there.

Mr. JACOBS. Oh, sure, so your farm subsidies can take its place and your limousines can take its place. Throw out the waste in the budget and you can build the Indianapolis facility and still give the American public a tax cut.

I yield back the balance of my time.

Mr. HARSHA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me point out here that if we went the direct appropriation route, this $760 million would be added to the national deficit. Recently the Federal Government borrowed money to take care of the burden of the interest rate and other operating costs on long-term notes, and it paid 5.9 percent interest. So any addition to that national deficit—and the addition of $760 million, if we went the direct appropriations route, at an interest rate of 5.9 percent, would be to add to that deficit until such time as the national deficit is paid off—and apparently it will not be paid off.

So we are not going out and incurring a great deal of hidden charges. Rather, in the most expeditious way and at the least expense to the Government, we are trying to get Government facilities for needed services which people are demanding, which we are not able to provide under the direct appropriation process. It will cost us only the differential between what we have to pay to borrow money at 5.9 percent and what we are going to have to pay for these purchase contracts. It has been estimated at 7.5 percent. So the true differential in cost that is going to have to be assumed by the taxpayers is the difference between 7.5 percent and 5.9 percent.

In addition to that, we can conservatively suggest to the House that by this consolidation of office space throughout the Government, we will save millions of dollars annually. If each agency is charged with the responsibility of financing, funding and defending its budget requests for space before the Appropriations Committee, it will be inclined to conserve space, and that conservation of space will save dollars for the American taxpayer.

In addition to that, the space we are presently renting all over the United States to provide adequate space for Federal agencies, will no longer be needed. We will no longer have to pay for the cost of that space. In addition, the consolidation of agencies into one building will save a great deal of time and lost effort of people going to and from the various buildings and the cost of the transportation of those individuals. That will result in more efficient and effective service to the taxpayer.

So, in the final analysis, this process will in effect save money for the taxpayers, contrary to what the gentleman asserts.

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

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

Mr. GROSS. Mr. Chairman, I will say to my friend, the gentleman from Ohio, that the construction startup costs of a billion dollars in this bill will have to come from somewhere. Does not the gentleman think we ought to reserve something for the day of financial collapse in this country, because it is inevitable the way we are going?

Mr. HARSHA. The startup costs will not be a billion dollars to the Federal Government. It will be considerably less. In the committee's report we showed the startup costs and continuation costs for a number of years.

I would hope the gentleman will still feel we will have a balanced budget at some time.

Mr. GROSS. Not with bills such as this will we have balanced budgets.

Mr. HARSHA. I would hazard the observation that if the gentleman continues his fine work of watchdogging the Treasury, we will have a balanced budget.

Mr. GROSS. Thank you.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. Section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490), is amended by adding two new subsections reading as follows:

"(j) The Administrator is authorized and directed to charge anyone furnished services, space, quarters maintenance, repair, or other facilities (hereinafter referred to as space and services), at rates to be determined by the Administrator from time to time and provided for in regulations issued by him. Such rates and charges shall approximate commercial charges for comparable space and services, except that with respect to those buildings for which the Administrator of General Services is responsible for alterations only (as the term 'alter' is defined in section 13(5) of the Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 612(5)), the rates charged the occupant for such services shall be fixed by the Administrator so as to recover only the approximate applicable cost incurred by him in provid-

ing such alterations. The Administrator may exempt anyone from the charges required by this subsection. To the extent any such exemption is granted, appropriations to the General Services Administration are authorized to reimburse the fund for any loss of revenue.

"(k) Any executive agency, other than the General Services Administration, which provides to anyone space and services set forth in subsection (j) of this section, is authorized to charge the occupant for such space and services at rates approved by the Administrator and the Director of the Office of Management and Budget. Moneys derived by such executive agency from such rates or fees shall be credited to the appropriation or fund initially charged for providing the service, except that amounts which are in excess of actual operating and maintenance costs of providing the service shall be credited to miscellaneous receipts unless otherwise authorized by law."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 4 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed? If not, the Clerk will read.

The Clerk read as follows:

SEC. 5 (a) Whenever the Administrator of General Services determines that the best interests of the United States will be served by taking action hereunder, he is authorized to provide space by entering into purchase contracts, the terms of which shall not be more than thirty years and which shall provide in each case that title to the property shall vest in the United States at or before the expiration of the contract term and upon fulfillment of the terms and conditions stipulated in each of such purchase contracts. Such terms and conditions shall include provision for the application to the purchase price agreed upon therein of installment payments made thereunder. Each purchase contract authorized by this section shall be entered into pursuant to the provisions of title III of the Federal Property and Administrative Services Act of 1949, as amended. If any such contract is negotiated, the determination and findings supporting such negotiation shall be promptly reported in writing to the Committees on Public Works of the Senate and House of Representatives. Proposals for purchase contracts shall be solicited from the maximum number of qualified sources consistent with the nature and requirements of the facility to be procured.

(b) Each such purchase contract shall include such provisions as the Administrator of General Services, in his discretion, shall deem to be in the best interests of the United States and appropriate to secure the performance of the obligations imposed upon the party or parties that shall enter into such agreement with the United States. No such purchase contract shall provide for any payments to be made by the United States in excess of the amount necessary, as determined by the Administrator, to—

(1) amortize the cost of construction of improvements to be constructed plus the fair market value, on the date of the agreement, of the site, if not owned by the United States; and

(2) provide a reasonable rate of interest on the outstanding principal as determined under paragraph (1) above; and

(3) reimburse the contractor for the cost of any other obligations required of him under the contract, including (but not limited to) payment of taxes, costs of carrying appropriate insurance, and costs of repair and maintenance if so required of the contractor.

(c) Funds available on the date of enactment of this subsection for the payment of rent and related charges for premises, whether appropriated directly to the General Services Administration or to any other agency of the Government and received by said Administration for such purpose, may be utilized by the Administrator of General Services to make payments becoming due from time to time from the United States as current charges in connection with agreements entered into under authority of this section.

(d) With respect to any interest in real property acquired under the provisions of this section, the same shall be subject to State and local taxes until title to the same shall pass to the Government of the United States.

(e) For the purpose of purchase contracts provided for in this section for the erection by the contractor of buildings and improvements for the use of the United States, the Administrator is authorized to enter into agreements with any person, copartnership, corporation, or other public or private entity, to effectuate any of the purposes of this section; and is further authorized to bring about the development and improvement of any land owned by the United States and under the control of the General Services Administration including the demolition of obsolete and outmoded structures situated thereon, by providing for the construction thereon by others of such structures and facilities as shall be the subject of the applicable purchase contracts, and by making available such plans and specifications for the contruction of a public building thereon as the Government may possess. Projects heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.), may be constructed under authority of this section without further approval, and the prospectuses submitted to obtain such approval shall for all purposes, be considered as prospectuses for the purchase of space, except that any such project shall be subject to the requirements of section 7(b) of the Public Buildings Act of 1959, as amended, based upon an estimated maximum cost increased by not more than an average of 10 per centum per year, exclusive of financing or other costs attributable to the use of the method of construction authorized by this section.

(f) Except for previously approved prospectuses referred to in (e) above, no purchase contract shall be entered into pursuant to the authority of this section until a prospectus therefor has been submitted and approved in accordance with section 7 of the Public Buildings Act of 1959, as amended, and each such prospectus shall be limited to public buildings generally suitable for office or storage space or both and any other type of public building that is specifically approved by resolution adopted by the Committee on Public Works of the Senate and the House of Representatives for a purchase contract under this section.

(g) No purchase contract shall be entered into under the authority granted under this section after the end of the third fiscal year which begins after the date of enactment of this section.

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 5 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. STEED

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

The Clerk read as follows:

Amendment offered by Mr. STEED: Page 24, after line 13, insert the following:

"(h) No purchase contract shall be entered into under this section until it has been authorized by resolutions adopted by the Committees on Appropriations of the Senate and House of Representatives, respectively."

Mr. STEED. Mr. Chairman, the reason why I offer this amendment is that I believe it is an improvement in the bill and it answers some of the concern which some of the Members have had.

I believe it is fair to point out that there are several stages we go through in the process of construction of Federal buildings. Since our subcommittee is deeply involved in this whole process, it is important that we have this amendment to keep this whole program in an orderly balance.

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

Mr. STEED. I am happy to yield to the gentleman from Ohio.

Mr. BOW. I should like to say to the gentleman that I wholeheartedly support the amendment he has offered. I believe it is a great improvement in the bill and will give us some oversight in the Appropriations Committee.

Mr. STEED. I thank the gentleman.

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

Mr. STEED. I am happy to yield to the gentleman from Illinois.

Mr. GRAY. Certainly the Committee on Public Works wants to continue its cooperation with the Appropriations Committee on the funding of public buildings. This is one additional oversight provision the Appropriations Committee would have, and we on this side are prepared to accept the gentleman's amendment.

Mr. STEED. I thank the gentleman.

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

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

Mr. HARSHA. I thank the gentleman for yielding. This is precisely the amendment I had at the desk, and I believe it more properly comes from the distinguished chairman of the subcommittee of the Appropriations Committee. I believe it is proper to include oversight for the Appropriations Committee, and we are happy to accept it on this side of the aisle.

Mr. STEED. I thank the gentleman.

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

Mr. STEED. I am happy to yield to the gentleman from Texas.

Mr. WRIGHT. As I heard the gentleman's amendment read, I believe it did not have the same caveat that applies in subsection (f) with respect to Public Works Committee approvals, wherein it says:

Except for previously approved prospectuses referred to in (e) above, no purchase contract shall be entered into.

I wonder if the gentleman would agree to that same sort of arrangement with regard to his committee?

Mr. STEED. As I understand it, the gentleman's committee has to act first. They work up a project, and then they bring it to us in final form and we have to act on it. This keeps it in balance with other work in this field our committee has to do.

I believe there would be no delay in the program, and that this ought to be approved.

I shall call attention to the fact that in our bill our subcommittee handles we are charged with the responsibility of enabling the General Services Administration to provide space throughout the country which the Government has to have to carry on its work. Our rent account is quite heavy. It is nearing the half-billion dollar mark. A large part of that rent account is dedicated to getting space in these areas where these buildings are so badly needed. There is a very high criteria on the justification for erecting Federal buildings.

This bill provides a new tool, added to what we have already, to proceed to get the Government in the most economical housing possible to be provided. With this amendment in here I believe any objection I would have to the bill would be eliminated, and I would support the bill wholeheartedly.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield further?

Mr. STEED. I yield further.

Mr. WRIGHT. In order to achieve an understanding between the two committees, I believe the gentleman's amendment by its terms would require these projects already authorized by the Public Works Committee to come to the Appropriations Committee before they could be constructed, for specific authorizing resolutions from the Appropriations Committee. I assume that the gentleman from Oklahoma would be in a position to say that the Appropriations Committee would expect to act with some expedition upon those already approved projects which have been waiting so long.

Mr. STEED. Of course, as the gentleman knows, under the old system the Public Works Committee had to authorize prospectuses before we had any authority over it anyway. Having the rent account and being under this pressure, I can assure the gentleman that my subcommittee is more concerned about getting adequate space for Government agencies, perhaps, than even his committee, because this is something we live with, and it is getting to be a very sizable burden, and we know a large part of this rent is money that ought to be going into paying for these buildings.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. STEED).

The amendment was agreed to.

Mr. VAN DEERLIN. I move to strike the last word, Mr. Chairman.

Mr. Chairman, I take this time to address a request to the chairman of the subcommittee in regard to a problem that our judges have encountered out in San Diego.

San Diego, as you know, Mr. Chairman, is using a Federal building that was built a year before I was born, which gives you an idea of how very old and used up it is at this point. We enjoy high priority for a new building under the terms of this legislation. As a matter of fact, the last 2 years have been spent by a leading firm of San Diego architects, preparing plans for a $43 million building in which to house the courthouse complex and some 44 Federal agencies at San Diego.

After completion of these plans, Mr. Chairman, the National Judicial Conference ordered a new size courtroom to be the standard courtroom throughout the United States—a smaller, semidepressed courtroom of a size 28 by 40 feet. Completed plans in San Diego provide courtrooms 48 by 40 feet.

The ordered change is going to require redesigning the building—which the architects say must be done with so fundamental a change. This will result in a delay of at least 6 months. That redesign will increase the cost of the building by the amount of architects' fees in a sum of approximately $200,000.

The five judges of our Southern District Court in California—one Democrat, the presiding judge, and four Republican appointees—all feel strongly about this matter. They told me if they are compelled to take these new, smaller courtrooms, they would prefer to stay right where they are in the old, dilapidated courthouse on F Street.

It seems to me that this could be a very embarrassing thing to the Congress, and to me personally, as well as to the GSA and the National Judicial Conference.

May I inquire of the subcommittee chairman what advice we can give in this regard?

Mr. GRAY. Will the gentleman yield to me?

Mr. VAN DEERLIN. Of course.

Mr. GRAY. I say to my good friend from California that this is a problem attendant on almost all of these buildings where it is a combination Federal building including the courts. Baltimore, Md., is one, and I could name many others in the different cities that have this same problem.

We have authorized a larger building, to which the gentleman alluded, but the Judicial Conference met at the request of Chief Justice Burger, and for some reason they asked them to consider requesting the GSA to have a smaller court facility.

My own personal opinion is that this is a case of being penny wise and dollar foolish and that it will cost a lot more money to redraw these plans and come up with this smaller size than it would be to go ahead and build the larger courtroom in the first place. As the judges point out, they need the larger space. Many of the trials are of national interest, and they need a larger courtroom to hold them.

Mr. VAN DEERLIN. We have many multiple-defendant cases because of our proximity to the international border with its immigration and narcotics problems.

Mr. GRAY. But in direct answer to your question, the project as presently authorized could be built exactly as the judges want it. The judges should work on the Judicial Conference and get them to request the GSA not to scale down the size because it requires no further legislative action in this bill to build the larger courtroom. So the problem is with the Judicial Conference and the administrative office of the courts, because I understand GSA, being the so-called real estate agent for the Government, only builds space at the request of an agency, in this case the judiciary. So it is the judiciary itself that has asked that it be cut down. We are powerless to say here that you should build the bigger one. The problem rests with the judiciary.

I will be delighted to hold hearings and bring in the people from the General Services Administration as well as the people from the Judicial Conference, if the gentleman requested it, but I think time is of the essence and feel that the judges should be doing their homework on the Judicial Conference.

Mr. VAN DEERLIN. Does the gentleman not agree that the interest of the local community in this matter is very important, and in line with the sentiments expressed by the President in his state of the Union message last year? Mr. Nixon emphasized that, where possible and appropriate, we should leave decisionmaking to people at the local level.

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

(By unanimous consent, Mr. VAN DEERLIN was allowed to proceed for 1 additional minute.)

Mr. GRAY. Mr. Chairman, if the gentleman will yield, the answer is "Yes." I agree with the gentleman implicitly, but I was trying to get the mechanics of the problem of the Judiciary asking the GSA to go ahead with the building plans as authorized in the bill.

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

Mr. VAN DEERLIN. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I am glad that the gentleman from California has brought this problem up because in Honolulu we are suffering from the same bungling. Plans for our new Federal building had been drawn up and construction ready to begin, pending appropriation of necessary funds. Suddenly the postal department altered its plans and the entire building plans had to be redrawn at more expense to the taxpayer. When the new plans had been drawn and approved, and construction once again ready to commence, pending the appropriation of funds, comes now the Judicial Conference, with its recommendation for a decrease in the size of the courtrooms presumably for economy reasons, and threatens to require the redrawing of plans again, at even greater cost to the taxpayer.

The city of Honolulu, with its ill-

housed Federal courts and agencies is in dire need of a new Federal building. Further delays in its construction can only mean higher costs. Plans which have been drawn and approved should be allowed to proceed without alteration.

If the chairman of the subcommittee will lend his ear, I would like to say that as a representative of one of the cities being affected, I join with the gentleman from California in begging him, if begging there must be, to exert the influence of his office, as chairman of the Subcommittee on Public Buildings, to cut out the foolishness of costly replanning and delays.

Mr. VAN DEERLIN. I thank the gentleman.

Mr. GRAY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me say to my distinguished friend from Hawaii that he never has to beg me for anything. We will hold a hearing and try to help all of the cities to correct similar situations as exists in Honolulu.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 6. Section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490), is further amended by renumbering section 210(h) (2) as section 210(h)(3), and adding a new paragraph (2) immediately after section 210(h)(1), as follows:

"(2) In the case of lease agreements providing for the erection by the lessor of buildings and improvements for the use of the United States, the Administrator may enter into any such lease for a period not to exceed thirty years and make the property of the United States to be used as a site for a public building (as defined in section 14(1) of the Public Buildings Act of 1959, as amended) available by sale to the lessor in such manner and upon such terms as the Administrator deems appropriate to the best interest of the United States, together with such plans and specifications for the construction of a public building thereon as the Government may possess. Projects heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.), may be constructed under the authority of this section 210(h) without further approval, and the prospectuses submited to obtain such approval shall, for all purposes, be considered as prospectuses for the lease construction of space, except that any such project shall be subject to the requirements of section 7(b) of the Public Buildings Act of 1959, as amended, based upon an estimated maximum cost exclusive of financing or other costs attributable to the use of the method of construction authorized by this section. In order to utilize the authority granted under this paragraph (2) with respect to such previously approved projects, the Administrator must find that direct Federal construction and a purchase contract as provided for in section 5 of the Public Buildings Amendments of 1972 is not a feasible means of providing the required space. Sections 202 and 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483 and 484), shall not be applicable to property made available under this subsection. The authority granted under this paragraph (2) shall be in effect for a period of three full fiscal years from enactment and not thereafter."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 6 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. HARSHA

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

The Clerk read as follows:

Amendment offered by Mr. HARSHA: On page 24, strike out line 14 and all that follows down through and including line 2 on page 26. Renumber succeeding sections accordingly.

Mr. HARSHA. Mr. Chairman, this is a very simple amendment. It strikes out section 6. That section authorizes GSA to go out and lease public buildings for periods of occupancy up to 30 years.

My objection to this section is that at the end of the lease term, after paying this lease fee, the entrepreneur or private developers will still own the building. In other words, the Federal Government is not obtaining any equity in the building during this 30-year period.

I would hope that the chairman would accept this amendment. It think it tightens up the bill and strengthens it considerably and strengthens congressional oversight on the balance of the bill.

Mr. Chairman, if I might have the attention of the chairman of the subcommittee, the gentleman from Illinois (Mr. GRAY), I would like to ask the gentleman if he is willing to accept the amendment.

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

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

Mr. GRAY. Mr. Chairman, I would be delighted to accept the amendment on this side

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HARSHA).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. (a) The following real property, and any improvements located thereon, when no longer required for occupancy by the United States Postal Service, shall be transferred, without cost, to the General Services Administration for disposal pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended:

(1) Post Office—South Main and East Port Street, Saint Martinville, Louisiana.

(2) Post Office—1210 Park Street, Commerce, Texas.

(3) Post Office—34 West Street, Keene, New Hampshire.

(4) Post Office—230 W. Main Street, Ville Platte, Louisiana.

(5) Post Office—400 South Olive Avenue, West Palm Beach, Florida.

(6) Post Office—53 W. Fourth Street, Mansfield, Ohio.

(7) Post Office—114 N. Loraine Street, Midland, Texas.

(8) Post Office—Court House—East Ford Street, Augusta, Georgia.

(b) The provisions of section 204(c) of the Federal Property and Administrative Services Act of 1949 shall not preclude disposition of the properties referred to in subsection (a) at less than their estimated fair market value.

(c) The Postmaster General of the United States Postal Service shall convey to the city of Carbondale, Illinois, all right, title, and interest of the United States and such Postal Service, and in and to the real property (including any improvements thereon) in Carbondale, Illinois, bounded by old West Main Street on the south, Glenview Drive on the west, Illinois Route 13 and access road to Murdale Shopping Center on the north, and by Texaco Service Station and residences on the north, approximately 308 feet on the east, 525 feet on the south, 420 feet on the west and with an irregular boundary on the north, a total area of approximately 191,100 square feet. The exact legal description of the property shall be determined by the Postmaster General, without cost to the city of Carbondale, Illinois. Such conveyance shall be made without payment of monetary consideration and on condition that such property shall be used solely for public park purposes, and if it ever ceases to be used for such purpose, the title thereto shall revert to the United States which shall have the right of immediate reentry thereon.

(d) The Postmaster General of the United States Postal Service shall convey to the city of New York, New York, all right, title, and interest of the United States and such Postal Service, in and to the real property (including all improvements thereon) generally referred to as the Morgan Annex, one block square between Ninth and Tenth Avenues, and Twenty-eighth and Twenty-ninth Streets, New York, New York. Such conveyance shall be made without payment of monetary consideration and on condition that such property shall be used solely for publicly assisted housing and related purposes, and if it ever ceases to be used for such purposes, title thereto shall revert to the United States which shall have the right of immediate reentry thereon.

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 7 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. CLEVELAND

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

The Clerk read as follows:

Amendment offered by Mr. CLEVELAND: Page 26, line 3, after "SEC. 7." strike subsections (a) and (b) through and including line 4 on page 27.

Renumber succeeding subsections accordingly.

Mr. CLEVELAND. Mr. Chairman, I offer an amendment to H.R. 10488, as reported which would strike from the bill language which is no longer necessary. The subsections I propose to strike calls for a transfer of excess Postal Service properties to the GSA for disposal pursuant to the Federal Property and Administrative Services Act of 1949, as amended.

Late last year, when the committee was considering this bill, I brought to the committee's attention what I considered to be a very inequitable situation. Through its Reorganization Act, the Postal Service had become a Government corporation and had already gained in the transfer, totally without cost, some

1,200 buildings from GSA. In addition to these buildings, new ones were under construction by GSA which were designed to replace some of the older buildings of the 1,200 transferred. Further, the Postal Service was to receive these new buildings at no cost, all the while retaining the buildings which were programmed to be replaced. Such buildings could then have been sold to the highest bidder with all proceeds going to the Postal Service.

This represented to me a windfall to the Postal Service at the taxpayers' expense and one which was not intended under the Reorganization Act. I was particularly concerned about this practice since one community in my own district, long desirous of obtaining for school or library purposes a postal building about to be abandoned for new quarters, suddenly found they were no longer dealing with GSA, but with a government corporation more concerned with the sound management of assets than disposition of some Government property which had been paid for by the taxpayer in the first place.

A survey of similar new postal buildings underway produced those you find in section 7(a) of the bill before you. I introduced legislation to correct this inequity and the committee modified and adopted it.

Subsequently, the Postal Service saw the light and agreed with my position and administratively offered these buildings to GSA, who in turn accepted, for disposal as surplus under the Federal Property and Administrative Services Act of 1949, as amended. With the administrative transfer of these buildings, sections 7 (a) and (b) of this bill become unnecessary and so I offer an amendment to strike them.

By consent obtained after we have returned to full session of the House, I offer correspondence between the Postal Service and the General Services Administration in support of the fact that these subsections are no longer needed.

(The material referred to follows:)

BUILDINGS DESCRIBED IN H.R. 10488 AS REPORTED

Bill identity and location	Estimated cost	Status of new building: Under construction	Status of new building: Funded, contract to be awarded	Notes
(1) Saint Martinville, La	(1)		?	
(2) Commerce, Tex	(2)			Occupied.
(3) Keene, N.H	$1,600,000	X		Open May 1972.
(4) Ville Platte, La	408,000			Now occupied.
(5) West Palm Beach, Fla	8,400,000	X		Open July 1972.
(6) Mansfield, Ohio	7,300,000	X		Open December 1972.
(7) Midland, Tex	4,800,000	X		Open August 1973.
(8) Augusta, Ga	5,000,000		X	?

[1] Will be acquired by Post Office, and constructed by Corps of Engineers.
[2] Acquired by Post Office, and constructed by Corps of Engineers.

SENIOR ASSISTANT POSTMASTER GENERAL,
MAIL PROCESSING GROUP,
Washington, D.C., November 8, 1972.

Hon. ROBERT L. KUNZIG,
Administrator, General Services Administration, Washington, D.C.

DEAR MR. KUNZIG: Some of the buildings transferred to the Postal Service on July 1, 1971 had been programmed, since before enactment of the Postal Reorganization Act, for donation upon completion of planned and approved new multi-occupancy Federal office buildings and Post Office buildings for use in the States wherein they are located for purposes of education, public health, park and recreation, historic monument, or other purposes, pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended, and related statutes. Such buildings were not required by the Postal Service except as temporary quarters pending completion and occupancy of planned new space. In addition, the Postal Service has a postal facility site which has become excess to the Postal Service needs due to the acquisition of a preferable site.

Accordingly, the Postal Service has determined that the following properties are excess to the needs of the Postal Service:

Carbondale, Illinois, postal facility site, Northeast corner of Old West Main Street and Glenview Drive, Carbondale, Illinois, consisting of approximately 191,900 square feet.

Commerce, Texas, Post Office, 1210 Park Street, Commerce, Texas.

Keene, New Hampshire, Post Office, 34 West Street, Keene, New Hampshire.

Mansfield, Ohio, Post Office, 53 West Fourth Street, Mansfield, Ohio.

Midland, Texas, Post Office, 114 North Loraine Street, Midland, Texas.

Saint Martinville, Louisiana, Post Office, South Main and East Port Street, Saint Martinville, Louisiana.

Ville Platte, Louisiana, Post Office, 230 West Main Street, Ville Platte, Louisiana.

West Palm Beach, Florida, Post Office, 400 South Olive Avenue, West Palm Beach, Florida.

These properties are hereby offered for immediate transfer to the General Services Administration for disposal as surplus property in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 and related statutes. General Services Administration agrees to permit the Postal Service to continue to occupy the space the Postal Service presently occupies in each building until such time as the Postal Service moves into replacement space in each respective location. The Postal Service shall bear all costs and expenses of these properties so long as they are occupied by the Postal Service. The General Services Administration further agrees to return to the Postal Service the net proceeds, if any, received from the disposal of these properties.

If this transfer is acceptable to you, please so indicate by signing at the foot of this letter.

Respectfully,

H. F. FAUGHT.

Accepted:

ROBERT L. KUNZIG,
Administrator, General Services Administration.

SENIOR ASSISTANT POSTMASTER GENERAL, MAIL PROCESSING GROUP,
Washington, D.C., November 8, 1971.

Hon. ROBERT L. KUNZIG,
Administrator, General Services Administration, Washington, D.C.

DEAR MR. KUNZIG: This refers to your October 28 letter to Mr. Blount concerning the Postal Service's request for the transfer to the Postal Service, without reimbursement, of a portion of the Federal Center in Bell, California, and also to the several earlier letters written to the Postal Service by the Public Buildings Service requesting the transfer to GSA, without reimbursement, of buildings destined to be vacated by the Postal Service upon completion of new postal facilities in specified locations.

In your October 28 letter, you indicated that you would recommend the reimbursement-free transfer of the Bell property to the Postal Service if a mutual understanding were reached that, in return for transfer of the Bell property, the Postal Service would transfer to GSA excess properties in the Postal Service inventory which would be equal in value to that of the Bell property. You stated that GSA has continuing needs for these properties, either for dirct assignment to Federal agencies or as a medium of exchange for other properties.

The Postal Service has determined that the following properties are excess to the needs of the Postal Service:

Augusta, Georgia, Post Office—court House, East Ford Street, Augusta, Georgia.

Miami, Florida, Post Office—Court House, 300 N.E. First Avenue, Miami, Florida.

Rock Hill, South Carolina, Post Office—Customs House, 201 East Main Street, Rock Hill, South Carolina.

These properties are hereby offered for immediate transfer to the General Services Administration. The General Services Administration agrees to permit the Postal Service to continue to occupy the space the Postal Service presently occupies in each building until such time as the Postal Service moves into replacement space in each respective location. The Postal Service shall bear all costs and expenses of these properties so long as they are occupied by the Postal Service. The General Services Administration further agrees to recommend to the Office of Management and Budget that the appraised fair market value at the time of transfer of the properties transferred pursuant to this agreement be allowed as a credit to the Postal Service against any reimbursement that may be required from the Postal Service in return for any lands or buildings transferred to the Postal Service under 39 U.S.C. § 2002(d).

If this transfer is acceptable to you, please so indicate by signing at the foot of this letter.

Respectfully,

H. F. FAUGHT.

Accepted:

ROBERT L. KUNZIG,
Administrator, General Services Administration.

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

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

Mr. GRAY. Mr. Chairman, what we were doing legislatively here has been handled administratively, and we accept the amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND) on this side.

Mr. CLEVELAND. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. UDALL

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

The Clerk read as follows:

Amendment offered by Mr. UDALL: On page 27, beginning with line 24, strike out all of subsection (d) of section 7 down through line 11 on page 28 and insert in lieu thereof the following:

"(d)(1) The United States Postal Service shall grant to the City of New York, without reimbursement, air rights for public housing purposes above the postal facility to be constructed on the real property bounded by Twenty-eighth and Twenty-ninth Streets, Ninth and Tenth Avenues, in the City of New York (the Morgan Annex site), such facility to be designed and constructed in such manner as to permit the building by the City of New York of a high-rise residential tower thereon, provided that—

"(A) The City of New York shall grant to the Postal Service without reimbursement exclusive use of Twenty-ninth Street, between Ninth and Tenth Avenues in the City of New York, such use to be irrevocable unless the Postal Service sells, leases, or otherwise disposes of the Morgan Annex site; and

"(B) The City of New York shall agree to reimburse the Postal Service for the additional cost of designing and constructing the foundations of its facility so as to render them capable of supporting a residential tower above the facility, and shall issue any permits, licenses, easements and other authorizations which may be necessary or incident to the construction of the postal facility.

"(2) If within 24 months after the City of New York has complied with the provisions of paragraphs (A) and (B) of subsection (d)(1) of this section, the United States Postal Service has not awarded a contract for the construction of its facility, the Postal Service shall convey to the City of New York, without reimbursement, all right, title and interest in and to the above-described real property. Such conveyance shall be made on the condition that such property shall be used solely for public housing purposes, and if public housing is not constructed on the property within five years after title is conveyed to the City of New York or if thereafter the property ever ceases to be used for such purposes, title thereto shall revert to the Postal Service, which shall have the right of immediate reentry thereon."

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

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

There was no objection.

Mr. UDALL. Mr. Chairman, the U.S. Postal Service owns a square block in Manhattan called the Morgan Annex site. This property was acquired in 1963 for the purpose of building a major new postal facility. There has been a good deal of controversy about the use of this site. The city of New York now wants it for a low-income public housing development.

In the bill as reported by the committee this square block of very expensive land is given to the city of New York, without any reimbursement, for use as a public housing facility.

The Postal Service still wants to build a facility on this block, and now has plans for a four-story major vehicle maintenance facility.

So that we have this conflict: The Postal Department wants to use it for postal facilities, and the committee has said to give the land to the city of New York, and have a public housing project erected.

The amendment I am offering is a compromise. It would permit the Postal Service to build on the lower four stories a major vehicle maintenance facility. But it would give air rights to the city of New York so that a high-rise public housing project could be built on top of the postal facility.

There would be no reimbursement whatever by the city of New York except that the amendment would require the city to pay the cost of the additional foundations because it would need larger and heavier foundations if the air rights were to be used for a housing facility on top of the post office facility. It is estimated the extra expense would be about $2.7 million in costs to the city of New York. Other than that, they would get for nothing these very expensive air rights for this housing project.

So, as I say, this is a compromise which would permit substantial help to the city of New York in this public housing project, and still permit the Post Office Department to build their facility on the land it now owns.

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

Mr. UDALL. I am happy to yield to the gentleman from North Carolina.

Mr. HENDERSON. Mr. Chairman, I want to commend the gentleman from Arizona for offering the amendment which, as the gentleman says, is a compromise between the two positions. I believe this is fair and reasonable both to the city of New York to meet their needs, and to protect the intent of the Congress in the creation of the Postal Service by giving them the proper ownership to all of the property, and yet at the same time accommodating the needs of the city of New York.

I am indeed happy to join with my colleague, the gentleman from Arizona, in urging support for his amendment.

Mr. UDALL. Mr. Chairman, I thank the gentleman for his remarks.

Mr. GRAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am always reluctant to oppose the ranking member of the great House Committee on Post Office and Civil Service, my friend Mr. UDALL, in offering this amendment. But if I were to coin an old phrase, I would have to say that the chickens are now coming home to roost. How many of us stood here in the well and debated against giving away congressional authority for this so-called Postal Service to run the Post Office Department as they see fit?

Let me tell you what happened in New York in the district of the gentlewomen from New York (Mrs. ABZUG). We took our subcommittee up there and held public hearings on this matter so I am completely familiar with it. What happened was the Post Office Department said to over 300 citizens in Manhattan, "We are going to displace you from your homes. We are going to get rid of 33 business establishments in order to build an annex to the Morgan Street Station project in New York City."

After putting these low-income people out of their homes—over 300 of them—and after displacing over 30 business enterprises, they then abandoned the project and went over to Secaucus, N.J.—and the gentleman from Iowa who is sitting here knows about that project. If you want to talk about boondoggling—that is it. They now have escalated that project up to approximately $200 million. They could have built a postal facility handling all foreign mail and other postal operations in New York City for about $50 million. But no—they did not want to do that. They went to New Jersey, as I said, and spent about a quarter of a billion dollars of the taxpayers' money in a swamp.

Now they want to hang on to the old site.

The committee bill before you says that since we displaced the low income people, we ought now to give them the land back for public housing. That is what the bill does.

But the amendment offered by the gentleman from Arizona says no, we do not want to do that. We want to go ahead and build another garage for the post office and then allow the public housing to be used over the air rights so they will have all the fumes coming from those trucks that will be so bad and with all the noise from the garage.

My friends, we had people testify that some of these people have been displaced in Manhattan in New York City—16 to 18 of them are living in one and two room apartments because they cannot find decent housing.

That is what we did when we gave away the congressional control of the Postal Service.

Now here I find my very good friend, the distinguished gentleman from Arizona, offering the last straw trying to break the back of the low income people in New York, and saying OK we took this away from you, but we are not going to give it back. For God's sake and for humanities' sake, I ask you to vote down this amendment. Give these low income people of New York City their land back that we took from them and which we did not use.

Mrs. ABZUG. Mr. Chairman, I move to strike the last word.

The Morgan Annex property was acquired to build the Morgan Annex Post Office nearly 9 years ago. The gentleman from Illinois (Mr. GRAY) has indicated what the extensive hearings revealed—dislocation for tenants and for businesses, and loss of income to the city of New York.

There were statements made time and time again—not only before the Committees on Public Works and Post Office, before and during the time I have been a Member of Congress—but to officials of the New York City Housing and Development Administration and the mayor of New York that this property would be declared excess as soon as the bulk mail

facility had been constructed in Secaucus, N.J.

Two hundred million dollars of the taxpayers' money has been spent to build this New Jersey Post Office bulk facility. All this time, the Post Office authorities were saying that as soon as the New Jersey facility was built the Morgan Annex land, where they originally intended to have the facility, would become excess and would be returned to the city of New York as a site for much-needed housing. Before the Post Office took over this land, there was housing on it. That housing was torn down by them, and many poor and working people were compelled to relocate.

When the Post Office became an independent corporation, it decided that the Morgan Annex site was valuable land which would be able to produce a profit. So, postal officials suddenly decided that they had to park trucks there. They are asking to park trucks instead of allowing the land to be used for desperately needed housing. One thousand units of low and moderate income housing can be built on this site, but, no, the Post Office needs it to park trucks.

The Postal Service proposed a four-story VMF, two floors above ground and two below, with walls and foundations sufficiently reinforced to allow construction of 20 stories of housing above the garage. For the reinforcement, the Postal Service would require $2.7 million from the city of New York.

This proposal was met with virtually unanimous disapproval from city officials. The Economic Development Administration, the Housing and Development Administration, the City Planning Commission and the Department of Air Resources.

Senator JACOB JAVITS expressed concern and telegrams from Borough President Percy E. Sutton and from Community Planning Board No. 4, located in the Chelsea neighborhood, were also sent.

These individuals and organizations gave the following reasons for concern:

The site was promised repeatedly for housing.

The area is residential and so zoned as to forbid such a facility as the Postal Service proposes. It is, however, zoned for housing.

No explanation has been given as to why the Secaucus facility will not remove the trucks from Manhattan as promised.

Trucks of such number and size are a health and safety hazard to residents of the surrounding neighborhood.

Pollution from the trucks will severely damage air quality levels in mid-Manhattan, according to deputy director of the department of air resources of the city of New York.

Traffic patterns in the area would be disrupted and gross congestion would increase in the already crowded garment district.

In response to these objections, Senior Assistant Postmaster General H. F. Faught, testifying before the Subcommittee on Postal Facilities and Mail on February 9, 1972, declared that the promises of the Postal Services between June of 1970 and July of 1971 were "unfortunate" since they did not tally with the results of a subsequent study of Postal Service future needs. No further defense of the shattered agreements was made.

Mr. Faught further declared that the Army Corps of Engineers feasibility study of the Morgan Annex site as projected by the Postal Service—with housing over the truck facility—would deal more fully with the questions of traffic hazard and congestion, zoning, and reinforcement and insulation costs. As planned, he said, traffic danger would be reduced by provision of separate entrances for people and for trucks on opposite sides of the building.

Mr. Faught stated that in his own personal experience, the sentiment of Chelsea community residents was favorable to the proposal. This was despite the fact that community opposition to anything but housing on the site was expressed in strong terms earlier in the year in telegrams, letters, and public demonstrations at the May 14 hearing.

The most telling objection to the presence of the Postal Service at Morgan Annex, however, is that an eminently satisfactory alternative site for the needed truck facility is available nearby. It is a full block, half owned by the city and half by the Sharp Development Corp., at 30th Street and 12th Avenue. It possesses all the advantages the Postal Service cites for Morgan Annex: A lower Manhattan location, available space, and reasonable financing. In addition, the site would not interfere with existing traffic patterns, would not disrupt a residential area and would aid in revitalizing the 12th Avenue area for commerce.

However, the Post Office initially gave the Sharp site only cursory attention and dismissed it as financially unworkable on grounds a VMF there would cost $73.5 million while the same facility at the Morgan site would cost only $5.1 million—a $68 million difference. The Sharp site was not even included in the feasibility study the Postal Service commissioned from the Army Corps of Engineers.

However, a General Accounting Office report commissioned by Congresswoman ABZUG revealed that the Postal Service's cost analysis had been prepared from preliminary data in 1 day. It further showed that according to standard GAO accounting methods, the cost differential between the two sites was not $68 million but only $2.1 million.

The Sharp Development Corp., working with the New York Economic Development Administration, has since made another offer to the Postal Service that would provide the full block and would be even less costly, thus tipping the economic balance in favor of the Sharp site.

Senator JAVITS and Senator BUCKLEY, my friends on the other side of the aisle, have been working with me in proving to the Post Office that this alternate site is a place where trucks can be parked without creating traffic congestion, without creating noise pollution, without depriving people of housing.

The Sharp proposal has been drawn up by the city and includes concessions which would make it a cheaper facility than the one they now seek to build in the Morgan area. At Morgan, the Post Office would not only have to pay more but would be depriving people of decent low- and moderate-income housing.

There is no justification for the Post Office to take the Morgan Annex land for the parking of trucks when there is an alternate site available at a lower cost.

Has the Post Office something else in mind? This is a square city block which might be a very valuable piece of property and which could make it appear that the Post Office is in the black instead of in the red. Is it going to be utilized for the purpose of being sold rather than for the purpose they claim here?

There is unanimous disapproval from the people and authorities of the city of New York for the Postal Service proposal. Additionally, it seems incredible that the city is now being asked to pay $3 million for the site. That is, the Postal Service says it must have $2.7 million from the city in order to strengthen the foundations of its truck facility so that they will support housing. From the city's point of view this is the same as being asked to pay the Postal Service that money for the land. And if that were to happen, the cost of each apartment would increase by at least $3,000. That is not the land cost for low- or moderate-income housing; that much money goes for luxury housing sites. It means the city could never build low- and moderate-income housing on the facility. We have a crying need for housing in that area, and for low- and moderate-income housing especially. We have been deprived of this housing by the Post Office for no reason.

Postal authorities now tell us they must have millions of dollars in compensation for the land. First, they ignore the commitment they made to provide the land at no cost, during the time that that sort of action was commonplace. The Postal Service should have fulfilled its commitments when those commitments were made. It is unthinkable that now the city should reward them for breaking those promises. In addition, the Post Office has been incredibly compensated already by being granted the Secaucus, N.J., facility—where it has spent $200 million in public money. What has the city received in return? Nothing—no land, no revenues, just hardship and broken promises.

It goes against any human logic to pay the Post Office for its shattered commitments, for the suffering of those people who were displaced without cause and for the continual uncertainty the city has experienced because of the Postal Service's bad faith.

There are those who will say that we must be practical, that money is money, that the city has no right to get something for nothing. But let us also consider the precedent such an action would set. If we now reward the Postal Service for breaking its word, what faith can we have in future Postal Service promises? Is not the strength of an agreement the cardinal rule of our law? We must consider the money, but we must also consider the human consequences.

We understand the need for the mails to continue. We are prepared to see that the trucks deliver the mail. We have gone out of our way, working with Senator JAVITS and Senator BUCKLEY, to create a facility where these trucks can be housed. A letter has been sent by both Senator JAVITS and Senator BUCKLEY and my office to the Board of Governors of the Postal Service, which has not yet acted on the truck facility proposal for the Morgan site.

I make a fervent plea to the House that there be an opportunity for us to have this housing, of which the people of the city of New York have long been deprived, and I urge that this amendment be defeated.

AMENDMENT OFFERED BY MR. GROSS TO THE AMENDMENT OFFERED BY MR. UDALL

Mr. GROSS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS to the amendment offered by Mr. UDALL: on page 2, line 6, strike out the words "without reimbursement" and insert in lieu thereof the following "at the fair market value".

Mr. GROSS. Mr. Chairman, let me read the second paragraph of the amendment offered by the gentleman from Arizona (Mr. UDALL). It states:

If within 24 months after the City of New York has complied with the provisions of paragraphs (a) and (b) of subsection (d) (1) of this section, the United States Postal Service has not awarded a contract for the construction of its facility, the Postal Service shall convey to the City of New York without reimbursement—

Without reimbursement—

of the right, title and interest to the above-described real property.

And so forth. My amendment would merely strike out "without reimbursement" and insert the words "at the fair market value."

Members of the House, we are dealing with a fair market value, I am told, of approximately $7 million. This is not exactly chicken feed. It may be even higher than $7 million, but it is at least that much.

If the Udall amendment is adopted and for some reason the Post Office Department does not come to terms with the city of New York in 24 months or the city does not perform in 5 years, this property could go as a gift to the city of New York.

I have always contended in the House of Representatives that there should be the fair market value for any land that is disposed of by the Federal Government unless that land was a gift to the Government in the first place.

Moreover, the Postal Service in this instance, if and when it should turn this property over to the city of New York as a gift, would be relinquishing $7 million in capital assets. Let me point out that to replace those capital assets would contribute to the necessity for an increase in postal rates, and I am not about to saddle upon the users of the mail throughout this country, Iowa included, any part of a rate increase to give New York $7 million worth of property.

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

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

Mr. BOW. Mr. Chairman, I understand that on this property there would be built a 1,000-unit, high-rise apartment. Does the gentleman know who is going to pay for it?

Mr. GROSS. I do not know who is going to pay for it, but I suspect the money will come from the usual source.

Mr. BOW. As I understand, this is public housing under 236, and the Federal Government will pay for it, and in addition to the $7 million, the land we are providing now, for the building of a 1,000-unit high-rise.

Mr. GROSS. I think the city of New York, if it does obtain title to this property, ought to pay for it just as other States and municipalities would have to do.

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

Mr. GROSS. I yield to the gentleman from Arizona.

Mr. UDALL. To my regret, I cannot support the gentleman's amendment to my amendment, but it does pinpoint the compromise in the nature of the amendment I offered. We are giving away the air rights and the public land the Federal Government bought and paid for in order that this public housing can be built upon it. I simply suggest my amendment was a very generous compromise offered to the people of the city of New York, I thought.

Mr. GRAY. Mr. Chairman, I rise in opposition to the amendment to the amendment. I think something is being overlooked. The Postal Service condemned this property and displaced these low-income people. Most of them did not own their property. In most cases, they got no relocation costs. The Government did not use that property for the purposes intended. Do we not owe those same people something in the way of providing public housing for them? That is number one.

No. 2, we paid only $3 million when we took it. There have been no improvements made on it. How can it now be worth $7 million?

Third, the public housing, as the gentleman from Ohio has pointed out, is subsidized by the Federal Government. This committee bill does not authorize the construction of high-rise housing. It merely says when the low rent housing is built, it will be built on that site.

This does not constitute any type of housing authorization. I want to make it perfectly clear.

But in equity, do we owe those people something? We kicked them off their property and did not use it for the purpose intended. That is what the committee bill says. We say they can have it back, but when they want to build public housing, it will be built there. It cannot be taken by the city of New York and sold and the money put in its coffers. It is only for the low-cost housing for those displaced and hurt by the Government. So I simply suggest we vote down the amendment to the amendment and the amendment.

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

Mr. GRAY. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, there is one thing I do not understand about this whole proposition, which is why we are handling this particular matter in such a unique fashion. We have laws which apply to all surplus Government property matters and which are applied throughout the country to dispose of property the Government no longer needs.

There are surplus property disposal procedures where in the normal course of events the city would get an opportunity to acquire the property. Here we are legislating a special rule for this one parcel of land, and I do not understand why.

Mr. GRAY. I am delighted to answer, in two parts.

No. 1, it was our committee which authorized the taking of that property in the first place, in 1966. We were deceived by the Postal Service. They did not use it for the purposes intended. We gave them the authority, and they went over to New Jersey, and instead of spending the $50 million authorized they went over and bought additional land at the expense of the taxpayers, and spent a quarter billion dollars.

No. 2, as I said earlier, we gave away the committee's authority. We would not be here today if we had not given away that authority.

That is water down the stream. We are back here, because the Postal Service administratively usurped the prerogatives of this committee.

Mr. WYDLER. The point is that we are trying, it seems to me, to punish the Postal authority for not doing what we wanted them to do, but we are not really punishing them much at all. We are really going to punish the whole Federal establishment by making this particular site available for other needs of the Federal Government, which might very well exist and be valid.

What I say is that we have established Government procedures for the disposing of surplus Federal property. That is supposed to give the Federal Government an opportuntiy to use it, for what it needs, and the localities an opportunity to acquire it if it is surplus to the Government needs.

In this particular case we look at a particular piece of property and say that we are going to legislate it into the hands of one particular person.

Mr. GRAY. I want to make clear to my friend from New York that the Surplus Property Act does not now apply to this private corporation downtown. We gave away that authority. We have no control under the Surplus Property Act. There is no criterion for this. We have to legislate it.

Mr. KOCH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the committee bill and in opposition to the amendment with a certain amount of knowledge about this site. It is true it is not directly in my district, but it is just a block away from my district, and

I have worked with the tenants in this area and I know the site well.

It is in an area called Chelsea. It is a marvelous integrated area of low, moderate, middle, and "posh" housing.

It is an area which suffered tremendously when this particular site was taken by the Post Office. If it had been used for the purpose intended—while we did not think the Post Office should actually use a site in that particular area—so be it, if they had built the building we would have accepted it. But they did not do that. People were thrown off their property. The area suffered.

Now we find the Post Office has decided they really cannot use the property. It is going to build elsewhere. We applaud that decision.

The community went to work with the mayor and with the low-income housing authority and with all the people there. I know, for I worked very closely with them. They went to work to get housing built.

I do not have to tell the Members how desperate the housing situation is, and not just in that particular area, though it is an area which requires housing desperately. In the whole city of New York we have slums that are just not describable, where people are living in rat-infested apartments.

Apartments could be built on this site. But if we tack on an expense of, let us say, $7 million, which the gentleman from Iowa suggests, as the fair market value, if we add an expenditure for this property which could only, under the committee bill, be used to erect low-income housing, we are going to make the low-income housing impossible to build.

That is the problem. There are limitations on low- and moderate-income costs. I serve on the Banking and Currency Committee out of which low-income and moderate-income housing comes. There are limitations on what expenses can be entailed in building low- and moderate-income housing. The building costs in New York have become very high. There are a host of reasons, one of which includes the cost of the land.

What we are asking you to do with this particular piece of property, and what we are asking you to do for the city of New York, is something that we do not ask for very often, but is what you do so often in your own districts. If there are rivers to be channeled, the Congress provides the money for it. If there are farm subsidies that are required in order to help you with your crops, you do not have any hesitation to come here and ask for and get them. Well, we do not grow crops or channel rivers, but we have people to house. We are asking you to do a certain amount of equity. The Public Works Committee did equity, and I hope you will support the bill.

Mr. GROSS. Will the gentleman yield?

Mr. KOCH. Of course. I am delighted to yield.

Mr. GROSS. The Federal Government bought this property. It was paid for by the Government. Are you now standing there and saying that the city of New York ought not to pay the fair market value for this land? On top of that New York will be getting a 235 low-income housing unit to get these people above the rats you are talking about.

Mr. KOCH. The gentleman is incorrect when he refers to 236 money in this bill. There is no housing money in the bill.

Mr. GROSS. Will the gentleman yield further?

Mr. KOCH. I decline to yield further.

What I said to the gentleman and the Members of the House is we have a crying need for housing in the city of New York. We cannot build it because, for one thing, the 236 money and the low-income money is not available, and when it is available the costs of the property on which the structures have to be built are too high for us to build low- and moderate-income housing. We are asking you to do for us what you do so often for your own district's needs—give us a break.

Mr. RUTH. Will the gentleman yield?

Mr. KOCH. I am happy to yield to the gentleman.

Mr. RUTH. Will the gentleman explain to me why you put low-income housing on a $7 million piece of property?

Mr. KOCH. Why we what?

Mr. RUTH. Why would you put it on a $7 million piece of property?

Mr. KOCH. I will explain to you why it is. In the city of New York we have problems where property that you would not consider desirable because of its location costs a lot of money. The island of Manhattan is a very small place. Every piece of real property is very expensive. We do not want the island of Manhattan to be a place just for the very rich. We think we have a successful island because it has low-income people and moderate-income people and middle-income and posh people, and we do not want to change that.

Mr. BRASCO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the committee bill and against the two pending amendments.

Let me say this: when this proposition was brought to the attention of the Committee on Post Office and Civil Service the committee decided that we should turn the matter over to Congressman NIX, the chairman of the Subcommittee on Postal Facilities. He held some independent hearings in connection with this very matter before the committee.

Interestingly enough—and I am sure it was pointed out before—as late as November 1971 Mr. Reynolds, the congressional liaison officer of the Postal Service, indicated that there would be no need for this particular facility and its uses as it relates to the Postal Service organization. Thereafter he flip-flopped and changed his mind, after the city of New York made preparations to use this land for low-income and moderate-income housing.

Also and interestingly enough, as a result of the hearings Mr. NIX had it was disclosed that this is not an unusual situation, because eight separate properties were declared excess and turned over to local governments in separate letters dated November 8, 1971.

And, as a result, postal facilities were turned over to local governments located in Augusta, Ga.; Miami, Fla.; Rock Hill, S.C.; Carbondale, Ill.; Commerce, Tex.; Keene, N.H.; Mansfield, Ohio; Midland, Tex.; Saint Martinville, La.; Ville Platte, La., and West Palm Beach, Fla.

Now, after all of these facilities were turned over to those local governments, we are only asking that the same kind of consideration be given to the city of New York in order for it to cope with a very critical problem. The need for housing.

I am not here, my friends, to recriminate with anyone about some of the observations that have been made about the cost of this property, that in fact that if there is low-income housing to be built here, the Federal Government would have to be involved with the expenditure of 236 funds.

Sometimes I think we talk about this money as if it were our own money. This is taxpayers' money and we use it as Members of Congress for multipurposes all across the land. I have voted for the expenditure of taxpayers' money to be used for many purposes such as irrigation, watersheds, and highways, and, in fact, for all types of purposes related to the needs of citizens across our country.

The city of New York has taxpayers also who contribute to these projects. All we are asking for now is some consideration in this very same manner.

I think some day we really have to learn to swim together or otherwise we will drown together.

Mr. Chairman, this is a problem that we have in New York. I am asking my friends to give it their very serious consideration.

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

Mr. BRASCO. I am glad to yield to the gentleman from New York.

Mr. WYDLER. I am very sympathetic to what the gentleman has said, but I think what you just said supports the point I am trying to make. You are going about this particular case in the wrong way. Whatever happened with reference to the Post Office Department is one thing. However, we are not here today to talk about one department of the Government. We have to consider the entire Federal Government. These other properties that you talk about were not turned over to local governments. They were turned over to the Administrator of the General Services Administration to be disposed of according to law and according to their rules and regulations to whomever should get it.

I agree with the gentleman. I would like to see the same thing done with reference to this property that we are doing with reference to other properties and that is turn this property over to the GSA to dispose of under the surplus property law and rules and regulations.

Mr. BRASCO. As the gentleman knows, we are talking about the opportune time to do something. Those properties, as I understand it, went back to the local governments. Therefore, this is the opportune time to do it for New York. The theory is the same, although the vehicle may be a little different. I subscribe to

what my friend from Illinois indicated, the chairman of the subcommittee (Mr. GRAY). We threshed this business out very thoroughly when we discussed the Postal Reorganization Act and he was very correct in his observations that he made at that time and today in this Chamber.

Mr. BOW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment to the amendment offered by the gentleman from Iowa (Mr. GROSS).

I would like to make inquiry from the distinguished chairman of the subcommittee as to what is the situation with reference to this property. What is going to be built on this property? Am I correct in the assumption that there is a 1,000-unit high rise housing project going to be built on it?

Mr. GRAY. Mr. Chairman, if the gentleman will yield, I would say to my distinguished friend from Ohio that we do not in the legislation now pending before us stipulate what type of building will be put there. We merely limit the use of it to public housing through normal channels, if such a project is authorized. We merely state that it has to be used for the purpose it was primarily used for low-income or medium housing when it was taken. We want merely to try to have equity here. Let us go back to the original use of that property. We are saying that we are giving it to them but it has got to be used for public housing. However, we do not authorize that housing. I hope that answers the question.

Mr. BOW. I thank the gentleman for his answer, but it seems to me very obvious that in addition to the giving back of the piece of property which I am advised is worth something over $7 million, that if a 1,000-unit high-rise is to be built, the information I have is that it would be built out of 236 funds. So, actually the Federal Government would not only lose $7 million, but would be called upon to make some payment for this 1,000-unit high-rise.

Also, the argument has been made here that this high-rise is to make a place for the displaced people who have lost housing. I also find here in the files that actually there were 300 families, and not 1,000 families, who were displaced, that you are going to build the high-rise for. So it seems to me we should give real consideration to the amendment offered by the gentleman from Iowa (Mr. GROSS) and not only find the Federal Government giving away $7 million, but also getting themselves in a position where they are going to have to pay for a 1,000-unit high-rise, and the cost of that high-rise I do not know what it would be—I have no idea, but certainly it will run into millions and millions of dollars.

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

Mr. BOW. I will first yield to the gentleman from Iowa, and then I will yield to the gentleman from Illinois.

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding.

A letter of November 8, 1971, from the Post Office Department of the Honorable Robert L. Kunzig of the General Services Administration, it lists several post offices that are surplus to the needs of the postal service. One of them is in Carbondale, Ill. I suspect the gentleman from Illinois (Mr. GRAY) understands where Carbondale, Ill., is, and that post office is going to be disposed of.

This letter states among other things that:

> The General Services Administration further agrees to return to the Postal Service the net proceeds, if any, received from the disposal of these properties.

So it is the established policy to return these proceeds to the Post Office Department rather than dissipate the capital assets of the Post Office Department, and then insist that those capital assets be restored through increased postal rates that would be loaded on all the citizens of the country.

Mr. BOW. I agree with the gentleman. I think he is absolutely right.

Now I will be happy to yield to the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, I know my friend, the gentleman from Iowa (Mr. GROSS) is laboring under the assumption that this proposed amendment will be helping the Postal Service, but let me remind my friend that in all of the cities alluded to by the gentleman from New York a moment ago in the case of New York and Carbondale, that the gentleman has just mentioned, that money goes to the GSA, and not to the Postal Service if any is collected. When the Postal Service gives that property to the GSA, then they kiss it goodby forever. Not one dime will go in the operation of the Postal Service, and it will not have any effect upon the postal rates.

I am sure the gentleman does not want to leave the wrong impression with the House.

Mr. GROSS. If the gentleman will yield further, does the gentleman from Illinois deny the authenticity of the letter which states exactly contrary to what the gentleman from Illinois says?

Mr. GRAY. I do. The Postal Service has told us 15 different stories. I can show you three letters from Assistant Postmaster General Lehne stating they are going to give the property back to New York City. I held hearings in New York, and I talked to the regional director, and I said:

> Are you not going to uphold the promise given by the Assistant Postmaster General to give this property back?

He said:

> I can't answer that question.

He took the fifth amendment before our congressional committee.

Mr. BOW. I think what the gentleman is saying is virtually correct, if the property is sold; that is, property owned by the Post Office Department, the money will go into the Postal Department, into the private corporation. These other items that you have in this bill have been declared surplus, and turned over to the GSA, and for that reason that would not happen, but if you have property, and it is sold; that is, Postal Service property, and it is sold for $7 million, that money would go into the Post Office Department, and would not be money that is taken away, as the gentleman has suggested, because——

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

(By unanimous consent, Mr. Bow was allowed to proceed for 1 additional minute.)

Mr. GRAY. Mr. Chairman, will the gentleman yield to me for a clarification?

Mr. BOW. Certainly I will yield to the gentleman.

Mr. GRAY. I would say to my friend, the gentleman from Iowa (Mr. GROSS) that under the Property Disposal Act these properties are given by the Post Office to the GSA, and the first screening is for other Federal agencies to have the right to come in and ask for them. The second screening is that the cities and States have a right to take that property for public use such as housing needs in that city.

Now, do you know of any city that is offered a site that is not going to take it for nothing? So where is the money going to come from?

Mr. BOW. I agree with the gentleman that if it is surplus property it goes back to the GSA. This has not been declared surplus property, it is still Post Office property. If it is sold for $7 million, then the money will go back to the Post Office Department.

Mr. GRAY. I have two letters stating that they did intend to declare it surplus. Is not the word of an Assistant Postmater General worth anything?

Mr. RYAN. Mr. Chairman, I rise in support of the committee bill and in opposition to both the Gross amendment and the Udall amendment.

The gentleman from Illinois (Mr. GRAY) stated very ably the equitable case for the committee position.

Section 7(d) of H.R. 10488 provides that the Postmaster General shall convey to New York City the real property known as the Morgan Annex—a square block between Ninth and 10th Avenues, and 28th and 29th Streets—without monetary consideration and upon condition that the real property is used for publicly assisted housing.

The committee adopted this provision after very thorough consideration and after reviewing the history of the U.S. Postal Service's behavior toward the Chelsea community.

This site was acquired and cleared for the construction of a postal facility. Several hundred families were uprooted and displaced from their homes. Then the Postal Service changed its mind and decided not to build the facility.

The land lies vacant; the people have been scattered; and the community has been disrupted. In an effort to make amends, the committee bill would make the site available for housing—housing which the site tenants and neighborhood

people can afford. That is only fair and equitable.

To require New York City to pay the fair market value would be to insure that low- and moderate-income housing could not be built. The cost of the land, in addition to escalating construction costs, would make it economically unfeasible. The effect of adopting the Gross amendment would be to deprive the local community of desperately needed housing.

It is specious and misleading to argue, as the gentleman from Ohio (Mr. Bow) did, that the conveyance of this site will result in the Federal Government paying for 1,000 units of housing which otherwise would not be contracted for.

In the first place, there is no housing money authorized or appropriated in this bill.

Second, Federal money in the form of annual contributions to local public housing agencies and for section 236 interest subsidies is allocated by HUD. HUD determines how much money is to be provided to New York City for new housing starts in each fiscal year.

So whether there are a thousand units at this site or a thousand units at another site, the number of housing units will be the same. The committee bill will not result in the Federal Government financing an additional 1,000 units. However, it will provide a site where new housing can be built without the displacement and relocation of people, and that is critically important to us in New York City where there is a severe shortage of decent housing and some 135,000 families are on the waiting list for public housing.

As far as the Udall amendment is concerned, the Postal Service has played fast and loose with the community on this issue for too long. It has not used the site. It should not be permitted to use it for parking purposes. The community needs it for long promised housing.

Simple justice dictates a return of this land to provide housing for the poor people who have been displaced and others in the Chelsea community which has already suffered through torture for 6 or 7 years.

I urge my colleagues to vote down the amendments and to support the bill as reported out by the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GROSS) to the amendment offered by the gentleman from Arizona (Mr. UDALL).

The question was taken; and on a division (demanded by Mr. GRAY), there were—ayes 39, noes 32.

TELLER VOTE WITH CLERKS

Mrs. ABZUG. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mrs. ABZUG. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Mrs. ABZUG and Messrs. GROSS, GRAY, and UDALL.

The Committee divided, and the tellers reported that there were—ayes 196, noes 170, not voting 67, as follows:

[Roll No. 114]

[Recorded Teller Vote]

AYES—196

Andrews, Ala.	Gibbons	Nichols
Andrews, N. Dak.	Goodling	Obey
Archer	Gross	O'Hara
Arends	Grover	O'Konski
Ashbrook	Gubser	Passman
Baker	Gude	Pelly
Baring	Haley	Pettis
Belcher	Hall	Pirnie
Bennett	Hamilton	Poff
Betts	Hammer-schmidt	Powell
Bevill	Hansen, Idaho	Price, Tex.
Biester	Harvey	Quie
Bow	Hastings	Quillen
Bray	Hechler, W. Va.	Railsback
Brinkley	Heckler, Mass.	Randall
Broomfield	Heinz	Rarick
Brotzman	Hillis	Rhodes
Brown, Ohio	Hogan	Robinson, Va.
Broyhill, N.C.	Horton	Roush
Broyhill, Va.	Hosmer	Rousselot
Burke, Fla.	Hull	Runnels
Burleson, Tex.	Hunt	Ruppe
Burlison, Mo.	Hutchinson	Ruth
Byrnes, Wis.	Ichord	St Germain
Byron	Jacobs	Sandman
Camp	Jarman	Satterfield
Carlson	Jonas	Scherle
Carter	Jones, N.C.	Schmitz
Cederberg	Jones, Tenn.	Schneebeli
Chamberlain	Keating	Schwengel
Chappell	Keith	Scott
Clancy	Kemp	Sebelius
Clausen, Don H.	King	Shoup
Clawson, Del	Kuykendall	Shriver
Cleveland	Kyl	Sikes
Collier	Landgrebe	Skubitz
Collins, Tex.	Latta	Snyder
Conte	Lennon	Spence
Cotter	Lent	Steele
Coughlin	Lloyd	Steiger, Ariz.
Crane	Lujan	Steiger, Wis.
Daniel, Va.	McClory	Stuckey
Davis, S.C.	McClure	Talcott
Davis, Wis.	McCollister	Taylor
Dellenback	McCulloch	Teague, Calif.
Dennis	McDade	Terry
Derwinski	McDonald, Mich.	Thompson, Ga.
Devine	McEwen	Thomson, Wis.
Downing	McKevitt	Thone
Duncan	Mailliard	Vander Jagt
du Pont	Mallary	Veysey
Edmondson	Mann	Waggonner
Edwards, Ala.	Martin	Wampler
Erlenborn	Mathias, Calif.	Whalley
Evans, Colo.	Mayne	Whitten
Fascell	Mazzoli	Widnall
Findley	Michel	Williams
Fisher	Miller, Ohio	Wilson, Bob
Flowers	Mills, Md.	Winn
Flynt	Minshall	Wyatt
Ford, Gerald R.	Mizell	Wylie
Forsythe	Montgomery	Wyman
Frenzel	Myers	Young, Fla.
Frey	Natcher	Zablocki
Fuqua	Nelsen	Zion
		Zwach

NOES—170

Abourezk	Caffery	Foley
Abzug	Casey, Tex.	Ford, William D.
Adams	Celler	Fraser
Addabbo	Chisholm	Frelinghuysen
Alexander	Collins, Ill.	Fulton
Anderson, Calif.	Conyers	Garmatz
Annunzio	Corman	Gaydos
Aspin	Daniels, N.J.	Giaimo
Aspinall	Danielson	Gonzalez
Badillo	Davis, Ga.	Grasso
Barrett	de la Garza	Gray
Begich	Delaney	Green, Oreg.
Bell	Dellums	Green, Pa.
Bergland	Denholm	Griffiths
Biaggi	Diggs	Halpern
Blanton	Dingell	Hanley
Blatnik	Donohue	Hansen, Wash.
Boggs	Dorn	Harrington
Boland	Dow	Harsha
Bolling	Drinan	Hathaway
Brademas	Dulski	Hawkins
Brasco	Eckhardt	Hays
Buchanan	Edwards, Calif.	Helstoski
Burke, Mass.	Eilberg	Hicks, Mass.
Burton	Esch	Hicks, Wash.
Cabell	Fish	Holifield
Howard	Flood	Holtzman
Hungate	Mosher	Roybal
Johnson, Calif.	Moss	Ryan
Karth	Murphy, Ill.	Sarbanes
Kastenmeier	Murphy, N.Y.	Seiberling
Kazen	Nedzi	Shipley
Kluczynski	O'Neill	Sisk
Koch	Patten	Slack
Leggett	Perkins	Smith, Iowa
Link	Peyser	Steed
Long, Md.	Pickle	Stratton
McCloskey	Pike	Sullivan
McCormack	Podell	Symington
McFall	Preyer, N.C.	Thompson, N.J.
McKay	Price, Ill.	Tiernan
McKinney	Pryor, Ark.	Udall
Madden	Purcell	Van Deerlin
Mahon	Rangel	Vanik
Mathis, Ga.	Rees	Vigorito
Matsunaga	Reid	Waldie
Meeds	Reuss	Whalen
Melcher	Roberts	White
Metcalfe	Robison, N.Y.	Wiggins
Mikva	Rodino	Wilson, Charles H.
Miller, Calif.	Roe	Wolff
Minish	Rogers	Wright
Mink	Roncalio	Wydler
Mitchell	Rooney, N.Y.	Yates
Monagan	Rooney, Pa.	Yatron
Moorhead	Rosenthal	Young, Tex.
Morgan	Rostenkowski	
	Roy	

NOT VOTING—67

Abbitt	Eshleman	Nix
Abernethy	Evins, Tenn.	Patman
Anderson, Ill.	Fountain	Pepper
Anderson, Tenn.	Galifianakis	Poage
Ashley	Gallagher	Pucinski
Bingham	Gettys	Riegle
Blackburn	Goldwater	Saylor
Brooks	Griffin	Scheuer
Brown, Mich.	Hagan	Smith, Calif.
Byrne, Pa.	Hanna	Smith, N.Y.
Carey, N.Y.	Hébert	Springer
Carney	Henderson	Staggers
Clark	Johnson, Pa.	Stanton, J. William
Clay	Jones, Ala.	Stanton, James V.
Colmer	Kee	Stephens
Conable	Kyros	Stokes
Culver	Landrum	Stubblefield
Curlin	Long, La.	Teague, Tex.
Dent	McMillan	Ullman
Dickinson	Macdonald, Mass.	Ware
Dowdy	Mills, Ark.	Whitehurst
Dwyer	Mollohan	
Edwards, La.	Morse	

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now occurs on the amendment offered by the gentleman from Arizona (Mr. UDALL) as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 8. To carry out the provisions of the Public Buildings Amendments of 1972, the Administrator of General Services shall issue such regulations as he deems necessary. Such regulations shall be coordinated with the Office of Management and Budget, and the rates established by the Administrator of General Services pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, shall be approved by the Director of the Office of Management and Budget.

AMENDMENT OFFERED BY MR. GRAY

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

The Clerk read as follows:

Amendment offered by Mr. GRAY: Page 28, after line 20, insert the following:

SEC. 9. (a) Notwithstanding any other provision of law, the House Office Building Commission is authorized (1) to use, to such extent as it may deem necessary, for the purpose of providing office and other accommodations for the House of Representatives, the building, known as the Congressional Hotel, acquired by the Government in 1957 as part

of Lot 20 in Square 692 in the District of Columbia under authority of the Additional House Office Building Act of 1955 and (2) to direct the Architect of the Capitol to lease, for such other use and under such terms and conditions and to such parties as such Commission may authorize, any space in such building not required for the aforesaid purpose.

(b) Any space in such building used for office and other accommodations for the House of Representatives shall be deemed to be a part of the "House Office Buildings" and, as such, shall be subject to the laws, rules, and regulations applicable to those buildings.

Renumber succeeding sections accordingly.

Mr. GRAY. Mr. Chairman and Members of the House, I apologize for bringing this amendment up at this late hour, but it is very important.

EXPLANATION OF LEGISLATION RELATING TO THE CONGRESSIONAL HOTEL BUILDING BY MR. GRAY, TO THE FOLLOWING AMENDMENTS

The purpose of this legislation is to grant authority to the House Office Building Commission to use, in whole or in part, for the purpose of providing office and other accommodations for the House of Representatives, the Congressional Hotel, now defined as part of the Capitol Grounds, and to bring any space so used within the purview of the laws, rules, and regulations governing the House Office Buildings and of those provisions of the Capitol Grounds law, such as pertain to security and policing, now applicable to the Capitol Buildings.

The further purpose of the legislation is to authorize the Commission to direct the Architect of the Capitol to lease any space in the hotel building, not required for immediate use by the House, for such other use, including residential use, and under such terms and conditions and to such parties as the Commission may authorize and to render the provisions of sections 431 and 432 of title 18 of the United States Code relating to contracts with Members inapplicable to leases or subleases entered into, so that Members of Congress may not be excluded from occupying any rooms made available for residential occupancy. The language "notwithstanding any other provision of law" has been included in the legislation to cover this objective. Any space so leased will be a source or rental income to the Government, pending Government use of the entire building.

The hotel structure contains a total of eight floors and basement. Excluding the basement—occupied by a garage, storage and similar facilities—the eight floors contain a total of 200 rooms having a gross square foot floor area of approximately 105,000 square feet.

Since 1958, the building has been operated as a hotel by the Knott Hotels Corp., under a lease with the Government. At the direction of the House Office Building Commission, the lease with the Knott Hotels Corp., has been formally terminated, effective at the close of business May 31, 1972.

There is dire need for use of space in the Congressional Hotel building to provide some measure of relief for present needs of the House of Representatives. Following surrender of possession of the premises by the Knott Hotels Corp., on May 31, 1972, it is proposed, as soon thereafter as feasible, to utilize approximately 75 percent of the rooms in the building for office and other accommodations for the House of Representatives—floors two through seven—and to temporarily lease the remainder of the rooms in the building—floors one and eight—for residential and other private use, until such time as the House Office Building Commission deems it necessary to take over such rooms for official use by the House.

Long-term use of the hotel building is not contemplated. Its use by the House is proposed as an expedient to provide much-needed additional temporary quarters for House activities.

Need for this legislation is further explained, as follows:

The Congressional Hotel, located at 300 New Jersey Avenue SE., was acquired, as part of lot 20 in square 692 in the District of Columbia, by the Architect of the Capitol in 1957, at the direction of the House Office Building Commission, through condemnation, under authority of the Additional House Office Building Act of 1955. The condemnation complaint stated the purpose of the acquisition to be for the public use "as a site for an additional office building for use by the House of Representatives of the United States and for additions to the U.S. Capitol Grounds."

October 17, 1967, pursuant to the requirements of the 1955 act, the House Office Building Commission promulgated a formal order defining for purposes of law the status of all properties acquired under the 1955 act. Eight squares were acquired in all. The Commission's authority was limited by the 1955 act to defining as "House Office Buildings" only those structures and facilities constructed on such property under authority of the 1955 act. All other areas were required to be defined as "Capitol Grounds."

Accordingly, the Commission's order declared the following properties to be "House Office Buildings," effective October 17, 1967:

The Rayburn House Office Building, the subway connecting such building to the Capitol Building, the pedestrian tunnels connecting such building to the Longworth House Office Building, the underground garages in Squares 637 and 691 and the tunnels connecting these garages to the House Office Buildings, are hereby declared to be House Office Buildings and, as such, are hereby made subject to those provisions of the Act of July 31, 1946 (40 U.S.C., secs. 193a–193m, 212a, and 212b), including any amendments to such Act, which are applicable to the Capitol Buildings, and to the Act of Mar. 4, 1907 (40 U.S.C. 175).

The order further declared the status of all other real property acquired under the 1955 act to be "Capitol Grounds," as follows:

All other real property acquired by the Architect of the Capitol under authority of the Additional House Office Building Act is hereby declared to be part of the United States Capitol Grounds and is hereby made subject to the Act of July 31, 1946 (40 U.S.C., secs. 193a-193m, 212a, and 212b), including any amendments to such Act.

Under the provisions of the October 17, 1967 order, the Congressional Hotel is now a part of the U.S. Capitol Grounds, and not a part of the House Office Buildings.

In order for the Congressional Hotel, now defined as "Capitol Grounds," to be used, in whole or in part, as part of the "House Office Buildings" complex, subject to laws, rules, and regulations governing the "House Office Buildings," including assignment of rooms, and the security and police provisions of the Capitol Grounds law applicable to the "Capitol Buildings," and subject also to the use of maintenance funds available for maintenance and operation of the House Office Buildings, it is necessary that action be taken to bring the hotel, in whole or in part, within the statutory definition of the term "House Office Buildings."

With respect to the security and police provisions of the Capitol Grounds law applicable to the "Capitol Buildings," Public Law 90–108, approved October 20, 1967, under section 16 (a), has defined the term "Capitol Buildings," as follows:

Sec. 16 (a) As Used in this Act—

(1) The term "Capitol Buildings" means the United States Capitol, the Senate and House Office Buildings and garages, the Capitol Power Plant, all subways and enclosed passages connecting two or more of such structures, and the real property underlying and enclosed by any such structure.

The House Office Building Commission unanimously endorsed enactment of this legislation at its meeting of April 10, 1972.

I am sure Mr. GROSS and Mr. HALL and the others who are always looking for ways to bring in revenue will be in support of this measure.

Mr. HALL. Will the gentleman yield?

Mr. GRAY. I am glad to yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate the gentleman yielding to me and I appreciate his thoughtful consideration about what my friend from Iowa and I are always seeking insofar as the taxpayers' money is concerned.

I wonder if he would explain the technique just a little bit more, first of all as to history. I understand, of course, we want to take over the Madison Library for additional office buildings.

That was chopped down early in this Congress with the "help" of the Committee on Public Buildings, and I use the word "help" in quotes. But now I also understand—and I am thoroughly in agreement that we ought to grandfather clause in those who have residence at the hotel if, indeed, all the space is not needed and if, indeed, the building will hold up all the things, the machinery and other items that would be placed into it. However, I do not think we ought to have a sweetheart clause in here under some fiduciary organization or other arrangement.

I wonder if the distinguished chairman of the subcommittee would explain to the House just a little bit further what is involved insofar as sweetheart clauses through some group or fiduciary or third party interspersed insofar as its operation is concerned that might yield back in kind, if not in rent, additional benefits to the group?

Mr. GRAY. There will be no sweetheart clauses. There will also be no grandfather clauses.

What we are seeking to do here is to take administrative jurisdiction over the Congressional Hotel, similar to any other public building that is on the Capitol Hill complex which includes the House Office Buildings. However, the Architect of the Capitol does not feel that under present law and regulations he would be allowed to rent space on a monthly or yearly basis and that he needs this legislative authority. However, I assure the gentleman from Missouri that no one will have any separate rights other than on a contract basis.

Mr. HALL. Is it not true, if the gentleman will yield further, that the plan is, according to rumors floating rampant around here, that the Architect not being able to do this and the Building Committee not desiring to do it, intends now to use a fiduciary such as the so-called Democratic Hill Club or whatever the name is, which is at present leasing space over there and they in turn would sublease to individual Members, which would mean in effect that there would be a subsidization to them in the form of equipment and space?

I am simply asking this question for information.

I think we ought to get this out on the table.

I am not sure that there is anything wrong with it, but there is a third party intervening here between the Building Committee, between this subcommittee or the Committee on Public Works as a whole by those who will be renting space.

I think we ought to know what values are going to accrue with reference to the grandfather or sweetheart clauses. I would say to the gentleman that I am in favor of the grandfather part of it but I do not think I am in favor of the sweetheart clause——

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

Mr. HALL. Mr. Chairman, I move to strike the requisite number of words.

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

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

Mr. GRAY. First, let me say to the gentleman from Missouri that this request came from the House Office Building Commission. We have the very distinguished dean of the House here who serves with great distinction on that committee and also the ranking minority member of the Committee on Public Works is also a member of that committee.

I would ask the gentleman from Missouri to yield to the distinguished dean to answer that question.

Mr. HALL. I would be glad to yield to the gentleman from New York.

Mr. CELLER. I thank the gentleman for yielding.

The Building Commission unanimously voted for this project upon the strong recommendation of the Architect of the Capitol.

Mr. HALL. Mr. Chairman, I am interested and I am glad to know that it is unanimous, but what I want to know is what is the "arrangement" and/or what is the proposed contract involving how it is the third party.

Mr. CELLER. There are no so-called sweetheart, if I may use that term, proposals in this arrangement whatsoever. These Members are older Members, senior Members, and would occupy the top story and at the end of their stay they can be ousted any time by the House or by the Building Commission. They have no preemptive rights whatsoever. They are there at the sufferance of the House and the Commission.

Mr. HALL. Does the gentleman mean to imply to me that they will pay rent to the Architect of the Capitol, or the Building Committee?

Mr. CELLER. I cannot answer the gentleman.

Mr. HARSHA. Will the gentleman yield to me so that I may answer his inquiry?

Mr. HALL. I will be glad to yield to the gentleman from Ohio.

Mr. HARSHA. I can answer the gentleman that unequivocally those Members who are permitted to stay there will pay rent, and they will pay that rent at the going commercial rate.

Mr. HALL. To whom will they pay the rent?

Mr. HARSHA. They will pay it to the lessee, or the people who contract to rent part of this building that we will not use for congressional office space or committee space. We do not know who is going to be the third party as yet. There are negotiations going on, and those negotiations are for a normal commercial rate of around $4.20 per square foot. So that whoever rents this property from the House Office Building Commission then will have to pay the going commercial rate.

Mr. HALL. Will the gentleman agree that by voting for this amendment we would be giving tacit approval to the fact that there will be a third party between either the House Building Commission or the Architect of the Capitol, and those who occupy the space under this clause?

Mr. HARSHA. That is right, and that is because we cannot now legally contract with Members of Congress.

Mr. HALL. Nor could they pay directly to the Congress, or recoup directly into the Treasury, so there must be a third party.

Mr. HARSHA. That is correct.

Mr. HALL. Do I understand from the gentleman's reply, as cloaked as it is, that there are persons under consideration who might contract to be the third party, or the intervening fiduciary between these two people?

Mr. HARSHA. The Architect of the Capitol is making these negotiations now. Of course, they would have to be approved by the House Building Commission, and just who the third party that would involve would be, I do not know at this stage of the game. But any agreement that is made will have to be approved by the House Building Commission.

Mr. HALL. Mr. Chairman, under that circumstance I would like to ask either the chairman handling the bill or my friend, the ranking minority member, if they have that authority, and if they are going to make a contract, why do we have this amendment unless it is to legalize some such action they obviously have the power to do in the first place?

Mr. HARSHA. The gentleman has answered his own question. It is to legalize the occupancy of some of these rooms that are not needed, by Members of Congress who have been living there for a number of years, and who have no other place to go. But as the law now exists the Congress cannot enter into contracts with Members of Congress, either directly or indirectly.

Mr. HALL. Mr. Chairman, I will say, that this should be watched in the future with a great deal of interest. I am aware of bills that have been run up, not by current or extant Members who occupy any portion of the Congressional Hotel, but other Members who have left from there in the past owing great bills to the Knott Hotel Corp., some of which may have been forgiven.

So I think the House should concern itself with how this matter is handled.

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

Mr. ALBERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to say, in view of the colloquy between the gentleman from Missouri (Mr. HALL) and the gentleman from New York (Mr. CELLER) and the gentleman from Ohio (Mr. HARSHA) that this matter came to us on a recommendation from the Architect of the Capitol. There was some question as to whether the Architect had the legal authority to proceed, and in order to make sure of that, this amendment was recommended.

The gentleman understands that we are now in the process of taking over the Congressional Hotel, and for those Members of the Congress who happen to stay there, it is necessary that arrangements be worked out, as the gentleman from Ohio has said. It is our understanding that they will pay the going rent, but not less than what they have been paying to the Knott Hotel Corp., for comparable space and services.

We believe that even though the House starts immediately taking over the floors from between the first floor and the top floor, the Government will still probably receive as much, if not more, net income than it has been getting from the Knott Hotel Corp. The reason for taking over the hotel is that we have found it necessary, because of the pressures from committees, subcommittees, and other groups who have the right to occupy space in the House Office Building for office space. We need the extra space.

Eventually, of course, I am sure we will take over the entire hotel, and will probably have to rebuild at some time down the line, but in the meantime this enables us to take over those parts that we need immediately; to remodel them, or to let the Architect of the Capitol remodel them in the manner that will

accommodate the needs of the House of Representatives. At the same time, there are Members who have been living there, and we do not need all of the space immediately. So the Architect will negotiate and try to find a lessee who can operate a part of the hotel for the various tenants—and a nonprofit organization is contemplated. The total net proceeds will go into the Treasury of the United States as receipts.

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

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

Mr. HARSHA. Mr. Chairman, in addition to what the distinguished Speaker has said, I would like to point out that this is not limited just to Members of Congress, but any space we do not immediately need could be utilized, and the Architect will, because he is involved, have the right to lease that space out so that we can receive reimbursement for it, so that ultimately there will be money going back into the Treasury, because the lessee is going to have to pay for all the space he uses.

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

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

Mr. HALL. Mr. Chairman, I thank the distinguished Speaker for his statement. I believe we have not yet gotten to the real nitty-gritty of the problem, but perhaps my purpose has been served in alerting the House to the problem.

I am not one of the ones who agrees that if we would eliminate the political groups and the other organizations from the existing Capitol and House Office Buildings that we would need additional space. That is up to the decision being made, unless the Congress wants to recoup that unto itself, but, be that as it may, I repeat, I am in favor of those who live there and have a need to live close to the Capitol, being provided this space if indeed we do not need it, and I doubt that we do.

Additionally, I will be very interested in following the arrangements that will be made, and I am reassured by the Speaker's statement, as Chairman of the Building Committee, of course, that there will be no less income and, indeed, may be enough to defray some of the expenses of the rest of the building. I would hope that the Architect, in his wisdom, and the Building Committee in their approval, search well for an intervener who is going to handle this, and to whom the occupants will pay their rents.

Mr. ALBERT. I hope that what the gentleman suggests will be true. However, I cannot guarantee it, but again I say I hope it will be true.

I think the gentleman from Missouri has served a useful purpose in pointing up these facts.

Mr. HALL. I usually do.

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

Mr. Chairman, I just want to reiterate my support of this ammendment and urge its adoption.

AMENDMENT OFFERED BY MR. GROSS TO THE AMENDMENT OFFERED BY MR. GRAY

Mr. GROSS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS to the amendment offered by Mr. GRAY: After "the Architect of the Capitol to lease" Insert "at fair market value".

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

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

Mr. GRAY. It is getting late. In a spirit of friendship and cooperation I accept the amendment.

Mr. GROSS. I was sure that the House, having adopted a "fair market value" provision as applied to New York, would want to regulate its own affairs on that basis. So I am delighted with the statement of the gentleman.

I would like to ask the gentleman a question or two concerning the contract for the operation of this hotel. Are the rentals in the building going to be posted with the Rent Control Agency?

Mr. GRAY. As the gentleman knows, the buildings in the Capitol Hill Complex are not part of the wage and price freeze of the President.

Mr. GROSS. Why not?

Mr. GRAY. Why not?

Mr. GROSS. Yes.

Mr. GRAY. Well, when I went to school, I learned that there were three separate and distinct branches of the Government: Legislative, executive, and judicial. This happens to be the legislative branch, and I do not think we need anyone imposing any restrictions on us.

Mr. GROSS. Do you mean to say that while in Northern Virginia I am getting rent increases every few months, the tenants are not getting them at this Government-owned hotel?

Mr. GRAY. There is certainly a difference. We are not a profit-making agency. We are here to legislate on the Nation's business.

Mr. GROSS. How soon are you going to have an apartment open? I want to move in. If that is a sanctuary against rent increases, I have been missing out on something. I want to move in.

Tell me something else. Who is going to provide the janitorial services and how will they be paid for, and who is going to provide the security, and how is that going to be paid for?

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

Mr. GROSS. Yes, of course.

Mr. GRAY. The House Office Building Commission, as the gentleman knows, is in charge of all the Capitol Hill Complex. This will be handled in the same manner as the other buildings. It will be under contract. That is why the Speaker wants to get back as much money as he can into the Treasury so we can pay some of these costs. When you look at the contract we now have with the hotel, you see it is a sweetheart contract. We are not getting back a fair return. I think we can take care of the janitorial services and other expenses and still save money.

Mr. GROSS. When the gentleman from Missouri was talking about sweetheart contracts a few minutes ago, I did not understand that he was getting any affirmative responses. Now we have it on the line. This hotel is operated with sweetheart contracts, and I assume the clubs in that building will continue to be treated on the same basis. I wonder if the membership in those clubs will be open to all comers?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa to the amendment offered by the gentleman from Illinois (Mr. GRAY).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. GRAY) as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 9. Section 8 of the John F. Kennedy Center Act, as amended (72 Stat. 1969) is amended by inserting "(a)" immediately after "SEC. 8" and by adding at the end thereof the following new subsection:

"(b) There is hereby authorized to be appropriated to the Board not to exceed $1,500,000 for the fiscal year ending June 30, 1972, for the public costs of maintaining and operating the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts."

Mr. GRAY (during the reading). Mr. Chairman, I ask unanimous consent that section 9 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. GRAY

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

The Clerk read as follows:

Amendment offered by Mr. GRAY: On page 29, after line 4, add the following new section:

"SEC. 10. Section 6 of the John F. Kennedy Center Act, as amended (72 Stat. 1968), is amended by adding at the end thereof the following new subsection:

"'(e) The Secretary of the Interior, acting through the National Park Service, shall provide maintenance, security, information, interpretation, janitorial and all other services necessary to the non-performing arts function of the John F. Kennedy Center for the Performing Arts. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1973, to the Secretary of the Interior such sums as may be necessary for carrying out this subsection.'"

Renumber the succeeding section accordingly.

Mr. GRAY. Mr. Chairman and colleagues, I assure the Members that this is the last committee amendment. I apologize for the delay. I would like to explain about the John F. Kennedy Center. As you know, this has been a project that has been participated in by several countries around the world. Not only have the people of the United States contributed more than $38 million of

their own money to build the Kennedy Center, but we have also used taxpayers' money in making this into a national monument to the late President Kennedy and also a theater in memory of former President Eisenhower. We have spoonfed the construction of the Kennedy Center, as it were.

We bottlefed the Kennedy Center, as it were. We hope now it is growing out of its stages of adolescence and becoming a full-grown adult that will provide the services originally intended by the congressional act. For that reason, the Committee on Public Works is offering an amendment that will let us, once and for all, give the maintenance and security of this national monument to the National Park Service where it belongs.

Every year there is some argument taking place on the floor about the further needs of the Kennedy Center. We feel that the National Park Service, since it has jurisdiction over the Washington Monument, the Jefferson Memorial, the Lincoln Memorial, and all other national monuments throughout this city and this country, should rightfully come to the Congress and justify each year, in its line item appropriations request, the money to maintain the nonperforming arts functions of the Kennedy Center.

This amendment will not allow one cent to be spent on the performing arts functions at the Kennedy Center, and it would not allow one cent to be spent on the building construction per se, but merely to be spent for the security and maintenance of keeping the building open to the general public during the daylight hours as a national monument.

If some Members were not here earlier when I spoke in general debate, I pointed out the Kennedy Center is second only to the Capitol Building in the number of visitors. Between 8,000 to 12,000 people a day are going there, including schoolchildren and others, to see this beautiful national monument. We feel it should not be the responsibility of the Congress every year to come up with an authorization bill. All this says is the National Park Service shall assume the responsibility of providing protection and maintenance for this national monument, and then it shall come each year to the Appropriations Committee and justify the amounts needed, as it does for similar memorials.

Mr. Chairman, I ask for a favorable vote.

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

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

Mr. GROSS. Mr. Chairman, has the committee ever given any consideration to charging admission to this palace over on the Potomac River?

Mr. GRAY. I would say to my distinguished friend, the gentleman from Iowa, if anyone has ever gone to the Kennedy Center for an evening performance, he has had to pay an admission of $8 for some of the performances there. If he goes to some, he pays even more. But the part that is going to be open in the daylight hours is a monument for the people of the country to see, and I think it would be highly inappropriate for us to charge people to come in to the Kennedy Center, as it would be if we were to charge them to come into Arlington Cemetery to see Kennedy's grave, or to see the Thomas Jefferson Memorial, or to see the other monuments. This is only to pay the cost of the care and the maintenance and the security of the monument.

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

Mr. GRAY. I yield further to the gentleman from Iowa.

Mr. GROSS. What does the gentleman estimate it is going to cost per annum if administered through the Department of the Interior?

Mr. GRAY. We have not had a full year of operation. We cannot give any more than an estimate, but I can give the figures of what it cost to secure other Washington memorials. It is $512,000 for the Washington Monument, and $317,000 for the Lincoln Memorial. It will be a little more here, because it is a bigger building, and there will be a requirement for more people with increased visitors.

Mr. GROSS. Maybe it will be $2 million or $2.5 million or $3 million?

Mr. GRAY. I think that would be a little high. I would say somewhere between $1 million and $2 million. It is a guesstimate. As I said, we have not had one full year of operation in order to tell, but let me remind my friend, the gentleman from Iowa, that the gentlewoman from Washington (Mrs. HANSEN) is handling the budget for the National Park Service, and I can assure the gentleman that the gentlewoman requires a full justification of all money spent for the National Park Service, and she will carefully consider this matter likewise.

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

Mr. Chairman, this simply is an effort to get the operation and maintenance and security and the guide service of the nonperforming arts section of the Kennedy Center away from the management that has abused that privilege and service up until now. We feel that, with this amendment, we will put that service into the Park Service and the Department of the Interior, and we expect the same kind of exemplary service they have given over the years in other kinds of service, such as at the Washington Monument and the Jefferson Memorial, and so on.

So, Mr. Chairman, I support this amendment and urge its adoption.

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

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

Mr. GROSS. Is it not true that admission is charged to the home of former President Washington at Mount Vernon? Is it not true that there is a charge to ride the elevator to the top of the Washington Mounment? Is it not true that there is an admission charge to see the Lee Mansion in Arlington Cemetery?

Mr. HARSHA. The home at Mount Vernon is operated by a historical society.

Mr. GROSS. Still, there is a charge.

Mr. HARSHA. That is right, but that is not the Park Service operation. There is no charge by the Park Service either to the Jefferson Memorial or the Lincoln Memorial that I am aware of.

Mr. GROSS. Let me ask another question. What about the leasing of the parking at this cultural center? Who gets the "gravy" from that? It that operated by I.T. & T.?

Mr. HARSHA. No. It is operated to pay off bonds issued to finance construction of the garage.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. GRAY) to answer that question.

Mr. GRAY. I would be delighted to answer my friend's question.

First let me state that Mount Vernon is not owned by the Federal Government, but is owned by a group of ladies.

Second the money being collected in parking fees goes to retire the bonds, and as soon as the bonds are amortized the Kennedy Center Board of Trustees—and we have Members of Congress serving on that board—if they want, can have free parking. The fee being charged now is to retire the bonds.

Mr. GROSS. How many hundreds of years of parking will it take to retire the bonds?

Mr. GRAY. I believe they are 20-year bonds, and I am sure the gentleman will agree that the Kennedy Center was built to last several hundred years.

Mr. GROSS. Will that get us our $56 million back in behalf of the taxpayers of this country?

Mr. GRAY. It will recoup the underwriting of the bonds, yes.

Mr. GROSS. The gentleman will not live long enough to see it.

Mr. GRAY. I hope so.

Mr. PEYSER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try to be brief.

One thing the chairman of the subcommittee said was that once and for all we will be finished with payments to the Kennedy Center. I was not privileged to be in the Congress at the time the authorization legislation for the Kennedy Center passed, but I know that today there is in excess of $4.5 million still owed on construction costs on that center.

I have a particular interest in this matter since one of the major industries in my own district in New York is owed a substantial amount of money by the Kennedy Center.

It was my understanding at first—and I must admit it was a misunderstanding—that the legislation today was going to be directed toward paying these contracts off, that were used in the construction, that people entered into in good faith in constructing the Kennedy Center.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

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

Mr. THOMPSON of New Jersey. I thank the gentleman.

I was the original author of the legislation which brought about the Kennedy Center and I served as a trustee, along with the gentleman from New Jersey (Mr. FRELINGHUYSEN) the gentleman

from Wyoming (Mr. RONCALIO) and others.

The question of the moneys not owing but in dispute to which the gentleman refers is not at all relevant to this, and nowhere in this legislation is there provision for payment of those disputed contracts. It is highly likely that there might be some litigation with respect to them.

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

I am aware that this legislation evidently does not speak to this, but when we say we are not going to be putting additional moneys into this it should be noted that there is more than $1,435,000 owed under the original contracts for the construction of the center.

There are over $3 million owed in delayed claims under these contracts. All I am saying is that the U.S. Government was involved in this construction and this represents, to many industries who in good faith went ahead with these contracts and completed them, a substantial amount that they are not now being paid.

Mr. THOMPSON of New Jersey. If the gentleman will yield, no one questions the good faith of those contracts the payment for which is in dispute. It is not a question as to whether the contractor is an honest person or not, but it is a question as to whether or not he fulfilled his contract. Those which have been fulfilled have been paid; those which are in dispute are as yet unpaid and are the subject of negotiation and possible litigation.

Mr. PEYSER. I do not mean to disagree with the gentleman, but I am saying the $1,435,000 is not in dispute in this question. The areas being disputed involve $3 million. But does the gentleman know where this money will come from if it does not come from the Congress?

Mr. HARSHA. Will the gentleman yield to me?

Mr. PEYSER. I yield to the gentleman.

Mr. HARSHA. Any money in this bill is not—and I repeat "is not"—for the retirement of construction obligations. The only money in this bill is for the reimbursement of expenses incurred in providing guide services, security, and maintenance to that portion of the Kennedy Center that is a national monument; that portion which is related to the nonperforming arts. What anybody has told you or your clients with respect to being paid on a construction contract has no bearing as to what is in this legislation.

Mr. PEYSER. I thank the gentleman. I agree with the gentleman, and I am merely saying that I think the Congress also ought to realize that it should pay off these honest debts that were incurred.

Mr. DON H. CLAUSEN. Will the gentleman yield?

Mr. PEYSER. I yield to the gentleman.

Mr. DON H. CLAUSEN. I would like to ask the gentleman from New Jersey, the author of the legislation, if he could expound just briefly on what he refers to as possible litigation. As a member of the board of trustees, could he elucidate on this and tell us wherein there are disputes over the payment of obligations and where will they get the money from to pay what might be a contested contract?

Mr. THOMPSON of New Jersey. If the gentleman will yield, that question cannot be answered until the disputes arising out of the contracts are settled. No one questions the good faith of the contractors. There are, however, and there have been, however, poor performances and poor construction and other matters which the trustees have yet to settle. The trustees are represented by counsel. Counsel is negotiating, and I just anticipate in the final analysis that there may be some litigation.

Mr. RONCALIO. Mr. Chairman, I move to strike the penultimate word.

Mr. Chairman, the purpose of the amendment is to provide for the operation of the nonperforming arts aspects of the John F. Kennedy Center. These include maintenance, security, information, interpretation, janitorial and other similar services.

When the Center opened last year, it quickly became apparent that the provisions which had been made for providing the nonperforming arts functions were inadequate. The magnificence of the Center made it a stellar attraction for Americans visiting the Nation's Capitol.

Crowds far exceeded estimates. Not surprisingly, therefore, provisions made for policing and security, as well as for maintenance and other services proved inadequate.

I want to stress that what we are talking about here is those functions of the Center related to its role as a national memorial. Performing arts activities would naturally be paid for by performance admission charges.

As a stopgap measure, H.R. 10488 provides $1.5 million for the public costs of maintaining and operating the nonperforming arts functions of the Center. The authorization is for fiscal 1972 only, however. Clearly, if the John F. Kennedy Center is to keep its doors open to the visiting public in the future, additional assistance must be provided.

That such financial assistance should be contemplated is not unreasonable. Other memorials located in the Nation's Capitol such as the Washington Monument and the Lincoln and Jefferson Memorials receive aid. The nonperforming arts functions of the John F. Kennedy Center fall into the same category. They are publicly related. They arise from the operation of the Center as a national memorial to President John Fitzgerald Kennedy.

The authorization provided for in this amendment is for a single fiscal year. During that period, it is my understanding, the Committee on Public Works plans an indepth study of the operations of the Center. From that study, hopefully will emerge a plan for assuring effective managerial controls and operating efficiencies in the years ahead.

During the intervening period, we must provide the moneys necessary to carry out the nonperforming arts national memorial functions of the Kennedy Center. That is the sole purpose of my amendment.

I urge its approval.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. GRAY).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk started to read section 10.

AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer an amendment applicable to the original section 9 as printed in the bill.

The CHAIRMAN. Section 9 has been read. The Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. HALL: On page 28, line 21, strike out all of section 9 through line 4 on page 29 and renumber the following sections accordingly.

POINT OF ORDER

Mr. GRAY. Mr. Chairman, I regretfully rise to make a point of order against the amendment. We have already passed section 9.

The CHAIRMAN. The gentleman from Illinois is correct. The amendment follows section 9. Section 9, accordingly, has been approved.

Mr. HALL. Mr. Chairman, I submit in arguing the point of order that I was on my feet and standing in the well. The amendment has been on the Clerk's desk involving section 9.

Obviously, the Chair recognized the chairman of the committee handling the bill. I am not a member of the committee, but I am an elected Member of this House and I have the right in view of the fact that I was standing to offer an amendment to section 9.

The CHAIRMAN. The Chair does not wish to disagree with his friend from Missouri. The Chair only wishes to state that in accordance with the parliamentary procedures the Gray amendment added a new section 10. Because of that, of course, under the procedures, section 9 has been passed and taken care of.

PARLIAMENTARY INQUIRY

Mr. HALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALL. Is it not true that the gentleman from Illinois who is handling the bill asked unanimous consent that the entire bill be considered as read and open for amendment at any point?

The CHAIRMAN. The Chair will state to the gentleman from Missouri that the gentleman from Illinois requested that section 9 be considered as read and open for amendment at any place, and this was done. Then he immediately proposed a new amendment which is section 10 to the bill.

There is only one way that the Chair can honor the request of the gentleman from Missouri and that is if the gentleman can get unanimous consent to offer his amendment. The Chair would be glad to honor that request.

Mr. HALL. Mr. Chairman, in view of the fact that I was ready to offer this amendment which deals with section 9 as printed, I ask unanimous consent that

we revert to that position and that my amendment be accepted by the Chair.

Mr. GRAY. Mr. Chairman, I reluctantly object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

SEC. 10. This Act shall become effective upon enactment. The effective date of applying the rates to be charged pursuant to the regulations to be issued under subsections (j) and (k) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended, shall be as determined by the Administrator of General Services but in any event shall not be later than the beginning of the third full fiscal year subsequent to the enactment thereof.

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

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

PARLIAMENTARY INQUIRY

Mr. HALL. Mr. Chairman, reserving the right to object may I make a parliamentary inquiry as to whether under the chairman's now posed unanimous-consent request it would be in order to submit an amendment to the original section 9, particularly in view of the fact that the gentleman from Illinois' amendment having to do with the Department of the Interior after June 30, 1973, is labeled and was read by the Clerk as section 10 on page 29?

The CHAIRMAN. In answer to the parliamentary inquiry, the Chair reluctantly holds that it would not be in order to go back to section 9.

If the gentleman from Missouri wishes, and if he has a new amendment, it would be in order to propose that to section 11 of the bill. We are now on section 11.

Mr. HALL. I thank the Chairman, and I withdraw my reservation.

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

There was no objection.

The CHAIRMAN. The question now occurs on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. ASPINALL, 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. 10488) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes, pursuant to House Resolution 931, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

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

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

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

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 331, nays 40, not voting 62, as follows:

[Roll No. 115]

YEAS—331

Abourezk	Denholm	Jarman
Adams	Derwinski	Johnson, Calif.
Addabbo	Devine	Jonas
Alexander	Diggs	Jones, N.C.
Anderson, Calif.	Dingell	Jones, Tenn.
Anderson, Ill.	Donohue	Karth
Anderson, Tenn.	Dorn	Kastenmeier
Andrews, Ala.	Dow	Kazen
Andrews, N. Dak.	Downing	Keating
Annunzio	Drinan	Keith
Arends	Dulski	Kemp
Aspin	du Pont	King
Aspinall	Eckhardt	Kluczynski
Baker	Edmondson	Koch
Baring	Edwards, Ala.	Kuykendall
Barrett	Edwards, Calif.	Latta
Begich	Eilberg	Leggett
Belcher	Erlenborn	Lent
Bell	Esch	Link
Bennett	Evans, Colo.	Lloyd
Bergland	Fascell	Long, Md.
Betts	Findley	Lujan
Biaggi	Fish	McCloskey
Blanton	Fisher	McClure
Blatnik	Flood	McCollister
Boggs	Flowers	McCormack
Boland	Flynt	McCulloch
Bolling	Foley	McDade
Bow	Ford, Gerald R.	McDonald, Mich.
Brademas	Ford, William D.	McEwen
Brasco	Forsythe	McFall
Broomfield	Fraser	McKay
Brotzman	Frelinghuysen	McKevitt
Brown, Ohio	Frenzel	McKinney
Broyhill, N.C.	Frey	Madden
Broyhill, Va.	Fulton	Mahon
Buchanan	Fuqua	Mailliard
Burke, Fla.	Garmatz	Mallary
Burke, Mass.	Giaimo	Mann
Burleson, Tex.	Goldwater	Mathias, Calif.
Burlison, Mo.	Gonzalez	Matsunaga
Burton	Goodling	Mayne
Byrnes, Wis.	Grasso	Mazzoli
Byron	Gray	Meeds
Cabell	Green, Oreg.	Melcher
Caffery	Green, Pa.	Metcalfe
Carlson	Griffiths	Mikva
Carter	Grover	Miller, Calif.
Casey, Tex.	Gubser	Miller, Ohio
Cederberg	Gude	Mills, Md.
Celler	Hagan	Minish
Chamberlain	Haley	Mink
Chappell	Halpern	Minshall
Chisholm	Hamilton	Mitchell
Clancy	Hammer-schmidt	Mizell
Clausen, Don H.	Hanley	Mollohan
Clawson, Del	Hansen, Idaho	Monagan
Cleveland	Hansen, Wash.	Moorhead
Collins, Ill.	Harrington	Morgan
Collins, Tex.	Harsha	Morse
Conable	Hastings	Mosher
Conte	Hathaway	Moss
Conyers	Hawkins	Murphy, Ill.
Corman	Hays	Murphy, N.Y.
Cotter	Hechler, W. Va.	Myers
Coughlin	Heckler, Mass.	Natcher
Daniel, Va.	Heinz	Nedzi
Daniels, N.J.	Helstoski	Nelsen
Danielson	Hicks, Mass.	Nichols
Davis, Ga.	Hicks, Wash.	Obey
Davis, S.C.	Hillis	O'Hara
Davis, Wis.	Hogan	O'Konski
de la Garza	Holifield	O'Neill
Delaney	Horton	Passman
Dellenback	Hosmer	Patten
Dellums	Howard	Pepper
	Hungate	Perkins
	Hunt	Pettis
	Pickle	Peyser
	Pike	Ruppe
	Pirnie	St Germain
	Podell	Sandman
	Poff	Sarbanes
	Powell	Satterfield
	Preyer, N.C.	Schneebeli
	Price, Ill.	Schwengel
	Pryor, Ark.	Scott
	Purcell	Seiberling
	Quie	Shipley
	Railsback	Shoup
	Randall	Shriver
	Rangel	Sikes
	Rees	Sisk
	Reid	Skubitz
	Reuss	Slack
	Rhodes	Smith, Iowa
	Roberts	Smith, N.Y.
	Robinson, Va.	Snyder
	Robison, N.Y.	Springer
	Rodino	Steed
	Roe	Steele
	Rogers	Stratton
	Roncalio	Stuckey
	Rooney, N.Y.	Sullivan
	Rooney, Pa.	Talcott
	Rosenthal	Taylor
	Rostenkowski	Teague, Tex.
	Roush	Terry
	Roy	Thompson, Ga.
	Roybal	Thompson, N.J.
	Runnels	Thomson, Wis.
		Thone
		Tiernan
		Udall
		Ullman
		Van Deerlin
		Vander Jagt
		Vanik
		Veysey
		Vigorito
		Waggonner
		Waldie
		Wampler
		Whalen
		Whalley
		White
		Whitten
		Widnall
		Wiggins
		Williams
		Wilson, Bob
		Winn
		Wolff
		Wright
		Wyatt
		Wydler
		Wylie
		Wyman
		Yates
		Yatron
		Young, Tex.
		Zablocki
		Zion
		Zwach

NAYS—40

Abzug	Hall	Rarick
Archer	Hutchinson	Rousselot
Ashbrook	Jacobs	Ruth
Biester	Kyl	Ryan
Bray	Landgrebe	Scherle
Brinkley	Lennon	Schmitz
Camp	McClory	Sebelius
Collier	Martin	Spence
Crane	Mathis, Ga.	Steiger, Ariz.
Dennis	Michel	Steiger, Wis.
Duncan	Montgomery	Teague, Calif.
Gaydos	Pelly	Young, Fla.
Gibbons	Price, Tex.	
Gross	Quillen	

NOT VOTING—62

Abbitt	Eshleman	Mills, Ark.
Abernethy	Evins, Tenn.	Nix
Ashley	Fountain	Patman
Badillo	Galifianakis	Poage
Bevill	Gallagher	Pucinski
Bingham	Gettys	Riegle
Blackburn	Griffin	Saylor
Brooks	Hanna	Scheuer
Brown, Mich.	Harvey	Smith, Calif.
Byrne, Pa.	Hébert	Staggers
Carey, N.Y.	Henderson	Stanton, J. William
Carney	Hull	Stanton, James V.
Clark	Ichord	Stephens
Clay	Johnson, Pa.	Stokes
Colmer	Jones, Ala.	Stubblefield
Culver	Kee	Symington
Curlin	Kyros	Ware
Dent	Landrum	Whitehurst
Dickinson	Long, La.	Wilson, Charles H.
Dowdy	McMillan	
Dwyer	Macdonald, Mass.	
Edwards, La.		

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Dent for, with Mr. Henderson against.

Mr. Evins of Tennessee for, with Mr. Fountain against.

Until further notice:

Mr. Charles H. Wilson with Mr. Smith of California.

Mr. Staggers with Mr. Whitehurst.

Mr. Hébert with Mr. Dickinson.

Mr. Abernethy with Mr. Blackburn.

Mr. Stokes with Mr. Riegle.

Mr. Jones of Alabama with Mr. Galifianakis.

Mr. Kyros with Mr. Griffin.

Mr. Macdonald of Massachusetts with Mrs. Dwyer.

Mr. Nix with Mr. Eshleman.

Mr. Pucinski with Mr. Patman.

Mr. Gettys with Mr. Mills of Arkansas.

Mr. Clark with Mr. Saylor.

Mr. Byrne of Pennsylvania with Mr. Ware.

Mr. Brooks with Mr. McMillan.

Mr. Bevill with Mr. Johnson of Pennsylvania.
Mr. Hanna with Mr. Hull.
Mr. James V. Stanton with Mr. J. William Stanton.
Mr. Stubblefield with Mr. Ichord.
Mr. Landrum with Mr. Kee.
Mr. Carey with Mr. Colmer.
Mr. Ashley with Mr. Brown of Michigan.
Mr. Culver with Mr. Clay.
Mr. Carney with Mr. Badillo.
Mr. Symington with Mr. Scheuer.
Mr. Long of Louisiana with Mr. Dowdy.
Mr. Gallagher with Mr. Curlin.
Mr. Bingham with Mr. Abbitt.
Mr. Harvey with Mr. Stephens.

Mrs. ABZUG changed her vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 931, the Committee on Public Works is discharged from further consideration of the bill S. 1736.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. GRAY

Mr. GRAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GRAY moves to strike out all after the enacting clause of S. 1736 and to insert in lieu thereof the provisions of H.R. 10488, as passed, as follows:

That this Act may be cited as the "Public Buildings Amendments of 1972".

SEC. 2. The Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 601 et seq.), is amended as follows:

(1) strike out in subsection (b) of section 4 the figure "$200,000" and insert the figure "$500,000" in lieu thereof;

(2) strike out in subsection (a) of section 12 the following: "as he determines necessary,";

(3) insert at the end of section 12(c) the following sentence: "In developing plans for such new buildings, the Administrator shall give due consideration to excellence of architecture and design."; and

(4) section 7 is amended to read as follows:

"SEC. 7. (a) In order to insure the equitable distribution of public buildings throughout the United States with due regard for the comparative urgency of need for such buildings, except as provided in section 4, no appropriation shall be made to construct, alter, purchase, or to acquire any building to be used as a public building which involves a total expenditure in excess of $500,000 if such construction, alteration, purchase, or acquisition has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. No appropriation shall be made to lease any space at an average annual rental in excess of $500,000 for use for public purposes if such lease has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. For the purpose of securing consideration for such approval, the Administrator shall transmit to the Congress a prospectus of the proposed facility, including (but not limited to)—

"(1) a brief description of the building to be constructed, altered, purchased, acquired, or the space to be leased under this Act;

"(2) the location of the building or space to be leased and an estimate of the maximum cost to the United States of the facility to be constructed, altered, purchased, acquired, or the space to be leased;

"(3) a comprehensive plan for providing space for all Government officers and employees in the locality of the proposed facility or the space to be leased, having due regard for suitable space which may continue to be available in existing Government-owned or occupied buildings;

"(4) with respect to any project for the construction, alteration, purchase, or acquisition of any building, a statement by the Administrator that suitable space owned by the Government is not available and that suitable rental space is not available at a price commensurate with that to be afforded through the proposed action; and

"(5) a statement of rents and other housing costs currently being paid by the Government for Federal agencies to be housed in the building to be constructed, altered, purchased, acquired, or the space to be leased.

"(b) The estimated maximum cost of any project approved under this section as set forth in any prospectus may be increased by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction or alteration costs, as the case may be, from the date of transmittal of such prospectus to Congress, but in no event shall the increase authorized by this subsection exceed 10 per centum of such estimated maximum cost.

"(c) In the case of any project approved for construction, alteration, or acquisition by the Committees on Public Works of the Senate and of the House of Representatives, respectively, in accordance with subsection (a) of this section, for which an appropriation has not been made within one year after the date of such approval, either the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, may rescind, by resolution, its approval of such project at any time thereafter before such an appropriation has been made."

SEC. 3. Subsection (f) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490 (f)), is amended to read as follows:

"(f) (1) There is hereby established in the Treasury of the United States on such date as may be determined by the Administrator, a fund into which there shall be deposited the following revenues and collections:

"(A) User charges made pursuant to subsection (j) of this section payable in advance or otherwise.

"(B) Proceeds with respect to building sites authorized to be leased pursuant to subsection (a) of this section, and proceeds with respect to building sites, plans, and specifications authorized to be sold pursuant to subsection (h) of this section.

"(C) Receipts from carriers and others for loss of, or damage to, property belonging to the fund.

"(2) Moneys deposited into the fund shall be available for expenditure for real property management and related activities in such amounts as are specified in annual appropriations Acts without regard to fiscal year limitations.

"(3) There are hereby merged with the fund established under this subsection, unexpended balances of (A) the Buildings Management Fund (including any surplus therein), established pursuant to this subsection prior to its amendment by the Public Buildings Amendments of 1972; (B) the Construction Services Fund, created by section 9 of the Act of June 14, 1946 (60 Stat. 259), as amended; and (C) any funds appropriated to General Services Administration under the headings 'Repair and Improvement of Public Buildings', 'Construction, Public Buildings Projects', 'Sites and Expenses, Public Buildings Projects', 'Construction, Federal Office Building Numbered 7, Washington, District of Columbia', and 'Additional Court Facilities', in any appropriation Acts for the years prior to the fiscal year in which the fund becomes operational. The fund shall assume all the liabilities, obligations, and commitments of the said (1) Buildings Management Fund, (2) Construction Services Fund, and (3) the appropriations specified in (C) hereof.

"(4) In any fiscal year there may be deposited to miscellaneous recipts in the Treasury of the United States such amount as may be specified in appropriation Acts.

"(5) Nothing in this section shall preclude the Administrator from providing special services not included in the standard level user charge on a reimbursable basis and such reimbursements may be credited to the fund established under this subsection."

SEC. 4. Section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490), is amended by adding two new subsections reading as follows:

"(j) The Administrator is authorized and directed to charge anyone furnished services, space, quarters, maintenance, repair, or other facilities (hereinafter referred to as space and services), at rates to be determined by the Administrator from time to time and provided for in regulations issued by him. Such rates and charges shall approximate commercial charges for comparable space and services, except that with respect to those buildings for which the Administrator of General Services as responsible for alterations only (as the term 'alter' is defined in section 13(5) of the Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 612(5)), the rates charged the occupant for such services shall be fixed by the Administrator so as to recover only the approximate applicable cost incurred by him in providing such alterations. The Administrator may exempt anyone from the charges required by this subsection. To the extent any such exemption is granted, appropriations to the General Services Administration are authorized to reimburse the fund for any loss of revenue.

"(k) Any executive agency, other than the General Services Administration, which provides to anyone space and services set forth in subsection (j) of this section, is authorized to charge the occupant for such space and services at rates approved by the Administrator and the Director of the Office of Management and Budget. Moneys derived by such executive agency from such rates or fees shall be credited to the appropriation or fund initially charged for providing the services, except that amounts which are in excess of actual operating and maintenance costs of providing the service shall be credited to miscellaneous receipts unless otherwise authorized by law."

SEC. 5. (a) Whenever the Administrator of General Services determines that the best interests of the United States will be served by taking action hereunder, he is authorized to provide space by entering into purchase contracts, the terms of which shall not be more than thirty years and which shall provide in each case that title to the property shall vest in the United States at or before the expiration of the contract term and upon fulfillment of the terms and conditions stipulated in each of such purchase contracts. Such terms and conditions shall include provision for the application to the purchase price agreed upon therein of installment payments made thereunder. Each purchase contract authorized by this section shall be entered into pursuant to the provisions of title III of the Federal Property and Administrative Services Act of 1949, as amended. If any such contract is negotiated, the determination and findings supporting such negotiation shall be promptly reported in writing to the Committees on Public Works of the Senate and House of Representatives. Proposals for purchase contracts shall be solicited from the maximum number of qualified sources con-

sistent with the nature and requirements of the facility to be procured.

(b) Each such purchase contract shall include such provisions as the Administrator of General Services, in his discretion, shall deem to be in the best interests of the United States and appropriate to secure the performance of the obligations imposed upon the party or parties that shall enter into such agreement with the United States. No such purchase contract shall provide for any payments to be made by the United States in excess of the amount necessary, as determined by the Administrator, to—

(1) amortize the cost of construction of improvements to be constructed plus the fair market value, on the date of the agreement, of the site, if not owned by the United States; and

(2) provide a reasonable rate of interest on the outstanding principal as determined under paragraph (1) above; and

(3) reimburse the contractor for the cost of any other obligations required of him under the contract, including (but not limited to) payment of taxes, costs of carrying appropriate insurance, and costs of repair and maintenance if so required of the contractor.

(c) Funds available on the date of enactment of this subsection for the payment of rent and related charges for premises, whether appropriated directly to the General Services Administration or to any other agency of the Government and received by said Administration for such purpose, may be utilized by the Administrator of General Services to make payments becoming due from time to time from the United States as current charges in connection with agreements entered into under authority of this section.

(d) With respect to any interest in real property acquired under the provisions of this section, the same shall be subject to State and local taxes until title to the same shall pass to the Government of the United States.

(e) For the purpose of purchase contracts provided for in this section for the erection by the contractor of buildings and improvements for the use of the United States, the Administrator is authorized to enter into agreements with any person, copartnership, corporation, or other public or private entity, to effectuate any of the purposes of this section; and it further authorized to bring about the development and improvement of any land owned by the United States and under the control of the General Services Administration including the demolition of obsolete and outmoded structures situated thereon, by providing for the construction thereon by others of such structures and facilities as shall be the subject of the applicable purchase contracts, and by making available such plans and specifications for the construction of a public building thereon as the Government may possess. Projects heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.), may be constructed under authority of this section without further approval, and the prospectuses submitted to obtain such approval shall for all purposes, be considered as prospectuses for the purchase of space, except that any such project shall be subject to the requirements of section 7(b) of the Public Buildings Act of 1959, as amended, based upon an estimated maximum cost increased by not more than an average of 10 per centum per year, exclusive of financing or other costs attributable to the use of the method of construction authorized by this section.

(f) Except for previously approved prospectuses referred to in (e) above, no purchase contract shall be entered into pursuant to the authority of this section until a prospectus therefor has been submitted and approved in accordance with section 7 of the Public Buildings Act of 1959, as amended, and each such prospectus shall be limited to public buildings generally suitable for office or storage space or both and any other type of public building that is specifically approved by resolution adopted by the Committee on Public Works of the Senate and the House of Representatives for a purchase contract under this section.

(g) No purchase contract shall be entered into under the authority granted under this section after the end of the third fiscal year which begins after the date of enactment of this section.

(h) No purchase contract shall be entered into under this section until it has been authorized by resolutions adopted by the Committees on Appropriations of the Senate and House of Representatives, respectively.

SEC. 6. (a) The Postmaster General of the United States Postal Service shall convey to the city of Carbondale, Illinois, all right, title, and interest of the United States and such Postal Service, in and to the real property (including any improvements thereon) in Carbondale, Illinois, bounded by old West Main Street on the south, Glenview Drive on the west, Illinois Route 13 and access road to Murdale Shopping Center on the north, and by Texaco Service Station and residences on the north, approximately 308 feet on the east, 525 feet on the south, 420 feet on the west and with an irregular boundary on the north, a total area of approximately 191,100 square feet. The exact legal description of the property shall be determined by the Postmaster General, without cost to the city of Carbondale, Illinois. Such conveyance shall be made without payment of monetary consideration and on condition that such property shall be used solely for public park purposes, and if it ever ceases to be used for such purpose, the title thereto shall revert to the United States which shall have the right of immediate reentry thereon.

(b)(1) The United States Postal Service shall grant the city of New York, without reimbursement, air rights for public housing purposes above the postal facility to be constructed on the real property bounded by Twenty-eighth and Twenty-ninth Streets, Ninth and Tenth Avenues, in the city of New York (the Morgan Annex site), such facility to be designed and constructed in such manner as to permit the building by the city of New York of a high-rise residential tower thereon, provided that—

(A) The city of New York shall grant to the Postal Service without reimbursement exclusive use of Twenty-ninth Street, between Ninth and Tenth Avenues in the city of New York, such use to be irrevocable unless the Postal Service sells, leases, or otherwise disposes of the Morgan Annex site; and

(B) The city of New York shall agree to reimburse the Postal Service for the additional cost of designing and constructing the foundations of its facility so as to render them capable of supporting a residential tower above the facility, and shall issue any permits, licenses, easements and other authorizations which may be necessary or incident to the construction of the postal facility.

(2) If within 24 months after the city of New York has complied with the provisions of paragraphs (A) and (B) of subsection (d)(1) of this section, the United States Postal Service has not awarded a contract for the construction of its facility, the Postal Service shall convey to the city of New York, at the fair market value, all right, title and interest in and to the above-described real property. Such conveyance shall be made on the condition that such property shall be used solely for public housing purposes, and if public housing is not constructed on the property within five years after title is conveyed to the city of New York or if thereafter the property ever ceases to be used for such purposes, title thereto shall revert to the Postal Service, which shall have the right of immediate reentry thereon.

SEC. 7. To carry out the provisions of the Public Buildings Amendments of 1972, the Administrator of General Services shall issue such regulations as he deems necessary. Such regulations shall be coordinated with the Office of Management and Budget, and the rates established by the Administrator of General Services pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, shall be approved by the Director of the Office of Management and Budget.

SEC. 8. (a) Notwithstanding any other provision of law, the House Office Building Commission is authorized (1) to use, to such extent as it may deem necessary, for the purpose of providing office and other accommodations for the House of Representatives, the building, known as the Congressional Hotel, acquired by the Government in 1957 as part of Lot 20 in Square 692 in the District of Columbia under authority of the Additional House Office Building Act of 1955 and (2) to direct the Architect of the Capitol to lease, at fair market value, for such other use and under such terms and conditions and to such parties as such Commission may authorize, any space in such building not required for the aforesaid purpose.

(b) Any space in such building used for office and other accommodations for the House of Representatives shall be deemed to be a part of the "House Office Buildings" and, as such, shall be subject to the laws, rules, and regulations applicable to those buildings.

SEC. 9. Section 8 of the John F. Kennedy Center Act, as amended (72 Stat. 1969) is amended by inserting "(a)" immediately after "SEC. 8" and by adding at the end thereof the following new subsection:

"(b) There is hereby authorized to be appropriated to the Board not to exceed $1,500,000 for the fiscal year ending June 30, 1972, for the public costs of maintaining and operating the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts."

SEC. 10. Section 6 of the John F. Kennedy Center Act, as amended, (72 Stat. 1968) is amended by adding at the end thereof the following new subsection:

"(e) The Secretary of the Interior, acting through the National Park Service, shall provide maintenance, security, information, interpretation, janitorial and all other services necessary to the non-performing arts functions of the John F. Kennedy Center for the Performing Arts. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1973, to the Secretary of the Interior such sums as may be necessary for carrying out this subsection."

SEC. 11. This Act shall become effective upon enactment. The effective date of applying the rates to be charged pursuant to the regulations to be issued under subsections (j) and (k) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended, shall be as determined by the Administrator of General Services but in any event shall not be later than the beginning of the third full fiscal year subsequent to the enactment thereof.

The motion was agreed to.

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

A similar House bill (H.R. 10488) was laid on the table.

GENERAL LEAVE

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks and to include extraneous matter on the bill just passed.

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

There was no objection.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Speaker, I was in my office seeing constituents and missed rollcall 114. Had I been present, I would have voted "nay."

COMMUTER TAX UNDER THE GUISE OF POLLUTION CONTROL

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

Mr. SCOTT. Mr. Speaker, yesterday the District of Columbia City Council proposed another commuter tax under the guise of pollution control. You will recall a few years ago the city proposed a payroll tax. Congress refused to approve it. Then they proposed a similar measure but called it a reciprocal tax. Congress did not approve that either. Now the council proposes to bypass the Congress by using a subterfuge—an alleged air pollution regulation which will cost 50 cents for each car parked for a given period of time on commercial parking lots, with the warning that it will soon be raised to $1. This is still a commuter tax, meant to tax the persons who live in the suburbs but work in the city. Mr. Speaker, parked cars do not pollute. There is no tax suggested for cars which drive around the city all day polluting the atmosphere but they are taxed when they are parked with the motors turned off. It could be a challenge to the exclusive jurisdiction of the Congress over the District of Columbia or it could be an effort to pressure the Congress into increasing the Federal payment but regardless of the purpose, it raises a question of whether the interest of the city is served by antagonizing the suburban areas rather than attempting to work with suburban Maryland and Virginia. There is no question in my mind that this is a revenue measure rather than a tax for the purpose of regulating air pollution.

In a Washington Star editorial on March 31, retiring Chairman Gilbert Hahn, who apparently is pushing this matter stated: First, it will raise $38 million a year—this figure apparently was predicated on a $1-per-day tax; second, it will discourage daily automobile commuting and, third, it will tap some of those pesky suburban commuters who work downtown. The chairman does not appear to be talking about a tax imposed for the purpose of reducing air pollution but a revenue measure and Congress still has exclusive legislative jurisdiction over the District of Columbia.

It is my understanding that the business community of the District of Columbia is opposed to this tax and again, quoting from the Washington Star of April 5, many businessmen have indicated that their leases in the District of Columbia will not be renewed if this tax is imposed. The business community also contends that the council does not have the power to enact such a tax. Of course, the city council has only approved the matter at its first reading and it may be that final approval will not be given until a new chairman of the city council is confirmed by the Senate.

Mr. Speaker, in my opinion, this is clearly a prerogative of the Congress and the city council is flaunting this prerogative. Anticipating the possibility of such an event occurring, last week I introduced a measure, H.R. 14340—the text of which is inserted in the RECORD at the conclusion of my remarks—which would remove all doubt regarding the authority of the District of Columbia to levy this tax.

All of us are concerned, Mr. Speaker, about traffic congestion in the District of Columbia. Work has been underway for a period of time to construct a much needed subway system. The use of buses and rail transportation should be encouraged but until some substitute is found, people are going to have to continue to use their automobiles to get to and from work. Whether or not there should be a commuter tax rests with the Congress. Of course, I am strongly opposed to such a measure. The Congress should not permit an assumption of its perogative by the District of Columbia Council under the guise of reducing pollution in the city. Therefore, I have today talked with the chairman of the District of Columbia Committee and also formally called my bill to his attention and requested a prompt hearing.

All of the Members from Virginia and Maryland have strongly opposed the concept of a commuter tax, because our constituents pay local, State, and Federal taxes where they live. I would hope that this matter can be resolved, however, within the District of Columbia Committee and that the Congress will work its will rather than to permit a decision affecting the Members of this House, its staff, and the employees of the Government to be determined without legislative authorization.

The text of H.R. 14340 follows:

H.R. 14340

A bill to limit the authority of the government of the District of Columbia with respect to the levying and collecting of certain taxes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the District of Columbia Council shall not—

(1) change the rate or application of any existing tax, license, or other fee imposed in the District of Columbia; or

(2) impose any new tax, license, or other fee in the District of Columbia;

if a primary purpose of such tax, license, or other fee is, or the effect of the imposition of such tax, license, or other fee could reasonably have been foreseen to result in, the regulation of the flow or use of motor vehicles in the District of Columbia.

REMOVING BARRIERS TO LOW- AND MODERATE-INCOME HOUSING

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

Mr. BADILLO. Mr. Speaker, I am introducing today a bill whose purpose is to give substance to the promise of equal housing opportunity which has been repeatedly enacted into law by the Congress.

This bill has two main thrusts: it prohibits the use of zoning, subdivision controls, or building codes to prevent development of low- and moderate-income housing outside the core cities, and it directs the Department of Housing and Urban Development and other Federal agencies to give top priority in awarding Federal grants and loans to those communities having comprehensive development plans for such housing.

I offer this legislation as a direct challenge to the administration and to those in the Congress who support its so-called emergency moratorium on school busing. If they really believe in integrated education, and oppose busing on other grounds, then they should support this bill, because it will remove those housing barriers that have prevented the integration of our schools. It is my hope that the leadership of the House and the leadership of the appropriate committees will schedule this bill for action so that we may have a record vote on both bills on the same day.

In this way, Mr. Speaker, we can demonstrate to the American people and to the nations of the world whether or not racism is involved in the busing dispute, whether or not the Congress intends to keep the poor locked into urban ghettos, and whether or not the Congress will live up to its promises for equal housing opportunity.

I am prepared to offer this bill as an amendment to the administration's busing moratorium legislation, should that be brought before the House, and I am also prepared to offer it as an amendment to the omnibus housing bill now before the Committee on Banking and Currency.

Should it become necessary, I am also prepared to seek a direct discharge of this legislation and should that come about, it will be interesting to see whether those who signed the discharge petition on the antibusing constitutional amendment will also sign a discharge petition in behalf of equal housing opportunity.

I present for inclusion in the RECORD the text of my bill, which will be circulated among my colleagues for cosponsorship:

H.R. —

A bill to prohibit States and political subdivisions from discriminating against low and moderate income housing, and to give a priority in determining eligibility for assistance under various Federal programs to political subdivisions which submit plans for the inclusion of low and moderate income housing in their development

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no State or general or special purpose unit of local government (or other agency having official jurisdiction over one or more regions or subareas within a State or States) shall, in the exercise of powers with respect to planning, zoning, subdivision controls, building codes or permits, or other matters affecting land use, prevent the reasonable provision of low and moderate income housing in undeveloped or predominantly unde-

veloped parts of any community within a metropolitan area as defined in subsection (b), or discriminate in any other way (on the basis of amount, type, location, or otherwise) against low or moderate income housing in any such community.

(b) For purposes of this section, the term "metropolitan area" means any city or municipality having a population of 100,000 or more (as determined on the basis of the most recent decennial census), together with all general or special purpose units of local government located within a 50-mile radius of such city or municipality (whether or not located within the same State).

(c)(1) If the Attorney General of the United States, after consultation with the Secretary of Housing and Urban Development, believes that the provisions of subsection (a) have been or are being violated, he may bring a civil action in any appropriate United States district court to enforce compliance with such provisions.

(2) Any person who would be assisted (financially or otherwise) in obtaining suitable housing, or would derive any other benefit, direct or indirect, by or from the provision of low or moderate income housing (or additional low or moderate income housing) in any community within a metropolitan area as defined in subsection (b), and who believes that the provisions of subsection (a) have been or are being violated with respect to such community in a way which effectively deprives him of such assistance or benefit, may bring a civil action in any appropriate United States district court without regard to the amount in controversy, or in any appropriate State or local court of general jurisdiction, to enforce compliance with such provisions or obtain other equitable or preventive relief under this section, and may request such relief in any court whenever relevant in connection with a defense to any suit or action brought against such person in that court.

SEC. 2. (a) In the administration of any Federal program providing assistance (in the form of loans, grants, or otherwise) to assist in the construction or development of housing, or in carrying out open-space or urban development projects, or for the planning or construction of hospitals, airports, libraries, water supply or distribution facilities, sewerage facilities or waste treatment works, highways, transportation facilities, law enforcement facilities, or water development or land conservation projects, or elementary and secondary schools, colleges and universities, pre-school and day care facilities, and in the administration of the Federal programs of mortgage insurance and loan guarantees under the National Housing Act and under chapter 37 of title 38, United States Code, a priority shall be given (as provided in subsection (b)) to applications made with respect to property located within the jurisdiction or boundaries of any general or special purpose unit of local government in a metropolitan area as defined in subsection (d) (or other agency having official jurisdiction over one or more regions or subareas, including at least one metropolitan area as so defined, within a State or States) which has drawn up, submitted, and had approved by the Secretary of Housing and Urban Development, or which is subject to the jurisdiction of an areawide agency that exercises powers with respect to planning, zoning, subdivision controls, building codes or permits, or other matters affecting land use in the area which such unit or agency represents and has drawn up, submitted, and had approved by the Secretary of Housing and Urban Development, a plan or plans—

(1) specifically providing for the inclusion of low and moderate income housing in the areas within the jurisdiction of such unit or agency that are undeveloped or predominantly undeveloped but that are in the path of development, in a manner consistent with any local comprehensive or master planning for such areas; and

(2) providing, with respect to the areas within the jurisdiction of such unit or agency in which little or no vacant land is available for low and moderate income housing because of existing density and land use, for compensatory arrangements with other localities within the same metropolitan area still having available vacant land for the construction of low and moderate income housing in those localities, so that no metropolitan area (as defined in subsection (d)) will be left without a proportionate and well-distributed number of units of low and moderate income housing.

Any plan or compensatory arrangement described in the preceding sentence shall be designed to avoid the concentration of low and moderate income housing within any fixed geographical boundaries in any metropolitan area; and any unit or agency which enters into a compensatory arrangement with another locality or localities for the provision of low and moderate income housing because its current density and land use precludes the construction of additional low and moderate income housing within its boundaries shall, when currently-used sites become vacant, make every effort to include such housing within its boundaries.

(b) Each unit or agency which draws up a plan or enters into an arrangement under subsection (a) shall submit such plan or arrangement to the Secretary of Housing and Urban Development for his approval. Upon such approval, all officers and agencies of the United States shall give priority, including all possible special consideration and preference, to any applications submitted by such unit or agency for assistance under any Federal law or program in connection with the construction or development of housing, the carrying out of open-space or urban development projects, the planning or construction of hospitals, airport, libraries, water supply or distribution facilities, sewerage facilities or waste treatment works, highways, transportation facilities, law enforcement facilities, or water development or land conservation projects, or the planning or carrying out of any other urban or areawide development programs or projects, with emphasis upon the development of a sufficiently stable neighborhood possessing an adequate level of amenities for all residents of the area or areas involved.

(c)(1) No plan described in subsection (a) shall be approved by the Secretary unless it is accompanied by satisfactory assurances that all low and moderate income housing constructed in accordance therewith, other than housing which (under applicable State or local law) is specifically exempt from tax or subject to tax only in reduced amounts or at reduced rates, will pay its full share of any local real estates taxes which are generally applicable to housing of the type involved.

(2) Where any of the housing involved is low-rent public housing which is exempt from real and personal property taxes levied or imposed by the State, city, county, or other political subdivision in which the project is located, the plan may be approved only if the public housing agency having jurisdiction over the project is required to make payments in lieu of taxes with respect to the project and the amount of such payments is increased by not less than 10 per centum each year until such time (not later than 10 years after the first such increased payment) as the amount of such payments equals the full amount of such taxes which would be paid with respect to the project except for the exemption. Notwithstanding any other provision of law, the Secretary may cause or permit any contract for annual contributions which may be outstanding with respect to the project to be amended in order to conform with the provisions of this paragraph, and, if conformity with such provisions would require an increase in the annual contributions payable with respect to the project, may provide for such increase in the amendment.

(d) For purposes of this section, the term "metropolitan area" means any city or municipality having a population of 100,000 or more (as determined on the basis of the most recent decennial census), together with all general or special purpose units of local government located within a 50-mile radius of such city or municipality (whether or not located within the same State).

(e) The Secretary shall upon request provide appropriate technical assistance to any unit or agency developing a plan or entering into an arrangement as described in subsection (a).

(f)(1) For purposes of this Act, income levels and the definition of low and moderate income housing shall be determined by the Secretary on the basis of low and moderate income budgets published for the respective areas involved by the Bureau of Labor Statistics in the Department of Labor, with such adjustments as the Secretary may consider necessary in order to allow for variations and special circumstances within such areas.

(2) The determination of what may constitute a proportionate number of units of low and moderate income housing for any area shall be made by the Secretary on the basis of figures developed by the Bureau of the Census showing the number of low and moderate income families within such area and shall take into consideration the housing presently available within such area for such families.

NADER'S CONGRESSIONAL INVESTIGATION

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

Mr. DEVINE. Mr. Speaker, Ralph Nader's investigation of congressional offices involves many areas, and the Members are undoubtedly interested in the questions to be asked, and instructions given by Mr. Nader to his investigators. I am submitting these in the RECORD so that all Members may have an opportunity to know what to expect:

VII. DISTRICT OFFICE INTERVIEW

INTRODUCTION

1. Call "Directory Assistance" for the largest city in the Congressional district and ask if they have these listings:

a. Under the heading of U.S. Government, is there any listing for the Member of Congress or his/her district office? Yes or no.

b. Under the Member of Congress' name, is there a telephone listing? Yes or no.

c. Are the telephone number and address of a district office listed? Yes or no.

If you are unable to locate the district office, call the Member's personal phone number if listed and ask for the address and phone number of the district office. You may also look in your local library or call the reference section of the largest public library nearby and ask them to look in the most recent *Congressional Staff Directory* for the telephone number and address of the Member of Congress' district office. Or call the political reporter of a local newspaper.

Explain how you finally located the district office(s):

2. List below the address(es) and phone number(s) of the district office(s):

Address and telephone number.

3. Using the enclosed map of your Congressional district, determine whether the

district offices are within the boundaries of the district. Put a star beside the offices listed above that are outside the district. Then mark on the enclosed map the approximate locations of the district offices, using the letters assigned above.

4. If there is more than one office, call one and ask which is the largest district office. Call the largest office and ask when you will be able to talk in person with the Member's main staff representative there. Make an appointment if necessary.

5. When you visit the office, or if you make an appointment on the telephone, give your name and identify yourself as a researcher for the Ralph Nader Congress study which is running a standard survey of all district offices in the country. Explain that you have a few questions as part of a nationwide survey that will take a short while. If there is absolutely no way that you will be able to interview the main staff representative, then try to see the person next in line who is familiar with the operations of this district office. If you can't interview anyone in any office, call our office for further instructions.

The district office may want you to speak directly to the Member of Congress instead of talking with the main district staff representative. If this happens, explain that the Congress Project's professional staff plans to request an interview with the Member later in Washington, D.C., but that we would like to learn about the district office from the perspective of the staff members who represent the Member in the district. If the office insists that you talk only with the Member, then do so, making it clear that this should not preempt a later interview in Washington, D.C.

The staff may want to know more about you or about the Congress Project before consenting to an interview. If so, show them the enclosed "Description of the Project" and answer their questions if you can. Please do not give them copies of the questionnaire; it is for your use. You may be given only a short time for the interview; if it looks as though you will not be able to complete it in the allotted time, ask the circled questions first and go back to the remaining questions later if time permits. You may have to make more than one visit to the office to complete the interview. You may also need to talk with several staff members, if the main representative does not know about certain parts of the office operations (such as casework or press relations). If you talk with more than one person, indicate *clearly* who answered each question.

6. Once you have arranged for the interview, conduct it in a businesslike and courteous manner. Please use a pen to fill in the answers. Ask every question and fill in all the blanks. If a question is not applicable to your situation, mark N/A and indicate clearly why it is not applicable. If you were not given a response to a question, mark "I Don't Know" or "No Response" and add any additional comments that were made.

7. After you have finished the interview, transfer the answers from your working copy to your final copy. Please print clearly making sure that you have correctly transcribed all of the answers. Mail the final copy to us: Jacqueline Jelley, Field Coordinator, Ralph Nader Congress Project, 1832 M Street, N.W., Suite 101, Washington, D.C. 20036.

Please keep your working copy in case we need to call you.

INTERVIEW AT THE DISTRICT OFFICE

Name of the Member of Congress.

Address of the major district office.

Name of person interviewed.

Title or duties.

Ask the following questions and fill in all answers.

My name is —— and I'm working with Ralph Nader's nationwide Project on Congress. We are doing a standard survey of the district offices of each Member of Congress. We think you would know most about the daily workings of the Member's local offices in this district, and we are interested in your experiences and ideas.

1. How many other official offices does the Member of Congress have in this district?

[If there is *more than one* district office, explain the differences among offices:]

We are interested in the Member's work in the district as carried out through the district offices. Therefore, my questions are intended to apply to all of your district offices. Please let me know as we go along if any of your answers apply to only one office. [Please note in the margin if any answer applies to only one office and which one.]

2. What is the purpose of your district offices?

3. About how many letters would you estimate the offices receive in an average week?

About how many phone calls?

About how many visits?

4. We have a list of some kinds of letters, calls, and visits that district offices often receive; would you *rank* in order of frequency the items on this list:

Requests for help in solving personal problems with the federal government

Requests for help in solving personal problems related to the state and local government (such as sewage backup, voting rights, highway location)

Requests for general information or materials

Complaints about product failures, repairs and safety

Requests for a formal investigation into some general problem area

Expressions of opinion on a pending piece of legislation

Requests for private bills or relief legislation

Other major kinds of communication you receive [Specify]

5. You ranked _____ first. What percentage of the letters, calls, and visits would you estimate deal with this category?

6. About how many letters or cards a month on the average do the *district officers send out* regarding the following matters:

Letters of congratulations or greetings. Please describe:

Letters explaining a legislative position. Please describe:

Letters asking for political support. Please describe:

Casework letters (responses to requests for help).

What other kinds of letters do you regularly send? [Specify]

How many of each kind do you send per year? [Specify]

We're interested in how the district offices learn about the opinions of their constituents on specific issues.

7. Has the Member developed any methods for finding out the view of the constituents? [Explain]

8. Over the past two years have you administered any questionnaire to constituents?

[If yes] How many?

How much did they cost in total?

[If no] Why not?

Do you go to every family in the district? [If no] Who received them, how many received them, and why were these people chosen?

Generally, what percentage of those questionnaires sent out are answered and returned?

What impact have the responses had on the Member's voting record?

9. Have you ever used any of the following ways of discovering district opinion? [Check if yes]

Taking a poll on the streets? (When?)

Counting up letters and calls taking sides on an issue? (When?)

Mobile district offices? (When?)

Fact-finding trips? (When?)

Hearings or open community discussions or "town meetings?" (When?)

Going door-to-door? (When?)

If you have ever used any of these methods, please tell me what issues were covered, what information was exchanged, and which constituents were consulted? [Explain]

10. Which method of discovering constituent opinions has aroused the most interest?

11. Has the Member initiated any new forums or proposals for citizen participation and communication on public issues?

12. To your knowledge, how often has constituent opinion prompted the Member to vote differently than he/she otherwise would have in the past two years?

Can you give me an example?

13. What would you say are the most pressing problems that people living in this district face? [Do not offer examples—if the interviewee asks for clarification, simply restate the question as it is given here.]

14. Which specific people, groups, or businesses would you rate as most active in expressing their views or advice to the district offices? [Mark below. Seek specifics: Not "Labor," for example, but "Garment Workers Union, Local #43"] About how many times a month does each of these communicate with your office?

15. What would you say was this office's greatest crisis or controversy over the past five years?

[If none] What incident required the most activity or work in this office within the last five years?

16. What innovations have been adopted by your office which should be imitated by others?

17. What do you think are the three best accomplishments the Member has achieved for the district?

18. What major federal benefits has the Member helped to bring to the Congressional district? For example, what federal money through jobs, contracts and federal grants, or public works (highways, dams, and military bases) has the Member helped to bring to this district? [List below] What years were those benefits brought to the district? [List below] Can you identify the constituent groups or individuals who suggested or helped the Member get these projects? [List below] Who opposed the projects? [List below]

19. We're interested in learning about the Member's activities in the district. About how many days in a year is the Member usually in the district?

20. When in the Congressional district, about what percentage of time is normally spent on the duties of being a Member of Congress?

Of this time, how would you rank the following activities in terms of time spent?

Holding public office hours in the district office or elsewhere in the district

Giving speeches or talking before the public and press

Consulting with community and political leaders

Are there other things that the Member frequently does here? [Specify]

21. Could you tell me the four to six groups or organizations before which the Member has spoken or appeared most frequently in the past year?

22. What organizations does the Member visit most frequently? (For example, social, religious, recreational, cultural and political clubs)

MEMBER OF CONGRESS

23. What awards or honors has the Member received over the past two years?

24. Has the Member engaged in any public debates in the Congressional district during the past two years?

[If yes] About how many?

When were they held?

Who first proposed the meetings?
Who were the opponents in the debates?
Were they televised?
Were they broadcast [i.e., radio]?
Do you have articles on, or transcripts of, the debates that you could give me?
[If yes, collect them.]
[If no] Where could I obtain them?

25. Does this office have a copy of the Member's voting and attendance record available for review?
[If no] Where in the Congressional district is the Member's voting record for the period since January of 1970 available?

26. Are you familiar with the daily schedule of the Member and of important events in the D.C. office, in case a constituent calls to ask about a scheduled event in the D.C. office?
[If yes] What is your procedure for learning this information?

27. In your own opinion, what was the major emphasis of the Member's legislative activity in Washington, D.C. this term?

28. What new ideas has the Member proposed recently of which he/she is especially proud?

29. Is there a minority group in significant numbers in the district?
[If yes] Are there members of the district office staff from this minority group?
[If yes again] How many?

STAFF

We are studying how Congressional offices in each district divide up their staffs' time and what various tasks are accomplished?

30. Could you briefly summarize the job of each person who works in the District Office and about how much of the time of each (None, ¼, ½, ¾, All) is spent on clerical work, casework, community and press relations, studying and preparing reports for legislative guidance, preparing for the campaign?

31. What has been your turnover in staff in the last two years?
Number left.
Number hired.

32. Could you please list any major studies of problems affecting the district written by district office staff since January of 1970:

33. Do any groups or organizations (such as schools, companies, or labor unions) ever supply volunteers to help your offices?
[If yes] About how many have worked since 1970?
Which organization, union, or business supplies the most volunteers?

34. Have any consultants or researchers or other staff members ever been employed or paid by someone else and used by the Member or the district office?
[If yes, identify]

35. How many hours a week are the district offices open to the public?

36. How many of these hours are after 5 p.m. or on weekends?

37. Are any of the district offices rented with money other than the government allowance?
[If yes, identify]

38. Are any of the district offices not in federal buildings?
[If yes] Do you know who owns the non-government buildings?
[If yes again] Please identify these owners.

39. Does the Member ever supplement the office budget with his/her personal income or savings?

40. Do you ever find that special services or discounts are available to a Congressional district office?
[If yes] Can you please give me some examples?
Do any persons or groups ever help with printing or mailings by giving labor, materials, discounts, or other assistance?
[If yes] Please explain:
Were any of the supplies and equipment for the offices donated or sold to the offices at a discount price?
[If yes] Please give details.
Does anyone ever provide a car, airplane, or other form of transportation for the Member?
[If yes] Who?

PRESS

We're also interested in the work of the local press.

41. How often would you estimate that news of the Member's activities in Washington, D.C. appears in the local papers, TV, or radio, not including the three months just before an election?

42. Does the Member have a regular local radio or TV program?
[If yes] How often?
On what stations?
Who sponsors it?

43. Does the Member have a regular newspaper column?
[If yes] How often does it appear?
In what newspaper?

44. No public official can please everyone all the time. Has any unfavorable publicity about the Member been carried in the local press in the last two years?
[If yes] Could you give me a brief summary of the publicity and the approximate time of the coverage?
What did the Member do about the unfavorable publicity?

45. Have any biographical sketches or articles been written about the Member or about the Congressional district in the last several years either in public or private publications, such as newspapers, books, trade journals, and union or business newsletters?
[If yes] What were the titles and authors, and where can I obtain copies?

46. Has the Member written any books or major articles in the last five years?
[If yes] Please list them:

CASEWORK

47. Which three or four problems of your constituents dominate most of the casework load in your district offices?

48. About what percentage of the problems that people bring to the district offices are related to their business?
What types of business problems are they?

49. About what percentage of the casework does the Member personally handle?

50. Do the offices ever give the Member a report on the numbers and type of problems brought to each of the district offices?
[If yes] How often does the Member receive such a summary?
Do you regularly include how the problems were solved or suggestions for possible legislative solutions?

51. What other methods does the Member use to become familiarized with the district officers' casework?

52. Over the past five years, has the Member or the staff in Washington, D.C. or in the district written, sponsored, or caused to be introduced in Congress legislation which was designed to eliminate some problem brought to light by district office casework?
[If yes] Please describe all of that legislation.
[If no] Why not?

53. Has the Member helped to establish complaining centers in the agencies of government most complained about?

ELECTION CAMPAIGN

Were any of the following materials or services donated, loaned, or sold at a discount to the Member's campaign? [Check the appropriate item(s) and transfer the number(s) of the item(s) to the answer space(s).

__ 1. cars, airplanes or airplane space, pilots, drivers
__ 2. credit card
__ 3. security for loans
__ 4. paper, printing, stamps or postage meter
__ 5. copy or speech writers
__ 6. public relations experts
__ 7. campaign organizers
__ 8. computer time
__ 9. automatic typewriters
__ 10. billboard space
__ 11. opinion polls
__ 12. campaign dinners or events
__ 13. campaign headquarters
__ 14. telephone line or credit card
__ 15. sound or TV taping facilities
__ 16. lists of registered voters or mailing lists.

Ans.____
Ans.____
Ans.____
Ans.____
Ans.____

[For each item checked above] Who specifically loaned, donated, or sold it to the campaign and what are their corporate or organizational affiliations?
Are there any other ways in which the Member's campaign was aided by donations of commodities or labor?

55. From which groups or individuals in the district did the Member get endorsements in the last election? Please list them:

56. Which segments of the district population (such as blacks, youth, blue-collar workers) gave the Member the greatest support in the last election?

57. From what groups or individuals did the Member's opponents in the last election get the *most votes?* [List]
The *most financial support?*

58. Why do you think they favored the opponent?

59. What major issues were raised by the Member and the opponents in the last campaign?

60. What campaign promises did the Member make? [List]
Have they each been carried out?

61. What would you say was the Member's major difficulty in conducting the 1970 campaign?

62. Who was the Member's campaign manager?
Present Occupation:

63. Who was the campaign treasurer?
Present Occupation:

64. Did the Member have to borrow money to fund the latest election campaign?
[If yes] From whom was it borrowed?
Has it been repayed?

65. Who were the three largest individual or organizational contributors to the Member's 1970 campaign fund? Could you also tell me their corporate, association, or union affiliations if they have any? Can you estimate the value of their contributions?

ELECTION CAMPAIGN

66. Have any contributors requested assistance from your office since the last election?
[If yes] Please give details:

67. Where is the 1972 campaign office?
Who is the 1972 campaign manager?
Manager's occupation?
Who is the 1972 treasurer?
Treasurer's occupation?

68. What factors were most important in the Member's successful campaigns (primary and general) in 1970? [Circle the number(s) representing the interviewee's response(s) and transfer the number(s) to the answer space.]

	Primary	*General*
No opponent	1	13
Established reputation	2	14
Opponent unknown	3	15
Opponents' mistakes	4	16
Partisan voters	5	17
Redistricting	6	18
Strong campaigning	7	19
Endorsements: politicians; union; newspaper	8	20
Vote split among 3 or more	9	21
Consistent attention to constituent needs	10	22
Strong financial support	11	23
Other: [Specify]	12	24

Ans. ____
Ans. ____
Ans. ____
Ans. ____
Ans. ____

69. What other candidates for office did the Member endorse in the 1970 campaign?

OCCUPATION

70. What was the Member's main occupation before running for political office?

71. In what ways is the Member still connected with that occupation?

72. If the Member practiced law, is he/she still associated with a firm in name or in practice?

[If yes] Name the firm:

Who are the firm's biggest clients? [List]

Which clients does the Member himself (herself) handle? [List]

73. What other employment or business positions (Board of Directors, partnership, ownership) does the Member currently have outside Congress? [Describe]

74. About how often do the Member's former or current occupational associates contact the district offices on a business matter?

75. When customers or clients of the Member's business or former business contact this office on a business matter, do you as a common practice?

Refer them back to the firm or business?

Refer them to the Washington, D.C. office?

Refer them elsewhere? [Specify where]

Handle the matter yourselves?

[If none of the above, specify what is done:]

76. Are you familiar with the Member's financial holdings, (real estate, stock) both locally and otherwise?

[If yes] Describe holding and amount:

77. Does the Member plan to retire from office soon?

[If yes] What will the Member do after leaving office?

78. Has the membership on any committee proved advantageous or disadvantageous for the Member in the district?

[If yes] Explain:

79. Who are the top ten community leaders the Member goes to when seeking the pulse of the community? What parts of the community does each represent?

80. Could you describe the requirements in this district for registering to vote? [List]

Is an effort made by your office to encourage and help people to register?

c. [If yes, describe]

Is it more difficult in any way for minorities, poor people or young people to register? [If yes, describe]

DOCUMENTS

81. Finally, there are different policies on the public availability of documents. To survey these differences, we have a list of documents sometimes found in district offices. We would like to read this list and check off those you have and those this particular office makes public.

A. Which of these documents do you have in this office? [Read the list on the next page and check the appropriate space]

B. Where else are they kept? [Mark on next page]

C. Which, if any, of these documents are available to the public? [Mark on next page]

D. I would like to inspect the following documents, please. [List whichever documents are in this office and are available to the public. Note the ones which are not produced for your inspection and ask for the exact reason for each denial. Ask for clarification: "I thought you said that these documents are open to the public?"]

E. [Collect any of these documents or copies of them (except for No. 5, files) that the office will give you.]

[If the office charges a fee for copying, please note the cost in column E. Please do not pay for copies unless you are willing to bear the cost yourself as a contribution to the project.]

Date:

Your Name:

District number:

State:

(NOTE.—Each category was divided into the following categories: A. In District offices; B. Elsewhere (specify); C. Available to Public Yes/No/Reasons; D. May I see? Yes/No/Reasons; E. Copies Yes/No/Reason Cost.)

1. Payroll records.
2. The calendar or appointment book of the Member and his/her district representative.
3. The form letters or guides for standard answers to common inquiries.
4. An index of the office files.
5. The office's files, including all correspondence except that which has specifically asked for confidentiality and where there would be retaliation by employers or others.
6. A record of the office's casework over the past 6 months.
7. All newspaper clippings concerning the Member especially from May to Nov. 1970.
8. All newsletters of the Member for the past 6 years.
9. Copies of questionnaires and the results obtained for the past two years.
10. Major campaign materials, especially for 1970, including mailings, pamphlets, leaflets, and major ads.
11. Treasurer's statements or records of the Member's campaign finances for the last election.
12. Disclosure statement of the Member's complete financial holdings (if any).
13. Copies of any of the Member's lectures, speeches, TV and radio transcripts, and other materials written by the Member.

END OF INTERVIEW

[Ask for other comments. You might say, "That finishes all the specific questions I have. Do you have any other comments, or is there anything else that you want to add about the district office or the Member's activities here in the Congressional district?"]

[NOTE.—Don't forget to complete the post-interview forms attached.]

IS INFLATION REALLY ON THE WANE?

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

Mr. ROUSH. Mr. Speaker, today we are continually confronted with facts and statistics, sometimes conflicting, often confusing; and with projections concerning the present and future state of the economy.

One hardly knows if inflation is really on the wane, or if purchasing power is simply absent. And it is hard to tell just where the unemployment curve is when to really understand it we are told to exclude millions of unemployed women and youths first.

Despite all of this, in this world of uncertainty, I have come upon a comforting discovery; one I would like to share with my colleagues. Were you so fortunate as to be traveling through Indiana in the near future, you would find, as I have, outstanding and specific evidence of the success of the President's Phase II. I wanted to call this to your attention and point it out to the administration because I know the administration is hard pressed to find credible evidence that Phase II of the NEP is working.

Well, in Topeka, Ind., it certainly is and I would like you to know that Turner's Pharmacy there still offers a cup of coffee for 5 cents. Now, any of you who wishes to rush out to Topeka, let me advise you that this town is located in La Grange County, 2 miles east of Indiana State Highway 5 and about a mile north of the La Grange-Nobel County line.

But I must exercise a word of caution to you and tell you that the 5-cent cup of coffee is not a widespread practice in Indiana. In fact that cup of coffee, which I thoroughly enjoyed and which buoyed my spirits, was the only evidence of success of the program I found in miles of travel throughout my district during the Easter recess.

Small as this is, it is significant. Such a discovery gives one hope. It is something like finding the first crocus of spring and one feels impelled to murmur with the poet: "O, Wind, if Winter comes, can Spring be far behind?" Does this nickel cup of coffee make promise for the future, or does it only reflect the nostalgia of the past?

LAWYERS COMMITTEE ON AMERICAN POLICY TOWARD VIETNAM MEMORANDUM OF LAW ON IMPEACHMENT

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

Mr. DELLUMS. Mr. Speaker, if nothing else, the Nixon administration's escalation of American adventurism in Vietnam should point out clearly that a small cadre of policymakers are able to flaunt the will of the people and the rule of law when given the "opportunity" to suit their fancy.

At this point it becomes meaningless to sit back and criticize the bombing stepup because that escalation shows that we in the Congress have not—I repeat, have not—demonstrated our willingness to change or stop this madness.

Where it leads, I think, is to a serious consideration of the rights and powers of both the President and the Congress in the maintenance and escalation of U.S. offensive capabilities and operations in Southeast Asia.

One group of distinguished lawyers, the Lawyers Committee on American Policy Toward Vietnam, has recently completed and endorsed a major study of the history and precedents of the impeachment mechanism as it relates to the American stance in Indochina. This serious study deserves close scrutiny by the Members of the Congress and by the public at large because it indicates that there are clear and sufficient existing grounds today for this body to have brought before it a bill of impeachment against Richard M. Nixon.

For myself, I deem it capricious for a solitary Representative to stand before you and call for impeachment—even if such clear grounds for impeachment are in evidence. Impeachment has to be—must be—a broad, national action, one supported by widespread public backing.

Therefore, while I personally feel there are overwhelming grounds for impeach-

ment of Richard M. Nixon, all I ask today is for my colleagues to study this important document and to use it as a guide not only for the critical action of impeachment, but also as a framework for the control and determination of policy by the Congress.

The study follows:

LAWYERS COMMITTEE ON AMERICAN POLICY TOWARD VIETNAM

MEMORANDUM OF LAW ON IMPEACHMENT

The conduct of President Richard M. Nixon, since the adoption of the "National Commitment Resolution" of June 25, 1969, and since the repeal of the Gulf of Tonkin Resolution on December 31, 1970 as well as the continued prosecution of the Southeast Asian war in utter disregard of the governing Nuremburg Principles affecting the conduct of war, made President Nixon culpably guilty of "high crimes and misdemeanors" warranting the presentation of a bill of impeachment by the members of the 92nd Congress.

The members of the 92nd Congress, and particularly the new generation of Congressmen who harbor such a close kinship for the families of the 45,000 casualties, the more than 300,000 wounded and, yes, the 35,000 drug addicts, have an opportunity to render their country a service which only members of the House of Representatives can render.

The members of the House of Representatives of the 92nd Congress must disassociate themselves from the commitments of the Congresses that immediately preceded them. All appropriations that are voted on by them and all amendments to the Selective Service Act must be made with the stipulation and the condition that the action is taken only for the purpose of bringing the war to an end. Clarifying amendments should be introduced to avoid any inference that their voting for appropriations or extensions of the draft constitute a ratification of the existing military activities.

Judge John F. Dooling, Jr., in his decision in the *Orlando v. Laird* case in the U.S. District Court for the Eastern District, recited the many instances in the past that Congress, by passing "the repeated amendments to the Selective Service Act," and laws affecting Veterans' Benefits for the "period of the war" and finally concluded: "But it is idle to suggest that the Congress is so little ingenious or so inappreciative of its powers, *including the power of impeachment*, that it cannot seize policy and action initiatives at will, and halt courses of action from which it wishes the national power to be withdrawn. . . .

"That, however, is simply a charge of Congressional pusillanimity . . .

"The Constitution presents the Congress with the oportunity for it, but it cannot compel the making of unpopular decisions by the members of Congress."[1] (emphasis supplied)

Some members of Congress have already begun to despair. Some have among themselves, reflected on the issue of impeachment. Still others have given expression to the extant power vested in the House of Representatives to discipline officials guilty of political crimes.

Under our Constitutional history the House of Representatives—the popularly elected branch of government—is the last rampart in the defense of the rights of the people.

Persons subject to impeachment are set forth in Article II Section 4 of the Constitution. It provides that "The President, Vice President and all civil officers of the United States shall be removed from Office on Impeachment for, or Conviction of Treason, Bribery or other high Crimes and Misdemeanors."

Between 1797 and 1936 eleven impeachment trials were conducted to final decisions. The two most important ones were that of Associate Justice of the Supreme Court, Samuel Chase (1805), and that of President Andrew Johnson (1868), the remaining nine were United States Federal Judges, one senator and a Secretary of War. In the case of the senator no action was taken because he was not subject to impeachment. The final decisions in the remaining ten impeachment trials were six acquittals and four convictions.[2]

"HIGH CRIMES AND MISDEMEANORS"

(As considered at the Philadelphia Constitutional Convention of 1787)*

The fifty-five members who wrote the Constitution, met in Philadelphia in secret sessions between May and September 1787. The records of their deliberations that did come down are sparse and the discussions by them of the section dealing with the "removal of officials" is quite limited. It was a fact, however, that the delegates met after a long war which ended the abuses of a tyrannical king and the need of avoiding the return of a "king" was prominent in their minds and hearts.

What follows is a day by day discussion of the section dealing with the conditions for impeaching a government official.

On *May 29, 1787*, a draft for a "Plan for a Federal Constitution" was presented by Charles Pickney. Article VIII of this plan provided that the President "shall be removed from his office on impeachment by the House of Delegates, and conviction in the Supreme Court, of treason, bribery or corruption." (p. 131)

On *June 2*, during the debate on that section, Mr. Dickinson moved "that the executive be made removable by the national legislature, on the request of a majority of the legislatures of the individual states." "The happiness of this country, in his opinion, required that considerable powers be left in the hands of the states." Mr. Sherman contended, "that the national legislature should have the power to remove the executive at pleasure." (p. 147)

On *June 13, 1787*, this summary power of removal was rejected and a motion was made to substitute the following language "and to be removable on impeachment and conviction of mal-practice or neglect of duty." (p. 190)

On *July 20, 1787*, during the debate, it was observed by Col. Mason that "No point is of more importance than that the right of impeachment should be continued." (p. 340) Dr. Franklin was for retaining the clause . . . it would be the best way, therefore, to provide in the constitution for the regular punishment of the executive, where his mis-conduct should deserve it, and for his honorable acquittal, where he should be unjustly accused." (pp. 340–41)

James Madison immediately added to Dr. Franklin's conclusion that he "thought it indispensable that some provision should be made for defending the community against the 'incapacity, negligence, or perfidy of the Chief Magistrate' " (p. 341).

"Mr. Gerry (at the same session), urged the necessity of impeachments. A good magistrate will not fear them. A bad one ought to be kept in fear of them. He hoped that the maxim would never be adopted here that the chief magistrate could do no wrong." (p. 341)

"Mr. Randolph" observed, "the propriety of impeachment was a favorite principle with him. Guilt, wherever found, ought to be punished. The executive will have great opportunities of abusing his power, particularly in time of war, when the military force, and in some respects the public money, will be in his hands. Should no regular punishment be provided, it will be irregularly inflicted by tumults and insurrections." (p. 342)

On *August 6, 1787*, the report of the Committee of detail was submitted and a printed copy at the same time furnished to each member. Article 9, Section II concerned itself with the duties, powers and responsibilities of the President of the United States of America and provided in part that "He shall be removed from his office on impeachment by the House of Representatives, and conviction, in the Supreme Court, of treason, bribery, or corruption." (p. 380)

On *September 4, 1787*, as the Convention was drawing to a close, a Committee of Eleven was created to whom sundry resolutions were referred for additions and alterations. This Committee inserted in the section dealing with impeachment the following change. "The Senate of the United States shall have power to try all impeachments, but no person shall be convicted without the concurrence of two thirds of the members present." But this Committee of Eleven made a further alteration to wit "He shall be removed from office on impeachment by the House of Representatives and conviction by the Senate for *treason or bribery*." (p. 507)

On *September 8, 1787*, the Committee of Eleven resumed its work. The clause referring to the Senate, the trial of impeachment against the President, was taken up. Col. Mason observed "Why is the provision *restrained to treason and bribery only*? Treason, as defined by the Constitution, will not reach many great and dangerous offenses. . . . Attempts to subvert the Constitution may not be treason as above defined . . . it is more necessary to extend the power of impeachment." Col. Mason moved to add after "bribery" or "maladministration." This was seconded by Mr. Gerry. Mr. Madison then observed, "So vague a term will be equivalent to tenure during the pleasure of the Senate." Col. Mason thereupon withdrew "maladministration" and submitted "other high crimes and misdemeanors against the State." On the question thus altered the vote was Ay 8 No 3. (p. 528) The delegates to the Convention signed the Constitution on September 17, 1787.

What constitutes "high crimes" has eluded most authorities on constitutional law and the English Common Law. Pollock and Maitland, in their definitive "History of English Law" (Vols. I and II) devote a chapter (Crime and Torts), of more than one hundred pages, to an inquiry into crimes. There is much consideration of "petty treason" and "high treason". High treason covers forgeries, the making of counterfeit money and clipping of coin (Vol. II p. 511). But what constitutes "high crimes" has eluded these writers.[3]

During the trial of Supreme Court Justice Samuel Chase for impeachment, a reference was made to Blackstone's commentaries: at one point in the argument it was urged, "Let us try judge Chase by this test, 'A crime or misdemeanor' (says judge Blackstone) 'is an act committed or omitted, in violation of a public law either forbidding or commanding it.' This general definition comprehends both crimes and misdemeanors, which, properly speaking, are mere synonymous terms."[4]

The writers of commentaries, historians and text writers on the constitution, have, each in his own way, attempted to answer the inquiry "what are impeachable offenses". *Kent* in his *Commentaries* concluded that "The president, as well as all other officers of the United States, may be impeached by the house of representatives for treason, bribery, and other high crimes and misdemeanors . . ." If then "the president will use the authority of his station to violate the constitution or law of the land, the house of representatives can arrest him in his career by resorting to the power of impeachment."[5]

Footnotes at end of article.

Story, in his treatise *On the Constitution*, answered the inquiry of what are impeachable offenses as follows: "The only practical question is, what are to be deemed high crimes and misdemeanors? Now, neither the Constitution nor any statute of the United States has in any manner defined any crimes, except treason and bribery, to be high crimes and misdemeanors, and as such impeachable." [6]

"Congress have unhesitatingly adopted the conclusion that no previous statute is necessary to authorize an impeachment for any official misconduct . . . It seems, then, to be the settled doctrine of the high court of impeachment that, though the common law cannot be a foundation of a jurisdiction not given by the Constitution or laws, that jurisdiction, when given, attaches, and is to be exercised according to the rules of the common law; and that what are and what are not high crimes and misdemeanors is to be ascertained by a recurrence to that great basis of American jurisprudence (see Jefferson's Manual, Sec. 53, title, *Impeachment*, pp. 29 to 31)." [7]

Cooley, in his *Principles of Constitutional Law*, defines impeachable offenses as follows: "The offenses for which the President or any other officer may be impeached are any such as in the opinion of the House are deserving of punishment under that process. They are not necessarily offences against the general laws. . . . It is often found that offences of a very serious nature by high officers are not offences against the criminal code, but consist in abuses or betrayals of trust, or inexcusable neglects of duty. . . ." [8]

Pomeroy, in his treatise *"Constitutional Law*, discusses the grounds of an impeachment at some length. In essence his estimate is that the President or Vice President who has "knowingly and intentionally violated the express terms of the Constitution, or of a statute which charged him with an official duty . . ." is impeachable.

He then lists specific instances which make the President culpable. The following two instances have direct bearing on President Nixon's culpability:

(1) The "President has the sole power to carry on negotiations with foreign governments. Congress may not dictate to him, or restrain him, much less make any kind of diplomatic intercourse on his part an indictable offense. But by a rash, headstrong, wilful course of negotiation carried on against the best and plainest interests of the country, although without any traitorous design, he might plunge the nation into a most unnecessary and disastrous war. For such an act he would be impeachable."

(2) The "President as Commander-in-Chief has the sole power to wage war. Congress may not dictate to him the campaigns, marches, sieges, battles, retreats, much less make any method of conducting the actual hostilities an indictable offense. But if his conduct was something more than a mere mistake in the exercise of his discretion, although not an adhering to the enemies of the United States giving them aid and comfort, he might, by a stubborn and wilful persistence in his plans after their failure had demonstrated their futilitiy, bring defeat, disgrace, and ruin upon his country. For such an act he would be impeachable. Many more instances might be given, but these are sufficient for illustration." [9]

Pomeroy in discussing the grounds of an impeachment makes the pointed observation that "Narrow the scope of impeachment, and the restraint over the acts of rules is lessened." He concludes his observations in the following significant language: "The phrase 'high crimes and misdemeanors' seems to have been left purposely vague; the words point out the general character of the acts as unlawful; the context and the whole design of the impeachment clauses show that these acts were to be official, *and the unlawfulness was to consist in a violation of public duty which might or might not have been made an ordinary indictable offence.*" In Pomeroy's estimate the grounds for impeachment is that "The importance of the impeaching power consists, not in its effects upon subordinate ministerial officers, but in the check which it places upon the President and the judges," [10] (emphasis supplied)

THE IMPEACHMENT OF PRESIDENT ANDREW JOHNSON

President Abraham Lincoln, even before his death, had approached "Reconstruction" in a constitutional and charitable manner. President Lincoln was prepared to recognize a seceded state when 10% of the population had taken an oath to uphold the Constitution. The radicals in Congress were opposed to this procedure and when President Johnson attempted to enforce Lincoln's policy of reconciliation, they organized their opposition.

Pursuing the Lincoln policy, President Johnson granted general amnesty to all participants in the rebellion who took an oath of allegiance to the United States. Soon after the reorganization of the Southern States, under Lincoln and Johnson, they enacted the "Black Codes." Under these codes, Negroes could be held as vagrants and in assigning them to the highest bidder to work off the fines, a new form of slavery was being reestablished. The reaction in the North to the "Black Codes" was crystallized by Horace Greeley who said that the South would not "stop short of the extermination of the black race" and the "Chicago Tribune" wrote, "that men of the North will convert the State of Mississippi into a frog-pond before they will allow any such laws to disgrace one foot of soil in which the bones of our soldiers sleep and over which the flag of freedom waves." [11]

After the 1866 midterm election, the struggle between the Radical Republicans in Congress and President Johnson became acute. A series of Reconstruction Acts were passed; and all were passed over President Johnson's veto. Finally, in March 1867, Congress passed the Tenure of Office Act which prohibited the President from removing office-holders except with the consent of the Senate.

President Johnson thereupon removed Secretary of War, Edwin Stanton. Secretary Stanton refused to resign, the radicals claiming that Stanton's removal was without the consent of the Senate. On March 2, 1868, the House of Representatives adopted a resolution impeaching President Johnson, charging him, in eleven articles, of "high crimes and misdemeanors." The first nine charges were concerned with President Johnson's violation of the Tenure of Office Act. The tenth charge accused him of attacking Congress with "inflammatory and scandalous harangues" and with intent "to bring into disgrace, ridicule, hatred, and contempt the Congress of the United States."

President Johnson escaped impeachment by a single vote. But by the filing of the bill of impeachment, the crisis that confronted the country at that time was overcome. The Radicals regained control of the legislative and the executive branches. The Reconstruction program in the South was reconstituted. The "Black Codes" were eliminated. The Fourteenth Amendment was adopted and the civil rights of Negroes, for at least a decade, were assured (1868–1877).

Of the eleven impeachments that went to trial and which are referred to above, the impeachments of President Andrew Johnson and Associate Supreme Court Justice Samuel Chase are the only trials—because of the very nature of the offices held by them—that have bearing upon the contemplated impeachment of President Richard M. Nixon. Brief reference, therefore, must be made to the impeachment proceedings that involved Associate Justice Samuel Chase.

Justice Chase was one of the 42 justices who were designated by President John Adams during the last week of this tenure, under an act passed just prior to his retirement. Soon after President Thomas Jefferson took office, an act was passed repealing the Adams act under which Justice Samuel Chase was appointed; but, under the Constitution, Associate Justice Samuel Chase could only be removed by way of impeachment.

The struggle between the Federalist oriented Judiciary of 1801–1805 and the Jeffersonian Republicans was such that a bill of impeachment was finally resorted to by the House of Representatives in 1805 to effect the removal of Justice Chase.

The Articles of Impeachment charged Justice Chase with conducting himself "in a manner highly arbitrary, opposite and unjust"; that he was prompted by a "spirit of persecution and injustice"; that he conducted another case "with an indecent solicitude"; "with an intent to oppress and procure the conviction" and finally with, "delivery to the said grand jury an intemperate and inflammatory political harangue with intent to excite the fears and resentment of the said grand jury."

The charges set out in the Bill in Impeachment in the opinion of the House of Representatives of 1805, were inadequate to bring Associate Justice Chase to trial. Although the effort to impeach Justice Chase "ended in an acquittal by a narrow margin," [12] one historian attributed it to the dominance of the Senate by Federalists.

THE IMPEACHMENT OF PRESIDENT RICHARD M. NIXON

The publication of the Pentagon Papers by the New York Times and the Washington Post have already demonstrated the conditions under which the United States became involved in the Southeast Asia war and we will not burden this memorandum with more than reference to it.

The "Nixon Edition" of the Pentagon Papers, we must assume, will expose the present Administration's shortcomings and irregularities but in this section we will address ourselves to the specific grounds for the impeachment of President Richard M. Nixon.

The 91st Congress, soon after President Nixon's inauguration (on Feb. 4, 1969) began consideration of the "National Commitment Resolution" introduced on that day by Senator William J. Fulbright. This resolution was agreed to on June 25, 1969. It reads in part: *"Resolved*, That (1) a national commitment for the purpose of this resolution means the use of the Armed Forces of the United States on foreign territory, or a promise to assist a foreign country, government, or people by the use of the Armed Forces or financial resources of the United States, either immediately or upon the happening of certain events, and (2) it is the sense of the Senate that a national commitment by the United States results only from affirmative action taken by the executive and legislative branch of the United States Government by means of a treaty, statute, or concurrent resolution of both Houses of Congress specifically providing for such commitment." [13]

In the face of this clear mandate of Congress, on the evening of April 30, 1970, President Nixon informed the American people that "in order to avoid" a wider war and keep down the "casualties of our brave men in Vietnam" he ordered American troops to invade Cambodia. In that same address, he declared that the invasion of Cambodia was indispensable to the withdrawal of our troops and that if we escalated our efforts in Cambodia, it would aid our program of Vietnamization.

Footnotes at end of article.

In commenting on the Cambodian invasion, former Secretary of Defense Clark Clifford stated, "How unfortunate it is that President Nixon did not heed the congressional testimony of Secretary of State William P. Rogers when he testified on April 23, just one week before the President spoke. Secretary Rogers said: 'We have no inclination to escalate. Our whole inclination is to de-escalate. We recognize that if we escalate and get involved in Cambodia with our ground troops, that our whole program (Vietnamization) is defeated.' " [14]

The Cambodian invasion, constituted a "high crime" warranting impeachment. His action was personal in character since it is clear that his own Secretary of State was unaware of his plans for the invasion of Cambodia and the act was a high crime because it constituted a commitment "of the Armed Forces of the United States on foreign territory" [15] without the approval of Congress.

The second "high crime" of which President Nixon is guilty, is the invasion of Laos. The Gulf of Tonkin Resolution was passed on December 31, 1970, and signed by President Nixon on January 12, 1971. This act of Congress terminated the war-making authority of the President. Laos was invaded in February, 1971. President Nixon, in signing the repeal of the Gulf of Tonkin Resolution, was aware that his powers to declare war without the approval of Congress would constitute a high crime. But the commitment of air power in support of the South Vietnamese forces without the approval of Congress was also a "high crime" because the "National Commitment Resolution" forbids the commitment of "Armed Forces". The U.S. participation with unlimited air support constituted a "high crime" justifying impeachment.

Finally, in light of the Nuremberg and Tokyo trials, "there are reasonable grounds of regarding Mr. Nixon as responsible for criminal conduct under each" of the three categories of offenses charged to the defendants in those trials: to wit, *Crimes against Peace, War Crimes* and *Crimes against Humanity*. Professor Richard A. Falk, Milbank Professor of International Law at Princeton University, has arrived at these conclusions in his article entitled, "Why Impeachment." [16]

Professor Falk asserts that "Mr. Nixon has been in my judgment and in the judgment of other international law experts, guilty of continuing wars of aggression in Vietnam and Laos and of initiating an aggressive war against Cambodia (1970). The periodic resumption of bombardment against North Vietnam since Nixon took office in situations other than self-defense is a direct violation of the UN Charter. . . ." In urging President Nixon's guilt, Professor Falk declares "It is worth recalling that the Nuremberg Judgment emphasized Crimes against Peace as the fundamental offense: 'To initiate a war of aggression, therefore, is not only an international crime it is the supreme international crime differing only from other war crimes in that it contains within itself the accumulated evil of the whole.' "

In considering President Nixon's guilt of "War Crimes", Professor Falk resolved that "Specifically Mr. Nixon has relied upon saturation bombing by B–52 bombers against undefended villages and inhabited areas, has employed antipersonnel weapons, toxic chemicals and napalm, . . ."

Professor Falk concludes his "Why Impeachment" theses with the affirmation that, "Some might argue that 'international crimes' are not the sort of 'high crimes' that the Constitution contemplated as forming the basis of impeachment proceedings. But surely the Constitution is flexible enough to embrace a range of actiivties that endanger national, even human, survival and have long been reduced to legal form. International law has been developing on this subject over the life of the Constitution, largely, as I have indicated, at American initiative. Our domestic courts since the last century have applied international law to domestic controversies." Professors Kent, Story, Cooley and Pomeroy have been quoted above on the question of High Crimes and Misdemeanors, and it seems clear that in their opinion the Constitution envisaged the acts of President Nixon as high crimes under Article II, Sec. 4.

THE PROJECTED BILL OF IMPEACHMENT OF PRESIDENT NIXON

The mere filing of the Petition for the Impeachment of President Richard M. Nixon will in itself establish the power and responsibility of the members of the House of Representatives to act in behalf of the people when the Judiciary and the Executive have been found derelict and delinquent in the fulfillment of their responsibilities. The American people are now confronted by the continuance of an illegal war in Indochina by an Executive no longer empowered by Congress to do so (repeal of the Gulf of Tonkin Resolution) on the pretext that our security compels such participation.

The members of the 92nd Congress constitute a free and unfettered body of spokesmen for the people at this moment in history. Whatever self-imposed limitation fettered the 91st and 90th Congresses, the members of the 92nd Congress are to be sure, free of it. The election of freshman Congressmen displacing old and entrenched members of the House of Representatives is particularly conspicuous in the 92nd Congress. Thirteen women were elected and the young Congressmen who replaced House members of long standing, points directly to the changes that have taken place during the 5-year Vietnam war period. The entrenched Democratic "Club" in Congress, must see the signs ahead. Congressman Paul N. McCloskey Jr. has adverted, in an address in the floor of the House, to "Impeachment as a check on the Presidential abuse of power."

Judge John F. Dooling Jr., in his decision quoted above in the Orlando vs. Laird case, refers to "Congressional pusillanimity" and that Congress is not "inappreciative of its powers, *including the power of impeachment.*"

It is also important to note that the grass roots do not shy away from the use of impeachment as a means to terminate President Richard M. Nixon's abuse of power. In April, 1971, more than 400 student presidents and college editors, representing schools as disparate as Harvard and Grace Bible Institute; Dartmouth and Central Bible College in Missouri, signed an open letter to President Nixon condemning his policies in Vietnam and charging that the administration "seriously misinterprets the mood of both the campus and the countryside . . ." and that "changing the color of the corpses does not end the war." (*The New York Times*, April 2, 1971) The *Harvard Law Record* of May 6, 1971 reports that "a petition asking for the impeachment of President Nixon be introduced in Congress as a bill. The petition was signed by more that four hundred students and three faculty members, Vern Countryman, Charles R. Nesson and Derrick A. Bell Jr."

In May, 1971, the Americans for Democratic Action, at its 24th Annual Convention, urged the impeachment of President Nixon for "high crimes" in Indochina. The impeachment call was contained in a convention resolution. The A.D.A. convention of 1970 asked that Mr. Nixon be impeached because of the invasion of Cambodia. (*The New York Times*, May 2, 1971)

Our examination of the original records of the Philadelphia Constitutional Convention records procedure anent the removal for "high crimes and misdemeanors" as well as the original records of the Justice Samuel Chase and President Johnson impeachment proceedings disclose that offenses with which Justice Chase and President Johnson were charged were essentially of a minor character—Justice Chase was charged in the main, with "intemperate and inflammatory" political harangues to grand juries and with conduct on the bench with manifest injustice and with partiality. President Johnson was charged with violation of a Tenure of Office Act, in removing Secretary of War Stanton; an act, whose constitutionality President Johnson intended to test and further because President Johnson had made speeches "with intent to bring into disgrace, ridicule, hatred, contempt and reproach the Congress of the United States."

It is submitted that if Congress was justified in filing a bill of impeachment against Justice Chase in 1805 and President Johnson in 1869, then the members of the 92nd Congress are not only justified in filing a Bill of impeachment against President Nixon, but would actually be obliged to do so. Whereas Justice Chase and President Johnson were essentially chargeable with misdemeanors, President Richard M. Nixon is chargeable with "high crimes" in a more positive way. The invasion of Cambodia in violation of the National Commitment Resolution and the spending of American lives in that venture constituted a "high crime" of a most serious kind warranting removal. President Nixon also "wasted" the lives of scores of members of the Air Force when he committed air-military support in the invasion of Laos without the consent of Congress, also in violation of the National Commitment Resolution.

But there are still other reasons for the filing of a petition for impeachment and that is his manifest abuse of power of the office of the Presidency. President Nixon in his commitment of Armed Forces in Cambodia unmasked a distorted concept of his office. His subjectivity in the exercise of personal power was unveiled when he allowed Secretary of State William P. Rogers to tell Congress on April 23, 1970 that "We have no incentive to escalate . . . We recognize that if we escalate and get involved in Cambodia with our ground troops, that our whole program is corrupted . . .," and seven days later, April 30, 1970, invades Cambodia. Such conduct on the part of President Nixon verges on base deception. It unsealed personal traits unworthy of the head of any government. It cannot be that on April 23, President Nixon did not know of his plans to invade Cambodia.

The members of the 92nd Congress must be persuaded that the filing of a Bill of Impeachment against President Nixon, even if it does not bring him to trial, will establish a precedent vis-a-vis the powers of Congress to check an untrustworthy President.

The 92nd Congress, by employing the weapon of impeachment will tend to check the abuse of presidential power which has been menacing due process and democratic government during recent years.

WILLIAM L. STANDARD,
Co-chairman, Lawyers Committee on American Policy Towards Vietnam.

FOOTNOTES

* The source material for this section is "Debates on the Adoption of the Federal Constitution at Philadelphia in 1787; as reported by James Madison and revised by Janathan Elliot Vol. V, Philadelphia: J. B. Lippincott & Co. 1861.

[1] Orlando vs. Laird, 317 Supp. 1013, at p. 1019.

[2] Committee of the Judiciary, "Legal Materials on Impeachment"—Special Subcommittee on H. Res. 920, August 11, 1970, pp. 4–5.

[3] *The History of English Law* by Frederick Pollack and Frederic William Maitland. Cambridge U. Press, England, 1911 at Vol. II, p. 511.

[4] Trial of Samuel Chase, Impeached for High Crimes and Misdemeanors—Taken in short-hand by Samuel H. Smith and Thomas Lloyd, Washington City, 1805, printed by Samuel H. Smith.

[5] Kent, *Commentaries*, Vol. I, 1826 edition, pp. 270–271.

[6] Story, *On the Constitution* (5th edition 1891), Sec. 796, p. 580.

[7] Idem. Sec. 799, p. 583.

[8] Cooley, *Principles of Constitutional Law*, 4th edition (1931) Sec. 9, p. 205.

[9] Pomeroy, *Constitutional Law*, Third Edition, Sec. 719, pp. 484–485 (1875).

[10] Idem. Sections 725, 726, pp. 498–491.

[11] Carmen and Syrett, *A History of the American People*, Alfred A. Knopf, New York, Vol II, p. 22.

[12] Swisher, *American Constitutional Development, Second Edition* (1954) Houghton Mifflin Co. p. 101.

[13] S. Res. 85, 91st Congress, 1st Session.

[14] Clark Clifford, "Set a Date in Vietnam. Stick to It. Get out." *Life*, May 22, 1970, p. 36.

[15] National Commitment Resolution quoted above.

[16] Richard A. Falk, "Why Impeachment" *The New Republic*, May 1, 1971 p. 13.

[17] *Harvard Law Record*, May 6, 1971, p. 4.

RETIREMENT OF KENNETH WILLIAMSON, REPRESENTATIVE OF THE AMERICAN HOSPITAL ASSOCIATION

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

Mr. NELSEN. Mr. Speaker, I learned today with deep regret that Kenneth Williamson, the longtime Washington representative of the American Hospital Association had decided to retire.

It has been my real privilege to have known and worked with Ken Williamson for many years on matters coming before the Health Subcommittee. He was always available to the committee and to the Members of Congress and having spent his whole life in the health field was a veritable fount of knowledge to be tapped in connection with health legislation. Ken has played a key part in practically every major health bill enacted since World War II. The Members of Congress and all of the citizens of this Nation owe Ken Williamson a debt of gratitude for his many contributions to the betterment of health care in this country.

I call attention of the membership to the official release by the American Hospital Association which I include as a part of my remarks.

I take consolation in the statements that while Ken is retiring from the day to day activities of the American Hospital Association, he will continue to be available to the association on a consultant basis. For your information, he has assured me that he will also continue to be available to our Health Committee and to the Members of the Congress.

AMERICAN HOSPITAL ASSOCIATION RELEASE

WASHINGTON, D.C., March 21.—Kenneth Williamson, deputy director of the American Hospital Association and director of its Washington Service Bureau, announced today that he will retire from the Association staff on June 1, 1972. His early retirement at age 60 follows 25 years of service to the Association, the last 18 of which have been spent in the direction of the AHA's Washington activities.

Williamson said, however, that he will continue to work with the Association in a consulting capacity for an indefinite period. His decision to retire, he explained, follows the recent death (February 20th) of his colleague, Edwin L. Crosby, M.D., the Association's executive president.

"I feel that it is for the good of the Association's future, and particularly important for Dr. Crosby's successor that I step aside after these many years and assist the Association's officers and staff during the difficult transition period, not through a line responsibility, but from the vantage point of someone able to be objective about the AHA's increasing concerns for the development of a better health care system. It is an organization that I love and care about, and I feel that this move is consistent with my feelings about the Association's progress," Williamson said.

Williamson's announcement was made at a staff meeting of the Washington Service Bureau attended by the Association's president officers. Stephen M. Morris, AHA president, speaking in behalf of the officers and staff, said that "the Association has moved ahead in these last two decades largely through the efforts and leadership of Dr. Crosby and Kenneth Williamson. While we regret Mr. Williamson's decision to retire early, we respect it, and will be calling on him frequently for his judgment and help in this crucial time in the AHA's history. Few have served the Association for so long and so well."

"Many of the Association's most imaginative and innovative programs, and especially its policies in the public interest, are the direct result of Mr. Williamson's tireless efforts and drive," Morris said.

Williamson first joined the Association staff at its Chicago headquarters in December 1943, following several years in hospital administration and after having served as assistant director of the Blue Cross Plan in Southern California, as director of the Association of California Hospitals, and executive director of the Association of Western Hospitals. Following the formative years of the Association as an organization representing all of the nation's hospitals, he left the AHA in 1950 to become executive vice president of the Health Information Foundation in New York City, but rejoined the Association staff in 1954 to direct its Washington Service Bureau.

Williamson has served as secretary of the AHA Council on Legislation and is widely known in the health field as a speaker on health legislation. He has been instrumental in developing the Association's basic philosophy of meeting public needs. Among his many interests have been legislation for the modernization of hospital facilities as a logical area of expenditure of government funds; federal subsidies on interest rates on capital borrowed by hospitals for modernization and expansion; and, in recent years, the Association's efforts in cooperation with Congressional committees in developing Medicare legislation.

Williamson originated the AHA journal, Trustee, and organized a nationwide movement for hospital auxiliaries in behalf of AHA. He is an honorary fellow of the American College of Hospital Administrators, and a fellow of the American Public Health Association.

CLEARING THE AIR ON HIGH MEAT PRICES

The SPEAKER pro tempore (Mr. LINK). Under a previous order of the House, the gentleman from South Dakota (Mr. ABOUREZK), is recognized for 60 minutes.

(Mr. ABOUREZK asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. ABOUREZK. Mr. Speaker, under a special order, we have set aside an hour today to clear the air on high meat prices.

The House already owes a debt of gratitude to Congressman GRAHAM PURCELL, chairman of the House Agriculture Subcommittee on Livestock and Grains, for his leadership in bringing light to this subject.

There has been altogether too much blameful fingerpointing in this controversey, a situation which has not been much helped by the White House sending one wounded steer to placate the consumers while sending another to placate the farmers.

Consumers seem to have focused their anger on farmers—reading that farm prices and supermarket prices went up at the same time—while supermarkets and the large retail food chains have been anxious to shift the focus away from themselves.

It is true that the price paid to farmers for beef did increase when consumer outrage became an item of national attention.

It is true that retailers and processors, likewise, increased their margins during that same period.

And it is true that processors, were allowed, under phase II guidelines, to pass increased meat prices directly to the consumer, tacking on their normal profit margin along the way.

First, a word about the farmers.

The long-term record demonstrates beyond the slightest possible doubt that farmers and ranchers are not getting the kind of return for their labor which they deserve.

While the meat price controversy was raging, in fact, we learned that the farm parity ratio had dropped another few points—to 72 percent.

While the meat price controversy was raging, the farmer's share of the consumer food dollar decreased.

A crisis atmosphere has surrounded beef prices, but during its short-term hysteria, the fact remains that over the years and across the board, farmers and ranchers have consistently gotten the short end of the stick.

While wages and profits have soared in nonfarm sectors, prices received by farmers have risen little or not at all for the past 20 years. Now, when prices for one product, beef, go up for just a few months, we hear loud demands for price controls.

The fact, gentlemen, are the middlemen, not farmers are making the money.

The facts are that beef prices are now going down on the farm, and even when they were up they only approached the same level they were at 20 years ago.

The facts are that farm families have been driven from the land by the millions because their return has fallen farther and farther behind that received by practically every other segment of the American economy.

I ask you, in light of this record, how we can possibly entertain the idea of controlling raw agricultural prices. I ask you how can we talk of flooding the country with beef imports to drive down live cattle prices. I do not think we can, for one simple reason: That controls must be applied where they are needed or they will not work.

Mr. Speaker, I think it right and proper that we focus our attention on the profit margins and the pricing practices of retailers and processors.

I have been disturbed for some time by indications that meat prices—and other food prices as well—seem to be moving into the realm of so-called administered prices—prices set less by market forces than by administrative decisions made by a few large food retailing and processing firms.

When it takes only a dozen supermarket executives to convince the Nation that prices are declining at a time when processors are allowed by phase II to abandon the usual practice of temporarily absorbing beef price increases, then adding their normal profit margin to those increases, it leads me to think that food prices, indeed, are entering the realm of administered prices.

I have been warning all along that the invasion of large corporations into the food industry would end up depressing the farm economy at the expense of the average grocery buyer.

In this entire meat price episode, we learned at least this much: That consumer food prices are to some extent able to travel according to political sensitivity. To the extent that that much is true, it is also clearly implied that food prices are subject to more than market forces. To that same extent, food prices are "administered prices," a development which is logically in concert with price behavior in any industry which is moving toward oligopolistic control.

Mr. Speaker, if I am correct in asserting that large corporations are moving to get a stranglehold on the Nation's food supply, I feel entirely confident in predicting that this latest episode is only a foreboding of what lies ahead.

If the Nation's food industry continues its trend toward fewer and fewer producers, ever larger and fewer middlemen corporations, and larger and fewer retail outlets, we can safely anticipate the day when a few men will determine food prices according to their estimate of the maximum high consumers are able to pay.

Another factor reinforcing this conviction is that fact that costs are declining with respect to disposable personal income.

Mr. Speaker, when the Government designs policies which force millions of farmers off the land, it is accelerating the trend toward bigness in control of the food industry. Our best hope, and the farmers' fondest dream, is a nation with millions of small producers.

If you force more of them off the land, and if you do nothing to stop the conglomerate invasion of agriculture, you only hasten the day when a handful of men sit in a room and say, "All right, gentlemen, what is the price we are going to fix today at the supermarket?"

There is enough evidence to suggest that that is the direction we are moving. We know that during the recent meat price controversy, producers and retailers not only increased their prices, they increased their share of the consumer food dollar as well.

The Department of Agriculture reported late in March that price spreads—the difference between what is paid to the farmer and what the consumer pays—"increased substantially for beef, pork, and some fresh vegetables." The release adds that food cost increases from January to February were "due primarily to increased costs of marketing."

According to a further USDA source, about 45 percent of the beef price increase during phase II was added by retailers.

So not only did they pass on their direct price increase caused by the upswing in live cattle prices, not only did they tack their normal profit margin on to that increase, they also increased the proportionate size of their margin.

Hopefully these trends are nothing more than a temporary creature of the economic stabilization program, a result of the closed-door decision to exempt meat processors from the strictest phase II guidelines. But it seems more likely that something in the nature of basic realinement of the food industry has been taking place, bringing structural changes in the economic process that brings food from the field to the consumer.

We felt the impact of that realinement even before President Nixon took office, and we are likely to be living with it for some time to come. My educated guess is that phase II only brought its worst aspects to the immediate surface, and that the forces of increasing economic power centralized in a few hands not responsible to the public continue in the food industry, thrive in it, and eventually will conquer it.

We must move to decentralize the market place. The best way to do that is to insure that millions of hard-working families have access to adequate credit and the ability to make a decent living on a farm.

The real question we face, then, is whether we want to maintain a viable agricultural system in America. If we do not, then we had better be prepared to accept the empty countryside, the never-ending flow of rural refugees into the cities, and the specter of a nation's food supply controlled by a handful of oligopolies.

Mr. Speaker, I insert at this point in the RECORD some of the writings of my good friend Homer Ayres of Sturgis, S. Dak., an informed and provocative commentator on farm and ranch affairs. Also an article from the Livestock Reporter by Patrick K. Goggins, publisher, and a list of beef prices contained in "A Report to the Consumer Direct From the Cattle Industry."

ISA NEWSLETTER

HEREFORD, S. DAK.—In a joint letter to President NIXON two South Dakota farm-ranch leaders have offered their help with suggestions in regard to soaring food prices as they relate to beef and cattle.

In a 700 word letter Jerry Wurnig, president of the South Dakota branch of the Independent Stockgrowers of America and George Levin, president, District Five, South Dakota Farmers Union, both of Hereford, told the President that the middlemen who handle beef are the big supermarket food chains, which according to the National Commission on Food Marketing investigation in 1965, sell about 85 percent of the dressed beef, and had great control over prices to consumers, but also the prices of livestock because of this great economic power.

They suggested that the President use the power of the government to bring representatives or the big food chains, along with their records, into some committee to set the record straight, and learn first hand who gets the various parts of the consumer's beef dollar.

The two members said it was not only unfair to blame farmers for the higher beef prices but ridiculous. "Historically farmers and ranchers," they said, "never have priced their products, but asked the buyer, 'how much will you give me, please'? And when they bought operating supplies or equipment they asked, 'how much do I have to pay you, please'?"

They went on to say that retailers and food processors reaped "a whopping 23 percent profit, while the average farm-ranch profit was only 1.1 percent."

"But most ranchers have not done this well, and as a result have been forced into bankruptcy," they said.

They included a butcher's cutout chart in their letter, showing the percent of each retail cut to the whole carcass, a chart that would enable anyone to determine the price spread between wholesale and retail by check ing the prices in the meat counters, and the wholesale price of U.S. Choice beef. The latest USDA price spread report they said was $20 per hundred, or $120 for a 600-pound carcass.

They pointed out that in September 1968, Gene Cervi, publisher of the Rocky Mountain Journal, Denver, charged food chains with making an "unbelievable net profit per 600-pound carcass of up to $156, for beef on which the average feeder may make from $10 to $30 a head live weight of a 1,150-pound animal he has kept for 120–150 days."

The ranchers told the President that a proposed Federal Trade Commission investigation in 1964 was turned into a "study" of the changes from the farm to the consumer, so a group of ranchers had to file a civil antitrust action against the country's three main food chains in 1968 charging them with inflicting losses on ranchers because of their violation of the antitrust laws. And due to the sluggishness of the courts in California a decision has not been reached.

They asked the President to act immediately to bring the guilty to justice after an investigation or an FTC action looking into the buying and selling practices of the supermarkets.

"A sharp drop in livestock prices would be a disaster, what with the commitments ranchers have now," they said.

"What they really need is price floors on livestock pegged at full parity as figured on the 1910–1914 basis," they said. "So they can operate, pay debts and taxes. educate their children, renew their equipment and buildings—and continue to furnish the citizens with some of the best food mankind ever ate."

The full text of the letter follows:

President NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This letter relates to the statement you made recently to the effect that soaring food prices should be blamed on the middlemen, not the farmers. We believe what we have to say in connection with beef and livestock can be very helpful. because beef constitutes quite an amount in the food

budget—and cattle production is a very large item in the income of farmers and ranchers.

The middlemen who handle the beef are the big supermarket food chains, which according to the National Commission on Food Marketing sell around 85 percent of the food consumed. As long ago as 1962, or perhaps before, it was evident that the big chains had a great control, not only of beef prices to consumers but also the prices of livestock because of their great economic power.

A Federal Trade Commission investigation launched by the Senate Committee on Commerce intended to look into the role the chains played in the beef-cattle complex, to learn if the chains were in violation of the antitrust laws, was headed off after a few days of hearings in March 1964. And it turned into a "study" by a National Commission on Food Marketing, that would study the changes in the food industry "from the farm to the consumer." So the problem of the tremendous spread between the wholesale price of carcass beef and the retail sales price is still haunting us. The latest USDA price spread published showed a spread of $20 per hundred, which would amount to $120 on a 600-pound carcass, U.S. Choice.

With the power of the Federal Government we think you would be able to bring representatives of the giant food chains into some committee, along with their records and learn first hand who gets the various portions of the consumer's beef dollar.

But with the following percentage schedule, used by meat cutters in stores, then finding out the quality and wholesale price of beef, anybody familiar with beef cuts can determine the gross markup from the wholesaler (or packer) to the consumer. It is very easy to determine the net profit after this. A very similar cutting percentage sheet worked out by the USDA can be found in its Consumer and Marketing Service Bulletin, No. 45, issued in July 1968.

In 1967 a group in Denver, guided by Cervi's Rocky Mountain Journal took the above schedule, and learned that the markup on a 600-pound carcass was $188 for the Denver area. The group suggested the gross profit was 45%, with a net of 25% on a carcass, relationships that gave the stores a tremendous amount for a commodity that turned over every two days.

Items	Cut out by percentages	Selling price per pound	Return per pound
Pot roast, round bone and blade bone	18.00	0.62	0.1116
Neck bone, meat on	2.60	.35	.0091
Navel (whole bone in)	8.64	.20	.0173
6-rib standing roast, oven ready	7.50	1.09	.0818
Bone-in sirloin steak	8.10	1.09	.0883
T-bones and short cuts	7.24	1.33	.0963
Flank steaks	.50	1.21	.0061
Round steak	9.10	.99	.0901
Pikes Peak roast	3.24	.95	.0308
Bone-in rump roast	4.50	.69	.0311
Sirloin tip roast or steak	3.41	1.27	.0433
Ground beef lean trimmings	7.88	.69	.0544
Short ribs	3.04	.39	.0119
Hind shank, meat on	3.80	.49	.0186
Edible fat	5.07	.07	.0035
Waste	1.00		
Bones	4.50	.01	.0005
Cutting loss	1.88		
Whole beef (100 percent):			
Return			.6947
Cost [1]			.3800
Gross profit (per pound)			.3147

[1] Based on the market value of 37–38 cents a pound (1967); 1 whole beef approximates 600# at $0.3147; $188.80 per beef, which equals 45 percent gross profit.

Although the National Commission on Food Marketing did learn that the big food chains "marched in lock step" when it came to buying meat wholesale, nothing was done by the government. And in September 1969, the late Gene Cervi, publisher of the Rocky Mountain Journal, from his sick bed, charged that the food chains were making "an unbelievable net profit of $156, for beef on which the average feeder may make from $10 to $30 a head for live weight of a 1,150-pound animal which he has kept for 120–150 days . . . and have been making that incredible net profit on each carcass since 1958 by their own admission and by the evidence of Safeway's own cutout sheet."

For a long, long time the cow-calf men on the range produced feeder calves at below cost of production, operating by borrowing money on the appreciated value of their land.

Feeder cattle and fat cattle have risen somewhat in price in the past few months, like everything else, but they are, relatively speaking, not nearly as high as cuts of beef. Some retail cuts are now selling for 200% of their selling price 20 years ago, even though beef on the hoof is only 96% of its 1952 selling price 20 years ago. And this with production costs doubled or tripled on items ranchers must buy.

For anybody, anywhere to blame cattlemen for rising beef prices to consumers is not only unfair, but ridiculous. Historically farmers and ranchers have never priced their products, always asking the buyer, "what will you give me, please?" And when they bought operating supplies or equipment they asked, "how much do I have to pay you, please?"

The profits of retailers and food processors was a whopping 23%, according to figures quoted by farm leaders all over the country last summer, and the average farm-ranch profit was only 1.1%—so this gives one a pretty good picture of the relationships involved. But most ranchers have not done this well, and as a result have been forced into bankruptcy. It is a tragedy that today, when some of the ranchers are beginning to see a little daylight over the cliff, that there should be a massive effort to beat them back. And it is particularly galling to find the supermarket industry among the attackers, an industry seemingly a law unto itself. And which boosted their profit margins from $14 per hundred in 1965, when the Food Marketing Commission was holding hearings to over $23 in December 1970.

The Independent Stockgrowers of America was one of the main ranch organizations that helped launch an antitrust civil action against the country's three main food chains in 1968, charging them with inflicting losses on ranchers because of their violation of the antitrust laws. And due to the sluggishness of the courts in California, where the case was filed, a decision has not been reached.

We hope Mr. President you not only set the whole record straight, but also that you can, after an investigation previously suggested, or an FTC investigation of the buying and selling practices of the supermarkets, charge the Department of Justice with bringing the guilty to justice. We urge you to act immediately.

A sharp drop in livestock prices would be disastrous, what with the commitments the ranchers have. What they really need are price floors on livestock pegged at full parity as figured on the 1910–1914 basis, so they can operate, pay debts and taxes, educate their children, renew their equipment and buildings—and continue to furnish the citizens with some of the best food mankind ever ate.

Yours very sincerely,

JERRY WURNIG,
President, South Dakota Branch, Independent Stockgrowers of America.
GEORGE LEVIN,
President, District Five, South Dakota Farmers Union.
HEREFORD, S. DAK.

[From the Western Livestock Reporter, Billings, Mont., Apr. 6, 1972]

THE TRUTH ABOUT BEEF PRICES: RETURN PER DAY OF OWNERSHIP

(By Patrick K. Goggins, publisher)

BILLINGS, MONT.—Everyone in the United States understands a profit or a loss. Most business people and ranchers understand return on investment but the livestock industry, the rancher, and the feeder, the packer and the retailer must look at their investment on a per day basis. You do business each and every day. The decisions you make that day surely can affect you years ahead, but you make that investment and that decision in any given day. Decision making time is here for the livestock industry. Read and study if you will how the consumers beef dollar is divided by the industry:

GROSS RETURN PER HEAD PER DAY OF OWNERSHIP **

* The rancher receives 48 cents/day (540 days); a total of $260.54 (700 lb. steer at $37.22. This is for all expenses of raising the steer. This was the avg. gross yearling price for a steer in Jan. 1972. Please note that this is not the average of the last ten years or even last year.)

* The feeder receives 69 cents/day (150 days); a total of $103.51 (This for 400 lbs. of gain with high grain rations. About 5 months time required in the feedlot).

* The packer receives $5.89/day (7 days); a total of $41.27 (491.3 lbs. at 8.4 cents includes slaughtering, preparing the carcass for retailer.)

* The retailer receives $35.62/day (4 days); a total of $142.48 (491.3 lbs. at 29 cents covers such items as cutting, wrapping & displaying for self service.)

* The consumer pays a total of $547.80 (491.3 lbs. retail cuts at an average price of $1.11 per pound.)

As you study this chart you will notice that the rancher with nearly $800 to $1,200 per cow unit investment receives on any given 700 pound yearling steer a total of 48 cents per day return if he can sell his steers for $37.22 a hundred weight. This at the outset of this argument is giving the industry the benefit of the doubt.

The feeder in a high cost operating position with a lot of expensive feed and materials and help receives but 69 cents per head per day. This is a close margin but you will note that he keeps the animal about five months compared to 18 months for the rancher.

Then there's the packer, who in this example is owning this carcass for seven days. National figures will show that this is nearly 3 days longer that the average. Most packers will have him on the truck and gone in three days but at the seven day level he is able to get a return of $5.89 per head per day of ownership.

Then there is the retail chain store. Please note that under four days of ownership of this carcass, and this by the way could be double from the national average because chains don't want their money tied up that long but again giving the retailer the benefit of the doubt, for four days of ownership, his gross return per day is $35.62.

Now, if you want to put a calculator or a pencil to the return on investment per day, can you please notice the situation that the rancher is in, and yes, the feeder too. This re-

* The rancher, feeder, packer and retailer above information based on figures of USDA supplement to marketing and transportation situation January 1972.

** Figures based on average days of ownership of one yearling steer coming off grass starting at the rancher.

(These are educated industry time estimates that could vary somewhat to economic conditions.)

tailer is making 604.7 per cent more gross return per head per day of ownership than the packer. He's making 5,162.3 per cent more gross return per head per day of ownership than the feeder and this retailer is making 7420.8 per cent more gross return per head per day of ownership than the rancher.

Profits are made by the amount of time it takes to turn your money over. You in the ranching business are owning this 700 pound steer for an average of 18 months compared to this chain store retailer who owns that fat steer for four days or even two days, that's the difference in return on investment. Those in the ranching business and in the feeding business aren't even in the same ballpark with the food retail chains.

The food chains aren't all bad as through their advertising and promotion to a great degree, beef consumption has doubled in twenty years but so have their profits and more.

The retail price spread of $142.48 as shown in this example is not justified by the services rendered by their industry. As pointed out by the Nebraska Livestock Association, consumers should take a long hard look at this figure and not unfairly blame the cattle industry for the bulge in beef prices.

The cattlemans portion of the consumers beef dollar is much, much smaller than it should be. Beef takes 2.5 per cent of disposable personal income. This is less than for any time in history anywhere.

The insults and accusations that the chain stores have brought to the American public about the beef industry appear libelous and totally unfounded. They are an insult to every thinking American cattleman and feeder.

Not touched upon here yet are expenses. And yes, the retailer with his vast merchandising and advertising campaign, has tremendous expenses. They have elaborate, well lighted beautiful stores.

The packer has a high wage scale to meet. He has a guaranteed kill to meet. He has expensive machinery and he does operate on a low margin business.

The feeder, with his 69 cent gross return per head per day out of this steer, has expenses and costly feeds to buy, labor to pay, machinery to keep up, feeding equipment to buy and feed mills and scales to repair. His is a low margin business but all of these people turn their product over so much more quickly than the rancher.

The rancher with 540 days or 18 months, tied up in this steer on a return of 48 cent gross return per head per day of ownership has expenses too. A pickup that used to cost $2,800 now costs $4,800. A good hired man that used to cost $250 now costs $450 or $500 per month. Land that used to cost $8.00 an acre now costs $40.00 an acre. Taxes that used to cost $300 a year now are $3,000 a year. Cows that used to cost $25 a year to run now are $110 per head per year to run.

It's time that the livestock industry compared their gross return per head per day of ownership with their friendly enemies who receive and use their stock to and through the consumer.

BEEF PRICES—A REPORT TO THE CONSUMER DIRECT FROM THE CATTLE INDUSTRY

The consumer's beef dollar—how it is divided by the beef industry. Example—1,100-pound choice steer dressing 63 percent yields a 693-pound carcass of beef—491.3 pounds less trimming waste.

The rancher receives $260.54. (700 pound feeder steer at $37.22. This for all expenses of raising the steer.)

The feeder receives $103.51. (This for 400 pounds of gain with high grain rations. About five months time required in the feedlot.)

The packer receives $41.27. (491.3 pounds at 8.4 cents. This included slaughtering and preparing the carcass for the retailer.)

The retailer receives $142.38 (491.3 pounds at 29 cents. This covers such items as cutting, wrapping and displaying for self service.)

The consumer pays $547.80. (491.3 pounds retail cuts at an average price of $1.115.)

(The above information based on figures from USDA—Supplement to Marketing and Transportation Situation—January 1972. Also USDA Kansas City feeder cattle data.)

The retail price spread of $142.48 is definitely not justified by services rendered. Consumers should take a long hard look at this figure and not unfairly blame the cattle industry for the bulge in meat prices. Sirloin steak sold in Omaha 20 years ago for 79c to 90c a pound and ground beef 57c to 65c a pound, when cattle prices were higher than they are now. The cattleman's portion of the consumer beef dollar is much smaller now than at that time.

Beef is costing only 2.5 percent of disposable personal income. This is less than for any time in past history and much less than for any foreign country. (Comments from Stanton County Livestock Feeders Association, Stanton, Nebraska.)

The amount received for the feeder steer, $260.54, is for 365 days work, taxes, interest, operating costs. The $142 the retailer receives is for a two-day period he has the carcass in the store, as beef turns over on an average of every two days. We suggest a gross of twice as much as the net. This would make the net $71 each two days for a carcass.

The retailer paid nothing for the carcass until he was paid for it by the consumer, as bills come in after the meat truck drives away. He has no capital outlay.

To get the $260.54 the rancher must have a capital outlay of about $300 for each cow on which interest must be figured.

The net the retailer gets in a year amounts to 180 times $71, or $11,780, if he handles one carcass each two days. This annual net is clear, because we have figured the other $71 for expenses, salaries, rent, labor, advertising, and to carry part of the burden on articles that remain in the store much longer before they turn. The $11,780 on each carcass annually would go to stockholders.

Let the rancher figure out what he gets annually on the above basis.

(Mr. ABOUREZK asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. ABOUREZK. Mr. Speaker, I yield to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Speaker, I want to thank the gentleman for bringing this to the attention of the American public. I think it is a very important matter. I agree with many of the things the gentleman has said.

However, at the outset of your remarks, and I think the record must be cleared, the President of the United States has said very clearly that the American farmer and the rancher is not the one who is to be held to blame for prices being what they are and Secretary Butz has also said very emphatically that it is not the American farmer who is upping the prices. It is the middleman. It is the retailer as you said in your remarks.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ABOUREZK. I thank the gentleman from Texas. I agree with what the gentleman says except that the President and his Secretary of Agriculture came in a great deal later after the outcry from rural Members of Congress. They have now seen the light and I am very happy that they have.

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

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

Mr. ZWACH. Mr. Speaker, I thank my colleague for yielding.

I thank my neighbor, Mr. ABOUREZK of South Dakota, for yielding and I want to commend him for doing the initial work for a farm urban forum.

I think it is a very valuable discussion and it is a chance for us to try to improve our relationship with our urban people. I think it is especially timely that we have this discussion because we know what has happened recently with regard to the discussions on meat.

We know, for instance, there have been very deceptive and misleading ads inserted in the Washington newspapers trying to place the blame for meat prices upon the producers with a type of statement that there are no ceilings on producers at the source and that there have been skyrocketing prices at the source.

This was all very, very deceptive and I think it is important that urban people and our consumers know that it is not the producer that is gouging the consumer. The producer's prices on meat almost reached the point where they were 20 years ago. We know that no one wants to back up to where they were 20 years ago.

The wholesale prices when those ads were run had already started down for several weeks. Yet, these deceptive ads—and Mrs. Petersen particularly ought to have known better—were trying to put upon the producers the onus of those increases in meat prices.

You know, I think it is basically a fundamental truth that producers are the victims of inflation and are not responsible for inflation.

I am very pleased to join with my colleagues of the urban-rural forum and with other Members of the House in discussing food prices. Now that the initial furor has died down a bit, we have a big job ahead of us in informing all segments of our country as to how food prices are determined, and why retail food products cost what they do.

When the economic stabilization program was first formulized, I agreed and still do believe that because of their seasonal fluctuation in price, and a market system in which supply and demand determines the price, raw agricultural products should be exempt from any price controls, at least until they are at least 100 percent of parity.

Now that this normal fluctuation has brought increased prices to the farmer, we hear the retail merchants calling for price controls on raw food, especially beef, because the consumer is paying too much for food. Our first mission is to recognize where this increase in food prices is. A frequently overlooked and nonpublicized fact is that livestock and meat prices go down as well as up. The up movement promotes headlines. The down movement is seldom given a second glance by the national news media or consumer spokesmen.

We recently read headlines proclaiming that "Cattle Prices Are at a 20-Year high." What this means is that cattle

prices, after fluctuating up and down for 20 years have finally gone up to where they were 20 years ago.

Who else or what other segment of this economy is forced to take prices, or wages or other forms of benefits comparable to 20 years ago?

General wage rates are 2.4 times higher. Hourly wages of production workers in manufacturing are 2.3 times higher. Hourly wages of food marketing employees are 2.5 times higher. Hourly rates of contract construction workers are nearly three times as high. Farm machinery prices are double what they were 20 years ago. Farm production expenses have doubled. The farm debt is five times what it was 20 years ago. Per capita disposable income is 2.4 times as high. And, while farmers are reaching 20-year ago levels, their output per man has increased 3.3 times; more than double that of industry.

Twenty years ago, the average consumer spent $896 per year for food. Of that amount, $448 went to the producer and $448 went to the processor-retailer. The producer got 50 percent of the food dollar and the processor-retailer 50 percent.

Today, the average expenditure is $1,224. Of that total, the producer now gets only $447, a dollar less than he got 20 years ago, but the processor-retailer share has increased to $767. The latter gets 62 percent of the food dollar and the producer only 38 percent.

Over the last 20 years, the consumer has been increasingly willing to pay more in order to buy more frozen, precooked, premixed, prepeeled and prepared foods. Add to this the increased costs for shipping, container costs, and labor costs and it is not hard to recognize why retail food prices have increased.

But even with these added costs to raw agricultural products, this year, U.S. consumers will spend only 15.6 percent of their take-home pay for food, including both that prepared at home and that eaten away from home, compared to over 16 percent last year and 23 percent 20 years ago. If that same proportion of disposable income was now being spent for food as was spent 20 years ago, consumers would be paying $286 more per person this year. Interestingly, this 15.6 percent compares with 20 percent in Canada, 30 percent in England, 37 percent in Italy, 43 percent in Spain, 50 percent in the Soviet Union, and still more in India and the Far East.

Recently national attention was called to rising food prices and especially the high cost of beef. Enough attention to warrant the Price Commission and our Agriculture Subcommittee to announce hearing schedules barely 2 weeks after food prices appeared in the headlines.

It is especially interesting to note the Price Commission's concern in this area. During the base period, 30 days prior to the wage-price freeze, choice fed steers at Omaha averaged approximately $33 per hundredweight. For the week ending March 25, 1972, the figure was $34.68, only 5 percent over the base period. During the base period, choice steer beef at Chicago averaged approximately $53.40 per hundredweight compared to $53.75 for the week ending March 25, or an increase of less than 1 percent. Wholesale prices for Iowa beef carcasses were 1 percent less than last August 13 before the wage-price freeze went into effect.

Wage rate increases have a much more serious impact on inflation than increases in cattle and beef prices because they are lasting increases and they only go in one direction, namely up; while cattle and beef price increases are unstable and also go down.

With a noninflationary record such as this for the American farmer, the cost of raw agricultural products is not to be blamed for high retail prices of food. Instead of all the misplaced blame, the American farmer should be getting the thanks of the U.S. consumer for his high production and his low rate of return, and for producing a high quality product.

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

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

Mr. ABOUREZK. I yield to the gentleman from North Dakota.

Mr. LINK. Mr. Speaker, I thank the gentleman from South Dakota for taking this time on this important issue. We need to clear up a mistaken impression that the farmer is responsible for rising food costs.

Nothing could be further from the truth. In the past 20 years, the prices the farmer receives for his products have increased 6 percent, while his production costs have risen 100 percent. These figures prove that the farmer is a victim of inflation—not a cause. It is true that in the past 20 years, consumer prices have gone up 43 percent, but the farmer's share of that increase has been microscopic.

In North Dakota, our chief crop is wheat. Twenty years ago, the consumer paid 16 cents for a loaf of bread; the wheat farmer's share was 2.6 cents. Today the wheat farmer's share is exactly the same: 2.6 cents. Beef production also ranks high in my State. The cattle producer is receiving about the same prices today as he did 20 years ago, while meat prices in supermarkets have doubled.

For all foods, the farmer receives only 38 cents of the consumer dollar. That compares with 49 cents 20 years ago.

The farmer's problem is that he is expected to compete on free enterprise terms, while his suppliers operate under different rules.

Because of their economic power, suppliers are able to tell the farmer what he must pay for his farm machinery, fertilizer, seed, and other essential supplies. And buyers of farm commodities are able to tell the farmer what they will pay for the products of his labor.

The farmer sells wholesale, buys at retail and pays the freight both ways. He is engaged in an unequal contest. And he is losing out. Four million farmers, together with their families, have left the land since 1935, and the trend is continuing until we now have fewer than 3 million farmers in the United States. Most of those who left the soil migrated to the large cities of the Nation.

A depressed agriculture, still the Nation's largest single industry, infects the entire U.S. economy. Farmers purchase $60 billion worth of goods and services each year. Weak farm purchasing power is one reason why the national unemployment rate is so high.

The basic requirement for rural renewal is a sound agricultural policy. The present Agricultural Act is not adequate to the task of protecting farm income, because it fails to give proper recognition to the independent owner-operator farm.

A fair price for farm products will have practically no effect on consumer prices and it will create new enterprise and job opportunities in our small towns and countryside. It will make possible fuller utilization of the public service plant of rural America. And it will relieve the pressure on public services in large cities.

So, we must separate the question of economic justice for farmers from the high cost of groceries, since there is very little relationship.

Additional facts have been presented to the House Subcommittee on Livestock and Feed Grains, of which I am a member, in the past 10 days of hearings on the structure and present level of beef prices. From these hearings, I think it already is clear that it is definitely not the cattle producer who is profiting from the rising price of meat in grocery stores.

Several letters from my constituents in North Dakota state clearly the serious economic plight of the cattle producer.

Mr. Speaker, I ask that three of these letters be printed in the RECORD at this point.

The first is from Darrel Meyer, Figure Four Ranch, Watford City, N. Dak.

The second is from Jewel Roningen, president, Union Stockyards Co. of Fargo, West Fargo, N. Dak.

The third is from George T. "Skip" Duemeland, Patterson Herefords, Bismarck, N. Dak.

The letters follow:

WATFORD CITY, N. DAK., *April 7, 1972.*

House of Representatives,
Committee on Agriculture,
Washington, D.C.

DEAR SIRS: As active rancher's and farmer's we feel the prices we are now receiving for our work are still under the national average. Our costs have steadily risen during twenty years while the price received for meat during that time has fluctuated greatly and that of grain has declined.

While the price for live cattle at the Omaha central livestock market, for example, did reach the highest price in 21 years recently at $38.50; it should also be understood that just a few years ago the price for 1964's average was $18.10 and many producers were driven out of business. The price of meat across the counter has not changed downward when the producer's income has dropped.

At the present time we are getting back up to the price we received twenty years ago; but we are paying triple the amount for a grazing lease that we paid then; double the amount for interest; triple for equipment and repairs. We are paying an eighteen year old boy double the wage that we received as a married couple working on a farm twenty five years ago.

We are also consumers and checking our grocery purchases find a great deal of the

added expense comes from our desire for convenience foods. Two instances: a hotdish filler known as Hamburger helper, consisting mainly of potatoes cost .65 for 7 ounces; two frozen piecrusts (unfilled and uncooked) cost .49. Also consider the many pressure cans containing everything from shortening and whipped cream to all kinds of cleaners. These items raise our grocery bills considerably.

The price of meat, when measured as a percentage of take-home pay, rather than by dollars and cents, has consistently become smaller as average family income has moved upward. Even in terms of dollars and cents, average retail price of meat has advanced about 35% in the past twenty years while personal disposable income of our U.S. Consumers has increased, on the average, by more than 100% in the same period.

Twenty five years ago 6% of that income was spent for meat, now it is 5%.

Thank you for your consideration,

DARREL MEYER,
Figure Four Ranch.

PATTERSON HEREFORDS,
Bismarck, N. Dak., April 5, 1972.

Hon. ART LINK,
1610 House Office Bldg.,
Washington, D.C.

DEAR MR. LINK: The big thing that we think is important and should be brought out is that the cattlemen should appreciate the fact that the chain stores and super markets at the present time are moving beef in quantities never before heard of. Not a wheel is turning until a product is sold and production can be increased to meet the demand and many times easily over the demand and so the big job of moving and selling beef is being done by super markets and chain stores. For this reason the rancher should love the super market for the job they are presently doing.

The consideration of putting a price restraint on one agricultural commodity is extremely important because ranching concerns are making an average profit in only one or two years out of ten and in those cases maybe only 1½%. True, their holdings are appreciating much like an apartment but this doesn't pay the bills. The average return of all farms and ranches in the United States is 1½% according to the Wall Street Journal in a headline story last year. At the present time our costs for last month in certain divisions were up considerably and to be exact our costs are currently running approximately 6% more than they were last year. Unless we receive a return commensurate with our expenses, we certainly will not continue to be in the agricultural business. We will switch to apartment houses, nursing homes that are currently returning 8% cash flow, 8% tax savings, 2% appreciation, and 8% return on equity giving a return around 28% or even higher. Many businesses are in for the investment and return. Ranches obviously at 1½% do it because it is a way of life that they enjoy. To further restrict their profits at times like these is not in line and would only serve the price to inflat higher afterwards because of reduced production and no incentive to produce. Prices are now the same as they were twenty years ago and has caused a 6% increase in the replacements and this will soon be reflected by 6% more cattle on the market and is already being reflected by the downtrend in cattle prices.

It is a strange thing but when cattle prices go up the rancher retains his females to meet the future demand so he can hopefully make more return on his investment. During this period of time the replacement females are not going to slaughter and as a result the price tends to rise higher than would normally be indicated. Conversely when prices are down he tends to sell more of his replacement females and poor producers and, as a result, tends to depress the price faster than what is normal. Currently we are probably at about a turning point and the rancher in the years ahead is looking to tightening up his belt and looking for tough times and yet at this time price restraints are being considered for raw agricultural commodities. Not only that he spends an enormous amount of money only to be harvested one day and if that one day doesn't come in due to a hail storm or disease and with the new virus and abortions he just isn't able to pay those bills and it is for this reason we will be violently opposed to any price restraints on raw agricultural commodities.

Yours very truly,

GEO. T. "SKIP" DUEMELAND.

To: House of Representatives.

Livestock and Grains Subcommittee of the House Committee on Agriculture, Washington, D.C.—For Hearing on the Structure and Present Level of Beef Prices—April 10, 11, 1972.

Statement of Jewel E. Roningen, President and General Manager Union Stockyards Company of Fargo, West Fargo, North Dakota 58078.

There is nothing inflationary about $38 cattle or $25 hogs on the hoof. In my reasoning such a price means that the American livestock producers have finally realized an opportunity to earn a reasonable profit.

It is my sincere view that ranchers and farmers should keep control of agriculture—Price restraints on raw agriculture products would be a grave mistake. Livestock producers in the past 20 years have not realized excessive profits in any one year. Take a look at, for example, several yearly averages for beef prices during the period: 1951 $35.45, 1952 $24.30, 1953 $16.30, 1956 $14.90, 1957 $17.20, and not getting above $22.60 for the entire decade of 1958–1968, (dropping to as low as $18.10 in 1964). Since this time beef has moved up gradually to $31.62 in 1971 and up to around $35–$38 in February 1972. So overall the average is still pretty low. (Source National Livestock and Meat Board, Volume V, No. 5, March 13, 1972).

It looks like beef producers are lagging behind about 20 years from the rest of the economy. The 1952 figures that I read indicate that in the United States a worker spent 23 percent of his income for food. In 1971 he spent 16 to 17 percent.

We note that in the past 20 years wages have increased around 2.3 times when money for wage supplements and fringe benefits have increased 7 times; when dividends increased 3 times; and when farm prices were going up a big 6%.

If consumers are to be assured an adequate beef or red meat supply, then the consumer needs to be educated to the fact that there is a satisfactory reasonable plateau of prices he will be paying if he is going to enjoy his good steaks.

Reasonable cannot be defined as a price which we used to pay 5 to 10 or 20 years ago, but prices which fit today's scene.

It should be mentioned also that all the headlines over the recent prices leap is not today, April 6, 1972. Today beef prices are lower that a month and a half ago; so are wholesale beef and pork prices. The index of prices received by North Dakota farmers for all farm products was down 2 points from the previous month. (March 15, 1972) (North Dakota Crop and Livestock Reporting Service April 3, 1972.)

Look at it another way—why is it we do not see headlines about sky-rocketing prices that have been clocked up during the past 20 years—on cars—machinery—vacations—houses—hospital care, or for that matter, a page of advertising in a newspaper and finally are many of these workers getting like today's cattle producers, only 11.3% more for their work time and labor than they did 20 years ago.

In North Dakota feeding cattle for slaughter grade has decreased considerably. The record received from the North Dakota crop and Livestock Reporting Service in Fargo on the number of fed cattle marketed per year from 1960 through 1971 is:

CATTLE MARKETED NORTH DAKOTA

Year:	*Head*
1960	176,000
1961	191,000
1962	136,000
1963	138,000
1964	182,000
1965	175,000
1966	157,000
1967	139,000
1968	118,000
1969—no figure or estimate by Crop and Livestock Reporting Service.	
1970	90,000
1971	78,000

It is true, however, that more cattle were fed for slaughter in the United States in 1971 than in 1960. If this beef product which has *doubled in consumption in the United States* in the past 20 years *under an uncontrolled system* is to continue to provide the beef that the American housewife wants, slapping restrictive controls on the price of the product is a certain way to dry up the source of supply real quick. What needs to be done is *let* the *American consumer* know what really makes beef prices go up. (Charges for transportation, assembly, distribution, and packaging.)

Why should the beef producer be blamed for a natural economic consequence of demand exceeding supply? The American rancher and farmer are not the parties which should be blamed for increased costs of living.

To be fair the writer is of the opinion that those who have helped cause the inflation bulge in food prices should be set forth, (for example, the costs added to beef between the feedlot and the consumer).

J. E. RONINGEN,
President & General Manager,
Union Stockyards Co. of Fargo.

Mr. ABOUREZK. I thank the gentleman from North Dakota.

I yield to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Speaker, I want to commend my colleague from South Dakota for taking this special order today so the House may better understand what is—and what is not—involved in all of this furor over meat prices, and in particular, beef prices.

This is a subject being explored by the House Livestock and Grains Subcommittee on which I serve, and by the Price Commission. And a New York City grand jury is investigating to see whether organized crime is getting a piece of the action, thus forcing up beef prices.

Earlier today I made a statement on the House floor concerning the possibility of racketeering in east coast beef prices and inserted in the RECORD copies of newspaper articles by Lacey Fosburgh, of the New York Times, and William Procktor, of the New York Daily News, which discuss the grand jury investigation in Manhattan of a possible conspiracy between organized crime and other groups to skim illegal profits from meats, forcing consumers to pay high

prices. Congress and Federal investigative agencies need to look into other areas in the United States to see whether there are indications that price gouging from racketeering is being forced on the public.

Then, on another side of the coin, is the question of tightening up our inspection of foreign meat imports because there has been a clamor to help meat consumers by increasing these imports.

I submit, Mr. Speaker, that to increase meat imports amounts to a cruel, dirty joke.

It is cruel because imported meat is not cheap. The prices generally run wholesale from 63 cents to more than $1 per pound, and this translates into even higher amounts over the retail counter.

It is dirty because the inspection for sanitation and wholesomeness of the imported meat is haphazard and incomplete.

It is a joke because the restrictions on meat imports are like a sieve. Last year there was 1.8 billion pounds of meat imported into this country.

The imported meat prices are high and you cannot be certain that these imports are wholesome, sanitary, and have no harmful chemical residues. This was fully documented by a GAO report released in February which I discussed at length before the House.

I testified before the Price Commission on April 12, Mr. Speaker, and I submit that statement at this time because it provides more facts on meat prices in general and foreign imported meats in particular.

The picture is a many-sided one, to be sure, and we cannot leave any stone unturned in our efforts to provide the producing and consuming public with the complete answers.

The statement follows:

STATEMENT OF CONGRESSMAN JOHN MELCHER, OF MONTANA, BEFORE THE PRICE COMMISSION HEARING ON MEAT PRICES

The failure to include on this Commission a representative from agriculture now dramatizes the shortcomings and the limitations of the effectiveness of this Commission. Many of us who voted in Congress for the authorizing legislation granting the power of the President to set up this panel to help in the fight to control inflation were extremely disappointed at the time of the President's appointment of the Price Commission members that our most basic industry, agriculture, was completely forgotten and ignored. The chickens are coming home to roost now as is evidenced by the controversy over beef prices and the conflicting statements of administration officials resulting in calling of hearings by this Commission to look into the matter.

I have come here today to offer testimony as one who has some knowledge of agriculture in general and livestock in particular and as one who also shares the concern of American agriculture that consumers get a fair and honest deal and are made cognizant of the facts of costs with resulting prices for the food that they purchase in their grocery stores.

The format of your hearing allows me only five minutes to testify with the invitation to leave as much additional printed matter as I choose. I hope that the additional material that I leave for your reading later will draw your attention. I shall, of course, abide by this limited gag rule of five minutes, understanding that you do have a vast number of people to near representing a great array of interests and viewpoints.

Actually I would strongly suggest that the Commission be enlarged to give agriculture proper representation and the panel the balance it needs.

But in the meantime your disadvantage of not having this agricultural repersentation must be overcome if fairness is to be your guiding doctrine by listening closely to those who do appear before you representing agricultural producers. I say this, Mr. Chairman, because that is where the food starts—whether it is milk, meats, cereals, fruits or vegetables—it starts from the hands and toil of the producers on the land.

There are some people in this country, however, who are turning their eyes toward other lands to provide meat for the American table. But the clamor to help meat consumers by increasing meat imports is a cruel, dirty joke.

It's cruel because imported meat is not cheap. The prices generally run wholesale from 63 cents to more than one dollar per pound.

It's dirty because the inspection for sanitation and wholesomeness of the imported meat is haphazard and incomplete.

It's a joke because the restrictions on meat imports are like a sieve. Last year there was 1.8 billion pounds of meat imported into this country. This includes 1.1 billion pounds of low-grade manufacturing meat under quota which has been suspended for three years in a row. Last year's voluntary restraint level in fresh, frozen or chilled beef and mutton was not fully used. The other 700 million pounds of canned or cooked meats come in with no restrictions and were limited only by the willingness of American buyers to pay the price.

In any of these cases, however, the price is high. Here are some examples, on wholesale price basis.

The 1970 average of frozen, cooked beef and veal imports from Argentina was 67 cents per pound. It had risen to 89 cents in 1971 and was 98 cents this January.

Shoulder clods, canners and cutters, were 67½ cents on August 12, 1971, 72 cents last February 24, and 73 cents on March 20.

Imported cow meat, 90 percent, was 60¾ cents on August 12, 1971, 64 cents on February 24 and 66–66½ cents on March 20.

These price quotations, Mr. Chairman, came from the Customs Bureau, the National Provisioner, and USDA Market News.

The picture is discouraging, to say the least, when you combine the fact that consumers cannot be certain that these imports are wholesome, sanitary and have no harmful chemical residues with the other fact that their cost exceeds much of the domestic product of known quality and wholesomeness.

I must ask you: how could an increase in meat imports—and red meat quotas recently were raised 10 per cent over last year's imports—be any answer to the price problem?

Speaking as both a veterinarian and a member of Congress, Mr. Chairman, I must say that the inadequacy of the inspection system for imported meats was dramatically underscored by a comprehensive report from the General Accounting Office released in February.

The Agriculture Department, when it comes to the inspection of imported meats for wholesomeness and sanitation, has failed to keep its own house in order. The 1967 Wholesome Meat Act specifically directs the Department to extend to imported meat products the same high standard of inspection that it is responsible for in relation to meat products in this country. The GAO report, citing in-depth studies of 80 of the 900 plus foreign meat packing plants that are approved to process meat for sale in this country, reveals the high percentage of foreign meat packing plants that cannot meet sanitation standards required by our law and yet are busily engaged in processing and selling their unsatisfactory meat products in this country.

Remember the prices I mentioned earlier about imported Argentine beef and veal?

Well, there were 10 Argentine plants reviewed in the GAO report and this is a country from which we imported 88 million pounds of beef in 1971. Only cooked meat either wrapped or canned is allowed to be imported from countries where there is hoof and mouth disease such as Argentina. None of the 10 plants reviewed were delisted although 9 of them showed some deficiencies. While Argentine inspectors at one of these plants condemned large numbers of organs because of tuberculosis, few carcasses of the animals with diseased organs were condemned. The meat of tubercular animals was thus being processed.

This same GAO report showed that we admitted 11 million pounds of meat last year from just 7 Australian plants which were found to be unfit to ship to the United States after the determination of unfitness had been made.

I know that many times this amount was admitted from such substandard plants abroad before they were delisted or cleaned up because the review staff is just too small to get around but about once a year. Other figures show that more pesticide residues, on a percentage basis, have been found in samples of imported meats than in domestic meats.

And, if you wonder what conditions were in the delisted plants in Australia, judge for yourself by what the GAO had to say about the one allowed to continue in operation.

The GAO tells us:

"The (U.S.) Consumer and Marketing Service foreign programs officer reported that the (Australian) inpectors at this plant:

"—did not require that grossly contaminated carcasses be trimmed before going to the coolers or boning rooms.

"—did not require that carcasses be dressed in a sanitary manner.

"—in performing examinations on beef heads, passed heads even though there were big balls of ingesta in the mouths.

"—failed to detect a diseased head which should have been condemned and should have served as the basis for a more complete inspection of the carcass. When the foreign programs officer pointed out the condition to the Australian inspection officials, the carcass was inspected further and the carcass and parts were condemned.

"The foreign programs officer reported also that the preoperative sanitation inspection of the plant showed that almost all equipment looked at was dirty and that the filth on some equipment was obviously of many days duration. He stated that the Australian inspector inspected some of the same equipment but took no action to have the equipment cleaned before operations started. The foreign programs officer reported further that he found slaughtering operations in process about 1 hour after the preoperative inspection, that he rechecked some of the equipment and found it to be still dirty and that the Australian inspector permitted the slaughtering operations to continue.

"Despite the above-cited deficiencies, and the fact that no action was taken at the time of the review, C&MS gave Australian inspection officials the option of correcting the deficiences or delisting the plants. C&MS officials told us they did not require the plant to be delisted because the deficiencies pertained mainly to improper inspection by Australian inspectors and could be readily corrected.

"A C&MS foreign programs officer's review of the plant about 2½ months later, in July, 1970, showed that deficiencies still existed. The plant was delisted at that time, and as of November, 1972, it had not been recertified for exporting to the United States.

Until it was delisted, the plant remained eligible to export meat products to the United States even though it was not in compliance with U. S. requirements.

"C&MS records relating to plants in Australia showed that C&MS had not always required inspection officials to correct promptly certain deficiencies in the Australian inspection system or in approved plants . . ."

As you wrestle with these problems, Mr. Chairman, you must take these things into consideration and you also must remember that it is not the farmers and ranchers who are causing inflation. To the contrary, they are the goats of inflation which has not been controlled.

And, as I told the House Livestock and Grains Subcommittee on Monday, an explanation is needed for the hodge-podge of prices on retail beef cuts which rise sharply as the beef moves to the populous Eastern seaboard from meat producing areas of the nation. These differences cannot be explained by freight costs, labor costs, big city distribution costs or high farm prices. At this point, I include in my remarks the testimony which I delivered before that Subcommittee to back up and support this brief digest.

Thank you.

Mr. ABOUREZK. Mr. Speaker, I thank the gentleman from Montana.

Mr. BIAGGI. Mr. Speaker, much has been said here in Congress, by the administration and in the news media regarding the high cost of providing three square meals a day for one's family. In fact, in many cases the three squares have dwindled to two and the size and quality dropped even more so.

I am not going to stand here and argue for or against the farmer or for or against the consumer. Each has a valid position. But I am going to state uncategorically that food prices are much too high for a time when strict controls are placed on the wage earners' income.

If we are going to have wage and price controls then all segments of the economy must be controlled. Most of my constituents have seen their salary increases held to 5 or 6 percent, while their rents have gone up 20 or 30 percent or more. They have seen their phone bill go up 29 percent. They have seen their utilities go up and their taxes go up. On top of all this, they have had to pay the highest prices for meat and many other food products in recent years.

These are the facts. When you are trying to stretch a small paycheck or pension payment, it is no consolation to know that according to statistics, consumers are paying less than 16 cents for food out of each take-home dollar, compared with 23 cents 20 years ago.

The course of action, as I see it, is to control the margin of profit of those who process and distribute food and eliminate all controls affecting raw agricultural products. I must exempt the farmer from controls, because his income is 25 percent less than nonfarm workers and he is only just now making a recovery from the relatively low farm prices of recent years.

However, the meat packers, the food processers, the food distributors and the retail supermarkets have all been in for their share of the consumer dollar—a share that has increased as the farmers' share has decreased.

Moreover, there appears to be evidence that supermarkets are practicing price discrimination against the big cities in the Northeast. The wholesale price of beef in Chicago is the same as it is in New York with the exception of a 1-cent per pound freight charge. Yet the New Yorker pays an average of 40 percent more for his beef than does his fellow Chicagoan.

The inequities are evident. The facts have been there for some time, but the administration has failed to act. I would like to suggest today that this Nation take four steps to rectify the imbalance in our food pricing system.

First, the Congress should eliminate all crop subsidies which cost the American taxpayer approximately $5 billion a year. It is this and other price rigging systems—which should also be elimnated—that keep the price of food so high.

To carry out our public policy of providing the farmer a decent return for his labors, part of the $5 billion saved can be applied to income supports paid directly to the farmers to make up for losses in income as a result of lower prices for agricultural products.

Unlike the subsidy program, we would be paying a farmer to work. As far as I am concerned, there is no difference between paying a person on welfare who could be out working and paying a farmer who could be out growing crops.

Any excess food that might be grown as a result of this policy could be distributed to the poor nations of the world or the poor people right here in this country.

The cost of transportation will in no way match the cost of the subsidy program as it is today.

Second, the President should suspend all meat import quotas and all negotiations with foreign suppliers on the quantity of meat entering the country. Congress should at the same time move to repeal the Meat Import Quota Act of 1964. This would help provide meat in the quantities needed to feed America and at the prices people can afford. At the same time all other agricultural quotas and restrictions should be eliminated.

Third, the Price Commission should immediately institute price controls over the processors, distributors and retailers of food products. There is no difference between a manufacturing firm engaged in producing food products and a firm engaged in making vacuum cleaners—both should be controlled.

Fourth, with the elimination of arbitrary controls on the supply and demand for farm products the prices for raw agricultural goods should be allowed to find their own lower levels in the market place. This is truly the American way of free enterprise.

If these steps are taken, the cost of a bag of groceries will return to more realistic levels. Families will once again be able to enjoy good cuts of meat and three solid meals a day. The farmer will be assured a living wage for a good day's work. And numerous bureaucrats will be off finding new jobs since controls on agricultural products will be no more.

The net result is a savings to the taxpayer, a savings to the consumer and an improved way of life for the farmer. It just might prevent the day when people will rent a piece of cooked steak just to give their children an idea what it smells and looks like.

Mr. McCORMACK. Mr. Speaker, I thank my colleagues in the urban-rural forum for inviting me to join in this Special Order.

I would like to bring certain facts to the attention of the House regarding the increase in food costs.

It is a fact that consumers this year will pay less than 16 cents for food out of each dollar of take-home pay, compared with 23 cents 20 years ago. This is much less than almost any other country on earth. Quite frankly, if food costs had gone up in proportion to take-home pay during the last 20 years, consumers would pay an average of $286 more per person for food this year.

Wages to workers in other industries have more than doubled in the past 20 years, and the cost of most everything a consumer buys has more than doubled during the same period. The beef producers' costs have risen nearly 100 percent in 20 years, but the structure of live cattle prices remains essentially the same.

The fact is, Mr. Speaker, that everyone connected with retail beef is collecting a higher portion of the consumer's dollar except the man who raises the beef.

The American farmer is the most efficient food producer in the world. One farmer produces enough food and fiber for nearly 50 persons. In spite of this efficiency, the farmer still receives a smaller reward for his investment and his labors than any other segment of American business. For example, farm assets in this Nation total $307 billion, almost two-thirds the value of all U.S. corporations. The average farmer has an investment of more than $150,000, but he shows a net cash return of much less than the average laborer. Few other industries today would remain in business with that kind of profit picture.

For 1-hour's labor, 1.7 pounds of beef could be purchased in 1951. For that same hour's labor in 1972, 3.3 pounds of beef can be purchased. In 1951, U.S. commercial beef production was 8,549 million pounds. In 1971, producers had increased production to 21,690 million pounds. Expressed in per capita consumption, we were eating only 56.1 pounds of beef per person in 1951, while in 1971, we ate 114 pounds per person. This increase in per capita consumption came about because the domestic beef cattle industry continually wants to satisfy the consumers of the United States who have displayed a strong preference for beef.

Mr. Speaker, these facts must be relayed to the American consumer. One cattle rancher stated recently that he has "no more control over what I get for my cattle when I sell it than the housewife does when she pays for it."

Mr. Speaker, one of my constituents, Mr. Dick Coon, of the Bar U Ranch Co. in Washtucna, Wash., has invited all those who doubt the role of the farmer-rancher in the rising cost of food to visit his ranch. He has offered these visitors complete access to his record so that he might show them in facts and

figures how a ranch with approximately 400 head of cattle is run, what its profit and loss figures are, and so forth. The text of Mr. Coon's letter, written to a New England Congressman, is as follows:

WASHTUCNA, WASH., *March 27, 1972.*

DEAR REPRESENTATIVE: I read in Saturday's Spokane, Washington's Spokesman-Review a report that you had suggested a limited nation-wide boycott of meat as a protest against rising prices.

Supposedly, in a letter to your constituents, the suggestion was made to establish two meatless days each week and form the nucleus of a nation-wide boycott of meat products.

As a cattleman and meat producer, I was initially quite disturbed that such drastic action could be advocated which could have such a severe impact on my livelihood.

Further analysis, as well as the fact that I was born and raised in your neighboring state of Massachusetts, impressed me that you could not be acquainted with all the facts and/or figures that affect my business; that the plight and circumstances of the beef producer are not fully known to you.

With this in mind, I would like to extend an invitation to you for a visit to our ranch here in Washington State. I would be happy to show you the records of the ranch, our dollar return on our investment, the risks involved, as well as any other information you might request.

Since we depend on the cow and calf as our sole source of income—we have no other crop—and, therefore, the price per pound for what we sell represents our only basis for return, the picture would remain unclouded by outside factors.

We are a family corporation with a herd of 400 cows approximately. I would imagine that you would find such a visit informative, educational and enlightening.

Sincerely yours,

DICK COON,
Secretary, Bar U Ranch Co.

Mr. ALEXANDER. Mr. Speaker, I am glad to have this opportunity to join my colleagues today in this discussion of rising food prices. This is a complaint which we hear repeatedly. It is a complaint which must not be ignored. And, I believe, that it is a complaint for which simplistic answers are neither accurate, adequate nor proper.

Most recently the fault for rising food prices has been laid at the gates of the farmers. Then when that allegation proved less than correct, the guilt was placed on the shoulders of the middlemen—the processors, the food brokers, the grocery store operators. Now that the middlemen have risen in defense of themselves, a deeper search for answers has gotten underway.

I would not presume to say that I have all the answers. But, I would like to discuss some statistics which may point to the reasons for the increases in food costs. It may be useful here to point out that while the consumer paid 23 cents of each of his dollars for food 20 years ago, he paid only 16 cents of each dollar for food in 1971.

Between 1951 and 1971 the prices paid to farmers for food products rose 6 percent. The wholesale food prices went up 20 percent and the retail prices rose 43 percent. During that same period the Nation's wage levels increased an average of more than 6 percent each year, for a total increase of 130 percent.

At the farm end of this food marketing chain, the cost to the producer of all the products he purchases has risen nearly 50 percent. The farmers production costs have nearly doubled. In that same period, the farmer has increased his productivity per man-hour of work by 330 percent. This compares with an increase in the industrial man-hour productivity of only 160 percent.

It would seem reasonable, in view of these statistics, to say that while the farmer has gotten more money for his products, his profit level has not increased comparably.

Now, let us take a brief look at the so-called middlemen. I have said that their food prices rose 20 and 43 percent respectively. Is this all cost-free profit? I think not. Between the farm fields and grazing lands and the family table, there are a number of cost-producing operations carried out.

These include transportation, processing, distribution, and sales promotion. Labor and equipment is required for each operation. And, further down the chain of our complex way of living, other men and machines are needed for producing the materials and services used in the food production and distribution industry.

It is fair and just that the demand of nonfarm management and labor for an equitable share of the Nation's affluence be satisfied.

By the same token though, it is, I believe, unconscionable for the farm family to be denied its proper place in the Nation's financial system. This group of Americans is dedicated to helping clothe and feed the Nation. Their contribution to our society is of such a magnitude that I cannot believe the farm family's place is at the bottom of the economic ladder. They should not be forced to bear the whole burden in national efforts to keep down food costs to the consumers.

Instead of criticism, the American farmer deserves the gratitude of every consumer for providing to our Nation the best standard of living at the cheapest possible cost.

Mr. KAZEN. Mr. Speaker, I am pleased to join in this urban-rural forum recognition and wish to associate myself with those members of the House who sought to examine the common interests of our cities, small towns, farms and ranches. History has taught us that when class is set against class, it is the nation that loses, but that when we work together, great achievements are possible.

There is no need for me to explain the need for understanding. Certainly it belabors the obvious if I were to express concern over those people of limited vision who look at problems from a narrow perspective. I do want to take time, however, to be very specific about an example of urban-rural cooperation reported to me just yesterday, when more than a dozen leaders of south Texas called on me.

Their purpose in coming to Washington was for the national conference of rural electrification co-ops. I am proud to say that they told me they knew that I understood and supported the REA program so they did not feel they had to educate me. But they informed me of a new effort which six south Texas REA co-ops made just last week. They held a meeting in Houston, in a big hotel ballroom, to report to those REA members who live in that bustling urban area and who were new to REA. The co-op leaders, in other words, proposed to report to members who were served by REA power lines and paid REA bills, but had little personal experience with their fellow members.

The attendance was almost 2,000. The crowd was three times what had been expected. There were no big-name speakers to draw a crowd, no banquet, simply a report to the memberships of those co-ops. I want to salute the managers and directors who planned the meeting, but I also want to salute those members interested enough to attend. I think this is a fine example of the feeling across this country—a feeling that had been slow to develop, but now is mounting in strength and importance—that urban-rural cooperation can help all of us.

REA does serve urban and rural residents. So do other programs. I also welcome the mounting recognition that programs do not have to range across geographical lines to spread wide benefits. If life on a farm or a small town is rewarding enough to hold residents there and bring their sons and daughters back home, some city has fewer people to crowd its streets, its schools and too often its unemployment relief lines. The folks on the farms benefit when the cities prosper, too, so that urban families can buy the food and fiber produced on the land.

Mr. Speaker, I believe that urban-rural cooperation is absolutely essential if we are to continue to have the land of the free and the home of the brave.

Mr. STEIGER of Wisconsin. Mr. Speaker, as a Member of the House representing a mixed rural and urban district in America's Dairyland, and a member of the urban rural forum, I think it is valuable to discuss at length the problems faced by both the American farmer and the consumers. There seems to be many misconceptions concerning who is responsible. The farmer appears to be bearing the brunt of this attack. This is not fair and I fear that many problems faced by farmers are overlooked by those who are critical of farm programs and farmers.

Consumer food prices have been receiving a great deal of attention recently. Secretary of Agriculture Earl Butz has been criticized by C. Jackson Grayson, chairman of the President's Price Commission, for his encouragement of high food prices. And a large grocery chain, Giant Foods, has discouraged its customers from buying meat because of its cost.

Overlooked in this controversy, however, is a disquieting fact: the family farmer is gaining nothing from the increased prices found at the grocery store.

A report released by the U.S. Department of Agriculture—DOA—indicates the difficult economic position of the average farmer today. DOA figures show that while wholesale food prices went up 20 percent and retail food prices rose 43 percent in the past 20 years, prices received by farmers increased only 6 percent. During this same period, the farmer's share of the food dollars has dropped from 49 cents to 38 cents.

Although farm income has risen slightly in those 20 years, total production costs have nearly doubled, wages for hired help have increased 2.3 times, property taxes per acre have nearly quadrupled, and farm debt has grown five times larger.

Before we blame farmers for increased food costs we should first ponder these statistics. While a number of people have pointed out that the skyrocketing price of food is the result of the middlemen—the processors and wholesalers—few people are genuinely aware of that fact.

Meanwhile, the only way farmers survive the ever-spiraling production costs is to increase productivity and efficiency. Their success in doing this has been outstanding.

Output per man-hour on farms since 1952 has increased twice as rapidly as in industry. Production has increased threefold while the number of farms has decreased from 5.4 million to less than 2.9 million and the number of farmers has gone from 9.5 million to 4.4 million.

And despite seemingly high food costs, people today spend only 16 percent of their take-home pay for food. Twenty years ago, 23 percent of their paycheck went for groceries.

Further evidence of the key role American farmers play in our Nation's economic picture is seen in their contribution to the United States strong competitive position in the world marketplace. A record $7.8 billion in farm products were sold overseas last year, and more than $300 million worth of commodities were made available free to foreign countries to upgrade diets and provide disaster relief.

Farmers, then, need apologize to no one for high food prices. In fact, we consumers should count ourselves fortunate that farmers have made dramatic increases in productivity while earning an average disposable income that is only three-fourths that of nonfarmers.

Any boycott of farm products would be highly regrettable. Those who would be hurt most are the family farmers; and if that happens all of America will be hurt. We should seek further means of helping farmers—instead of making it yet more difficult for them to earn a living wage.

Mr. SCHWENGEL. Mr. Speaker, food prices are increasing at a rapidly alarming rate. We only need venture into our local supermarket each week and note the small, but steady increase in the price of all goods. The problem has reached such proportions that American housewives, farmers, and food processors and distributors are keenly aware of this important issue, that the Price Commission is holding hearings or food prices, and the administration has called in numerous individuals in an attempt to hold the line on food prices.

During this heated and ofttimes controversial debate, the farmer has come in for much undeserved criticism. While maintaining high levels of production and efficiency, he has received a consistently smaller percentage of the American food dollar. Recently, in a letter to President Nixon, cosigned by 21 of my colleagues in the House, I noted this dramatic statistic—from 49 cents in 1952, to 38 cents in 1971. Clearly, the increases in food prices must be coming from other sources. The farmer is not to blame.

The farmer seldom realizes any of the price increases that the consumer faces daily. Beef prices, for example, finally reached in March levels of almost 20 years ago. Yet many consumers are led to believe that rising beef prices are to be laid at the farmers doorstep. Grain prices have not reached levels commensurate with demand, although consumers continue to pay increasingly higher prices for bread, cereals, and other grain foods.

It seems we are faced with a problem which affects many millions of Americans. The Price Commission hearings will undoubtedly show that the farmer and consumer are often at the mercy of the processor, shipper, jobber and distributor.

In our discussion we must focus on the unmistakable truth—the consumer is paying more and more, while the farmer is receiving less and less. Only in this light can we begin to address ourselves to the necessary solutions. We must also recognize that we are dealing with a problem that directly affects every American—the price of our most basic necessity.

I urge my colleagues to support the consumer and the farmer in this difficult problem. By doing so we will be serving the interest of all Americans.

Mr. ANDREWS of North Dakota. Mr. Speaker, I want to commend the Urban-Rural Forum for requesting this time to afford the opportunity of the Members of this body to express their views on the matter of increasing food prices, which has, of course, been the focal point of major national concern.

Let me tell my urban friends in the Congress that this concern is shared by those of us in rural America, for we, too, must go to the supermarket to purchase food necessary to sustain life. The concern over the cost of food is magnified even more in rural America when we know that the increase in cost is not reflected in a direct relationship to the price the farmer is receiving for his commodity.

I think a case in point is the recent controversy over the price of beef. On March 28 of this year, I discussed this subject on the floor outlining the situation as it actually was. Let me, if I may, reiterate some of the points which I raised.

On August 13, 1971, the President imposed the economic freeze. That date, choice beef carcasses at Omaha were selling for $54 per hundred pounds. On March 24, 1972, choice beef carcasses at Omaha brought $53.25, below the August 13, 1971, figure, and probably more important, below what beef carcasses were 20 years ago.

I wonder if my colleagues realize that during the past 20 years, Government employees salaries have increased 430 percent, wages for off-farm labor have gone up 340 percent, and business and professional income has increased 200 percent. Yet, during that same period, the 70 major farm commodities have increased in price by only 7 percent. We have seen editorial cartoons in a Washington newspaper indicating the consumer is being forced to pay outrageous prices for beef and that the farmer should get less for his product. I would like to point out that 20 years ago, the Sunday edition of this newspaper was selling for 10 cents. Today it costs the consumer 40 cents, an increase of 400 percent.

Mr. Speaker, the publicity which floated around concerning the price of beef was of great concern to me, not only because of its lack of honesty, but also the fact that it could cause some of our urban colleagues to question future farm legislation presented before the Congress. Yo do not have to be a mathematician to realize that without some of the votes of our urban members it would be impossible to pass some of the farm bills.

Let me say that the cost of food in this country is a bargain. The latest statistics indicate that an American family spends about 16.5 percent of disposable income for food. The nations of Western Europe, meanwhile, probably pay 20 to 25 percent; the Soviet Union about 50 percent, and in Asia they pay as much as 75 to 80 percent of all they make for having a very meager diet.

Those of us from rural America realize that we do have a stake in the cities as customers, but I would like to say that the cities also have a big stake in us as their prime customers. There is no question but that consumers stand to lose the most if agriculture would be allowed to sink into a depression. In this country, the national economy starts with an agricultural base—a sound, vigorous agricultural industry interrelates with the automotive, fuel, chemical and other industries that supply and service farmers. City workers have a vested interest in agricultural progress. In a direct sense, the steelworker in Pittsburgh and the automotive manufacturer in Detroit are partners in the agricultural effort. If the farmers of America can be well off so, too, will these major industries of America be well off.

Our farmers are in a cost-price squeeze. Farmers get only about one-third as much return on their investment as the average businessman—and these figures are based on the good yields of last year. Farmers know that farm machinery has more than doubled in price and real estate taxes per acre are almost four times higher than they were 20 years ago. The farmers economic disadvantage lies in not being able to set the price of his products, passing along these cost hikes like other economic groups do.

In closing, I call upon all members of the Congress to take the time to review the economic condition of those who are growing the food so vital to the welfare of not only this great country, but to the peoples of other countries throughout the world. I think that you will agree that the farmer is doing his job very well and deserves just compensation. I sincerely hope that this discussion today will help achieve this goal and I again commend the Uban-Rural Forum for taking the initiative to arrange for it.

GENERAL LEAVE

Mr. ABOUREZK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

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

There was no objection.

DOMESTIC INDUSTRIES DAMAGED BY FOREIGN IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, on past occasions I have taken special orders to discuss the damage foreign imports have done to domestic industries. I have directed my remarks primarily to steel, because I represent one of the greatest steelmaking districts in the Nation. However, steel is not alone when it comes to being threatened by foreign import domination. Others have been hit and hit hard; the shoe, textile, and electronic industries for example. As Congressmen, I believe we have an obligation to keep abreast of what is happening in industries other than those which directly concern us. If we do not hang together and solidly support those industries which need help, the industries and later ourselves will hang separately.

Several weeks ago I called attention to the many "American" companies which now have their products manufactured abroad but continue to sell it here under the brandname the American buying public has come to know and trust.

Today, I am going to discuss that particular aspect of the import problem again, concentrating on its relation to the domestic manufacture of electronic calculators and portable typewriters. The fact is, we do little or no manufacturing in those fields today compared to what we once did. Foreign manufacturers have reaped the harvest from seeds we planted.

These industries have sustained heavy financial and employment losses at the hands of foreign competitors who take advantage of America's generosity, technology, and antiquated trade laws. Those of my colleagues who represent districts where these industries once thrived know what I am talking out; those who do not are in for some eye-opening statistics.

The information which I am about to present was provided my office through the courtesy and cooperation of Mr. Gerard F. Stoddard, director of corporate communications for the SCM Corp. in New York City. I thank Mr. Stoddard for the time and effort he and his associates spent in compiling this material. I think it will prove enlightening to all of us.

I will insert into the RECORD at the close of my remarks a statement by SCM in support of administrative and legislative action to redress unfair advantages which have resulted in a Japanese electronic desktop calculator displacing a major manufacturing industry in the United States.

I will also insert supporting material, including an SCM news release describing the drastic steps the firm was forced to take to reduce its investment in the calculator field, a letter to former Secretary of Commerce Stans depicting the situation faced by the typewriter industry, a history of the takeover of that industry by foreign competitors and various clippings pertinent to the overall subject.

Just as SCM declares in a memorandum dated November 11, 1971, the story of the Japanese electronic calculator in the U.S. market is a classic example of how a foreign manufacturer's cartel can take unfair advantage of low labor costs and unintended U.S. tariff concessions while, at the same time, strongly protect their own home markets against unwanted competition.

Electronic calculators are a relatively new item in office equipment. They were invented in the United States and first marketed here just 7 years ago. As late as 1967, only 15,000 of the 190,000 calculators sold in the United States were electronic, the others being of the old rotary type. In 3 years, however, 70 percent or 350,000 of 490,000 calculators sold here were of the electronic type.

The takeover of that market by foreign firms has been as dramatic as it has been damaging. Although the electronic calculator was invented and first marketed here in 1965, American firms were reluctant to go into mass production for a number of reasons. First, they wanted to be sure the product was tried and proven and would not tarnish respectable business reputations. Also, operations for production of the rotary calculator had to be phased out to make room for the new product.

The Japanese saw the situation, recognized the potential of the new calculator and went to work. The Japanese had never made or sold rotary calculators; they had no worry about phasing out antiquated operations and they had solid experience in the field of electronic equipment through their production of radio and television sets. With nothing to lose and everything to gain, the Japanese jumped into the calculator race with both feet. In 1967, most of the 7,000 electronic calculators sold in the United States were Japanese, and they netted that nation some $2.5 million extra in sales to this country. By the end of 1970, when American manufacturers had overcome their early caution, the field practically belonged to the Japanese. They had captured more than 70 percent of our market.

I believe it is interesting at this point to call your attention to a Department of State airgram, No. A–1120, dated December 1, 1970, which is referred to in the SCM statement. According to SCM, the airgram reports the stated desire of Japanese business machine manufacturers to "invade the world market with Japanese desktop electronic calculators."

Japanese industry sources, SCM said, were estimating they had more than 70 percent of world production in this still new field. Total export sales in 1970 were estimated at $180 million and the prediction for this year, 1972, was an astounding $700 million.

Under the onslaught of this Japanese invasion, domestic manufacturers of calculators reeled, faltered or failed. Established firms such as NCR, Burroughs, and Dictaphone, came to rely solely on Japanese produced electronic calculators. Their machines were made by Sharp, Sanyo, and Nippon, but sold in the United States under the established American brand name.

Monroe, once a leading calculator manufacturer, still maintains its plant in Bristol, Va., but purchases most of its requirements from Canon, a Japanese firm. Friden, another well known name in office equipment, buys from Hitachi, which resells to American businessmen under the Friden label. Remington buys all its calculators from Casio.

I believe it only fair to point out that SCM Corporation is the manufacturer of the "Marchant" brand desktop calculator and Marchant's only purchases from Japan were in 1969–70, and consisted of a year's requirements of one specialized model from Toshiba.

Unquestionably, Japan, with its low-cost labor, has a tremendous production advantage over the United States in this field. But, in addition, the Japanese manufacturers also receive maximum cooperation from their government.

George D. Butler, president of Electronic Industries Association, told this to the House Ways and Means Committee on June 8, 1970. He said this combination of advantages existed particularly in Japan "where government, industry, the financial institutions, and labor are united in a program to capture for their country an ever-increasing share of the world market."

The Japanese Government offers its support through the Ministry of International Trade and Industry—MITI—and MITI assures home firms of favorable terms while restricting foreign investment and opportunities for foreign companies to compete in Japan's markets.

Startling as it may seem, the Government of the United States also has helped the Japanese manufacturers, although it did not know it at the time. In 1930, the United States set a duty on calculating machines at 35 percent. Of course, the Japanese were not in the business then and the duty did not bother them one way or another. However, by 1967, when Japan was beginning to reap some profits from the new electronic calculators, the duty had been reduced to 10.5 percent. It has continued to drop through scheduled reductions until now it stands at 5 percent.

When the original tariff and schedule were set, electronic calculators had not been invented and, consequently, no differentiation was made between the old rotary calculator and the yet to be born newcomer. When Japan moved into the infant electronic market, the time and price was right. The duty was low and the profit high. Meanwhile, the Japanese—MITI—had imposed tariffs of 15 to 25 percent on calculators shipped to Japan. Some reductions have been conveniently made but the rates still stand between 9 and 15 percent, depending on the particular model.

I believe the most shocking portion of the SCM statement is on page 13, and I certainly hope my colleagues will read it. It reveals that our Government actually has assisted in the loss of the domestic calculator market by its own procurement practices.

According to SCM, which quotes GSA statistics, the U.S. Government purchased $16 million worth of calculators last year and Japanese-made machines accounted for 31 percent or $5 million of that total. SCM notes the Internal Revenue Service primarily bought Japanese "Sharp" models for its regional offices.

The firm raises the question if the IRS action is not in violation of President Eisenhower's Executive order of December 21, 1954, which stipulated that heads of executive agencies would purchase only materials of domestic origin unless it was unreasonable or inconsistent with the public interest.

This is something which consistently irks me. I cannot understand why the Federal Government persists in buying foreign products when industries here at home are crying for business. If the American Government will not "buy American" how can you expect anyone else? I believe the Federal Government has a moral obligation, if not a legal one, to buy everything it can from American manufacturers. Certainly, it should not go out of its way to help destroy our domestic industries.

I do not have any information regarding the number of foreign-made typewriters the Federal Government purchases. It would be rather interesting to know, however, since this is another industry which has gone abroad to a great extent.

Early in my remarks I referred to a letter written to former Secretary of Commerce Stans. The writer was Mr. E. E. Mead, who, I understand, was the former president of SCM. His letter, written last August, assured Mr. Stans that SCM would abide by President Nixon's new economic plan. But, Mr. Mead also pointed out the then new import surcharge had no effect on portable typewriters since there has been no duty imposed on these machines.

He wrote:

> Undoubtedly, for products with an existing duty, a surcharge will be most helpful, and we applaud this motion. But in my opinion the portable typewriter industry continues to suffer gross neglect in our trade agreements. There is no duty on portable typewriters and, therefore, no surcharge.

Mr. Mead feels this lack of protection in a high labor cost product was a major factor why Royal shifted production of portables to Japan and Germany; why Remington has discontinued manufacture of portable typewriters here and now sells a Japanese product under the Remington name; and why R. C. Allen was forced out of business entirely. Incidentally, Underwood, another well-known typewriter manufacturer, was acquired several years ago by an Italian office equipment firm, Olivetti. However, although Olivetti makes their machines overseas, they are sold here under both the Olivetti and Underwood brand names.

As it stands now, Smith-Corona is the only portable typewriter now manufactured in the United States. Mr. Mead candidly admits the firm was forced to move manufacture of its lowest priced model to the United Kingdom some years ago. The alternative, he said, was to be permanently excluded from the product line.

Furthermore, Mr. Mead reports the firm has outstripped competitors in the development of automation and manufacturing efficiencies which reduced the number of man-hours required in this labor-intensive product. But, he warned Secretary Stans:

> We have gone about as far as we can go along these lines. It is imperative that our industry be protected from very low foreign wage rates and through a reasonable duty on imported typewriters.

The United States, according to Mr. Mead's letter, is virtually locked out of major countries, especially those producing typewriters. Those nations, he adds, have the advantage of cheap labor rates while protecting their home typewriter markets with duties ranging from a high percentage to a complete embargo on machines manufactured in other countries.

In September of last year the Smith-Corona Laboratory prepared a detailed comparison of imported and domestic portable typewriters along with a brief, chronological history showing the demise of former major American manufacturers. In this summary, it was pointed out imports of portable typewriterrs have more than doubled since 1960, rising from 524,327 units to 1,299,532 units. The nations showing the greatest growth were: Japan—116,000 units in 1964 to 547,000 units in 1970; Portugal—2,000 units in to 59,000 units in 1970; and the United Kingdom—66,000 units in 1964 to 304,000 units in 1970. Incidentally, imported portable typewriters totaled more than 800,000 in the first 6 months of last year. If that rate continued for the second half of 1971, the total number of imported portables would have eclipsed the 1970 figure by near 300,000 units.

A clipping from a January issue of U.S. News & World Report depicts the dramatic growth of imported typewriters with startling clarity. According to the magazine, which quoted Department of Commerce figures, the United States exported typewriters valued at $19.1 million in 1969, and imported machines valued at $69.4 million. One year later, 1970, our exports had risen slightly to $20.8 million, but our imports had soared to a value of $92.3 million.

It is interesting to note the article quotes a department survey as saying this flight to overseas manufacturing is due to the deterioration of American plants "until many are outmoded and uneconomical." No mention is made of the unfair trade barriers raised against our domestic manufacturers by our own and foreign governments nor the low-cost labor enjoyed by our foreign competitors.

Mr. Speaker, in view of this critical situation in the electronic calculator and portable typewriter industries, I believe the Federal Government must take some protective action. Our trade laws must be revised to afford fair opportunities to our manufacturers. At the same time our Government must stop buying foreign-made products in accordance with President Eisenhower's Executive Order of 1954. Furthermore, I will, at the close of my remarks today, ask the GAO to furnish me with information relative to what office equipment is purchased by our Government from overseas firms and at what cost. I also will ask the GAO to determine whether the purchase of these items from domestic suppliers would be unreasonable or inconsistent with the public interest.

The material follows:

CONGRESS OF THE UNITED STATES,
Washington, D.C., April 19, 1972.

Mr. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: I recently received information from the SCM Corporation in New York City which contained some alarming statistics relating to the take-over of the American calculator and typewriter industries by foreign competitors.

According to SCM, Japan had captured more than 70 percent of the domestic electronic calculator market and 52 percent of the total U.S. calculator market in 1970. The claim also is made that today there is only one portable typewriter manufactured and assembled in the United States by well-known firms which once were major figures in that domestic industry.

I was particularly disturbed to read on page 13 of the SMC report, a copy of which is enclosed for your consideration, that the Federal Government actually has furthered the take-over of the calculator market through its procurement practices. According to the SCM, the Federal Government purchased $16 million worth of calculators in fiscal 1971, and Japanese models accounted for $5 million or 31 percent of that total. Furthermore, SCM contends the Internal Revenue Service purchased Japanese calculators for its regional offices.

Because I am greatly concerned over our nation's trade imbalance and loss of domestic industry to foreign competitors, I am requesting your office to conduct a full investigation into the purchasing policies of our Federal Government. I am interested in learning what type of office equipment is purchased abroad and where. I want to know the quantity and cost of these purchases and how they compare with equipment bought from domestic manufacturers.

Finally, I am requesting your opinion as to whether the purchase of the foreign made equipment was in violation of President Eisenhower's Executive Order No. 10582, which was issued in December 21, 1954, and is still in effect. As you are no doubt aware, that order required heads of executive agencies to purchase only materials of domestic origin unless it was unreasonable or inconsistent with the public interest.

I look forward to hearing from you and thank you for your cooperation.

Sincerely yours,

JOSEPH M. GAYDOS,
Member of Congress.

STATEMENT OF SCM CORPORATION IN SUPPORT OF ADMINISTRATIVE AND LEGISLATIVE ACTIONS TO REDRESS UNFAIR ADVANTAGES WHICH HAVE RESULTED IN JAPANESE ELECTRONIC DESKTOP CALCULATORS DISPLACING A MAJOR AMERICAN MANUFACTURING INDUSTRY

This memorandum has been prepared by SCM Corporation, a United States manufacturer of the "Marchant" brand desk-top calculators.

The memorandum describes (a) the rapidly changing nature of the calculator mar-

ket in this country, (b) the extent to which Japanese electronic calculators have displaced products of domestic manufacturers, and (c) the reasons why this has happened.

Specific positive administrative and legislative actions are recommended to correct past and present inequities and to save this major industry from a complete takeover by Japanese manufactured products.

I. BACKGROUND

The history of Japanese electronic calculators in the United States market presents a classic case of a foreign manufacturers' cratel taking unfair advantage of low labor costs, unintended United States tariff concessions, and a protected home market.

A. The rapidly changing U.S. market

Desk-top calculators are machines which add, subtract, multiply and divide and perform various complex mathematical business and scientific calculations. The calculator is far more complex than a simple adding machine but generally lacks the memory banks (programmability) of the computer. Electro-mechanical rotary calculators, with thousands of moving parts, produce a mathematical result which is shown on dials; electro-mechanical printing calculators print the result on paper tape. Electronic calculators, with miniaturized electronic circuitry and few electro-mechanical calculators, and the mathematical results are produced on electronic display tubes or are printed on paper type.

For the last 50 years, the leading domestic and world producers of electro-mechanical calculators were Marchant, Friden (now a subsidiary of the Singer Co.), Monroe (now a subsidiary of Litton Industries, Inc.) and more recently, Victor Comptometer. The substantial bulk of the calculators sold by those four companies were manufactured by them in the United States.

The electronic calculator was invented and first manufactured in the United States. Marchant, through their own research and development efforts, was among the first American companies to develop, manufacture and sell electronic calculators, with the first units being marketed in 1965.

Since then, electronic calculators have rapidly displaced rotary calculators in the United States and world markets. Today, all American companies have stopped production of electro-mechanical rotary calculators. For Marchant, this meant closing a large plant in Orangeburg, South Carolina. The plant, which had employed as many as 1,400 people, stopped making rotary calculators in 1968 and was closed down completely in July, 1970 and still remains empty and unused.

Table A (annexed to this memorandum) dramatically demonstrates the rapid changeover in the U.S. market to electronic calculators. In 1967, of the 190,000 calculators sold in the United States, only 15,000 (or less than 8%) were electronic. By 1970, of the 490,000 calculators sold in the United States, 350,000 (or 70%) were electronic calculators.

B. The Japanese "invasion" of the United States and world markets for electronic calculators

As late as 1967, the Japanese had sold relatively few electronic calculators in the United States. In that year Japanese manufacturers accounted for about 7,000 units with a dollar value of $2.5 million out of total United States calculator sales of 200,000 with a value of $160 million. The Japanese had never made nor sold electro-mechanical rotary calculators.

By the end of 1970, the Japanese could boast of having captured more than 70% of the United States electronic calculator market, or about 52% of the total U.S. calculator market. (See Tables A and B attached to this memorandum.)

This tremendous surge of imports of Japanese electronic calculators into the United States was part of a world plan by Japanese industry, as is indicated in Department of State Airgram No. A–1120, dated December 1, 1970. That publication reports the stated desire of Japanese business machine manufacturers to ". . . invade the world market with Japanese desk-top electronic calculators." The Airgram said that in 1970 electronic desk-top calculators had become one of Japan's leading export items, surpassing color television sets. Japanese industry sources were cited as estimating that Japan accounts for over 70% of world production. Total export sales, in 1970, were estimated at $180 million, and a huge increase to $700 million was predicted for 1972:

This Japanese takeover of the United States calculator business has seen such major office equipment manufacturers as NCR, Burroughs, and Dictaphone come to rely solely on Japanese produced electronic calculators (made by Sharp, Sanyo and Nippon) which they now sell under their tradename. Monroe, formerly a leading United States calculator manufacturer, closed down their Bristol, Virginia plant, for a while virtually ceasing all domestic manufacture; and it now still purchases most of its requirements from Canon, another Japanese company. Similarly, Friden is currently purchasing much of its requirements from Hitachi, which it then merely resells to American businessmen under the Friden name. Remington buys all its calculators from Casio; and so on. Marchant's only OEM purchases from Japan were made in 1969–70 and were limited to a year's requirements of one specialized model from Toshiba.

It is generally understood that Friden has sustained substantial losses in the calculator business in the last three years. Marchant has also had heavy losses, in the millions of dollars in that period.

Today, of the former major calculator manufacturers, only Marchant and Victor Comptometer manufacture all their calculators in the United States.* There are a few other United States companies which have in the last ten years entered the calculator business. Among those which have been successful are Wang and Hewlett Packard, both of which manufacture the more expensive programmable calculators.

C. Unfair advantages which have helped the Japanese takeover of the U.S. calculator market

The following are some of the reasons the Japanese have been able to dominate the United States and world markets for electronic calculators.

(i) Low Cost Labor

George D. Butler, President of Electronic Industries Association, testified at the Hearings before the Committee on Ways and Means on June 8, 1970 that:

"The production of electronic products is a labor intensive process, while at the same time these products have a high dollar value per pound of weight. It is natural, therefore, that these products tend to be made in countries with a large supply of low-cost labor and that such products can be shipped to distant markets because there is little freight disadvantage. This explains in part the severe competition U.S. electronic products are facing in the United States and world markets, particularly from Japanese and Far East producers. In addition to the low-cost labor advantages, these Asiatic producers have also competent management and they receive maximum cooperation in their operation from their governments." (p. 2829)

Mr. Butler also said:

"Coupled with the large pool of low-cost labor are capable management, capable technicians, abundant capital, and sympathetic governments, particularly in Japan, where government, industry, the financial institutions and labor are united in a program to capture for their country an ever-increasing share of the world market." (pp. 2831–32)

Electronic calculators are conceptually sophisticated products, but from a manufacturing standpoint they are relatively easy to assemble using unskilled low-cost labor. Indeed, in the early stages of development, some of the circuit wiring and other tasks lent themselves to work in the home. Further, the Japanese had considerable experience in electronics manufacture well before 1965. Manufacturers of such products as transistor radios (with which they had flooded the market) were looking for new products to absorb excess manufacturing capacity.

Thus, it is that the Japanese have been able to take advantage of substantial labor cost differentials *vis-a-vis* American manufacturers. Figures of The United States Department of Labor, Bureau of Labor Statistics, show that the average hourly earnings in manufacturing for Japan were $.80 per hour in 1969 (up from $.67 in the previous year). The average hourly wage for United States manufacturing workers in 1969 was $3.19—a differential of over 300 percent.

(ii) Low investment and technology requirements

Not only were some Japanese manufacturers able to switch to electronic calculators from other electronics products, but, because the initial investment requirements were low, other Japanese companies, such as camera and watch companies, were able to enter the electronic calculator business with relative ease.

All Japanese companies benefited greatly from the years of expensive research and development work done by the American companies, like Marchant, which had produced the first electronic calculators. Since there was little by way of patent protection, the Japanese were able to use the early American commercial units as models.

Also, some American companies in the calculator business and in the components business were willing to enter into licensing and cross-licensing agreements with Japanese companies. For example, Burroughs licensed their "nixie tube" electronic display patents and know-how to Japanese concerns. The Hearings on Tariff and Trade Proposals before the Committee on Ways and Means (91st Congress, Second Session, pp. 2924–2933) provides a partial listing of licensing and know-how agreements made with Japanese companies by such American companies as RCA, Western Electric, General Electric, Admiral, Collins Radio, General Telephone, Honeywell, Litton, Philco, Singer, Texas Instruments, Zenith, Sperry Rand, and numerous others.

Putting it another way, although the Japanese have produced good quality electronic calculators, the trail had been blazed by the American creators of this new product. The Japanese have made no major independent contributions to the technology.

The Japanese, who had never been factors in the mechanical rotary or printing calculator business, were not held back—as were the American calculator companies—by large inventories and investments in that business. Thus, the Japanese were able to make a complete commitment to electronic calculators without concern for pre-existing products or business.

*On January 31, 1972, SCM announced an expected extraordinary loss of $18 million before taxes, principally involving write-offs with respect to its Marchant calculator operations; and, on March 1, 1972, SCM announced the closing of its Marchant calculator manufacturing plant in Oakland, California.

(iii) Cartel operations supported by MITI and the Japanese

Another significant advantage of Japanese electronic calculator manufacturers is the support and cooperation offered by the Japanese Government, particularly through the Ministry of International Trade and Industry (MITI), and the Japanese banks.

MITI is deeply involved in the licensing process, assuring Japanese companies of favorable terms and, at the same time, restricting foreign investment and opportunities for foreign companies to compete in the Japanese markets.

Also, the loan policies of Japanese banks, for example, allow Japanese companies to become very highly leveraged with what elsewhere would be disproportionately heavy debt financing.

The various Government and banking relationships are peculiarly Japanese, are hard for outsiders to comprehend fully, and are present to one degree or another in all major Japanese industries. But it is increasingly clear that particular emphasis has been placed on building the Japanese electronic calculator industry.

It is our understanding that the Government program to launch this new industry included various restrictions which in 1966–68 in effect prohibited further importation of calculators into Japan. Today, the calculator market in Japan is close to 100% Japanese electronic calculators.

Recently, MITI has responded to a condition of overproduction in the Japanese electronic calculator business by stepping in and establishing a price fixing agreement as well as a production allocation quotas—in the manner of the international cartels of the past—action which cushions the impact of unfavorable competitive developments in a way available to no U.S. company operating under our antitrust laws. (See the attached newspaper articles, Exhibits 1, 2 and 3.)

The tragic irony in this story is that American calculator and electronics companies, subject to the antitrust laws and committed to an individualistic philosophy of free and open competition, have been engaged in brutal competitive struggles domestically and have never even organized to protect themselves—by legislation or other lawful means—from the unfair Japanese electronics cartels subsidized by the Japanese government and protected by the Japanese government by restrictions which virtually prohibit importation of competitive American products into Japan. And, of course, some American multinational companies have added to the problem by licensing away technology and financing Japanese manufacture—through purchases—of private label goods for the American market.

Not only has American industry failed to work together in defending itself against unfair foreign competition, but the United States Government—the Executive and the Legislature—has done virtually nothing to help or protect this great new industry, created by American genius, essential to the country's defense, and crucial to the country's future development. Thus, the 1970 U.S. balance of trade deficit for consumer electronics and components was $1,022,000,000; and, for example, it has been estimated that in the first six months of 1971 there was an absolute loss of over 120,000 jobs in the electronics business in the United States.

(iv) Trade Concessions by the United States and Protective Trade Restrictions by Japan

The United States rate of duty on calculating machines under the 1930 Act was 35% ad valorem. By 1967, the rate had been reduced through trade concessions to 10.5% ad valorem.

Then, on December 16, 1967, by Presidential Proclamation 3822 (the Kennedy Round) still further concessions were made. The new duty on calculating machines (no differentiation is made as between mechanical rotary or printing calculators and electronic calculators) was lowered to 9% ad valorem in 1968 and was further scheduled to *decrease* 1 percent per year each year until 1972 when it would be 5 percent ad valorem.

It is submitted that these tariff measures failed to recognize the changing character of the product, the precarious position of American companies with large investments in mechanical rotary and printing calculators and the vulnerability of what was then an infant industry, newly created by United States technology.

Despite the extremely low tariff, complaints have been made to the effect that importations of Japanese electronic calculators have been grossly undervalued for duty purposes, so that as a practical matter the effective rate of duty in some instances has been as low as 2% ad valorem.

The extremely generous U.S. tariff concessions are to be contrasted with the generally restrictive regulations of foreigners attempting to do business in Japan, as enforced by MITI. And, as late as 1969, the rate of duty on calculators imported into Japan was in the range of 15% to 25% C.I.F., depending on the nature of the calculators (the higher rate applying to the more sophisticated models; even today the range of rates has only been lowered to 9% to 15% C.I.F.

(v) United States Government Purchasers' Disregard of Buy American Requirements

In the face of this onslaught, the U.S. Government has given no aid to American industry—nothing, for example, by way of export subsidies of the kind Japan, Germany, Italy, et al., have given to various domestic industries. Indeed, the takeover of the United States calculator market by Japanese manufacturers has been furthered by U.S. Government procurement practices.

Based on available GSA information, total U.S. Government calculator purchases in the fiscal year ending June 30, 1971 were about $16,000,000; and purchases of Japanese electronic calculators accounted for about $5,000,000 (or about 31%) of that total. An ironic example of such purchasing is the Internal Revenue Service's apparent policy of purchasing primarily Japanese "Sharp" brand calculators for its new regional offices.

In most instances such Government purchases are probably in violation of the Buy American requirements of the Act of March 1933, 41 USC § 10 (a)–(d).

Under the Act, President Eisenhower issued Executive Order No. 10582 of December 21, 1954, which is still in effect. That Order required that the heads of executive agencies purchase only materials of domestic origin unless it was unreasonable or inconsistent with the public interest. Unreasonableness of inconsistency with the public interest are to be determined by application of a price differential of 6% in most cases. A greater differential could be applied for domestic products manufactured in areas of "substantial unemployment."

Also, under that Order, the heads of executive agencies could require a greater differential upon a determination that such action was not unreasonable or not inconsistent with the public interest. Using the above authority, the Department of Defense now requires that there be a 50% differential before foreign-made products may be purchased. All other executive agencies apply only the 6% differential.

At that, there is a real question whether the letter, let alone the spirit, of the Buy American Act or Executive Order No. 10582 is being followed. For, in most cases, calculator prices are negotiated by the General Services Administration which then place the product on the Federal Supply Schedule, making it available for purchase by all executive agencies. The General Services Administration applies the following special provision relating to foreign products:

"*Foreign products*—On items listed in the Schedule indicating foreign products, General Services Administration has determined that there are no comparable items manufactured domestically. (Such determination is based on the fact that there are no specifications or standards for use in comparing the various items. However, domestic and foreign items listed in the Schedule may meet particular requirements of an agency)."

In the case of most Japanese electronic calculators there could be no determination that comparable items are not manufactured domestically. Moreover, the parenthetical portion of the above provision seems to encourage the purchase of foreign items.

II. RECOMMENDED ADMINISTRATIVE AND LEGISLATIVE ACTIONS TO REDRESS UNFAIR ADVANTAGES OF JAPANESE ELECTRONIC CALCULATORS

A. The 10% import surcharge (as provided in Executive Order No. 11615 of August 15, 1971) should be retained with respect to Japanese electronic calculators.

(The Japanese Government has tacitly admitted the justice of such a surcharge on electronic calculators. Thus, the *New York Times*, Sept 22, 1971, p. 39, reported that MITI, the Ministry of Finance, the Foreign Ministry, and the Economic Planning Agency were considering a plan to impose a 10% Japanese export surcharge on selected goods—theoretically to have the same effect on the price of the goods as the U.S. import surcharge and therefore to be imposed in exchange for the United States' ending the import surcharge. Eimei Yamashita, a senior official of MITI, declined to specify the items considered; but, according to the *Times*, "he indicated they might include automobiles, steel, desktop calculators and television sets.")

B. The proposed new investment tax credit should not be applied to purchases of foreign electronic calculators.

C. The United States Justice Department should investigate the reported Japanese calculator cartel arrangements and agreements with respect to prices and production quotas.

(Where Japanese electronic calculators have more than 70% of the U.S. market, the effect on competition in the United States—a crucial element under the Sherman Act—cannot be questioned. There is unquestioned jurisdiction over the American companies buying huge numbers of Japanese calculators for distribution under their label, and over American corporations which are subsidiaries of the Japanese manufacturers. Finally, there is probable jurisdiction over the Japanese parent companies.)

D. In recognition of the new and unique nature of electronic calculators, the relative infant status of the industry, and the substantial advantages of low-cost labor, electronic calculators should not get the benefit of trade concessions originally made with respect to mechanical rotary and printing calculators. A reclassification, providing for a separate category of dutiable items, should be made by legislation setting, at minimum, a 25% ad valorem duty on importations of electronic calculators. Furthermore, consideration should be given to the establishment of import quotas for electronic calculators.

E. Steps should be taken to insure present compliance by the GSA and Federal Government agency purchasers with the Buy Ameri-

can Act and Executive Order No. 10582. In addition, the Order should be amended to provide specifically that the 50% price differential requirement, now in effect for all Department of Defense purchases, be applied to all Government agency purchases of foreign electronic calculators; or, alternatively, Government departments should, under the Order as it presently exists, make a determination, as did the Department of Defense, that a 50% price differential is reasonable and consistent with the public interest.

F.* The Bureau of Customs and the Federal Trade Commission should take immediate action to enforce the laws and regulations which require that imported goods be conspicuously marked to show the country of origin. Section 304 of the Tariff Commission Act of 1930 (19 U.S.C. § 1304) ("... Every article of foreign origin . . . imported into the United States shall be marked in a conspicuous place as legibly, indelibly and permanently as the nature of the article . . . will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the article"). Section 5 of the Federal Trade Commission Act (15 U.S.C § 45) ("Unfair methods of competition and commerce, or unfair or deceptive acts or practices in commerce, are hereby declared unlawful.") (See also 34 Fed. Reg. 1824–1825 (1969); *W.M.R. Watch Case Corp.* v. *FTC* (D.C. Cir. 1965), *1965 Trade Cases* § 71,346; *in re* American Toy Works, 27 FTC 1470 (1933); FTC News Release, April 4, 1968 and attached Advisory Opinion Digest No. 219). Section 43 of the Federal Trademark Act of 1946 (15 U.S.C. § 1125) (Section 43(b) provides for the prohibition of entry of goods into the United States which contain "a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same . . .").

Specifically, it is misleading and violates the letter as well as the spirit of the laws and regulations to allow importation of Japanese electronic calculators bearing well-known American names (like "Monroe," "Friden," "NCR," "Burroughs," and "Remington") and heavily advertised names like "Sharp" (where the ads refer only to "Sharp Electronics Corporation, Paramus, New Jersey"), where, in some cases, there is no indication in advertising or catalogs or even on the calculator that the products are made in Japan and in other cases the foreign origin marking on the calculator has only been made, as inconspiculously as possible, on the back or bottom of the calculator. The FTC and the Bureau of Customs have failed to enforce these statutes and regulations which have been so openly and notoriously violated; although much of the harm has already been done, immediate action should be taken to enforce these laws.

III. CONCLUSION

The actions recommended above are necessary to offset the unfair advantages Japanese electronic calculators have had in competing with, and practically destroying, American electronic calculator manufacturers. The implementation of these recommendations would have a salutory effect on our balance of payments; would help American electronic calculator manufacturers to better compete in world markets; and would reverse the industry trend toward idling of production facilities and elimination of jobs, possibly creating again a need for jobs lost under existing policies. We respectfully submit that the recommended actions would be in the interests of a healthy United States economy.

* Added on April 7, 1972 to original memorandum.

TABLE A.—CALCULATOR SALES[1]—UNITED STATES

	1966	1967	1968	1969	1970
Units (thousands):					
Electromechanical[2]	190	190	200	180	150
Electronic	(3)	15	50	140	350
Total		205	250	320	500
Amount (millions)[4]:					
Electromechanical[2]	$140	$135	$135	$115	$90
Electronic	(3)	25	55	125	[5] 190
Total		160	190	240	280

[1] Sales of U.S. manufactured calculators plus imports.
[2] Key driven calculators (estimated at 16 percent, average price $450 per unit) deleted from BEMA totals.
[3] Not available.
[4] Retail list prices.
[5] Imports—$154,000,000 ($89,000,000 from Japan).

Source: SCM Market Research Department—Based on Business Equipment Manufacturers Association. (BEMA) reports and import data provided by Office Machines International (Washington, D.C.). U.S. Department of Commerce, Bureau of Census, FT 210–70, 610–70.

TABLE B.—ELECTRONIC CALCULATOR SALES,[1] UNITED STATES

[Units]

	Total	Japanese imports	Percentage of Japanese imports to total sales
1967	15,000	7,000	47
1968	50,000	25,000	50
1969	140,000	90,000	64
1970	350,000	250,000	71
1971 estimated	700,000	550,000	78

[1] Sales of U.S. manufactured calculators plus imports.

Source: SCM Market Research Department, based on Business Equipment Manufacturers Association (BEMA) reports and import data provided by Office Machines International (Washington, D.C.).

[Exhibit 1, Nov. 5, 1971]

[From the Japan Economic Journal, June 22, 1971]

TATEISI IS RAISING PRICES OF CALCULATORS

Omron Tateisi Electronics Co. has notified the Japan Business Machine Makers Association that it has agreed with its two Western import agents to raise the West European retail prices of its 8-digit desk-top electronic calculators by 11 to 12 per cent.

Tateisi's price-hike arrangements made with Commodore Business Machines Ltd. of Canada and Triumph-Adler Vertriebs GmbH of West Germany, are expected by Japanese business observers to work to a considerable extent in allaying growing outcries among West German office equipment makes over what they believe Japanese attempts at European dumping of such calculators.

The trouble had originated in unusually low prices at which the Canadian and West German firms had marketed Tateisi's calculators of the "OMRON 800" type in West Europe. Even in Japan, these products of Tateisi had earlier aroused a stir for their low prices of less than ¥40,000 (approx. $111).

The OMRON 800s subsequently have been retailed in West Germany at 799 D. marks (about ¥78,600 or $218) and in Britain for 89 pounds (some ¥76,900 or $213).

The West German sentiment toward such low pricings of Japanese products has prompted Commodore and Triumph-Adler successfully to request the retail price raises.

Tateisi itself denies any intention to lift its own export prices. The additional sales proceeds derived from the retail price revisions are thus expected to be used by the agents for their sales promotion spendings.

Observers believed the new development will have delicate effects on an export cartel that has taken shape of late among Japanese exporters of the kind.

[From the Japan Economic Journal, June 8, 1971]

CALCULATOR PRICE CARTEL IN DIFFICULTY

The move to organize a price cartel for exporting desk-top electronic calculators is encountering difficuties as opposition is being raised among newcomers, such as Sony Corporation and Omron Tateisi Electronics Co., against the trial floor prices recently revised upward by the committee concerned.

The desk-top electronic calculator division of the Japan Machinery Exporters' Association at its meeting early last week came up with the conclusion that the floor prices it tentatively set previously should be increased by 20 per cent.

The previous tentative floor prices reportedly were decided on the basis of ¥40,000 level (approx. $110) for the eight-digit machine sold by Omron Tateisi and the ¥90,000 level ($250) level for the 16-digit machine.

As a result of the latest upward revision, possibilities are strengthening that the prices of the products by the two major manufacturers will have to be regulated because their prices are lower than the new floor prices.

The revision has been made as latecomers strongly hold that the previous lowest prices were too low to halt the current movement in the United States and West Germany against the "cheap priced" Japanese machines.

Against this, Tateisi and other newcomers assert that such price setting is an "intrigue" for checking free competition. They reportedly are determined to oppose such cartel formation even by resorting to filing suits. There are many other major manufacturers who are also critical of the cartel on the reason that it would weaken their international competitiveness.

[Exhibit 2, Nov. 5, 1971]

[From the Japan Economic Journal, June 29, 1971]

FIVE ITEMS TO UNITED STATES WILL BE RESTRICTED

The Ministry of International Trade & Industry last Friday announced an emergency measure for restricting exports of five products to the United States from the aspects of quantity and price.

The step will be implemented before September when the government-level Japan-U.S. Joint Committee on Trade & Economic Affairs is scheduled to be convened in Washington.

The five products are color television sets, automobiles, small electronic desk-top calculators, iron and steel and cosmetics. They are among commodities whose sales to the U.S. recently have been increasing particularly sharply.

As for quantitative restriction, the Ministry intends to bring products under control of export cartels based on the Export & Import Trading Law. The law permits formation of such cartels as exception to stipulations of the Anti-Monopoly Law.

Export prices of products deemed to be unreasonably low will be raised to a level of the "check prices" the Ministry sets.

According to the Ministry, both quantitative and price controls will be imposed on electronic calculators, for which the American market accounts for the largest percentage of 40 per cent of their total exports.

The Ministry says leading manufacturers are selling their calculators in the U.S. for ¥92,800 (approx. $258), whereas the same models are priced at around ¥160,000 (approx. $444) domestically.

Regarding automobiles, the Ministry plans

to avoid applying all-out volume restraints on their exports in view of strong demand for small-sized Japanese cars among the Americans. It hopes to extend guidance to the industry so as not to cause frictions with U.S. makers by exporting cars that will compete with that of American automakers.

Japanese automakers also will be asked to purchase more auto parts in the U.S.

The Government has decided to slash import tariffs on automobiles, now set at a uniform 10 percent to 3.5 per cent, the same rate applied by the U.S.

Since a ceiling on volume is in force for iron and steel, the Ministry will only see to it that prices will be raised to a fair level.

EXHIBIT 3

[From Electronic News, Nov. 1, 1971]

JAPANESE CALCULATOR FIRMS TAKE SECOND LOOK AT EXPORTS

(By John Hataye)

TOKYO.—Growing antagonism in the United States and Europe against Japanese calculator imports has the industry, here, taking a serious second look at its export price practices, frequency of model changes, and possibly volume of shipments.

The United States-Japan government-level restraint program on Japanese textile exports may have set an "unwelcome" precedent here for similar controls on calculator exports—the last thing the Japanese want.

The West Germans, in particular, are becoming more vocal in complaints about "cheap Japanese imports." This has spurred speculation, here, that the calculator industry may be pressured eventually to follow the textile industry in controlling exports.

Kanji Ishii, Sharp Corp. director and chairman of the Japan Office Machine Industry Association's desk-top calculator committee, partially places the responsibility on American MOS/LSI makers for depressing prices, particularly in low-end machines.

One reason why the Japanese change models so frequently and at lower prices is because the Americans come in with cheap LSI."

Mr. Ishii, however, notes that while there is a rapid price decline in small personal-use calculators, general-purpose office machines are holding their own.

Leading calculator firms are keeping away from cheap products, he said.

Cheap calculators with only simple arithmetic capabilities Mr. Ishii said, should be handled separately on a sales route not conflicting with stores specializing in office equipment.

The current price war, compounded by new models and declining domestic demand, have put the calculator industry in turmoil.

With domestic demand leveling, the Japanese would like to ship more to overseas markets, but the prevailing international environment has not made things easy for the calculator people.

In a bid to alleviate foreign fears on "unfair pricings," the Japanese, under the endorsement of the Ministry of International Trade & Industry (MITI), on Aug. 23 inaugurated an export cartel fixing minimum price levels on calculators destined for overseas markets.

Now, the industry is working out a program to control frequency of model changes, according to Mr. Ishii.

He gave the following description of the present state of the Japanese calculator industry.

Following implementation of a check price system for export models, the calculator committee, representing 17 firms, is trying to map out a plan to restrict model changes to twice a year.

"We've had many complaints, particularly from France and Germany, that frequent model changes by the Japanese are disrupting marketing . . . in Europe."

Mr. Ishii feels calculator model changes should be restricted to once a year," but considering the many business shows held in Europe and Japan, this appears impractical."

The program envisaged by the calculator committee allows firms to announce new models only every 6 months.

"We are also working out penalties against violators, and also against those who fail to market the products after announcing the model. The latter penalty is designed to prevent firms from introducing products not intended for the market, but aimed to stop others from introducing theirs."

Frequently, Mr. Ishii explained, firms announce new products carrying low price tags and never market them. Meanwhile, firms with similar products refrain from marketing them if they can't beat the price.

Mr. Ishii said that under the model-change program, firms that register new products will be compelled to deliver them within 3 months after registration, with same features and same price tags.

SCM CORP.,
New York, N.Y.

SCM NET RISES 36 PERCENT; REALINEMENT AND WRITEOFF SET FOR MARCHANT CALCULATORS

NEW YORK, Jan. 31.—SCM Corporation expects an extraordinary charge that may approximate $9 million after taxes, or $1 per share, in the year ending June 30, principally as a result of a major realignment of Marchant calculators, Paul H. Elicker, president and chief executive, said.

Despite the extraordinary charge, SCM will show a profit for the year, Mr. Elicker said.

The SCM executive also announced that earnings for the fiscal second quarter, ended December 31, increased 36 per cent to $3,332,000, or 36 cents a share, up from $2,449,000, or 27 cents a share, a year earlier. Sales increased 3 per cent to $228,403,000 from $222,414,000 in the year earlier period.

SCM is showing its principal gains in consumer products which include typewriters, appliances, paints and foods, Mr. Elicker said. Overall sales of these products in the first half were up close to 10 per cent, he said, and in several lines, profit was up by "a great deal more," he added.

For the first half SCM earned $5,321,000, or 58 cents per share, up 42 per cent from $3,741,000, or 41 cents a share, last year. Sales showed a 5 per cent gain to $451,451,000 from $431,975,000 last year.

SCM expects earnings before extraordinary items in the year to rise at a percentage somewhere between those of the first and second quarters. The rate of increase in profit will be well above sales growth, which is expected to be from 5 to 6 percent for the year.

The realignment of the Marchant group, which has been incurring substantial losses, will affect calcuator development, manufacturing and marketing efforts, Mr. Elicker said. While all of these are under review, it has already been decided that the marketing effort will be reoriented toward sales of calculators through office equipment dealers and agents instead of primarily through company-owned branches, he said. Marchant's nationwide service organization will not be affected by the realignment and will continue to provide service for Marchant calculators already in the field as well as those to be sold through dealers.

In connection with the redirection of Marchant, Mr. Elicker announced that Matthew E. Meek has been named vice president and general manager of Marchant operations. Mr. Meek, 46, was vice president-dealer division at Olivetti Corporation of America.

"The change in Marchant marketing efforts is made necessary by the rapidly expanding market in calculators and the radically changed competitive situation in the industry," Mr. Meek said. "The only area in which it is economically justifiable to market calculators at retail is in the high-end, programmable area, where the selling price of the system plus the equipment is high enough to cover the distribution costs. This is clearly no longer the case in the vast majority of desk-top calculator sales which now require mass distribution," he said.

SCM 1ST HALF SALES AND EARNINGS

SCM CORP.—SUMMARY OF INCOME

[In thousands]

	3 months ended Dec. 31		6 months ended Dec. 31	
	1971	1970	1971	1970
Net sales	$228,403	$222,414	$451,451	$431,975
Income before income taxes	6,200	4,889	9,882	7,226
United States and foreign income taxes	2,868	2,440	4,561	3,485
Net income [1]	3,332	2,449	5,321	3,741
Net income per share (cents) [1,2]	36	27	58	41

[1] Before an anticipated extraordinary charge for fiscal 1972 which may approximate $1 per share and before an extraordinary charge of $1.01 per share recorded June 30, 1971.

[2] Based on average number of common and common equivalent shares outstanding. Fully diluted earnings per share have not been presented as there is no dilutive effect for 1971 or 1970.

Hon. MAURICE H. STANS,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: Thank you for your letter of August 20; please be assured that we have notified all of our operating divisions that it is our policy to conform fully to the President's new economic plan in all possible ways. Further, we have asked our executives to abide fully with the spirit of the proposals; in all cases where the regulations are not clear, we have asked each of our executives to do what we think the President would want us to do.

I would not want to miss this opportunity to make some further comments on your letter, particularly with respect to the temporary import surcharge. Undoubtedly, for products with an existing duty, a surcharge will be most helpful, and we applaud this action. But in my opinion the portable typewriter industry continues to suffer gross neglect in our trade agreements. There is no duty on portable typewriters and, therefore, no surcharge.

The lack of protection in this high labor cost product is very likely the major contributor to the fact that Royal has moved all of its production of portable typewriters out of the United States to Japan and Germany. In the process, Royal vacated or otherwise disposed of their facilities in Springfield, Missouri, and reduced their operations in Hartford, Connecticut, with the consequent dislocation of hundreds of employees over the past several years. Remington, another famous American brand, has also discontinued the manufacture of portable typewriters and is now selling a Japanese product under the Remington name. Underwood no longer manufactures portables. The machines manufactured by Olivetti, the Italian office equipment combine that acquired Underwood some years ago, are also produced overseas and marketed here under both the Olivetti and Underwood brand names. Still another well-known American company, R. C. Allen, was forced out of the business entirely.

Smith-Corona itself was forced several years ago to move its manufacture of its

lowest priced typewriters to the United Kingdom. The alternative was to be permanently excluded from this important product line. The "Smith-Corona" is the only portable typewriter still manufactured in the United States. We employ 3,500 persons in Cortland and Groton, New York. We have far outstripped our competitors in the development of automation and manufacturing efficiencies which allow us to reduce the number of man-hours required in this labor-intensive product. But, Mr. Secretary, we have gone about as far as we can go along these lines. It is imperative that our industry be protected from very low foreign wage rates, and through a reasonable duty on imported typewriters.

The imbalance is compounded by our trade agreements particularly the very favorable position accorded in Japan in the Kennedy Round. We are virtually locked out of all major countries, especially those that produce typewriters. Along with their lower labor rates, they have protected their typewriter industry with duties ranging from 9 per cent in the case of Japan, to a complete embargo on typewriters in other countries, and with various disparate forms of subsidies and tax treatment.

It is very clear that this situation cannot continue indefinitely. To give you an idea of the magnitude of the problem, your own Department's figures show that almost 350,000 portable typewriters with a value of over $7 million were shipped from Japan, duty free, into the U.S. between January and June of this year. In the same period, total portable typewriter imports were over 800,000 units with a value of $19.2 million.

I want to assure you again, Mr. Secretary, that SCM Corporation is solidly behind what the President is trying to do. I hope you do not object to my additional comments on the plight of our typewriter business in the course of telling you so.

Sincerely,

E. E. MEAD,
President.

PORTABLE TYPEWRITERS—IMPORTED AND DOMESTIC

(Prepared by Smith-Corona Laboratory, September 1971)

SUMMARY

Domestic Manufacture: Smith-Corona only company presently manufacturing and assembling portable typewriters complete in United States. (Royal assembles two models in United States but parts manufacture is done overseas.)

Imports:

More than doubled since 1960 (524,327 to 1,299,532 units)

Countries showing greatest increases—Japan (116,000 units 1964, 547,000 units 1970), Portugal (2,000 units 1967, 59,000 units 1970), United Kingdom (66,000 units 1964, 304,000 units 1970)

Decreases in number of units is noted in Netherlands, Italy, and Switzerland, which indicates the trend to low labor cost countries.

Recent History

U.S. PORTABLE TYPEWRITER MANUFACTURERS

Smith-Corona

1971—Only company presently manufacturing and assembling portable typewriters complete in the United States. 3500 employees at Cortland, New York facilities manufacture and assemble complete all electric portables and high end of line manual portables. Annual payroll $20.6 million. Annual purchase of raw material and components from U.S. suppliers $10.5 million.

1970—Orangeburg, South Carolina facility closed. Assembly of high end of line manual portables returned to Cortland, New York. Approximately 650–700 employees affected at time of plant closing.

1966—Moved assembly of high end manual portable models from

1967—Cortland, N.Y. to Orangeburg, S.C. expanding overall portable assembly capabilities. Parts and sub-assembly manufacture provided by Cortland, N.Y. facilities. Combined employment of two locations 6600 (5200 Cortland, 1400 Orangeburg).

Royal

1972—Terminated all typewriter manufacturing in U.S.

1971—Major assembly only of one electric portable model and one high end manual portable model. Parts and subsequently manufacture is done in England. Announced (in August 1970) that all future portable models will be manufactured and assembled completely overseas.

1970—Moved typewriter manufacturing (office and remaining portable) to England. Phased out typewriter research and development in the U.S. Relying on acquired capabilities of Triumph-Adler Research and Development. Cut Hartford employment in half (2600 to 1300).

1969—Acquired Triumph-Adler for product and research and development capabilities. Began selling Japanese made electric portable typewriter (Apollo 10).

1968—Closed Springfield, Missouri Plant. Indications are little, if any, portable manufacture was resumed in Hartford, Connecticut. Began selling Japanese manufactured flat-top manual portables.

1967—Closed Holland Plant.

1960—Moved Standard Portable manufacture from Hartford, Conn. to new plant in Springfield, Mo.

1954—Began manufacturing flat-top manual portables in Holland (moved from Hartford, Conn.).

Remington

1972—All typewriter manufacturing terminated in U.S.

1971—No portables manufactured in United States. Current employment at Elmira, N.Y. approximately 800–1000 (down from 6500 in 1950) manufacturing one office electric and one office manual model. Announced September 1971 manual production will be stopped and electric production reduced at Elmira. Will probably affect approximately one-third of work force.

1970—No portables manufactured in United States. Standard portables being manufactured in Holland. Rumors indicate these may be phased out and replaced with Japanese made machines.

1967—Discontinued production of flat-top manual portables in Holland. Began selling Japanese (Brother) portable typewriters (three electric and two flat-top manual models).

1957—Phased out Scotland facilities.

1958—

1955—Moved office electric and office manual production to Scotland.

1950—Located Elmira, N.Y.—6500 employees. Moved portable manufacturing to Holland.

Underwood

1971—No portables manufactured in United States.

1968—Announced closing of Hartford, Conn. plant with 1800 employees affected (once employed 5000 but has shrunk to 1800 by 1968). Moved portable manufacturing from Italy to Spain.

1959—Purchased by Olivetti.

1960—Stopped manufacturing portables in United States and started selling Italian manufactured Olivetti models.

[From the U.S. News & World Report, Jan. 24, 1972]

TYPEWRITER SHIFT OVERSEAS

An American firm's decision to make all of its typewriters abroad reflects growing pressures on the industry from rising costs, foreign competition and outmoded factories at home.

Royal Typewriter Company explained the reason for the shift in telling employes it needed to find "more-economical facilities" for manufacturing. About 1,500 people at Royal's Hartford, Conn., plant face loss of their jobs.

Royal, a division of Litton Industries, Inc., is manufacturing typewriters in England, West Germany, the Netherlands and Japan. Its last U.S. factory at Hartford is to be moved to one or more of those countries.

The company's switch in manufacturing facilities is the latest in a series of similar moves in the U.S. typewriter business. One reason, according to a Commerce Department survey: the deterioration of American manufacturing plants "until many are outmoded and uneconomical."

Other U.S. firms still in the typewriter field abroad and at home include IBM, Sperry Rand's Remington unit and SCM Corporation.

Of these, Sperry Rand turns out nonelectric machines in the Netherlands. Italy and Brazil and is phasing out such production in the U.S. The manufacture of electric machines is continuing in Elmira, N.Y.

SCM asserts its Smith-Corona portables are the only ones made in the U.S. and that 90 per cent of its typewriter production comes from factories centered around Cortland, N.Y. Two SCM plants in Britain produce machines in the lower price ranges.

The Singer Company, which once built nonelectric machines in Holland has abandoned typewriter production.

Typewriters produced abroad by American and foreign firms dominate U.S. trade, Commerce Department data show. In 1969, U.S. exports totaled 19.1 million dollars, against an import tally of 69.4 million. In 1970, exports come to 20.8 million, while imports soared to 92.3 million.

WORKERS DISMAYED BY RAND DECISION

(By Tom Page)

America's working class streamed out of the plant, much as many of them have done for 20 and 30 years.

Carrying lunch buckets, they headed at a brisk pace towards the big parking lot. Another day's work was done and, it being Friday, they looked forward to another weekend of diversion from their workaday world.

To the casual and unknowing observer, it looked like the end of just another day, one which artist Norman Rockwell might have painted with his instincts for capturing the essence of middle-class everyday America.

The workingman going home after a hard day's toil and sweat.

But to the folks leaving their shift at the Remington Rand plant in Elmira, the day brought a threat to their very pride as honest working people.

In 10 weeks they would have no job.

No temporary layoff would it be. Nor retirement. Nothing that offered any hope or promise for the future.

These predominantly middle-aged people would be left high and dry by the closing of the 36-year-old Elmira Rand operation, formally announced Friday for the end of March.

To the workers, it meant picking up and starting all over again—with several years yet to go to legitimate retirement.

How to pay off the mortgage? How to send the kids to college? Yes, and how to feed them?

How to live the lives to which they've become accustomed through years of struggling and striving to get ahead? How long will that little extra tide them over?

These and other dismaying questions must have weighed heavily on their minds as they left at 3:30 Friday afternoon for the home

and hearth Rand wages have helped them attain over the years.

A group of women employes marched past a couple of reporters and a photographer. One said with a strained smile: "What do you want to do, get pictures of the unemployed?"

From another working gal came: "We're too young to retire and too old to look for another job." Another strode by with head down, grumbling about how it was all the government's fault.

"What can I do?" asked one woman by way of replying to the question: "What will you do now?" A drill press operator, she's been at the Rand for 26 years.

"My husband works here, too, and he's got 32 years in."

If the women looked a little less grim for the most part, perhaps it was understandable. In all probability, most of them have husbands with jobs elsewhere.

A family man's job is his pride, his sense of worth as provider and breadwinner.

Stephen Stetz of Elmira Heights scoffed at the idea of being on welfare or unemployment. His pride wouldn't permit it.

"I'll go somewhere else to find work," said the Rand inspector of 31 years. "There's nothing for me in Elmira."

Stetz blamed the government for the plant closing. He cited a report in a news magazine of a 4 to 1 imbalance in typewriter imports over exports. He showed a reporter a letter from Presidential hopeful George McGovern, the Democratic senator from South Dakota, in reply to his letter asking McGovern to look into the imbalance.

Stetz was less than convinced by McGovern's reply, in which the senator said that to protect American jobs, industry must be compelled to modernize its equipment and technical knowhow to be competitive with foreign manufacturers.

"That isn't the answer," said Stetz. "We've always had the best in equipment here. I think they could make it here if they'd try another year. Sparkes (Plant Manager Robert E. Sparkes) is a good man, probably the best manager they've had here."

Stetz said he also feels local government leaders could have done more to help keep the Rand operation going in Elmira.

"You guys can do a lot if you wanted to by pushing the government," said Stetz to a reporter. "Why is it nobody ever asks these guys running for president what they would do about this trade imbalance?

"Don't ask them about Vietnam. Make them to get down to the nitty gritty."

Leonard Corsi of Elmira joined Stetz for his ride home and Stetz pointed at him, saying: "Here's a guy who fought the Japs in Burma and now they've got his job. Who won the war, anyway?"

Corsi, a machine operator for 32 years, said he's entitled to a pension of $32 a month. He indicated the long strike three years didn't get them the improved pension benefits they held out for.

"There's another old timer," said Stetz, pointing at a lady approaching them.

Marie Tobash of Elmira said she's been with the Rand 26 years. Asked if she would try and get another job, she laughed and said, "Oh no, I'm too old for that."

Stetz was asked if he'd start looking for another job now.

"Naw, I'll keep working right up until the end before I start looking."

Many employes said the news of the closing came as no great shock. But with a wistful shrug, many also indicated they were guilty of a little wishful thinking.

Like maybe hoping for a miracle.

PLANT CLOSING PROPOSALS TO BE MAPPED NEXT WEEK

Officials of the union that represents Remington Rand workers plan to meet in Washington, D.C. next week to begin drawing up plant closing proposals.

Heading up the local contingent of International Association (IAM) of Machinists from Elmira will be Justin J. Donahue, IAM business representative.

Donahue has termed the closing of the plant "the result of our government's disastrous free trade policy.

"We have fought this issue since 1956 and it has been a losing battle from the outset. It is United States policy to grant concessions to American companies to encourage them to expand abroad to help foreign countries.

"We don't believe it was ever the intent that they would close our plants and move overseas. We will continue to battle against this un-American program through for thousands of workers in the office equipment industry, it is too late. Thousands more will have their jobs exported if the Congress does not act soon.

"The company will have to bargain with us on the conditions of the plant closing. We will prepare proposals at once for such negotiations. Most likely they will include such items as severance pay, accrued vacation pay, pension payments to employes with vested rights, continuation of group insurance and job opportunities.

"We will meet in Washington, D.C. with the IAM legal staff next week to get their help in drawing up the plant closing proposals. In addition, we are going to file for available government financial assistance for these employees because they are losing their jobs due to the free trade policy of the government.

"At the proper time, we will meet with the membership to discuss all the problems confronting us.

"The UAW committee at Royal Typewriter at Hartford, Conn. was in similar negotiations with that company Friday.

"This is two typewriter plants that have announced closing within the past six weeks. We estimate that over 30,000 American jobs have been lost in this industry in the past five years involving Underwood-Olivetti, Royal and Remington Rand."

(Mr. GAYDOS asked and was given permission to revise and extend his remarks and include extraneous matter.)

GENERAL LEAVE

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

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

There was no objection.

HANOI REFUSES TO DISCLOSE FATE OF AMERICAN SERVICEMEN MISSING IN NORTH VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 10 minutes.

Mr. ZABLOCKI. Mr. Speaker, one among many, of the great delusions under which the American newspress suffers is that any criticism of the press is proof that it is doing its job. That brand of logic is applied with particular enthusiasm when the criticism is leveled by politicians. If the politicians are unhappy, so the reasoning goes, that allegedly is proof that a supposedly fearless press is succeeding.

At the strong, almost inevitable risk of contributing to that sad game, I must report a matter that has recently come to my attention. I do so only because the issue involves the lives of 14 men. These men are now listed as missing in action in North Vietnam. However, there are so many glaring discrepancies surrounding their disappearance we must conclude that they are in fact alive.

It was in effect that message which Secretary of Defense Melvin Laird attempted to present to the press during a meeting in his offices on March 30. On display at that time were graphic case histories of the 14 men, pointing out in detail the circumstances surrounding the disappearance of each and providing clear evidence of their very likely survival. This effort was undertaken to demonstrate that the much publicized and so-called complete list of American POW's provided by the North Vietnamese on December 22, 1970, was far from complete.

The deliberate withholding of information on these 14 men certainly casts serious doubt on the credibility of the North Vietnamese Government. Far more seriously, however, U.S. inability to bring these facts to world public attention through the press runs the danger of jeopardizing the lives of these men. Surely, if the North Vietnamese are not forced to fully and accurately account for these men and explain the discrepancies of their disappearance the temptation will be strong for the North Vietnamese to cover up their own lie by ultimately killing the men.

This is the story which Secretary Laird tried to present to the world through the news media on March 30. Unfortunately, by the warped yardstick used to determine what is or is not "news" these important facts were virtually ignored. Despite the presence of television network crews and a host of wire service, major newspaper and magazine reporters, the story gained fleeting notice on only one local television news program in Washington. What is more, one reporter reacted to this matter by stating, "It is the same old U.S. propaganda." The discrepancies and the lack of accounting of the MIA's, I submit, is a serious matter and must be pursued vigorously and tenaciously until rectified. The communication media can be most helpful in this regard.

Mr. Speaker, it is no exaggeration to say that in large measure the lives of these 14 American servicemen are in the hands of the communication media. Unless and until their story is fully and properly told, I fear for their fate.

In only modest compensation and as a means of bringing the full facts to the attention of my colleagues, I am placing in the RECORD at this point the pertinent circumstances involving the disappearance of the 14 men in question. The information was obtained from a brochure prepared by the Department of Defense, copies of which have been made available to the press.

(The material follows:)

HANOI REFUSED TO DISCLOSE THE FATE OF THESE MEN

The following are narrative accounts of 14 U.S. airmen who were downed in North Viet-

nam. All 14 men were known to be alive, on the ground in North Vietnam, or were at one time actually identified by the North Vietnamese as having been captured. None of these men appear on the much publicized and so-called "complete list" provided by the North Vietnamese on December 22, 1970. These case histories provide clear evidence that the "list" is neither accurate nor complete. The deliberate withholding of information casts serious doubt on the credibility of the North Vietnamese Government and increases anguish of the families of men who are missing.

Captain Samuel E. Waters was downed in Hoa Binh Province, North Vietnam, on December 13, 1966. He was seen to eject successfully and to deploy a good parachute. The December 16, 1966 edition of the newspaper Vietnam Courier, published in Hanoi, reported that Waters was captured on December 13, 1966. An Agence France Presse report of December 17, 1966 stated that Captain Waters was killed on December 13, 1966; on January 21, 1967 a Bulgarian newspaper, Naroda Armiya, carried an article quoting Captain Waters, and including a picture of his personal identity documents.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 25°52′ lat. 105°25′ long.

Ltjg Walter O. Estes II and Ltjg James E. Teague were downed near Haiphong on November 19, 1967. Their co-pilots are acknowledged prisoners of war on Hanoi's list. An AP wire photo originated by the Vietnam news agency (North Vietnam) clearly shows the identity cards of Estes and Teague. In addition, the Hanoi caption plainly states that Lt. Estes and Lt. Teague were "captured in Haiphong."

Hanoi refuses to disclose the fate of these men.

Aircraft downed 20°44′ lat. 106°39′ long.

Captain Frederic M. Mellor's reconnaissance aircraft was lost on 13 August 1965 in Son La Province, North Vietnam. He reported by radio that he had successfully landed without serious injury. Captain Mellor was advised to avoid further contact until the arrival of rescue forces. When the helicopter approached the area and an attempt was made to contact the downed pilot, there was no reply. Subsequent search operations were negative.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 20°51′ lat. 104°48 long.

Major Elwyn R. Capling was downed in Quang Binh Province, North Vietnam, on September 19, 1968. Other pilots in the area observed Major Capling's successful ejection and landing on the ground. By radio, he reported his leg was broken and requested help. Rescue attempts were impossible because of the heavy concentration of North Vietnamese forces in the immediate area.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 17°63′ lat. 196°55′ long.

LCdr Vincent D. Monroe was downed in Nghe An Province, North Vietnam, on May 18, 1968. Emergency radio signals were received from LCdr Monroe and his crew member whose status as a prisoner has been acknowledged by North Vietnam. Radio Hanoi announced the capture of two pilots at the time and place of LCdr Monroe's loss.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 18°58′ lat. 105°25′ long.

LCdr Randolph W. Ford was shot down on 11 June 1968 in Ha Tinh Province, North Vietnam. He reported on his survival radio that his arm was broken. He also warned rescue forces of the presence of North Vietnamese in the area. A Hanoi radio broadcast described an incident similar to that involving LCdr Ford and announced the capture of the pilot.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 19°16′ lat. 106°06′ long.

Captain John M. Brucher ejected from an F–105D on 18 February 1969 in Quang Binh Province near the Laotian border. He reported landing in a tree, suspended in mid-air and unable to free himself from his parachute. He later reported having a dislocated shoulder. Rescue efforts were suspended until the following day. When the rescue helicopters returned no contact could be made with Captain Brucher, and his parachute was still hanging in the tree, empty.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 17°17′ lat. 106°12′ long.

Lt. James K. Patterson was a crew member in an ACA aircraft piloted by LCdr. Eugene B. McDaniel shot down on 19 May 1967 in Hai Duong Province, North Vietnam. Lt. Patterson reported by radio that he had a badly broken leg and probably could not move. LCdr. Eugene B. McDaniel is acknowledged to be a prisoner-of-war on a North Vietnamese list.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 20°46′ lat. 105°26′ long.

Lcdr Milton J. Vescelius was shot down on 21 September 1967 when his aircraft was hit by antiaircraft defenses. Successful ejection and descent was witnessed by pilots in the area. The pilot was seen to be immediately surrounded by indigenous personnel. A radio Hanoi broadcast on 22 September 1967 described the incident and stated that the pilot was captured.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 20°43′ lat. 104°47′ long.

Captain William R. Andrews ejected from an F–4C aircraft in Nghia Lo Province, North Vietnam, on October 5, 1966. Soon after landing he reported by radio that he was uninjured but that North Vietnamese forces were approaching his position. He later reported that he was wounded and losing consciousness. The other crew member in the aircraft was rescued.

Hanoi refuses to disclose the fate of this man.

Aircraft downed 21°18′ lat. 104°21′ long.

Major Joseph C. Morrison and Captain San D. Francisco were in an F–4D lost on 25 November 1968. Both officers established radio contact on the ground with recovery forces. Their parachutes were sighted within 700 meters of a North Vietnamese encampment. Contact with Captain Francisco was lost within a half hour. Major Morrison evaded successfully throughout the night, and reestablished radio contact on the following day. Recovery was prevented, primarily by weather and voice and beeper contact were lost.

Hanoi refuses to disclose the fate of these men.

Aircraft downed 17°20′ lat. 106°12′ long.

Captain Arthur L. Warren, USAF, was downed on 5 December 1966 in Yen Bai Province, North Vietnam. A pilot in another aircraft witnessed the successful ejection. Voice contact was immediately established and maintained for two hours. The downed pilot stated that he was in good condition. However, radio contact was lost before rescue helicopters could arrive.

Hanoi refuses to disclose the fate of this man.

URBAN-RURAL FORUM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HILLIS) is recognized for 5 minutes.

Mr. HILLIS. Mr. Speaker, I think the matter of increasing food prices is a fine topic for discussion by the urban-rural forum because this is one area in which a true lack of communication and lack of understanding does exist between rural and urban residents.

The urban housewife goes to the market, cringes at the price she has to pay for a pound of hamburger, goes home and writes her Congressman about the problem of rising food costs, especially during a period of economic stabilization. This housewife has a legitimate gripe—her or her husband's wages have been held at a set rate to cool the fires of inflation, yet food costs keep spiralling uncontrollably. Is this fair, she asks?

On the other hand, the rural housewife is having to pay similar prices for meat, yet she wonders why her husband, as a farmer and/or meat raiser, is not receiving the financial benefits of these higher prices. Certainly her husband has been the brunt of many attacks recently by frustrated meat buyers. But he is receiving little more per pound of meat than he has in past years. So where are the exhorbitant price increases going?

That is the question the Wage and Price Board and the House Agriculture Committee have tried to answer in recent hearings. And from what I can determine, the answer is what I expected: it is not the farmer, but the middleman, and retailers who are reaping the profit from the increased prices.

I did not have to guess at this answer—I had concluded it long ago on the basis of the letters that come pouring into my office from farmers from my district, complaining what low rates they are receiving for their produce. Yes, low. Poultry and egg prices are the lowest they have been in over 20 years—eggs are selling at 9 cents per dozen below production costs in Indiana. Although hog and beef prices are considered good this year by farmers, the amount the farmers are actually receiving for their labors is not higher than 1970 levels for hogs. And prices for beef have finally climbed up to their level of 1950—over 20 years ago.

The crash in the corn market last year, due to an overproduction of corn, combined with a disastrous transportation strike, cost the farmers in my district alone millions of dollars. The harvest price of corn fell below production costs, and predictions are that next fall's harvest prices will be just as low because of the carryover from the 1971 crop.

And to think thousands of American housewives are asking that food costs be frozen. Little do they realize that, for the farmer, rates they receive on their products overall have almost been frozen for the last 20 years—while the cost of living has increased by 56 percent. Labor prices have increased some 340 percent and business and professional income has gone up some 200 percent since 1950. All at a time when farm prices for the overwhelming majority of major farm commodities have increased by a mere 7 percent.

Is it any wonder we are seeing the demise of the family farm? Somehow the consuming public recently has gotten the picture of a fat-car farmer netting untold profits on his produce, sitting on his ve-

randa, Southern Comfort in hand, saying with a wave of his unsoiled hand: "Let them eat cake." It just is not so, and this is what I would like to communicate to my urban colleagues and their constituents.

Of course, along with the letters from farmers, I have received bundles from housewives asking that something be done to control food cost increases. While I can be pleased for the farmer that he is receiving a little more for his produce, I also feel something can and should be done to help out the consuming public.

The answer, I believe, is controlling increasing costs of getting that food to market and selling it—which accounts for two-thirds of the price consumer pays. When the Price Commission exempted raw food products from price controls, it was to help out the farmer and assure no lid would be placed on his meager profit increases.

However, it now appears that some element is taking advantage of this exemption, to the detriment both of farmers and consumers. I cannot pinpoint where this increase is taking place, but I expect the Price Commission and Agriculture Committee will be able to more adequately identify it on the basis of their investigation.

I would recommend that price controls similar to those applied to all other sectors of the economy be applied to produce and meat costs after they leave the farmers' hands, and I would urge the Price Commission to closely monitor these controls for violations—I understand the IRS is now investigating 11 large foodchains for unwarranted price increases. This could be playing a large part in the action initiated recently by many grocery chains to freeze or roll back their food prices.

I will await with great interest the findings and recommendations of the Government food price study groups. In the interim, I hope this country's urban population will not take out its frustrations on its rural brothers—they both face the same question: "Where's the money going?" I hope we will have an answer and some solutions for them soon.

YOUTH CONSERVATION CORPS: FULFILLING THE NEEDS OF YOUTH AND ENVIRONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, the creation of the Youth Conservation Corps in 1970 established a pilot program significant to the young people of this Nation, for it recognized their value and their interest in working to maintain our environment.

The Corps gave us the concrete beginnings of a method to deal with the problem of youth unemployment and the problem of improvement and upkeep of our forest lands and parks. The importance of the work that can be contributed by the energy and enthusiasm of young people is extraordinary. In fact, the response to the pilot program was so enthusiastic that the number of applications submitted far outran the number of positions available. For 8 weeks during the summer of 1971, 2,200 youths in 63 camps located in 36 States spent many hours clearing campsites, planting trees, clearing brush, opening trails, restoring historic structures, and doing various tasks necessary for the public to enjoy the national parks.

In view of such a response, it seems obvious that it is time to expand this highly successful program in order to allow more young people to share in the work which is important to them. Therefore, I am reintroducing the YCC expansion bill. The legislation has three basic features:

First, it increases the annual authorization level from $3.5 million as contained in Public Law 91–378 to a new figure of $150 million. This increased authorization will make it possible to hire 100,000 youths for the summer projects. And it is important to note that 124,000 applications were received for the 2,200 positions opened in 1971.

Second, the bill allows the States to operate Youth Conservation Corps projects. Before, the programs had been conducted solely by the U.S. Department of Agriculture and the U.S. Department of the Interior.

The legislation furnishes 80 percent Federal matching funds for the State administered program. It specifies that no less than 10 percent and not more 25 percent of all YCC enrollees shall be employed in the States' efforts.

Third, the bill directs that YCC facilities during periods of nonuse shall be available to educational institutions for the purpose of environmental education centers. Costs during periods of official nonuse would be borne by the educational agencies. The provision speaks for itself and is in keeping with passage of the Environmental Education Act.

By the provision of Public Law 91–378, the YCC "shall be open to youth of both sexes and youth of all social, economic, and racial classifications." We recognize the need to provide jobs for our young people and this is one way. However, the summer experience is much more than employment; for by working closely with one another in this situation, YCC enrollees learn about the American scene, about themselves, and about each other.

In fact, I firmly believe this program should be sustained on a year-round basis, not just during summer.

Realizing the necessity of this program to our youth and our country, I can only add that I hope the Committee on Education and Labor will soon schedule hearings on this bill to expand the Youth Conservation Corps.

A NEW ANGLE ON LEGISLATION TO COMPENSATE VICTIMS OF CRIME

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, today I am introducing a Compensation to Crime Victims Act which differs in several important respects from other bills now under consideration in the House and Senate. Under my legislation, the crime victim or his family or survivors would apply for compensation to the local U.S. attorney in the Federal judicial district where he resides, rather than to a special board in Washington or to a State agency financed with Federal funds. I feel strongly that there ought to be remedial action on behalf of the victim in the place the crime occurs and where the facts are best known. We should not set up any new layers of government or create new bureaucracies. Most of the dollars devoted to this program should be paid to victims, not to bureaucrats.

A provision such as this is of course in line with the trend toward decentralization of Federal governmental services, and the provision also relieves the crime victim of the burden and necessity of dealing with faceless bureaucrats in some more distant place, whether it be in Washington or the State capital. While U.S. attorneys obviously would have to increase their staffs to administer this program, this would result in accretions to an already existing bureaucracy and would not create a new one. The decisions of the local U.S. attorney would be final under my bill, but would be rendered under guidelines and regulations promulgated by the U.S. Attorney General. The fact that there would be no appeal from the decision of the U.S. attorney would prevent our overworked Federal district courts from becoming bogged down in additional litigation. We need not hesitate to give such authority to the U.S. attorney. He is, after all, like the Attorney General himself and like the judges of the Federal courts, an official appointed by the President of the United States with the advice and consent of the Senate.

Another provision of my bill is aimed at curbing profiteering on the program. The U.S. attorney would order full payment by the Government only of "reasonable" fees by doctors, hospitals, and funeral directors. Where it appears that an excessive fee is being charged, the U.S. attorney would try to persuade the doctor or other person or institution charging the fee to reduce it. If the U.S. attorney is unsuccessful, the Government would pay the "reasonable" part of the fee—and then publicly disclose the amount of the full fee. Other bills on this subject do not contain this safeguard against profiteering. Most professional people, of course, would not take advantage of this kind of program. However, most of us here have heard of cases where a few doctors make more than $100,000 a year out of medicare and medicaid, and we do not want that in this program.

The rationale for this type of legislation has been expounded on by other Members of Congress who have introduced bills on the subject. I subscribe to their thinking, and there is no point in repeating all of it here. I would merely like to point out that the taxpayers spend a lot of money trying to rehabilitate criminals, and this is proper. But

the victims are forgotten. If we want justice for all, it is about time we gave some attention to what it costs to be raped, or to be slugged and robbed. We cannot, of course, repay the emotional cost—and for this reason, my bill does not make the usual provision for compensation for pain and suffering. However, although no price tag is feasible for the emotional cost, we can at least relieve our citizens of the financial burden connected with becoming a victim of crime.

I might add, Mr. Speaker, that the legislation I am offering today completes action by me on a package of three bills dealing with different aspects of the crime problem. My Emergency Crime Control Act—H.R. 11813—would speed the flow of Law Enforcement Assistance Administration funds to large metropolitan areas—in the form of revenue-sharing block grants. My second bill, H.R. 11677, provides a $50,000 death benefit to survivors of public safety and court officials killed in the line of duty.

These three bills focus directly on the crime problem. However, they cannot, by themselves, solve the problem. Therefore, I am supporting antipoverty, educational, and other bills aimed at the roots of crime, in the hope of preventing it in the first place.

SEVENTY-ONE DAYS, AND STILL NO WORD FROM PRESIDENT NIXON ON TAX REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. BEGICH) is recognized for 10 minutes.

Mr. BEGICH. Mr. Speaker, it has now been 71 days since House Ways and Means Chairman WILBUR MILLS wrote President Nixon asking for the tax reform proposals the President promised last September.

By this time, disclosures of massive tax advantages enjoyed by the corporate giants of the United States are hardly sensational. Still, it is useful from time to time to see how well some of these large business interests are doing at the expense of Americans who really bear the tax burden in our country.

Today's chapter is from the April 15, 1972, issue of Business Week magazine. I hope the White House has a subscription:

HOW SOME COMPANIES CAN EASE THE TAX LOAD

Annual reports, in the chairman's letter to shareholders, invariably contain a sentence or so about the hefty tax bill the company had to pay. Last year, some companies still eligible to use the 1968 investment tax credit and other tax law provisions, were able to trim their tax load. Notable examples include:

U.S. Steel Corp. The 1968 investment tax credit, mineral depletion allowances, and deferred taxes provided in previous years on foreign income totaled $57.9-million for Big Steel in 1971. Estimated U.S. and foreign income tax for 1971 also came out to $57.9-million. The coincidence, attested to by U.S. Steel's auditor, Price Waterhouse & Co., meant that the U.S. and foreign tax bill was entirely offset by the allowable deductions and credits. But U.S. Steel did pay $149-million in state, local, and miscellaneous taxes.

Western Union Corp. Last year marked the eighth year in a row that it paid no federal income tax even though it turned a profit in each of these years. The maneuver is completely within the tax laws. For one thing, the company uses accelerated depreciation for tax-reporting purposes. It also uses utility-accounting procedures. These permit expensing interest charges on the tax books while capitalizing part of them for accounting and financial purposes. Employee overhead on new plant construction is capitalized in the same way. Thus, Western Union has had a tax shelter for net income since 1963.

Mesta Petroleum Co. The Amarillo (Tex.) oil company turned in a whopping 90% earnings increase last year over 1970's profit figure of $6.7-million. Its tax bill for 1971 was only $200,000, because of a 10% minimum tax on statutory items, principally statutory depletion. Mesa paid no other tax, mainly because of intangible drilling costs and other exploration expenses such as lease rentals. They totaled more than its $12.7-million income.

Texas Oil & Gas Corp. The 1971 fiscal earnings picture of this Dallas-based company was brightened by a 29% boost over 1970. But it paid no federal tax other than a nominal amount of minimum tax on preference items included in operating and general expenses. The reasons: deductions for intangible costs of drilling and other development activities, as well as a tax loss carryforward.

Flying Tiger Corp. Bottom-line figures for this cargo airline and equipment-leasing company registered an impressive 94% gain in 1971 over 1970. A healthy investment tax credit mixed in with a substantial figure on depreciation of leased equipment outweighed the company's 1971 tax liability. The two deductions are robust enough so that Flying Tiger probably will not pay any taxes this year or next.

Westvaco Corp. A combination of factors put the company on the credit side of the tax ledger in the amount of $600,000 for 1971 compared with 1970 when it made provisions for paying $3.4-million. For one thing, earnings slid from $17-million to $4-million and the bulk of 1971 profits were from foreign operations. Taxes on the foreign income were more than offset by the investment tax credit of $880,000 Westvaco took last year. This wiped out any 1971 federal tax liability.

Revere Copper & Brass Inc. The federal income tax credit of $501,000 reported by Revere is due to a roller coaster dip in 1971 profits from $1.62 per share to 58c. The 58c dwindled when operating and startup costs at a new aluminum smelter—equal to 32c per share—were charged against income. Coupled with weak metals prices, the company would have been in the red if it had not been eligible to take a $1.5-million investment credit on the new plant.

DUTCH BOYCOTT OF ANGOLA COFFEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, throughout the world there is growing support for the struggle to be free of the peoples of Angola, of Mozambique, of Guinea-Bissau, and Cape Verde—the so-called Portuguese territories. A Dutch group, the Angola Committee, has now organized a 90 percent successful boycott by the Dutch coffee market of Angola coffee. I wish to insert in the RECORD, for the thoughtful attention of my colleagues, a press release on this commendable effort:

PRESS RELEASE

The boycott against Angola coffee in Holland which is organized by the Angola Committee has spread to 90% of the Dutch coffee market within a month. The Angola Committee has been active for more than ten years in Holland to support the struggle to free the Portuguese colonies, and to commemorate the eleventh anniversary of the liberation movement on the 4th of February they initiated a campaign to publicize the support given to Portugal in her colonial war through the coffee imported into Holland. The Dutch consumers reacted to the information that at least $4 million per year of the coffee trade from Angola went directly to support Portugal's army in Africa, and to the report of the governing Catholic People's Party that 85% of the workers on the coffee plantations are forced labour, by refusing to buy from roasters using Angola coffee.

On Friday, March 3, five coffee roasters, including Douwe Egberts who represents nearly one-half of the entire Dutch market, joined the eight coffee roasters who had agreed earlier during the action to stop using Angola coffee in their blends. Douwe Egberts communicated in a statement released together with the roasters Van Nelle and Niemeyer which was advertised in all major Dutch papers that there would be no new purchases of coffee from Angola:

"In the past weeks it has become apparent that there are objections on the part of the Dutch consumers to the processing of Angola coffee. This is an indication for us to change our purchasing program. The Angola coffee which is in supply and under contract will be used up within a short period."

The Dutch have been an important consumer of Angola's coffee, and in 1970 they imported 21% of Angola's total export of coffee representing $34.5 million in trade. Coffee is 32% of Angola's export, which means that the Dutch boycott of coffee has the strong impact of placing 7% of Angola's total export under direct boycott.

The Angola Committee has been supported in this action by about 250 local organisations spread throughout Holland. In addition, the three large labour unions placed themselves behind the action. A number of schools, universities, churches, and firms in the country decided not to buy coffee from roasters who use Angola coffee. Various city governments, including Rotterdam, took the decision to boycott Angola coffee as well.

The press, radio, and television have given considerable publicity to this action. The "National Commission on Development Strategy," under the chairmanship of Prince Claus of the Netherlands, has proposed to subsidize the action with funds from the government. This support was questioned by the Minister of Foreign Affairs, Mr. Schmelzer, who asked whether it was advisable to let political considerations overweigh traditional trade relations. When Mr. Boertien, Minister of Development Aid, did not ratify the award, many protests were raised even from governing parties in the Parliament. A motion to reinstate the subsidy has been introduced into Parliament.

The Angola Committee expects that the remaining 10% of the Dutch coffee market will also join the boycott within the next weeks. There are also international contacts with other groups who plan to introduce a similar boycott in other countries which consume Angola coffee, including the U.S.A., Finland, and Poland. If sufficient support is gathered, Portugal's income from coffee trade may be completely undermined.

HOUSEWIVES SHOULD NOT HAVE TO SUFFER WHILE BLAME FOR HIGH FOOD PRICES IS ESTABLISHED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 10 minutes.

Mr. ANNUNZIO. Mr. Speaker, in recent weeks there has been a great deal of comment in this body and in the press over the subject of the increase in food prices, particularly the question of beef.

The cattlemen blame the processors for the high prices; the processors blame the cattlemen and the supermarkets; and in the next breath the chain is started again.

While a great deal of time is being taken up establishing the blame, it is the housewife who has to pay these higher prices. And she is not really interested in establishing blame but rather in lowering prices. To my knowledge no one has yet blamed the housewife for higher prices, although before the discussion of this whole subject has ended, someone may come forth with that proposition.

Let me admit at this point that I do not know who is responsible for the higher prices. And let me quickly add that I am more interested in reducing food prices than I am in establishing blame.

To this end, I have suggested that the Price Commission freeze food prices. At the very least this would prevent an increase in food prices, while the reasons behind the repeated rise in these prices are researched.

If food prices had been frozen when the wage and price controls first went into effect in August, we would not be facing this situation today. But the administration has chosen not to take that course of action, and consequently food prices are soaring to record levels.

While the food producers are happy about the higher prices, I am certain they also realize that eventually some action must be taken to control these prices—either through governmental controls or by a concerted effort of the shoppers, principally a boycott of meat products. This, of course, could have a long-term negative impact on the food producers.

When the Price Commission began its series of hearings around the country on March 24, I was the leadoff witness in Chicago. At that time I suggested that unless something is done to lower food prices soon, there would be boycotts of supermarkets similar to those that occurred during the 1960's. I urged the Price Commission to put a freeze on food prices, and I am again today repeating my urging that the prices be frozen. Recently, the AFL–CIO added its forecast to my own that unless something was done to control food prices, there would be some form of boycott by shoppers.

While we have seen some decrease in food prices in the past 2 weeks, they have not been significant enough to make me retreat from my prediction of boycotts.

I do not want to see boycotts for no one benefits from such action. But it may be the only way to solve the problem, since the administration apparently is not willing to help the American housewife.

Mr. Speaker, I include in my remarks my testimony before the Price Commission in Chicago on March 24:

STATEMENT OF THE HONORABLE FRANK ANNUNZIO

Mr. Chairman, as a Member of Congress who spent many hours working on the Economic Stabilization Act, let me say that I appreciate the opportunity to present my views today on the effectiveness of the price control program.

For more than a year prior to the President's announcement that he was invoking the wage and price controls granted him by the Congress, I had urged the Administration to exercise such controls. Time and time again I pointed out that inflation had such a stronghold on the economy that it could not be cured without resorting to wage and price curtailments. As you will recall, when President Nixon signed the legislation granting him standby wage and price controls in 1970, he said that although he was signing the legislation, he did not anticipate using such powers.

It is unfortunate that, instead of establishing himself as a poor prognosticator on that day, he did not immediately invoke wage and price controls and do it on an across-the-board basis. Had he taken that action, we would have been out of the inflationary woods today; but instead he waited for more than a year to act. And when he did act, it was on a "hit and miss" basis that has shown little signs of solving economic problems.

The operations of the Price Commission truly reflect the "hit and miss" policies of the Administration. While I would like to point out a number of areas in which I feel the Price Commission has fallen short of the mark, I would like to take my time today to dwell on only two of those areas. The first deals with the so-called Annunzio Amendment to the Economic Stabilization Act allowing consumers who have been overcharged to bring suits for triple damages. The second area concerns the failure of the Cost of Living Council and the Price Commission to take action to put the cost of food under price controls.

Under the present setup of the Price Commission, the enforcement section has been delegated to the Internal Revenue Service to ferret out violators. At best, this is a haphazard way of enforcing Price Commission policies, primarily because of the work load placed upon the Internal Revenue Service. Because of this, I offered an amendment to the Economic Stabilization Act that would make consumers the watchdogs of your Commission. My amendment allowed a consumer who had been overcharged to bring suit and to win triple the amount of the overcharge with a $100 minimum if the suit was successful. The amendment would allow class action suits under which all consumers who had been overcharged could collect damages.

Despite Administration opposition, my amendment was successful. The point of my amendment was not to have consumers running in and out of the court system filing suits, but rather it was to let merchants know that, if they raised prices illegally, instead of only having to worry about an Internal Revenue agent checking on the increase, they would be subject to the scrutiny of every shopper that walked through the doors. Of course, the opportunity of an IRS agent catching the overcharge would be minimal based on the limited number of agents and the multitude of merchants. This pattern would be reversed if the consumer in effect became the enforcer.

It is impossible to determine whether or not my amendment has been successful because the actions of the Commission have totally limited the potential for its effectiveness. I might also add that the Internal Revenue Service has not helped the situation since it refuses to give out any information about price violators. In order for a suit to be brought, it is necessary for the consumer to know whether or not he or she has been overcharged. Under the Price Commission rules, it is so difficult for a shopper to determine the base price of an item that this successfully precludes lawsuits. In short, while the Administration could not defeat my amendment in the proper legislative forum, it has now done that by administrative rulemaking.

The public is frustrated by its inability to find out whether or not prices have been raised by a particular merchant, and so many merchants have been exempt from posting prices that the effectiveness of my amendment has been greatly reduced.

Recently Mr. Chairman, you said in a radio interview that to your knowledge your agents of your Commission had uncovered only a few illegal price raises. It is difficult for me to believe that in a country as large as ours only a few violations have occurred. However, we will never be able to find out exactly how many violations are taking place unless we have vigorous enforcement; and we will not get that enforcement from an agency that is already burdened with the task of enforcing all of the tax laws of our country.

Not only is the consumer being denied information, but the legitimate merchant who has not raised prices is being victimized by the unscrupulous merchant who raises prices and gets away without so much as a warning solely because no one has the proper knowledge to take action in a court of law.

Because of this situation, I urge you to adopt a simplified form for posting base prices and to exempt merchants from such posting only on a case-by-case basis rather than in an across-the-board manner.

Now, Mr. Chairman, let me turn to my second point—food prices, particularly the cost of meat. Much has been said in the past few weeks about the cost of meat prices, including a rather interesting exchange between yourself, Mr. Chairman, and the Secretary of Agriculture. There is a saying in Washington that everybody complains about the weather but no one does anything about it. The same saying holds true for food prices. No one seems to do anything to bring them down. However, this Board could take action that would have immediate results in bringing food prices down. This Board could petition the Cost of Living Council for authority to regulate the price of raw agricultural products, primarily meats. It could then set price ceilings that would reduce food prices to a realistic level. While you may not be able to do anything about the weather, Mr. Chairman, you can do something about food prices. In a number of news articles that I have read about the Commission, you yourself have been quoted on a number of occasions as saying that you will actually run the Price Commission yourself and will only call on the other members of the Commission in certain instances. According to an article in the *Washington Star* in November of last year you said, "I want to use the Commission to the maximum. But as Chairman of the panel I am the only official authorized to sign for the Commission, so the Commission is advisory to me."

I am not here today to argue whether or not this is a proper stance for a Chairman to take; but what I am saying is that you clearly have the power to roll back food prices or, at the very minimum, to petition

the Cost of Living Council for the authority to do this.

The latest report on the consumer price index clearly indicates the magnitude of rising food costs. Based on an annual rate, the wholesale price index of food was up 21.6% and livestock prices were 17.4% higher than a year before.

You don't have to have a degree in Economics or follow wholesale price indexes to know that food costs are up—and at an alarming rate. Merely ask the housewife on her weekly shopping trip how much food she is getting for her dollar these days.

Mr. Chairman, we have reached the end of the line on food prices. It is not a question of having enough money to spend for luxury items; but it is a question of having enough money to spend for food, for after all it is perhaps the most basic of our necessities. The situation is so critical that this week two major food chains in the Washington, D.C., area purchased full-page advertisements in newspapers suggesting that shoppers restrict their beef purchases and instead switch to substitutes such as poultry and fish. When chains of food stores tell their customers that the cost of food is too high, then clearly the time to take action has arrived.

This Board in general and you in particular, Mr. Chairman, have the power to solve the problem. You can put meat back on the American dinner table. However, if food prices in general and beef prices in particular are not reduced sharply and quickly, then I predict that the American housewife will soon stage massive supermarket boycotts similar to those that occurred in the mid-1960's. This is the only recourse that the shopper will have since those who have the decision to cut food prices have refused to deal with the problem. It may well be that a massive boycott of beef will be the only answer to this problem. The boycott of certain meat products has already begun, as witnessed by the supermarket advertisements in the Washington papers; but that is only a small beginning to what I predict will happen unless we have an immediate rollback of these prices. I urge you not to leave Chicago without a concrete proposal to solve the food price problem.

ISRAEL'S 24TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RYAN) is recognized for 15 minutes.

Mr. RYAN. Mr. Speaker, today marks the 24th anniversary of the founding of the State of Israel and the culmination of a centuries-old dream of the redemption of the Jewish homeland. Surrounded by hostile neighbors determined to destroy her, Israel has had to defend her sovereignty three times since that historic day 24 years ago and has succeeded in doing so through sheer determination. Her survival as a political entity is testimony to the unconquerable spirit of her people. Outnumbered by her attackers, Israel's ability to survive is visible proof of what Theodore Herzl wrote in 1896, "If you have the will it need not be a legend."

In 1948, the United States was the first nation to recognize Israel as an independent State. We must reaffirm our commitment to her survival, first, because she is a bastion of democracy in the Middle East. Her commitment to democratic institutions reflects our own beginnings as a nation, and we can see in Israel the embodiment of many of our own ideals.

Second, Israel is the homeland to which Jews, for thousands of years, have longed to return. And we must not forget the haven that Israel was for the many people who were displaced as a result of the Nazi attempt to annihilate the Jewish people. After the Second World War Israel provided a refuge for hundreds of thousands of homeless Jews. Today, she is looked upon as a haven by the many Jews living in the Soviet Union who yearn to live in a land where they will be granted the opportunity to practice freely their religion and give expression to their rich cultural heritage—a land that will allow them to maintain and strengthen their Jewish identity.

Israel has opened her doors to the Soviet Jews who have been allowed to emigrate but is encountering many problems in absorbing this large group of people. Employment opportunities must be made available, as well as adequate housing and educational facilities. I believe that we must assist Israel in resettling these people who are asking nothing more than to be accorded the basic rights which we Americans value so dearly. Therefore, I have introduced legislation calling for American assistance to Israel for this purpose.

Furthermore, Israel is very strategically located. The United States has a stake in maintaining order in the Middle East; for any threat to peace in that area of the world is truly a threat to world peace.

Since the founding of the Jewish State, that country has undergone a sweeping modernization. Cities have been rebuilt; the desert has been made to bloom; and remarkable technological progress has been made—all despite the fact that Israel has known no real peace. In addition, Israel has shown a sincere desire to help other developing nations. Over 10,000 Africans, Asians, and Latin Americans have trained in Israel and thousands more have worked with the 3,000 Israeli field representatives who have been sent to over 70 nations.

Yet after 24 years, defense remains Israel's number one priority. Israel must acquire the modern eqiupment she needs to face the challenge of the Soviet-supplied weaponry of her enemies. During the past few years, Russia has poured billions of dollars worth of arms into Egypt alone. Thousands of advisers have been sent to Egypt, and Soviet pilots fly Egyptian jets. The weapons Israel is forced to buy drain her financial resources which could be used for rehousing new immigrants, expanding an overcrowded school system, or purchasing modern machinery for factories.

Next month it is expected that the President will visit Moscow, and it is my fervent hcpe that the talks which will be held there will prove fruitful and will lead to a break in the stalemate that currently exists in the Middle East. The dream for a Jewish homeland has been realized, and we must now see that it is preserved.

OCCUPATIONAL SAFETY AND HEALTH—INFORMING EMPLOYERS AND EMPLOYEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DANIELS) is recognized for 5 minutes.

Mr. DANIELS of New Jersey. Mr. Speaker, the CONGRESSIONAL RECORD of March 29 and the Federal Register of March 31, symbolize some of the problems of implementing the Occupational Safety and Health Act of 1970. In the RECORD Congressman STEIGER and other Members discussed among other topics, the ability of small businesses to understand and comply with OSHA standards. The program was criticized for providing little assistance in acquainting management with the meaning of these regulations and how to achieve compliance with them.

Much of the dialog directed at the merits of the act would be better focused on how it is being implemented. At least one valid criticism could be that if you want to delay or obstruct the act you cannot choose a better way than the publication of rules and regulations understandable to only an elite who subscribes to or participates in consensus standards-making organizations.

OSHA policy of establishing regulations by reference to standards of consensus groups is just such an obstruction.

Neither management nor labor should have to maintain libraries and consulting services to assist in the interpretation of Government rules and regulations. These should be self-explanatory and textually complete. It should be self-evident that workers have no greater access to consensus standards than do businessmen. They share the same kind of problems as unions do.

A long step toward solving the problem is to make available rules and regulations with full texts and explanatory notes and comments. This is the first and most essential step of an educational service for business and labor. Relative to this, any other educational activity is of small consequence. OSHA has failed to take this step.

Finally, the single most important tool for disseminating this information is to make abundant copies of rules available without hassle in every OSHA office and through unions and trade associations willing to participate in their distribution.

In dealing with large corporations and unions, the OSHA staff has been cooperative. This, however, is not what an individual writing to OSHA experiences. Very often a return letter is sent, requesting that the worker or businessman write the Government Printing Office. GPO, upon receipt, sends a form and a request for money. Months later the material may reach him.

Many times a sincere distribution effort receives attention only because the group is willing to make multiple phone calls and pound the conference table. Even this method has begun to fail as supplies diminish and requests for materials are again referred to OSHA.

The deteriorating relationship between

the public and OSHA stems in part from just this kind of insensitivity. The Labor Department's administration of the act, not the law itself, is responsible for much of the criticism voiced in the House on March 29.

RESTRICTING THE WARMAKING POWERS OF THE PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BYRNE) is recognized for 5 minutes.

Mr. BYRNE of Pennsylvania. Mr. Speaker, it is my intention to vote for the legislation restricting the warmaking power of the President, which passed the Senate by an overwhelming majority. I will support any move possible to get this bill out of the committee and to the floor of the House for a vote, and to the President's desk for his signature.

The huge majority for the bill in the Senate is an indication it will again pass there, even if the President vetoes it; and I believe the action in the House would be the same.

In view of the reescalation of the war in Vietnam, quick action on this legislation is now imperative. Already reports are coming in of deaths and casualties among our Navy personnel, The President by his action has only changed the pattern of the war from a land conflict to a naval and Air Force all-out war. The statements of Secretary Rogers and other spokesmen of President Nixon warrant our fears for the future with regard to an increase in American casualties.

The American people are overwhelmingly in favor of an immediate end to American participation in the Vietnam war. The House of Representatives should take quick action on the legislation passed by the Senate so that the position of the Congress is made known to the President and the American people.

EVIDENCE OF USO CORRUPTION RELEASED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 15 minutes.

Mr. ASPIN. Mr. Speaker, today I am publicly releasing testimony by two former USO personnel in Vietnam dealing with alleged black-market operation by USO officials.

If these allegations are true, then top USO officials have presided over an unprecedented scandal within a charitable organization.

Specifically, the testimony I am releasing today reveals that a former marine staff sergeant admitted to a former USO professional staff member that he and another USO official had sold eleven air-conditioners on the black market.

As many of my colleagues may know, individuals of veterans organizations donate cigarettes to the USO for free distribution to our GI's serving overseas. Unfortunately, according to the testimony I have been given, some of these cigarettes have wound up on the black market.

One official of the USO allegedly stole gift—"care"—packages sent to individual GI's in Vietnam. When the USO's top official in Vietnam was told of these activities, apparently nothing was done to stop the continued stealing.

Some air conditioners, instead of being sold on the black market, may have been illegally traded by USO personnel to other American civilians and military officials.

These allegations, and Secretary Laird's announcement last week of a major investigation of USO, seems to confirm that the American people, and particularly our GI's in Vietnam, have been victimized by a bunch of crooks. Last Friday, Secretary of Defense Laird announced that a worldwide investigation has been launched and the corrupt practices involving "very substantial amounts of money" have been uncovered.

My staff has been investigating this USO scandal for the past several weeks. In the near future I plan to disclose additional detailed information about money manipulation, fradulent mail order schemes, illegal concessions, inflated prices, and attempts by USO officials to cover up these illegal activities.

This situation reeks with every form of corruption and deserves a thorough investigation, Mr. Speaker. Our GI's serving overseas deserve help from the USO. Apparently, according to this testimony, they have been cheated instead.

I plan to turn over all the evidence that I am releasing today to Department of Defense officials who are currently investigating the USO scandal.

Only a full public disclosure of all the facts can permit a cleaning of house from top to bottom in USO.

The USO, the United Services Organization, serves American GI's in the United States and overseas as directly financed by contributions from the United Fund Organization throughout the United States.

One of the USO professional staff members who has approached me testified before a panel of the Inspector General's office in Saigon on approximately October 6, 1971. Gen. Clayton Abrams, our commander in Vietnam, officially initiated a full scale investigation by the Criminal Investigations Division of the Army on October 21 of last year.

Recently, the Office of Special Investigations of the Air Force began interviewing dozens of individuals with connections to the USO about alleged corrupt practices.

The testimony of the individuals involved follows:

INTERVIEW: NEW YORK CITY, APRIL 9, 1972

This interview was conducted with a professional U.S.O. Staff member who served in Vietnam during 1970–1971. This individual came forward with this testimony involving a major scandal in U.S.O. The witness in question served in two of the major scandal areas and has intimate knowledge of the questionable activities within U.S.O.

B. While you were in Vietnam for 18 months, did you ever hear any stories about corruption and the manipulation of currency and black marketeering by staff members of the U.S.O.?

K. Yes. From the day I arrived in Saigon I got my indoctrination. It's common knowledge among everyone that works for U.S.O. and It's discussed openly by many people at many different times.

B. Okay. Did you ever do anything about the allegations that you heard?

In the first week of October ——— I testified before the IG at MACV Headquarters in Saigon. I requested to talk to these men because I was just fed up and I figured I'd better just shut my mouth and quit complaining about it or do something about it, so I decided to do something.

B. Who was on the IG Board?

K. Well, the man that I dealt with, I can't remember all of their names, they were colonels and one of the man's names was Colonel Phillips. Colonel Cormwell I believe was another and I really can't remember the other names.

B. Did you have the opportunity to review your testimony or see a transcript of it?

K. No. I did not.

B. Do you know any of the results of the Inspector General's investigation?

K. Well, I know that I asked to talk to these men and I talked to them informally at first and then I . . . evidently what I said they wanted to check out, so they asked me to come back and put it all on tape . . . so I did and I testified for 3 or 4 hours . . . quite a long time and everything I said was taped. On the basis of what I said, an investigation was begun which resulted in the firing of two people.

B. Who were they?

K. Number one was Bob Rawson who was at that time I Corps Coordinator in Danang. And the other one was Paul Helbing, who was at that time, when he was fired, director of Golden Gate U.S.O.

B. Where's Golden Gate U.S.O.?

K. In Danang. I spent part of my 18-month tour in Danang.

B. Was there a subsequent investigation by the Criminal Investigations Division of the Army?

K. Yes there was. I don't know who asked for this, or whether the IG turned over their material to CID, I don't know that . . . but the next thing I knew the CID was in on it . . . or had taken it over . . . and they were conducting their investigation and I was called in to testify at this also.

B. You testified before a CID board?

K. Well, investigators for a CID board. They did not tape it . . . to my knowledge . . . it was supposedly informal testimony.

B. How many CID investigators have been in Vietnam looking into the U.S.O.?

K. You mean this current one?

B. Yes.

K. I have no idea how many men they have on this.

B. Have there been Department of Defense personnel investigating?

K. Yes. After leaving Vietnam, I knew the CID was handling it . . . I received a letter from a friend who also is a U.S.O. professional staff member and in this letter he said that 11 men had arrived there from the Department of Defense to investigate . . . now whether they're CID or not, I don't know.

B. Has the U.S.O. to your knowledge started any investigation at all?

K. Yes. They were forced into it, I believe. When Mr. Richard Shireman (USN Captain, retired) returned for the national convention in Boston which was held March 10, he must have let the big boys in New York know that there was big trouble in Vietnam because shortly thereafter . . . two U.S.O. lawyers, one of them called Jerry Levian, I don't know the other's name . . . and some other men from U.S.O. were sent to investigate . . . whatever . . . I don't know if it was the corruption or the personnel problem.

B. Has anyone been fired in U.S.O. since you first talked to the IG office?

K. Yes. Bob Rawson and Paul Helbing.

B. Would you tell me in some detail what you understand that Mr. Rawson was doing

while he was in this position of responsibility with U.S.O. in I Corps.

K. Well, he was a little dictator in I Corps. He had complete authority to run everything . . . there were five U.S.O installations in Danang as well as one in Chulai . . . they needed someone up North there to run the show because obviously the people in Saigon couldn't, you know . . . it would make their job easier to do this. He was in Danang 3 or 4 years . . . quite a while . . . he had more than 1 tour there. Now, I had heard many stories from the day I got to Vietnam about things that he was involved in, i.e. selling U.S.O. vehicles on the black market.

B. What kind of vehicles?

K. U.S.O. vehicles . . . I don't know . . .

B. Trucks?

K. Yes. Scouts, this type of vehicle.

B. How many vehicles would a typical U.S.O. installation have?

K. The three big clubs we had in Danang would have maybe four vehicles in each club and our coffee lounges would have one.

B. And he sold, apparently, from what you've heard, some of the vehicles on the black market?

K. Yes. And I also heard that he had sold air conditioners on the black market.

B. How many air conditioners would a typical U.S.O. . . . for intsance a coffee house, have?

K. Well, the coffee houses were small. They didn't have any . . . but the three big clubs have a lot. We'd have maybe 4, 5, 6 depending on how many are broken down at the time and this sort of thing . . . but, anywhere between 4 and 7, $500 or $600 air-conditioners.

B. Were you ever told by a staff Sgt. Lloyd Handy about the sale of air-conditioners on the black market by Mr. Rawson?

K. Yes, I was. Handy worked for Golden Gate he was a GI staff aid at Golden Gate U.S.O. in Danang and he was very open about his little activities and he got himself into some trouble, though . . . I don't know if it was CID . . . but he was prosecuted for something because he was always messing around trying to make some money . . . and he told me once a story about how he and Bob had gotten 11 air-conditioners and they sold them on the black market.

B. How often would you be told about instances of Mr. Rawson selling material on the . . .

K. Often. People who worked for U.S.O. talked about these things. I remember one instance about cigarettes and this I was involved in because I went with some other girls downtown to the one and only decent restaurant in Danang called the Select Club. A French restaurant, which is a local Vietnamese restaurant on an economy run by a French man. And I noticed when one of the girls . . . ordered a pack of cigarettes because she'd run out and the cigarettes that came to her . . . that they brought to her . . . were U.S.O. cigarettes and how I knew that was because on the back of all cigarettes you received gift certificates from Winston or Salem or one of these different companies in the States . . . but they're not for sale . . . they're to be given to the GIs free from the U.S.O. club and on the back there's a little paper on the back of every pack of these cigarettes saying "Donated by the VFW, Lodge Number such and such, Oklahoma City, not for sale . . . for free distribution only". Only U.S.O.'s get these. Now we had invoices, I remember, I'd heard about one girl who took care of the cigarettes invoices that we were supposed to acknowledge when we receive all these cigarettes and one time this girl had gotten a letter from one of the cigarette companies, saying, look we sent you people $10,000 worth of cigarettes, have you gotten them or haven't you . . . and we know that they came in.

B. What kind of cigarettes were they?

K. I can't remember whether it was Winston or Salem, but it was one of the big name brands. But, they did check up on it and evidently they did arrive at the Danang Airport but they were filtered downtown to the local black market instead of to the U.S.O. clubs . . . and this sort of thing is just very common.

B. Did Mr. Rawson have direct responsibility for the receipt of these items?

K. Mr. Rawson controlled everything in Danang.

FRIDAY, APRIL 14, 1972

B. M OK, let's just go through this again. My name is Bill Broydrick and I am with Congressman Les Aspin who is a member of the House Armed Services Committee and the Congressman has asked me to undertake a preliminary investigation of the USO particularly in South Vietnam. OK?

M. Uh huh.

B. I'll keep recording this conversation and do you have any objections to that?

M. No, not at all.

B. OK, you know that I am tape recording you.

M. I sure do.

B. OK, fine. Where did you work with the USO?

M. Oh, well, I spent,

B. If you could speak a little bit slowly

M. I spent 18 months USO in South Vietnam

B. OK. At the . . . did you ever hear rumors or stories about wrongdoing on the part of anyone of the staff?

M. Well, I'll tell you I did. I was talking and I have talked to USO personnel in Vietnam about this. Everything that I know concerning this is hearsy. I have absolutely no proof to back anything up.

B. What personnel told you these stories?

M. Well, I heard conversations. I overheard conversations at a USO club.

B. Between

M. And I was aware of things disappearing . . . things like air conditioners and plywood and this sort of thing.

B. Now, how many air conditioners were you aware of were disappearing?

M. Well, I think 2 for sure. Like there never was any explanation, you know, all of a sudden these things would just disappear.

B. Who would you ask for an explanation for this stuff?

M. I would ask the club director, Bob Rawson.

B. And what would Bob Rawson say?

M. Well, there was always some vague answer—he didn't know or something like this. Now

B. What do you think happened to the air conditioners?

M. Well, I think they were probably sold.

B. Where?

M. Well, either on the black market or to use for trading . . . trade an air conditioner for something else.

B. With whom?

M. Often times, it was done with US personnel.

B. With US personnel.

M. Uh huh.

B. With military or civilian personnel?

M. Both.

B. I see. Was this legal to trade this stuff around?

M. Well, of course not. You see, USO was funded through the United Fund, and this was something that the American public had paid for.

B. What would Rawson trade stuff? I mean, did you ever hear of an air conditioner he traded for?

M. No. I would just all of a sudden, I'd walk in the room and 2 new air conditioners would be gone and I have absolutely no proof that he traded it or anything else. It was gone.

B. Do you think it was more likely that he traded it or sold it on the black market?

M. I don't know.

B. But both are possibilities?

M. Yes.

B. OK, now what was this about plywood?

M. Well, like the USO Club at . . . we were trying to refinish. It had been an old mess hall and one of the other girls was in charge and she collected some plywood and she told me that she was going to trade this off. I don't know whether because about that time I left.

B. What was the other girl's name?

M. Her name was . . .

B. How do you spell that, do you happen to know?

M. . . .

B. Where is she now?

M. The last I heard it, she was in California now. Her home is in Houston. You can find out her name and address through the USO office in New York.

B. OK. I don't know if the USO office is doing any handstands about this whole thing.

M. But I know one time she did call Anderson to come up to Danang to discuss this problem with . . .

B. Which problem?

M. Concerning the black market activities.

B. What did Sam Anderson do?

M. Well, nothing.

B. So this, her name again is . . . made Sam Anderson who was then in charge of the executive office in Saigon, she made him aware of the problem?

M. Yes.

B. What did he do?

M. I don't know anything about it. I just know he went up there and she said that she thought Bob Rawson was selling stuff on the black market and obviously she had no proof and you see, the whole thing boils down to when I moved to Saigon I was really quite concerned about things I had heard and things I had observed through being over there and I had a long talk with Mr. Richard Shireman, who is the executive director over there now, and he told me that unless I came to him with proof, that nothing can be done and that I should be very careful about what I said because you can't go and accuse people with stealing which is true and that I was in danger of being sued for slander.

B. That's what Mr. Shireman told you?

M. Yes.

B. So he told you rather than come to him with rumors or suspicions, that you had about individuals, it would be better to just keep quiet.

M. Well, he said that it did no good to come to him and I think he was most concerned about the situation, at least he appeared to be.

B. You don't have any suspicions or have heard anything that Captain Shireman is involved in any wrongdoing?

M. No.

B. OK. Now, what was the result of Sam Anderson's visit to Danang?

M. As far as I know, absolutely nothing.

B. So he did nothing then?

M. I don't know whether he, maybe he didn't find proof, he may have had very good reasons for doing nothing. I don't know, but I know this girl.

B. This was the black marketing in general?

M. Yes, just things in general.

B. What's your overall evaluation of Anderson and this whole thing?

M. Well, I think it's rather apathetic . . . he just . . . because I have no . . . well, like one time I was talking to him and he said that I had a bad attitude because that a lot of good had been done through USO and in order to accomplish this you had to put up with these people it's very hard to get.

B. Put up with what people?

M. Well, people who were really no good.

B. And Anderson said that you have to accept the crooks that go along with the good.

M. Yea, it's not just the crooks that this may exist but it was hard to get people to work in Vietnam and

B. You'd have to expect what some of the people to be dishonest.

M. Yea, and we weren't even discussing individuals. It was just the whole attitude which was so appalled.

B. So Anderson's attitude was that USO is basically good and you have to accept a little bit of corruption?

M. Yea, and that otherwise it was really the public image and if something got out in public that they would think about this instead of thinking about the good that had been done.

B. Do you agree with Anderson about this?

M. No, I don't.

B. How did he tolerate this certain amount of corruption?

M. Well, I don't know about the corruption because I never discussed this.

B. What did he tolerate then?

M. Well, I think it was just the attitude because I went in one time and I said, look Bob Rawson up there has been taking all these packages that have been sent to the GIs taking them home and eating them himself and I said I think this is wrong. If I had gone to the trouble to bake some cookies for some GI out in the field in the rain and the mud, I'd hate to know that that slob was down in his villa eating them and I said that this is wrong and as far as I know he never even mentioned it to him. It certainly didn't stop.

B. So he was stealing stuff?

M. Well, you know it sounds trivia to talk about care packages.

B. Yea, but it is important to the GIs.

M. And some of them were very nice—can pound hams and salamis and really nice things—and this slob would go in there and help himself.

B. I see.

M. This could get serious about this and he didn't seem to get really too concerned about it.

ISRAELI INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 30 minutes.

Mr. PODELL. Mr. Speaker, today is Israel's independence day according to the Hebrew calendar. Today is the day Israel celebrates her battles of the past, fought and won.

Today is the day the people of Israel look ahead to the challenges of the future, to the problems they must face and overcome if they are to win their struggle for survival.

What are those challenges? For one, the successful absorption of new immigrants whose backgrounds, lifestyles and beliefs are in marked contrast to present Israeli norms.

The people of that small beseiged country have girded their belts. They have declared their resolve to welcome the newcomers, and have drawn up plans to open their own homes if necessary until more immigrant housing can be built.

Gaps challenge Israel's social structure—the gap between the poor and the successful, between different religious factions. Increasing contamination of Israeli youth with the Western diseases like drugs and delinquency pose additional problems.

And the shadows of Soviet Mig's in Iraq, SAM missiles in Egypt, terrorist rockets from Russian rocket launchers, bought with Peking money—these clouds are ever present.

But Israel's Government and citizenry have taken new and old problems in stride.

They have decreased their military expenditures in favor of increasing poverty programs and welfare spending. They have encouraged tolerance of all beliefs and opinions. They have promoted governmental responsiveness.

And they will solve their problems. They have shown in the past 24 years that they can tackle even the toughest challenges for one reason: They care.

Jews have cared for centuries—about oppression, disease, civil rights, honesty, beauty, and morality. As bad as the situation might be—and it has been very bad innumerable times—Jews never lost their capacity for caring and trying.

Mr. Speaker, that is the reason our great Nation should learn from Israel on this her 24th birthday: We must care—about the plight of mankind, ecological ruin, the equality of people of all colors and all beliefs, and sharing of our resources and wealth among all our citizens. We can solve our problems only if we care; for once we have stopped caring and have given in to apathy, we have no chance.

PROPOSED SUPERSEDING AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES AND THE GOVERNMENT OF THE REPUBLIC OF CHINA CONCERNING CIVIL USES OF ATOMIC ENERGY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California (Mr. HOLIFIELD) is recognized for 10 minutes.

Mr. HOLIFIELD. Mr. Speaker, as chairman of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, I wish to advise my colleagues that in compliance with section 123c of the Atomic Energy Act of 1954, as amended, the Atomic Energy Commission on April 5, 1972, submitted to the Joint Committee on Atomic Energy a "Proposed Superseding Agreement for Cooperation Between the Government of the United States and the Government of the Republic of China Concerning Civil Uses of Atomic Energy." The Atomic Energy Act requires that such an agreement lie before the Joint Committee for 30 days while Congress is in session before becoming effective.

The new agreement pertains to both power generation and research applications of atomic energy and supersedes the research only type of agreement which has been in effect since 1955. Under this agreement, authority will be provided for the export to the Republic of China of two nuclear power reactors as well as the providing of enriched uranium fuel for those reactors.

The proposed agreement takes the form consistent with those used in other dual purpose agreements and reflects the passage of the Private Ownership of Special Nuclear Materials Act of 1964. Provision is also made for the application of safeguards to assure the peaceful uses of nuclear materials through the International Atomic Energy Agency pursuant to a trilateral agreement between that Agency and the two countries executed in 1964 and supplanted by the new agreement signed on December 6, 1971.

In keeping with the general practice of the Joint Committee, I asked that there be included in the RECORD for the information of interested Members of the Congress the text of the proposed agreement together with supporting correspondence.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., April 4, 1972.

Hon. JOHN O. PASTORE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR PASTORE: Pursuant to Section 123c of the Atomic Energy Act of 1954, as amended, copies of the following are submitted with this letter:

a. a proposed superseding "Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of China Concerning Civil Uses of Atomic Energy;"

b. a letter from the Commission to the President recommending approval of the Agreement; and

c. a memorandum from the President containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security and approving the Agreement and authorizing its execution.

The Agreement pertains to power as well as to research applications of atomic energy. It will supersede the current research type of Agreement for Cooperation, which has been in effect since 1955. The principal purpose of the new Agreement is to permit the export of two power reactors from the United States and to permit the long-term supply of enriched uranium fuel. The reactors are identified in the appendix to the Agreement. they are scheduled for operation in 1975 and 1978. The adjusted net quantity of U-235 required to fuel them over the thirty year term of the Agreement is calculated to be 22,200 kilograms.

As mentioned above, the scope of the Agreement accommodates both research and power applications of atomic energy, and its term is thirty years. Other significant features, which are set forth below, are substantially similar to those of other long-term Agreements for Cooperation, for example, those concluded with Austria, Finland, Japan, and Sweden.

Article VI permits arrangements for the transfer of special nuclear material to be made directly between authorized persons under the jurisdiction of the United States and the Republic of China and also between authorized persons of one country and the Government of the other country.

Article VII sets forth the fuel supply undertakings of the United States. The article accords with the policy followed in other Agreements for Cooperation concluded in recent years. It does not reflect the Commission's revised supply policy announced in June 1971—whereby no firm supply assurance occurs until the execution of a specific contract—since negotiations with the Republic of China were begun well in advance of that policy revision.

As in similar Agreements for Cooperation, Article VII provides that toll enrichment will be the normal method of supplying fuel for the two power reactor projects; sale is possible if the parties so agree. Enriched

uranium required for fueling research, materials-testing and experimental reactors will be transferred under agreed terms and conditions. In the event of transfer of title to such research material, the United States has the option of limiting supply arrangement to provision of toll enrichment services.

Paragraph C of Article VII indicates expressly that the Commission may transfer to a person or persons under the jurisdiction of the United States Government such of its responsibilities with respect to the supply of special nuclear material, including the provision of enrichment services, as the Commission deems desirable. This provision corresponds to a like provision in the 1970 Amendment to the Swedish Agreement for Cooperation.

Article VIII establishes terms and conditions governing material supply. These are common to other recent similar agreement and include the following:

(1) Prices for enriched uranium and advance delivery notices will be comparable to those applicable to domestic customers.

(2) Uranium fuel may be enriched to greater than 20% in the isotope U–235 when technically or economically justified.

(3) Fuel reprocessing may be undertaken in facilities acceptable to both parties upon a joint determination that safeguards may be effectively applied.

(4) With respect to special nuclear material produced through the use of material supplied by the United States to the Republic of China, transfer of such produced material from China to any other nation or group of nations will be subject to Commission approval.

Article IX establishes the overall adjusted net ceiling governing U–235 transfers. This ceiling is 22,450 kilograms, comprised of the 22,200 kilograms allocated for the two power projects and 250 kilograms for research and other purposes permitted under the Agreement. The ceiling quantity requires a relatively minor amount of separative work (approximately 4.3 million separative work units). These requirements, together with commitments under existing Agreements for Cooperation as well as actual and anticipated enrichment requirements for domestic power reactors which will become operational in the same time period as the Chinese projects, is within the capability of our existing facilities to supply on a continuing basis.

Article X, in conformity with the standard formulation used in other Agreements for Cooperation, contains China's "peaceful uses" guarantee respecting material, equipment and devices transferred under the Agreement, including special nuclear material produced through their use.

Article XI continues the comprehensive safeguards rights of the United States established in the current Agreement for Cooperation.

Article XII provides that safeguards responsibilities respecting materials, equipment and facilities transferred under the bilateral will continue to be exercised by the International Atomic Energy Agency pursuant to the trilateral safeguards transfer agreement signed by the parties and the Agency in 1964, as it may be amended or supplanted by a new trilateral agreement. The trilateral agreement was supplanted by a new trilateral signed on December 6, 1971. The article also permits exercise of Agency safeguards responsibilities as may be provided in an agreement between the Agency and the Republic of China pursuant to the Treaty on the Non-Proliferation of Nuclear Weapons. Such alternative approach is similar to the one followed in the 1970 Swedish Amendment. As in that case, United States safeguards rights will be suspended during the time and to the extent the United States agrees that the need to exercise such rights is satisfied by a safeguards agreement as contemplated in the article.

The Agreement will enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force.

Sincerely,

JAMES R. SCHLESINGER,
Chairman.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., January 28, 1972.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Enclosed is a proposed superseding "Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of China Concerning Civil Uses of Atomic Energy." The Agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended. With the Department's support, the Commission recommends that you approve the proposed Agreement, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution.

The proposed Agreement pertains to power as well as research applications of atomic energy. It is one of those which the Department of State and the Commission expected to conclude pursuant to negotiations already underway, as referred to in the Commission's Statement on Uranium Enrichment Services of June 8, 1971. The Agreement would supersede the current research type of Agreement, which has been in effect since 1955 and is scheduled to expire in 1974. The principal purpose of the proposed Agreement is to permit the export of two power reactors from the United States and to permit the long-term supply of enriched uranium fuel for these reactors, as identified in the appendix to the Agreement. These reactors are scheduled for operation in 1975 and 1978. The adjusted net quantity of U–235 required to fuel them over the term of the Agreement if calculated to be 22,200 kilograms.

As mentioned above, the scope of the Agreement would accommodate both research and power applications of atomic energy. Pursuant to Article XV, its term would be thirty years. Other significant features, which are set forth below, are substantially similar to those of other long-term Agreements for Cooperation, for example those concluded with Austria, Finland, Japan, and Sweden.

Article VI would permit arrangements for the transfer of special nuclear material to be made directly between authorized persons under the jurisdiction of the United States and the Republic of China and also between authorized persons of one country and the Government of the other country.

Article VII relates to the fuel supply undertakings of the United States. According to the standard approach in recent long-term power Agreements, toll enrichment would be the normal method of supplying fuel for the power projects identified in the Agreement's appendix; sale would be possible if the parties so agree. Enriched uranium required for fueling research, materials-testing and experimental reactors would be transferred under agreed terms and conditions. As is common to other long-term Agreements, in the event of transfer of title to such research material, the United States would have the option of limiting supply arrangements to provision of toll enrichment services.

Paragraph C of Article VII would indicate expressly that the Commission may transfer to a person or persons under the jurisdiction of the United States Government such of its responsibilities with respect to the supply of special nuclear material, including the provision of enrichment services, as the Commission deems desirable. This provision corresponds to a like provision in the 1970 Amendment to the Swedish Agreement.

Article VIII would establish terms and conditions governing material supply. These are common to other recent similar agreements and include the following:

(1) Prices for enriched uranium and advance delivery notices would be comparable to those applicable to domestic customers.

(2) Uranium fuel may be enriched to greater than 20% in the isotope U–235 when technically or economically justified.

(3) Fuel reprocessing may be undertaken in facilities acceptable to both parties upon a joint determination that safeguards may be effectively applied. This approach has been adopted in such recent Agreements as those with Argentina, Austria, Finland, Japan, and Sweden.

(4) With respect to special nuclear material produced through the use of material supplied to China by the United States, transfer of such produced material from China to any other nation or group of nations would be subject to Commission approval.

Article IX would establish the overall adjusted net ceiling governing U–235 transfers, which would be 22,450 kilograms. This is comprised of the 22,200 kilograms allocated for the previously mentioned power projects and 250 kilograms for research and other purposes permitted under the Agreement.

Article X, in conformity with the standard formulation used in other Agreements, contains China's "peaceful uses" guarantee respecting material, equipment and devices transferred under the Agreement, including special nuclear material produced through their use.

Article XI would continue the comprehensive safeguards rights of the United States established in the current Agreement.

Article XII provides that safeguards responsibilities respecting materials, equipment and facilities transferred under the bilateral would continue to be exercised by the International Atomic Energy Agency pursuant to the trilateral safeguards transfer agreement signed by the parties and the Agency in 1964. This trilateral agreement was supplanted by a new trilateral signed on December 6, 1971. The article would also permit exercise of Agency safeguards responsibilities as may be provided in an agreement between the Agency and the Republic of China pursuant to the Treaty on the Non-Proliferation of Nuclear Weapons. Such alternative approach is similar to the one followed in the 1970 Swedish Amendment. As in that case, United States safeguards rights would be suspended during the time and to the extent the United States agrees that the need to exercise such rights is satisfied by a safeguards agreement as contemplated in the article.

Following your approval, determination and authorization, the proposed Agreement will be formally executed by appropriate authorities of the United States and the Republic of China. In compliance with Section 123c of the Atomic Energy Act of 1954, as amended, the Agreement will be placed before the Joint Committee on Atomic Energy.

Respectfully yours,

(S) JAMES R. SCHLESINGER,
Chairman.

THE WHITE HOUSE,
Washington, March 22, 1972.

Memorandum for: Dr. James R. Schlesinger, Chairman, Atomic Energy Commission.

Subject: Proposed Superseding Agreement for Cooperation with the Republic of China Concerning Civil Uses of Atomic Energy.

I have reviewed the proposed "Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of China Concerning Civil Uses of Atomic Energy," which was submitted for my approval with the Atomic

Energy Commission's letter of January 28, 1972.

Pursuant to the provisions of Section 123b of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

a. Approve the proposed Agreement, and determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security of the United States of America; and

b. Authorize the execution of the proposed Agreement on behalf of the Government of the United States of America by appropriate authorities of the Department of State and the Atomic Energy Commission.

RICHARD NIXON.

WHEN WILL THE SOCIAL SECURITY BILL PASS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, "When will there be an increase in my social security check?" That is a question which every Congressman is hearing these days, and it is being asked with growing impatience. No wonder. The delay in Congress over the social security bill has been unconscionable.

H.R. 1, proposing a 5-percent increase in benefits was introduced on the opening day of the 92d Congress, January 21, 1971. That was 15 months ago. That was prior to the 4.3-percent rise in the cost of living for 1971. That was prior to the new cost-of-living increases this year—moving so far at an annual rate of 4.9 percent. That was prior to the jump in meat prices to the highest level ever.

Senior citizens are being forced to emulate the patience of the prophet Job. From their point of view it looks as if Congress is poking along deliberating on an increase that everyone should know was needed a year ago. While the purchasing power of senior citizens' social security checks shrinks every day as living costs rise, it seems to them that the Congress of the United States has forgotten their plight or is unbelievably callous. "What is happening to the bill?" they want to know.

The House of Representatives passed H.R. 1 last June less than a month after it was reported out of the Ways and Means Committee on May 26. Ten months have gone by and the bill is still under discussion in the Senate Finance Committee. While the talk goes on millions of older Americans have to trim their budgets, wait and wonder when.

Last year the Senate held hearings on July 27 and 29, and again on August 2 and 3. Then everything was postponed when the President announced the wage-price freeze. At that time he let it be known that for fiscal reasons he did not want action on the welfare reform section of the social security bill.

As a result, the Senate Finance Committee set the bill aside and did not take it up again until January 20 of this year when hearings were resumed. The hearings lasted through mid-February. Since February 17 there have been more than 30 days of executive sessions. There is still no end in sight.

"Will we get our increase by the beginning of July?", my retired friends ask. Even if the Senate Finance Committee reports the bill out within the next 2 weeks, even if the Senate then passes the bill immediately, even if the conference committee reconciles the House and Senate versions of the bill with record speed, and even if the President does not delay in signing it, July is now out of the question.

It takes the Social Security Administration 3 months for processing, after the President's signature, before the higher payments show up in the monthly social security checks.

Regrettably, then, there is no definite answer that can be given to any senior citizen who wants to know when he can plan on the increase. In my opinion every exasperation and impatience with this situation on the part of senior citizens is fully justified.

It is clear to me that there should be a retroactive payment provision in the bill. Beyond that, I would like to see the Congress redeem itself and convince our senior citizens that it has not forgotten them by approving a truly satisfactory benefit increase.

No impetus in this direction has come from the administration. In fact, in his Older Americans message on March 23, the President apparently endorsed the outdated 5-percent increase in the 15-month-old H.R. 1. The Congress should listen instead to the recommendation of the employment and retirement section of the White House Conference on Aging which called for an immediate 25-percent increase in social security benefits. That recommendation was approved by the whole conference of 3,400 delegates with no dissent. I am sure they are fully representative of the 27 million social security recipients waiting and waiting to see what action Congress will take.

WEST GERMANY'S TREATIES WITH MOSCOW AND VIETNAM WAR ESCALATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois, (Mr. CRANE) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, recent events in the war in Vietnam have important implications elsewhere that are in danger of being overlooked. One such case is the bearing the President's action in authorizing the bombings around Haiphong and Hanoi has upon the question of the ratification of the Moscow and Warsaw treaties now pending in the West German Bundestag.

West German Chancellor Willy Brandt has repeatedly made clear his strong feeling that it is in the best interests of his country to press forward with his Ostpolitik and ratification of the resultant treaties while American troops are still in Europe and the United States is still maintaining her defense commitments there. The clear implication is that West Germany now has the best bargaining position it is ever likely to have, because sooner or later the United States is going to withdraw and Western Europe will then be at the mercy of the U.S.S.R. This has apparently been a rather effective argument with his German constituency.

The President's recent action in Vietnam demonstrates resoundingly that Mr. Brandt's supposition can be faulted on two counts. First of all, his entire Ostpolitik is founded on the proposition that the Communist Government of the U.S.S.R. can be trusted to keep treaty commitments and to deal honorably in its relations with other nations. Yet the situation in Vietnam makes it abundantly clear—if new proof is needed—that is not the case. The Communists cannot be trusted. For while President Nixon has been preparing for a summit conference to ease tensions, the Soviets have been arming the North Vietnamese for a new offensive against the South. That is the "code of honor" under which their relations with other nations are conducted.

Second, Chancelor Brandt's supposition regarding the reliability of U.S. defense commitments in Europe is belied by our action in Vietnam. Even in Asia, which, historically, has always been a less important sphere of influence than Europe insofar as our foreign policy is concerned—even in Asia, we are not abandoning our allies and our defense commitments. If we stick by our Asian allies there, in the face of all the pressures both at home and abroad to get out, how much more can Europe depend upon us to keep our commitments there.

Chancellor Brandt's fears, or purported fears, that we will withdraw from Western Europe and leave our West German ally "isolated" simply are not valid. Neither experience nor reason supports any such supposition.

PERSONAL ANNOUNCEMENT

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

Mr. BINGHAM. Mr. Speaker, during the week of March 8–15, I was absent from the House due to pressing matters in my congressional district. Had I been present, I would have voted "yea" on the following rollcalls: No. 65, 70, 72, 73, and 77–82.

On April 11, I was absent from the House on official business for the House Foreign Affairs Committee of which I am a member. Had I been present, I would have voted "yea" on rollcalls 103–106.

NORTHERN IRELAND

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

Mr. BINGHAM. Mr. Speaker, I am introducing a new resolution dealing with the situation in Northern Ireland. This new resolution updates and expands upon resolutions introduced earlier this year by me and by Senator EDWARD KENNEDY, Senator ABRAHAM RIBICOFF, and our colleague from New York (Mr. CAREY). It reflects a number of conclu-

sions I reached about the situation in Northern Ireland and the course that must be pursued if peace and Irish unity are to achieved there during a recent visit I made to Dublin, Belfast, and Derry.

Specifically, the new proposal I am introducing today differs from these earlier resolutions in the following major respects:

First, it calls for all action by the United States Government regarding Northern Ireland to be taken "in consultation with the Government of the Republic of Ireland."

Second, it recognizes the recent suspension of the so-called Parliament of Northern Ireland—the Stormont—by the British as a "constructive step."

Third, it calls for immediate withdrawal of British troops to their barracks and a phased withdrawal from Northern Ireland to be completed by a set date.

Fourth, it calls upon the President to press for action not only in direct talks with the Government of the United Kingdom but at the United Nations.

I want to commend this resolution to my colleagues whom I know are concerned about the strife in Northern Ireland and American policy toward that situation. The text of the resolution follows:

CONCURRENT RESOLUTION

Whereas the continuing violence and bloodshed in Northern Ireland is a cause of the deepest concern to Americans of all faiths and political persuasions;

Whereas the causes of the present conflict may be traced to the systematic and deliberate discrimination in housing, employment, political representation, and educational opportunities practiced by the governmental authorities of Northern Ireland against the minority there;

Whereas the Governments of the United Kingdom, and of Northern Ireland have failed to end the bloodshed and have failed to establish measures to meet the legitimate grievances of this minority;

Whereas the Government of the United Kingdom has taken a long awaited constructive step in suspending the so-called Parliament of Northern Ireland;

Whereas continued repression and lack of fundamental reforms in Northern Ireland threaten to prolong and escalate the conflict and the denial of civil liberties;

Whereas the problem of Northern Ireland is properly a matter of international concern: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States Government should make clear to the Government of the United Kingdom of Great Britain and Northern Ireland that the continuing violence in Northern Ierland, reflecting a longstanding policy of discrimination against the Catholic minority, is a matter of international concern and cannot be allowed to continue, that such violence must be brought under control with the assistance of the United Nations, and that the long-run solution to the problem of Northern Ireland is a free and united Ireland, established in accordance with the principles of the United Nations Charter calling for the "self-determination of peoples" and the "integrity" of states, and

That it is further the sense of Congress that the United States Government, acting in consultation with the Government of the Republic of Ireland, should urge, in direct talks with the Government of the United Kingdom and before the appropriate bodies of the United Nations, immediate implementation of the following actions:

1. Termination of the current internment policy and simultaneous release of all persons detained thereunder.

2. Full respect for the civil rights of all the people of Northern Ireland and the termination of all political, social, economic, and religious discrimination.

3. Implementation of the reforms promised by the Government of the United Kingdom since 1968 including those reforms in the fields of law enforcement, housing, employment, and voting rights.

4. Immediate withdrawal of British forces in Northern Ireland to their barracks and total withdrawal from Northern Ireland by a specified date.

5. Convening of interested parties, including representatives of the Governments of Ireland and of the United Kingdom and elected representatives of the people of Northern Ireland for the purpose of agreeing on steps to accomplish the unification of Ireland.

THE BETTY WARD STORY

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

Mr. PEPPER. Mr. Speaker, in its March 1972 issue, Human Living, a magazine devoted to youth, featured a story about Mrs. Betty Ward, a lovely and dedicated lady, and the magnificent contribution she is making to the youth of Dade County, Fla. This remarkable woman has devoted much of her life to the belief that prevention of delinquency, rather than rehabilitation of delinquents, is the answer.

The article about Mrs. Ward, written by Tony Vuolo, tells of her many achievements and effectively portrays the philosophy that has been the cornerstone of her unwavering faith in, and untiring efforts on behalf of, today's youth.

I believe Mrs. Ward's story would be an inspiration to my colleagues and to all of those who read this RECORD. I ask, therefore, Mr. Speaker, that "The Betty Ward Story" appear in the RECORD immediately following my remarks:

THE BETTY WARD STORY

(By Tony Vuolo)

To Betty Ward of Miami, Fla., working with kids is not just a job . . . but a privilege that brings happiness and joy into the heart of this wonderful Irish woman.

She has a philosophy for youth . . . prevention of delinquency rather than rehabilitation. Unfortunately, the latter is the one most people dote on.

Miss Ward has been in show business since she was a very little girl, until World War II, when she joined a USO Club as Assistant Director at the first club ever to be in Miami. She was Director of famed Coral Gables Youth Center; was Youth Editor and columnist of the Miami News; Social Director of the plush Beau Rivage Hotel in Bal Harbour and now, Youth Activities Director of the Department of Youth Services for Dade County, Florida.

Her life has been a series of good breaks—or has it been the hand of God on her shoulder?

When she was a little girl, her sister Helen and Betty left Miami to go to Pittsburgh the Ward's home town. While there, the Ward sisters sang and danced at the William Penn Hotel at a banquet for theater managers who were forming a new club called "Variety." That night their mother signed a contract for the little sisters 48 straight weeks on RKO with one of the biggest theatrical men in the country . . . John H. Harris. Betty said, "He saw talent through all our corn that no one else had and that gave us confidence."

Then she continued, "I don't think Johnny would ever have thought he was my inspiration to devote my life to kids, for you see, like all big people, he was a very humble person. When we worked for him," she continued "we were two of an act of five youngsters. All five at one time or another hit Broadway, the goal of all show people."

"But what I remember most was not Broadway," Betty said, "But how good Mr. Harris was to us. Many's the time we arrived in a town at 4 a.m. and as we were all of the same faith, John sat with us in the hotel lobby until it was time to 6 o'clock mass and then he would go with us. Result? Our religion is one of the big factors in all our lives and without it, there would be no happiness for us."

Betty then remembered when her sister and she were playing Ashtabula, Ohio, a telegram arrived from Miami to the chaperone of the act. It read, "Helen and Betty's father died today." Like the tradition of the theater, "the show must go on;" the girls did it that way, for it was their dad's last wish.

Then she remembered, "Johnny Harris came on immediately from Pittsburgh and stayed with us through our mourning. He had a funeral mass said in Ohio at the same time Dad was buried in Miami and all the people on the show and the townpeople went, in sympathy for us. There we learned the meaning of 'little troupers!' "

Her "first boss" taught them that a great loss can be healed by making others happy. Showmen do this every day because of Johnny Harris. The little club of Variety became a national club . . . now it's international. In most cities, Variety Clubs do good for kids of every religion, race and creed. In Miami, it has the Variety Children's Hospital.

Betty was dancing in a USO show when God again put His hands on her shoulder. She had a two week layoff and came home to Miami when she had another idea. She had been teaching dancing to service men and she thought, Why not try Recreation in a club?

"I'll always remember," she reminisced, "that I phoned the USO Director while on a two week's vacation at home, and asked him if he needed help. He said, 'yes' and to come right over. I was frightened to death for I had never done anything except show business."

"The Director was George Brautigam, who later became State's Attorney for Florida," she continued. "He asked me if I knew how to type. The reply was 'no,' 'How about bookkeeping?' I told him all I know is to use my feet for I was a dancer and to use my head for I thought I had some brains!"

With a twinkle in her Irish green eyes, and pushing back her red hair, Betty said, "I'll never forget how he laughed and said, 'You are so honest, you've got the job!' Later I learned a want-ad had appeared in the paper and 1000 people had answered the ad that I had never known about."

"See how God was so good to me the second time in my so-called career?" she remarked.

Betty then told me how she traveled over the state and was in Key West when the war was over. She had been watching a building going up in Coral Gables when she returned home each week-end and found out it was going to be a War Memorial Youth Center. "That's what I wanted to do, Miss Ward said . . . "work with children. After all, service men away from home are just like kids."

This far-seeing gal had found out who was responsible for the War Memorial and went to see him. He was Harry Morgenthaler. He asked her how she thought she could do this

big job. "I'll work for nothing for two weeks and show you I can," said Betty.

Morgenthaler's idea became a reality on Dec. 7, 1945. Needless to say, Betty Ward got the job and was paid for the first two week's too.

God had put His hand on her shoulder again in her career. Because of the good people of Coral Gables and Betty, no juvenile delinquency was seen in the area.

As Betty directed the War Memorial Center, she also did the publicity too. She landed two covers in Life with a seven page story about the Youth Center in one, plus three more national stories about the unique Youth Center.

"I just had a sixth sense for writing and getting publicity for what I was working for, but didn't know that I did," she said.

Then God put His hand on her shoulder for the fourth time. The Managing Editor of The Miami News, Hoke Welch, had his two children come to the Youth Center. One day she received a wire from him asking if she would consider a position on The Miami News.

"I was floored," said Betty "but I was so elated. Result? I went to see him and presto! he asked me to be Youth Editor and get the youth news each week."

Needless to say, Betty accepted the offer and, in no time, she had two weekly pages with reporters from each Dade County School. Betty's friends in Miami and show business volunteered and taught everything from tap dancing to ice skating, boxing, radio, TV, and numerous other activities. All together, Betty had 50 volunteer instructors! Four annual Ice Shows were held. Many are now in Holiday on Ice and Ice Capades. Many have their names in lights on Broadway. Boys and girls of the Youth Roundup Press Club are now making their living and excelling in a position by a "seed" that was implanted in them while they were young.

In her weekly *"Letter From Betty"* column, she even had teenagers from Germany, Australia, Sweden and other parts of the world writing to her; that's how far the news and popularity of the Youth Roundup had spread.

Again delinquency was almost extinct. By this time, Betty had 20,000 boys and girls who either wrote for the paper or were in her Recreation programs. *Not one youth* ever had occasion to appear before the Juvenile Court. It was cited as the *number one prevention program for juvenile delinquency in the nation.*

For this Betty was named Dade County's Woman of the year, plus many other honors, including the American Broadcasting Co.; WTVJ's Woman of the Year; the Honorary Quill and Scroll award for Miami plus others.

"Then I was offered a position at the Beau Rivage Hotel in Bal Harbour on Miami Beach," she related. "They wanted someone who could supply a program for an entire family, to keep everyone busy." As Betty was so qualified, this was a challenge, for it had never been done before. Her friend, Hank Meyers, public relations director for the city of Miami Beach, gave her this break. God tapped her shoulder for another golden opportunity.

Betty stayed at the swank Beau Rivage for a wonderful five years, having a daily TV show from the hotel, plus a daily paper to boot. She did not give up her Youth Roundup, however. Her volunteer program continued. Kids were given lessons in anything they had an interest in. Her show-folk friends and she kept everything going.

Betty, in the meantime, had two wonderful boys whom she brought up all alone since they lost their father when her younger son was eight months old. Knowing what a tough time it was to send her sons to college, she worked out another idea with her Youth Roundup. It was a college scholarship fund for kids who *really wanted* to go to college but didn't have the means to do so.

At first it was called "The Betty Ward College Scholarship" fund. Later on, when her younger son, Teddy, died of skin cancer of the face, the scholarship was put in his name.

A Phys-Ed teacher and football coach, only 26 years old when he died, his last words to his mother were, "Oh Mom, I have so much to do for kids and I've had such a little time." This made a double reason for helping youngsters. There is now a memorial to him at the school where he last taught. Betty Ward's other son is Diving Coach at Yale University.

"I realized then," she said, "that I had to work twice as hard for kids and accepted the position of Youth Activities Director for Dade County's Department of Youth Services."

The *first* Terry Ward college scholarship went to a "black boy" who came to the Home as a delinquent but, through Betty's help, went out with a knowledge of newspaper work and television acting. He is now working hard to be one of the *finest attorneys* Miami ever had.

This year, a dream came true for Miss Ward. Instead of the one scholarship, the Youth Roundup had four. Two were for $1000. each. A Seminarian at St. Vincents College in Boynton Beach, Fla., received one and is able to finish his fourth year at the Seminary.

The other scholarships were given to a girl for graduate work at Duke University; another went to a boy who had just lost his father and could not have resumed his schooling; the fourth went to the oldest of seven fatherless children in the family, who is determined to become a librarian.

What is Betty's next dream? . . . I can tell by that far-away look in her eyes that God is about to touch her shoulder again.

And . . . you know what? I believe it will be the biggest and best dream yet. He seems to have made her one of his "chosen people" to help kids.

INCREASES IN PRICES AND RENTS

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

Mr. PEPPER. Mr. Speaker, millions of American consumers—people who buy groceries and goods—have suffered acutely from the failure of the administration's program adequately to curb increases in prices and rents which they have had to pay. Many business concerns have increased prices far beyond any general guidelines indicated by the administration and many landlords have increased rents far beyond any indicated guidelines laid down under the rent control program. From the information I have, that condition is general over the country. Recently, representatives of many of the tenants in my congressional district, and particularly in Miami Beach, filed a strong complaint about rent increases with the authorities having jurisdiction over rent increases. It is difficult, if not impossible, to tell just what the rent restraints are under the administration's program. According to some interpretation of the controls now in effect, landlords were permitted to increase rents almost at will by one device or another. These concerned citizens from my area, in a very strong statement which they presented, called upon the rent control authorities to review any guidelines which have been employed in the past and to adopt policies and procedures with reasonableness and fairness to both landlord and tenant regarding rent increases.

Because Congress has the final authority over such matters, although it has presently delegated them to the President, I thought it would be of interest and profit to the Members of the House to have a chance to observe the statement presented recently to the rent control authorities, on behalf of so many of the tenants in my district, by Mr. Alan S. Becker and Mr. Abe Swartz. I therefore, Mr. Speaker, insert the statement presented by Mr. Becker and Mr. Swartz in the RECORD immediately following my remarks:

TESTIMONY BEFORE THE RENT ADVISORY BOARD BY ALAN S. BECKER AND ABE SCHWARTZ IN BEHALF OF THE TENANTS ASSOCIATION OF FLORIDA

Five months ago the Tenants Association of Florida was formed to provide tenants a voice in dealing with the many landlord-tenant abuses in our area of the country. It soon became apparent that the greatest concern of apartment renter—and the greatest cause of confusion—was runaway rent increases. It is evidence of the frustration that exists that our Association has grown to over 6,000 dues-paying members and is increasing in size at the rate of 1,000 each month.

These tenants and many thousands more throughout the country are looking to this Board to ascertain the weak areas of the Price Stabilization program and to make corrections where it appears that the program does not conform with the intent and purpose of the law as expressed by Congress and the President.

It is our understanding that the purpose of Wage-Price Stabilization is to curb runaway inflation and to stabilize the economy by giving the President emergency power to take any necessary steps to insure the cessation of the inflation. Certainly it was not intended that this program would impose added hardship on any large segment of the people. Unfortunately, this has been the affect of the stabilization policies with regard to rents.

Effective August 15, 1971 a complete freeze was imposed on rents which freeze terminated on November 13th. Thereafter guidelines were issued in an effort to fulfill the purpose of the law and at the same time allow landlords an equitable situation enabling them to operate their properties at a sensible profit. These guidelines permitted the landlord to raise his rent to the *highest* rent charged to 10% of the same or similar apartments. These guidelines were again changed in December to permit the landlord to charge 2½% over the *average* rent charged for the same or substantially similar units during the base period. Provision was also made for the landlord increased costs and taxes.

The rules sound good and if they had been carried through as originally conceived could well have achieved the desired affect of controlling inflationary rents and allowing landlords a fair return on their investment. Instead, and administrative change in wording has rendered the control of rents meaningless . . . a cruel hoax played on millions of people. The problem lies in the definition of "base rent." According to the office of the Chief Counsel of Internal Revenue (Exhibit A) the rules for determining the ceiling rent under Phase I and the maximum allowable rent under Phase II "are similar." There is

one key difference: Under Phase I, and thereafter until the rule was changed to benefit the landlord, the base rent was determined by the *highest rent paid*, i.e., actually billed and collected, during the base period. After November 13, 1971 the base rent is determined by the highest rent specified in leases signed during the base period. In other words a landlord can get any inflationary increase at all if he had in pocket a signed lease calling for a substantially higher rent than that which he was *receiving* during the base period.

To illustrate the severity of the problem, take the case of Seacoast Towers, West, located at 5600 Collins Avenue, Miami Beach. That building was completed in October, 1968; it was fully rented with three year leases all of which terminated on October 31, 1971. In March of 1971 the landlord began soliciting renewals and exacted early commitments under threat of leasing away the apartments of any tenant who did not sign immediately. Attached is a list of over 100 tenants in that building, approximately one third of the tenancy, their age, marital status and economic status, their old rent and renewed rent and the percentage of increase. (Exhibit B)

Eighty percent of the tenants are 65 years of age or older; 85% are either widows or retired. The increases in rent range from 30% to 40%. Can anyone claim that the intent of Congress to curb inflation and stabilize the economy is met by a guideline which gives to a landlord the uncontrolled power to exact such unheard of, inflationary increases? It would seem not; yet, the Internal Revenue Service has advised the Seacoast landlord that all of the requested increases were in full compliance with the guidelines. (Exhibit C) This is notwithstanding Mr. Grayson's statement in a Washington Post article of January 5, 1972 that under the new Phase II regulations individual rents may increase as much as 15% but that the average rent will increase only 3 to 3.5% this year. That statement may express the spirit of stabilization but certainly not the fact. The example of Seacoast Towers, West, is far more typical of the situation. It is owned by the Muss organization which owns buildings throughout the country and has five Seacoast Buildings on Miami Beach with over 1,600 tenants. What was the Muss reaction to the new guidelines? Tenants were first advised that time and the IRS had borne out the management position (Exhibit D); any tenant who, due to uncertainty as to what rent should be paid, paid the old rent received written threats to pay up or be put out with no mention of court-proceedings in between. (Exhibit E) In some cases the Sheriff was sent to collect the rent or pull out the furniture.

Clearly, there is virtually no control over landlords with regard to rents which may be charged under Phase II. There is no requirement that the landlord demonstrate hardship or need for an increase to establish a normal profit. Surely there should be such a requirement with the burden on the landlord. Refer again to Seacoast, West as an example. It was a new building; there were no capital improvements or repairs. For fiscal 1970–71 the building was assessed at $7,215,490.00 and the tax was $221,627.66; for 1971–72 the assessment was $6,573,912.00 and the tax was $215,031.61, a decrease of over $65,000.00. Faced with stabilized labor costs and reduced taxes the multi-millionaire landlord was able to exact an increase of approximately $350,000.00 from 284 tenants, the great majority of whom live on fixed incomes. He is permitted to do this under the protection of a custom-built amendment that goes a long way toward establishing a special privilege for landlords. This landlord who has the benefit of a tax shelter such as few of his tenants enjoy and has the added protection afforded by one-sided landlord-tenant laws which are among the most horrendous in the nation in what is totally landlord market has been given a free hand to get what ever rents he can.

Should this segment of the country—the landlord—be given greater protection and freedom to extract inflationary increases than other groups? It is inconceivable that labor is held to 5.5% increases on executory contracts and other types of business are restricted in their price structure and profit structure while rents can rise in many instances such as this unchecked.

It is not sufficient to say that exorbitant increases in rent are permissible because leases calling for the rent had been executed prior to the freeze. For one thing, that argument does not operate with regard to labor. As a result the working man and people on fixed incomes are caught in a disasterous squeeze between frozen income and rapidly rising food and rent costs. One peculiar interpretation of the guidelines in question, directed to this point, appeared in a recent Price Commission Ruling (1972–79) which appeared in the Federal Register of March 2, 1972. That ruling involved a case where a tenant had signed a lease on July 1, 1971 to go into effect on September 1. The renewed lease increased the rent from $150.00 to $200.00 per month. It was held that the landlord could only charge $170.00. The justification for imposing control on an executory lease transaction was that only one lease was affected—this according to Chief Counsel Lee Henkel. But, if the increase is not allowed for one lease executed before the freeze within the base period to go into effect during the freeze, the disallowance must necessarily mean it is inflationary. Is it not 10 times more inflationary for 10 leases and 1000 times as inflationary if 1000 leases are involved? As Senators Javits and Case have indicated, the problem is nationwide. Hundreds of thousands of tenants are faced with inflationary increases in rent.

The condition that we complain of exists in many large complexes in Florida. It exists throughout the United States. It is a condition which must be corrected if inflation is to be effectively curbed and confidence restored in the Administration and the economy.

INTERNAL REVENUE SERVICE,
Washington, D.C., March 22, 1972.

MAX FEINSTEIN,
Miami, Fla.

DEAR MR. FEINSTEIN: Thank you for your letter of March 10, 1972, concerning the Economic Stabilization Program. As you may know, the Office of Chief Counsel serves as legal counsel to the Internal Revenue Service which is charged with the responsibility of enforcing the regulations and guidelines of the program. Under the Economic Stabilization Program, the Office of Chief Counsel has the responsibility of interpreting the regulations and guidelines under Phase I (the freeze) and Phase II (the post-freeze) issued by the Cost of Living Council, the Pay Board, and the Price Commission. We will be pleased to interpret the regulations as they apply to your situation. However, we suggest that if you have a complaint concerning possible retaliatory action by your landlord or you believe that the rent you are being charged is in violation of the regulations, you should contact the nearest Internal Revenue Service Office in order that they may investigate the case. The nearest IRS Office is located at 51 S.W. 1st Avenue, Miami, Florida 33130, phone 425–7595.

You explained in your letter that prior to the freeze your lease provided for a rent of $355 per month, but that on March 17, 1971, you signed a new lease for $478 per month which was to take effect on November 1, 1971. Your question is what is the maximum rent which your landlord may charge under the rules of the Economic Stabilization Program? The Economic Stabilization Act which was passed by Congress has been implemented by regulations. During the freeze period the Office of Emergency Preparedness prepared regulations which controlled rents. These regulations which were published in the Federal Register (beginning on page 16515) on August 21, 1971, control the highest rent which a landlord may charge during the freeze period (August 15, 1971 through November 13, 1971). They provide that a landlord may not charge a rent for a particular apartment during the freeze that is higher than the ceiling rent which prevailed for the same or comparable apartments in 10% of the actual transactions during the base period. The ceiling rent is the highest rent that the landlord received for the same or comparable property in 10% of his transactions during the base period (i.e. July 16, 1971 through August 14, 1971). In other words, if your landlord owned 100 two bedroom apartments that were the same or comparable and during the period from July 16, 1971 through August 14, 1971, the rent received from the 10 apartments which paid the highest rent, was $355 per month, then his ceiling rent would be $355 per month. Since during the freeze (November 1–13, 1971, in your case) the regulations are concerned with the highest rent actually paid during the base period, the ceiling rent can be determined only by learning the amount of rent a landlord received for his apartments during the base period.

After the freeze, the Price Commission prepared the regulations which controlled rents. Initially, the price regulations were so worded that they applied to rental units. However, effective on December 28, 1971, a separate body of rent regulations were published. These new regulations will apply to the determination of your allowable rent the next time you sign or renew a lease with your landlord. The allowable rent under your present lease after November 13, 1971, is determined under the first set of Price Commission regulations. (Federal Register, page 21792, November 13, 1971).

We have enclosed a copy of a Price Commission Ruling which explains how the maximum rent which may be charged after November 13, 1971, under a lease which was signed before August 15, 1971, is determined. You will note that the ruling is concerned with the maximum rent after December 28, 1971, but applies equally to the maximum rent after November 13, 1971. Although the rules for determining the ceiling rent (Phase I) and maximum allowable rent (Phase II) are similar, the key difference is that under Phase II, they are concerned with the *highest rent specified in leases* signed during the base period, whereas under Phase I, they are concerned with the highest rent *paid* during the base period.

Since we do not know the highest rent which was charged (Phase I) and specified in leases (Phase II) by your landlord for units which are the same or comparable to yours, during the base period, we are unable to conclusively determine the legal rent which he may charge you under your new lease. Thus, if you believe the rent which you are being charged is in violation of the regulations, we suggest that you contact your local IRS Office for assistance.

We hope this explanation will be of assistance to you.

Very truly yours,

LEE H. HENKEL, Jr.,
Acting Chief Counsel.
By: HERBERT A. SEIDMAN,
Director, Stabilization Division.

Name, marital status, economic status	Apt. No.	Age of head of family	Old rent paid	New rent	Percentage increase
B. Hirsch, widow, retired	3G	60	340	445	28
H. Zippes, married, business	3B	55	285	390	37
A. Tauberg, married, retired	3E	65	425	560	32
I. Wilson, widow, retired	3L	70	240	310	29
G. Benson, married, business	3F	64	440	560	27
A. Summerfield, married, retired	9T	69	367	500	39
M. Bogner, married, business	12V	59	301	389	29
M. Rigkin, married, business	10H	60	310	423	36
S. Rydell, married, business	17G	67	370	483	30
J. Berkowitz, married, business	11H	59	323	426	28
D. Jacobson, married, dentist	15K	71	342	435	28
M. S. Klein, married, retired	7D	69	278	376	35
G. Hilb, widow, retired	7C	71	294	402	37
N. Gendelberg, married, retired	7G	60	358	486	36
B. Kozloff, widow, retired	7K	67	323	416	23
A. Kaplan, married, retired	7B	71	314	405	23
E. Zelnick, widow, retired	7L	60	242	347	41
H. Drucker, widow, retired	7M	65	349	442	27
B. Levy, married, retired	7N	86	339	442	30
J. Leisner, married, retired	7T	66	376	496	32
B. Hochberg, married, retired	7Y	73	268	376	40
M. Wally, married, retired	7E	77	353	471	33
E. Horland, married, doctor	7V	62	268	376	40
G. Becker, married, retired	7U	70	333	410	23
A. Roth, married, semiretired	7W	58	294	402	37
L. Rosenberg, widow, retired	7J	66	323	416	30
T. Scherl, married, retired	7D	66	315	441	40
R. Kadin, widow ,retired	10K	60	330	423	36
D. Relkin, widow, retired	10P	60	227	308	35
S. Fishman, married, retired	10M	70	320	423	32
S. McCarthy, married, business	10Y	48	285	393	39
S. Eidlinger, widow, retired	10V	60	275	383	40
M. Crane, married, retired	10T	68	385	508	32
W. Loewenthal, married, retired	10S	95	420	553	34
S. Monshine, widow, retired	9L	70	255	325	29
F. Mirkin, widow, retired	9W	60	272	380	40
J. Spitzer, married, retired	9P	71	327	420	30
I. Zaitshik, married, retired	9R	56	318	421	33
M. Herrman, married, retired	9U	79	272	380	40
A. Olchoff, married, retired	9S	66	437	550	25
A. Warshawsky, married, retired	6E	84	396	494	25
B. Rubinger, married, retired	6B	58	325	402	24
H. Abel, married, retired	6M	72	321	414	30
J. May, married, retired	6R	73	321	414	30
L. Solls, married, retired	6J	72	301	414	37
B. Scbrager, widow, retired	6T	54	396	494	25
S. Stargatt, married, retired	6W	67	274	376	37
E. Saskin, married, retired	8U	70	280	378	40
L. Hershey, married, retired	8B	78	270	378	40
C. B. Stork, widow, retired	8G	Over 21	335	458	37
B. Fredman, married, working	8A	59	223	303	36
A. Nevans, married, retired	8D	71	270	378	40
M. Esbieh, married, retired	8E	80	380	498	31½
M. Diamond, married, retired	8H	76	316	418	30
L. Lord, married, retired	8C	70	280	378	37
E. Teilelbaum, single, retired	8L	----------	243	323	33⅓
Rose Gorken, widow, working	8Y	Over 21	280	389	35
A. Pollen, married, retired	8W	64	275	378	40
B. Geristley, married, working	8R	64	315	418	33
A. Meyer, married, retired	8N	69	326	419	30
C. Proia, married, semiretired	8T	52	400	498	25
L. Litrin, married, semiretired	8S	72	410	548	33
A. Mansfield, married, retired	9M	60	317	420	33
B. Sper, married, retired	4B	70	280	370	32
A. Sloane, married, lawyer	10D	68	295	383	30
J. Kaplan, married, real estate	11T	58	388	506	30
J. Gasner, married, retired	12B	79	301	390	30
D. Riseman, married, retired	11N	75	313	438	40
M. Mels, married, retired	11J	70	323	426	32
A. Feltz, married, retired	17Y	----------	335	423	32
M. Myers, married, retired	16F	63	490	593	21
M. Lewis, widow, retired	16G	----------	365	478	31
E. Hutner, married, retired	16P	68	345	438	27
H. Forest, married, lawyer	16R	59	365	438	20
J. Bril, married, retired	16T	65	420	518	24
H. Heshkowitz, married, retired	16V	70	310	398	28
M. Ferman, widow, retired	10N	76	335	425	27
A. Sommerfield, married, retired	9T	69	367	500	36
A. H. Schwartz, married, retired	3H	68	320	430	35
B. Silverstein, married, retired	3C	72	300	390	30
F. Weiss, widow, retired	3J	68	330	430	29
B. Mirsky, marri ed, retired	11Y	68	278	386	40
L. Liebowitz, married, retired	11F	58	438	581	33
B. F. Theiss, married, retired	11W	74	292	395	35
B. Spitz, married, retired	11M	66	333	426	29
S. Lantz, married, retired	11G	65	377	467	25
D. Riseman, married, retired	11N	65	313	426	36
A. Ryner, married, retired	11P	65	313	426	36
D. Rosen, married, retired	11R	65	313	426	36
S. Marcus, married, retired	12S	70	452	587	30
J. Weiner, married, retired	10R	71	330	432	29
J. Lieberman, married, business	17S	62	440	573	31
H. Peiser, married, retired	9K	70	317	420	30
I. Denberg, married, retired	9G	76	307	413	30
S. Grauer, married, retired	9D	64	282	380	31
H. Gross, married, retired	15A	64	249	320	28
B. Friedman, widow, retired	15C	66	307	396	30
B. Cutler, married, business	15G	71	275	350	28
H. Streim, married, retired	15H	72	342	435	27
J. Sperling, married, retired	15J	60	342	435	27
D. Cohen, married, retired	15B	83	307	395	29
L. Sapero, married, retired	15N	77	333	435	30
J. Lubasch, married, retired	15L	74	269	340	27
B. Axelroch, married, retired	10F	60	480	578	20
G. Miles, widow, retired	10J	60	310	423	36
W. Carshin, married, retired	5M	65	319	412	30
L. Mones, married, retired	5R	70	319	412	30
M. Bursberg, married, retired	5S	60	409	532	30
S. King, married, retired	5E	51	374	492	32
S. Young, married, retired	5D	75	284	372	31
O. Stelvin, married, retired	5J	69	319	412	30
M. Feinstein, married, retired	5G	71	329	452	37
S. Fired, widow, away	5A	----------	----------	----------	----------
H. Marker, married, retired	5W	82	269	374	40
F. Beckerman, widow, retired	5T	64	394	492	25
A. Katz, married, retired	5B	64	272	372	37
Herman Lazarus, married, retired	5L	70	247	317	28
W. Weintz, married, retired	5N	56	319	412	29
S. Stein, married, retired	5O	55	319	412	29
J. Eisenberg, married, retired	10W	70	280	383	37
P. Cramer, married, retired	17D	66	335	403	20
G. Becker, married, retired	7E	70	308	382	27
J. Weisman, married, retired	11T	66	394	512	30
E. Liebowitz, married, retired	14V	69	304	392	29

INTERNAL REVENUE SERVICE,
Jacksonville, Fla., February 10, 1972.
SEACOAST TOWERS,
5151 Collins Avenue,
Miami Beach, Fla.

DEAR MR. MUSS: Our office has investigated numerous complaints of proposed rent increases for tenants of Seacoast Towers, West, 5600 Collins Avenue, Miami Beach, Florida. Such increases were to become effective between November 14, 1971, and December 28, 1971.

Existing rent guidelines permitted landlords to increase rents on leases becoming effective between November 14, 1971, and December 28, 1971, to the rental he had received for at least ten (10) percent of the same type of units on which leases were signed during the thirty (30) days preceeding August 15, 1971. If no leases were signed during this thirty (30) day period then the nearest preceeding thirty (30) day period in which leases were signed on the same type of units must be used to determine the allowable increase.

The guidelines further provided that landlords must maintain accurate records to verify that any proposed rent increases were within the guidelines and make such records available at the request of the tenant.

In each of the cases investigated by our office, Mr. Muss, the proposed increases were in compliance with the effective guidelines.

Any residence or other real property becoming occupied after December 28, 1971, are subject to the new rent regulations which became effective on December 29, 1971.

Sincerely,

IRA S. LOEB,
Acting District Director.

SEACOAST TOWERS,
Miami Beach, Fla., November 22, 1971.

DEAR RESIDENT: The general 90-day price and rent freeze imposed by President Nixon in August came to an end on November 13, 1971. As many of you may know, the President then established a Price Commission with authority to regulate the stabilization of both prices and rents for the period commencing November 14, 1971.

Our attorneys have reviewed the regulations recently issued by the Price Commission. They advise us that the rent provided in your lease is lawful and now in full force and effect.

Your November rent bill was broken into two parts. You were billed at the old or frozen rent for the first 13 days of November, and at the rent provided in your lease for the last 17 days of November.

The total rent for November is due as billed to you. We, therefore, would appreciate your prompt payment of the amount shown on your November bill less any part which you may have already paid. If you paid the full amount as billed, this naturally does not apply to you. Your December bill will be at the full rate contained in your lease.

As to the billing for the first 13 days of November, we reserve the right to re-bill you for the least amount when and if further clarification allows same.

We are gratified that this period of uncertainly has ended, and we look forward to continued happy relations with you in your residency at Seacoast Towers.

Sincerely,

WILLIAM LEONARD,
Executive Director.

KATZ & SALMON,
ATTORNEYS AT LAW,
Miami Beach, Fla., January 21, 1972.

In re Lease date: 5/9/71.
Mr. and Mrs. ABRAHAM SCHWARTZ,
Seacoast Towers West—Apt. 3–H,
Miami Beach, Fla.

DEAR MR. AND MRS. SCHWARTZ: Please be advised that you are in default of the above referenced lease agreement by reason of your failure to make rental payments due and owing for the months of November, 1971, December, 1971 and January, 1972.

This letter is being served upon you pursuant to Florida Statute to advise you that the landlord will elect to re-enter the demised premises for your benefit should you fail to pay the total arrearage of $628.25 due and owing on or before three days from receipt of this letter.

Alternatively, the landlord may elect to exercise its statutory right of distraint in which case the Sheriff in and for Dade County, Florida will proceed to execute such writ

by removing whatever personal property is found in apartment 3–H and selling same at public auction.

In the event it becomes necessary to re-enter the premises or procure a Writ of Distraint, you will be held strictly accountable for the costs of execution of such writ and/or re-entry, including reasonable attorney's fees.

Kindly be governed accordingly.

Very truly yours,

SEACOAST TOWERS, INC.

THE STEEL IMPORT SITUATION

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

Mr. MILLER of Ohio. Mr. Speaker, in 1971 imports of steel mill products were over 18.3 million tons, the largest tonnage ever and 37.1 percent higher than the 1970 level. Their declared value totaled $2.6 billion, the greatest dollar value of steel imports in our history. Moreover, the excess value of steel imports versus U.S. steel exports was nearly $2.1 billion—a serious contributor to our international balance-of-payments problem. Imports supplied nearly 18 percent of our steel needs in 1971, the deepest penetration into our domestic market in any year on record. This level of steel imports is more than the tonnage shipped in 1971 from all the steel plants in my home State of Ohio—the Nation's second largest steel producer. In fact, it is more than what was shipped by all the plants of the Nation's fourth, fifth, and sixth largest companies in the domestic steel industry. For many steel products and for many parts of our country, the import penetration was far greater than 18 percent. For example, imported cold rolled stainless steel sheets accounted for 32.9 percent of the domestic supply, imported stainless steel wire 48.3 percent and stainless wire rod imports 56.3 percent. Unfortunately, there is little sign of any slowing down in steel imports so far this year in spite of currency revaluation in Japan and the EEC, the main sources of foreign steel.

Many of us have been deeply concerned for some time about steady influx of textile and shoe imports. Yet of all our import-threatened industries steel is the most basic and vital to our national interest. Steel is a material required by many important parts of our American economy, including agriculture, construction, and the automobile, machinery, and home appliance industries. Steel products, especially speciality steels, such as stainless, tool steel, and alloy steels, are essential to our national security.

I am aware of reports that Japan and the European Economic Community—including the United Kingdom for the first time—will soon announce a new 3-year voluntary limitation on their exports of steel to the United States to continue the similar arrangement which expired at the end of last year. I understand that these new arrangements, if they go into effect, will contain certain improvements over the 1969–71 arrangements. They are expected to reduce the annual growth rate for steel imports from the nations involved from 5 percent to 2½ percent. It is hoped that they will contain more definable limitations on specific steel products, particularly the speciality steel products which have been hardest hit by imports in the last several years.

It is most important that the new arrangements are adhered to more closely in the next 3 years than the previous ones have been during the last 3 years. We should all take the responsibility for seeing to it that the appropriate departments of the Federal Government analyze closely the performance under these voluntary arrangements and follow-up any deviations from the commitments made by foreign steel producers.

There is really only one reason for a steel consumer to buy steel from foreign producers. That reason is lower price. Why are foreign steel prices lower? In many cases, they are lower because foreign producers charge a lower price in our market than they do in their own. Additionally, steel producers in Europe are aided in quoting these lower prices by rebates of value added tax on their steel exports. Foreign competitors also have for years reaped substantial benefits from an overvalued dollar.

Perhaps the fundamental reason for lower prices are the differences in unit labor costs. Although costs for raw materials and fuels are about the same for world steel producers, foreign competitors are clearly advantaged by lower hourly employment costs. Hourly employment costs are only a third of ours in Japan and about half of ours in Europe. These lower hourly employment costs in foreign countries are also reflected in lower cost for steelmaking equipment abroad. Although the domestic steel industry is the most efficient, versatile, and technologically advanced in the world and despite the fact that the average number of man-hours required to produce a ton of steel in the United States is still less than in Japan and Europe, the crucial economic advantage of foreign steelmakers therefore is lower hourly labor costs. I might add that another increasingly significant cost factor in the domestic steel picture is more stringent environmental control requirements which necessitate additional capital expenditures which does not contribute to improving output per man-hour. Capital expenditures in the American steelmaking industry required by air and water pollution abatement regulations have been estimated to total $2.4 billion to $3.5 billion for the period 1972 through 1976. This compares to $290 million spent from 1966–69. Annual operation and maintenance expenses will increase to $1.1 billion in 1966 compared to $77 million in 1969.

For every million tons of steel imported we lose an average of 7,200 job opportunities. In other words, the 18.3 million tons of steel imported last year resulted in the loss of over 130,000 job opportunities. In the State of Ohio, which is the center of productivity of high-valued specialty products such as alloy and stainless steel, it has been estimated that 19,200 job opportunities were lost last year. When imports emphasize specialty steel the job losses are even greater because these steels require more man-hours per ton than do ordinary steels. As a matter of fact, stainless and alloy steel require highly skilled and experienced persons, and these people are being particularly hard hit by imports.

What is the solution to the steel industry's problem? There is no single magic potion to cure the industry's ills but several initiatives, which if properly taken, can help improve the situation. First, extension and improvement of the voluntary arrangements will help, provided they are well monitored by our Government officials and adhered to by foreign producers. Second, in that inflation in large degree is the reason for rising production costs, the Federal Government has a critical role to control inflation and promote an economic climate conducive to satisfactory financial performance and investment in the steel industry. More vigorous enforcement policies with respect to certain unfair foreign trade practices such as dumping and export subsidies are also needed. Third, domestic steel companies must themselves do everything possible to reduce costs, improve efficiency, and develop new and better technologies. We cannot ignore the situation in the steel industry today because it will not go away—in fact, it may get worse in the months and years ahead. We must know what we are up against, its overall effects, and then we must set out to find basic and long-range solutions to preserve the steel industry.

ANNIVERSARY OF WARSAW GHETTO UPRISING, WEDNESDAY, APRIL 19, 1972

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

Mr. ROONEY of New York. Mr. Speaker, with so much of our attention and our energies being devoted to the crises in Asia and the tensions in the Middle East, many Americans are not adequately considering the prolonged misery and suffering to which millions of people are currently being subjected in Soviet-dominated states. The passage of time alone tends to blunt our compassion and our concern for those who have been enduring virtual slavery for more than the span of a generation. During these long periods when year after year millions of liberty-loving people have been denied the blessings of freedom, we have been happy to witness sporadic attempts of the enslaved to rise up against their slave masters and attempts to regain their lost freedom.

Today marks the 29th anniversary of such a brave revolt for it was on April 19, 1943, that the Jews living in Poland in the Warsaw ghetto rose against their Nazi oppressors and occupiers in a valiant but futile attempt to throw off the shackles of serfdom. The free world was thrilled to hear of this important manifestation of courage and determination even though in the aftermath of its tragic

ending people everywhere were plunged into deep sorrow.

Each year since 1943 people who love freedom and are filled with compassion for victims of persecution have observed the anniversary of the Warsaw Ghetto uprising by rededicating themselves to the task of gaining worldwide emancipation of all who are subjected to the status of slaves and vassals. On this meaningful date, many of us renew our determination to do our utmost to secure liberation for those to whom self-determination is denied. This year through the splendid efforts of the Warsaw Ghetto Uprising Committee in New York and with the cooperation of city officials, Times Square will be renamed "Warsaw Ghetto Square" for the day and fitting tributes will be paid to the heroic leader of the revolt, Mordecai Anzelewicz and his brave followers in his Jewish combat organization—ZOB.

This celebration in New York City and in other cities throughout the world will remind all of us of the God-given mandate that we must concern ourselves with the lives and well-being of our fellow men; it will remind us that the Nazi devastation of more than 800 acres of Ghetto homes and shops of thousands of Jews is no worse than the fate others have suffered at the hands of the Communist oppressors in Poland and everywhere the red flag of Russia has been planted illegally in usurped lands and it will remind us that tragic as was the situation where more than 60,000 ghetto dwellers—men, women and children—were captured and killed by the Nazis, even today Jews are suffering similar privations, hardships and even death.

Mr. Speaker, I am sure that my fellow members in this body join me in commending the many loyal Americans who today are commemorating this significant date in our modern history. May their efforts be rewarded in increased awareness of the plight of Jews in the Soviet Union and throughout the world and a rededication to do the utmost to alleviate the suffering and privations of these long-imposed-upon people.

NEEDED: A SEPARATE DEPARTMENT OF HEALTH

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

Mr. ROONEY of New York. Mr. Speaker, a February 19, 1971, statement by the AFL–CIO Executive Council sums up very well my thoughts on health care in the United States. It begins "Health care problems in America are frightening—to the patient, who must pay ever larger portions of his family budget for medical care, and to the medical profession, who must try to care for the health of his patients hindered by an outmoded delivery system. What America needs as the heart of its medical care philosophy is a single primary goal—good health care for all its people."

To this should be added that it is indeed frightening to Members of Congress who want to put to the best possible use the funds and resources of the Federal Government. The piecemeal approach in medical care is no longer sufficient and the areas of education and welfare also demand greater attention. Therefore, I am today introducing a bill to establish a Department of Health, which would coordinate and develop the health care programs of the United States into a vehicle providing adequate health care to all, not just those who can afford to pay the price.

My bill also establishes a National Advisory Commission on Health Planning which would study the current and future health needs of the United States and report its recommendations to the United States Congress as a detailed national health plan for meeting the current and future health needs of the United States for at least the next 10 years.

ESCALATION OF THE WAR

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, President Nixon's recent escalation of the Vietnam war is a tragic mistake.

He has listened to the military experts who advise that just one more increase in the violence will win the war.

We have been hearing this kind of advice virtually since the war began. In each case, actions based on such a false premise have proved disastrous.

It was this kind of thinking that mistakenly led to the buildup of troops in Vietnam. President Nixon promised to reverse the escalation. He said he had a "secret plan" to end the war.

The President may have had a secret plan, but unfortunately it is still secret. His actions seem more calculated to broaden and expand the level of military activity than reduce it.

The current bombing of Hanoi and Haiphong takes us back to the dark days when we were engaged in a full-scale war in Southeast Asia; we are still proceeding as though a military victory is our goal.

Clearly, the bombing means that "Vietnamization" has failed. The President promised that under this plan the South Vietnamese would be able to carry on in their own defense. Obviously, they cannot; they cannot because as a people they lack the will to do it.

The Vietnamese people, North and South, are the principal victims. How can we justify our participation? No one suggests that there is any rational reason left, if there ever was one.

We must reverse this madness. We must end the Vietnam war. This is a sin against humanity.

The American people have paid too much already. Thousands of our youth have died. Many more have been wounded.

We cannot ignore the sacrifices that have been made. Yet, to continue a meaningless war will not vindicate their suffering.

Honor does not rise from the agony of death. No "victory" in Vietnam is possible. That should be quite clear after 7 years of a state of war.

Our commitment should be to people. The way to help them and ourselves is to end the war, and to end this misery.

We thought we were fighting to preserve democracy, but there is no democracy in Vietnam. The last election was a sham. We owe nothing to the Saigon government. We have been a prop too long as it is.

Unless we renounce the tattered goal of a military victory, we delude ourselves. It is our own "face" we see reflected in the bloody frenzy to bomb. Is it more important to save our "face" than the lives of our fellow human beings? We are not really helping the Vietnamese people. We are destroying their country. We are killing their people.

President Nixon has not kept faith with the American people. He has ignored our desire for peace. He has all but abandoned the peace talks. His insistence on dictating political goals has stymied progress at the talks. Our massive aerial bombardment rendered meaningless our troop withdrawal.

The Congress must bring this issue of the war to the American people. Only the Congress can end this war. The President cannot be believed. We cannot evade our responsibility.

The people of America have only us to fulfill their dream for peace. We must act now.

THE 29TH ANNIVERSARY OF THE WARSAW GHETTO UPRISING

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

Mr. RYAN. Mr. Speaker, the Warsaw ghetto uprising took place on April 19, 1943, and each year we remember those brave men and women who fought for their lives against insurmountable odds. This year, the 24th anniversary of the founding of the State of Israel also falls on April 19, a fact that is significant in light of the many fortunate survivors of the Nazi holocaust who took refuge in the Jewish homeland.

At the beginning of World War II, Nazi occupation forces herded nearly one-half million Polish Jews into a cramped ghetto in Warsaw, as part of the Nazi plan to annihilate the Jewish people. The effects of this attempt at genocide, felt in all European countries where Hitler's regime held sway, were felt very severely and cruelly in Poland.

As the home of some 3 million Jews, Poland was one of the greatest centers of world Jewry, and Jews constituted a majority of the population in many Polish towns and cities. In effect, Polish Jews made up a nation within a nation. They had a common language, Yiddish, and a rich and flourishing culture. They organized and operated schools, hospitals, theaters, and banks, almost independent of the central government of Warsaw. It was this thriving Jewish community that Hitler promised to liquidate. His threats seemed hollow at first for the Nazi brutality against German Jews did not touch those across the border in Poland. Besides, Polish Jewry was no

stranger to persecution—for centuries sporadic anti-Semitic outbursts—pogroms—had brought violent death to Poland's Jews. The menace of Hitler seemed merely a new threat in a history already filled with peril, hardship, and a continuous struggle for survival.

We know, however, that these Polish Jews were tragically mistaken in their assessment of the Nazi threat and that, by the end of the Second World War, the Jewish community in Poland had practically been eliminated. It is for those who survived and to the memory of those who perished that I speak today.

Prior to World War II, the Jewish population of Warsaw numbered more than 330,000. The Nazi occupation of Poland placed them all under SS and Gestapo rule. The first law promulgated by the Nazis made all Jews subject to forced labor. In Warsaw, this was immediately followed by the establishment of "educational" camps for the Jewish population and the expropriation of all Jewish assets that exceeded a designated small amount. One by one, the number of restrictive rules and practices was increased. Jews were forbidden to work in key industries and in government institutions, to bake bread, to buy or sell to "Aryans," to treat or receive medical treatment from these "Aryans," to ride on trains or trolleys, to leave the city limits without special permits, and to own precious metal or jewelry. Jewish property was ordered by the Gestapo to be registered, and both congregational worship and ritual slaughter were prohibited. Every Jew 12 years or older was forced to wear a Star of David on his clothing.

By means of these laws and regulations, the Nazis completely dominated the Jewish population. And there were even further restrictions placed on Jews. Jews were excluded from the jurisdiction of the civil authorities and classed as outlaws, legally analogous to condemned criminals. The punishment for noncompliance with these regulations was death. However, even strict adherence to the special decrees was no guarantee against being shot. One example will illustrate the desperate situation in which the Polish Jews then found themselves. At the end of 1939, a Jewish burglar, interrupted while committing a robbery, shot and killed a Polish policeman. The Jewish community was heavily fined for this action and they quickly paid the amount levied. Nevertheless, 53 persons living in the same house as the burglar were taken into custody and subsequently shot.

By 1940, pogroms encouraged by the Germans swept through the Jewish section of Warsaw. On October 16, 1940, the Nazi Governor of Warsaw published a decree proclaiming the establishment of the Warsaw ghetto. By November of that year, the ghetto had been completely sealed off and segregated from the rest of the city, and in an area of 100 square blocks—less than one-twentieth the size of Warsaw—the Nazis forced nearly half a million Jews. Surrounded by brick walls 10 feet high and barbed wire fences, the ghetto inhabitants lived, nearly eight people to a room. Only 27,000 ghetto inhabitants were employed. Food was extremely scarce, and the Nazis restricted the distribution of what little food there was. It is little wonder that 50 percent of the ghetto population died of starvation and 45 percent were undernourished. Lack of sanitation facilities and the human congestion caused by the overcrowded living conditions caused the rapid spread of epidemics; fevers and typhus were rampant. The supply of medicine was pitifully inadequate, and corpses filled the streets.

There was another side to life in the Warsaw ghetto, however, which illustrates the spirit, courage, and creativity of a people who were accustomed to relying on their own resources. The ghetto inhabitants created a network of community and cultural organizations to serve the varied needs of the population. Hospitals and clinics were organized in an attempt to control and fight the epidemics. Educational activity was extensive and included a wide variety of schools, clubs, youth organizations and a library, and even a university was established. A secret medical school and a faculty of sciences and mathematics were maintained, and there were underground Hebrew and Yiddish schools, religious instruction classes, and clandestine physical fitness activities. A symphony orchestra and many choirs performed for the inhabitants and newspapers were printed in Hebrew, Yiddish, and Polish.

The Nazis were soon dissatisfied with the results of their campaign of starvation and segregation. The Jews of Warsaw were not succumbing to Nazi terror tactics. In fact, the ghetto and its conditions had fostered a unity and a self-sufficency that had not been anticipated by the occupiers. Thus, in the summer of 1942, the Nazis decided to put into full-scale operation their plans to exterminate all of the Jews in Poland. Between July and September, over 300,000 Jews from the Warsaw ghetto were forced into cattle cars and sent to Treblinka. Anyone who resisted deportation was beaten mercilessly, if he was not executed immediately. Some submitted voluntarily to deportation because the SS had declared that those who reported without coercion would not be separated from their families. They were also told that they were only being sent to labor camps. Therefore, significant opposition to the first massive deportation did not materialize. Even had the destination of the trains and the fate of their human freight been known, however, the Jewish underground organization, then only several months old, would have been unable to act effectively. Devitalized by the deportations, the resistance, at that point, lacked arms and the time to organize efficiently and effectively.

Between September of 1942 and January of 1943, the Jews learned the real destination of the deportees and the real meaning of Treblinka. The underground, gradually recovering from the human loss that had resulted from the deportations, sprang into action. Thus, when the Germans marched into the ghetto in January of 1943 to deport 150,000 of those remaining, they were met with armed resistance. After 4 days of skirmishes, the Germans withdrew after suffering more than 20 losses in their ranks.

The effect of this Jewish victory was twofold—the Germans became aware of the fact that there was an organized armed force in the ghetto, and the ghetto residents realized that the resistance did have a chance of standing up to the Germans.

Electrified by the January revolt, the ghetto population rallied to the underground. But the members of the Jewish underground soon found themselves faced with the overwhelming task of acquiring weapons, and they did so only through painstaking labor, for they manufactured many of their own bombs, hand grenades, and Molotov cocktails. Their most potent weapon, however, was their deep sense of national pride and responsibility. In the words of Dr. Ringelblum, archivist of the ghetto:

> We took stock of our position and saw that this was a struggle between a fly and an elephant. But our national dignity dictated to us that the Jews must offer resistance and not allow themselves to be led wantonly to the slaughter.

The underground turned feverishly to its tasks of building and organization, the manufacture of arms and the rehearsal of defense plans. The awaited day of attack arrived on April 19, 1943, when the ghetto was surrounded by SS troops and police. Although the members of the underground fought valiantly, the German attacks were relentless and gradually the Jews were forced to give ground. Organized resistance gave way to irregular guerrilla warfare as women and children joined the defenders in the desperate struggle.

By May 16, 1943, the significant resistance had ended and the German command declared that "There was no Jewish district in Warsaw." But the end of large-scale fighting did not signal the end of all resistance. In the rubble and ruin that was the ghetto—only eight buildings remained standing—the defenders continued to fight. There are records of groups surviving as late as September of 1943. Some of the underground escaped the ghetto and continued their fight with the Polish partisans, and thus continued the battle of the Warsaw ghetto.

The story of the Warsaw ghetto uprising and other accounts of Jewish resistance are a tribute to the courage of a people and a celebration of the indomitable human spirit. Let us pause today to salute these heroic men and women.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HANNA (at the request of Mr. BOGGS), for Tuesday, April 18, through Thursday, April 20, on account of official business.

Mr. CHARLES H. WILSON, for Thursday, April 20, on account of official business.

Mr. ASPINALL, for Thursday, April 20, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ZABLOCKI, for 10 minutes, today; to revise and extend his remarks and to include extraneous matter.

(The following Members (at the request of Mr. LENT) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. MCCLOSKEY, for 30 minutes, today.

Mr. HILLIS, for 5 minutes, today.

Mr. DUNCAN, for 10 minutes, on April 20.

Mr. CRANE, for 5 minutes, today.

(The following Members (at the request of Mr. RUNNELS) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. JAMES V. STANTON, for 15 minutes, today.

Mr. BEGICH, for 10 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mr. ANNUNZIO, for 10 minutes, today.

Mr. RYAN, for 15 minutes, today.

Mr. WILLIAM D. FORD, for 5 minutes, today.

Mr. DANIELS of New Jersey, for 5 minutes, today.

Mr. BYRNE of Pennsylvania, for 5 minutes, today.

Mr. ASPIN, for 15 minutes, today.

Mr. PODELL, for 30 minutes, today.

Mr. HOLIFIELD, for 10 minutes, today.

Mr. ST GERMAIN, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FUQUA in two instances and to include extraneous matter.

Mr. HOLIFIELD and to include a newspaper article.

(The following Members (at the request of Mr. LENT) and to include extraneous matter:)

Mr. BURKE of Florida.

Mr. WINN.

Mr. DEL CLAWSON.

Mr. VEYSEY in two instances.

Mr. DERWINSKI in two instances.

Mr. WHITEHURST.

Mr. MCCLORY.

Mr. NELSEN.

Mr. JOHNSON of Pennsylvania.

Mr. SPRINGER in four instances.

Mr. STEIGER of Wisconsin.

Mr. ARCHER.

Mr. MCCLURE in two instances.

Mr. SHOUP.

Mr. HILLIS.

Mr. COLLINS of Texas in five instances.

Mr. RAILSBACK in two instances.

Mr. WYMAN in two instances.

Mr. SHRIVER.

Mr. ANDERSON of Illinois.

Mr. SCHWENGEL in two instances.

Mr. HALL.

Mr. MCKINNEY.

Mr. BOB WILSON in two instances.

Mr. FREY.

Mr. ESCH.

Mr. MAYNE.

Mr. BELL.

Mr. PRICE of Texas.

Mr. GERALD R. FORD.

(The following Members (at the request of Mr. RUNNELS) and to include extraneous material:)

Mr. GONZALEZ in three instances.

Mr. DIGGS in two instances.

Mr. HARRINGTON in three instances.

Mr. HAGAN in three instances.

Mr. ROGERS in five instances.

Mr. KLUCZYNSKI in three instances.

Mr. PREYER of North Carolina.

Mr. HELSTOSKI in three instances.

Mr. ST GERMAIN.

Mr. CELLER.

Mr. EILBERG.

Mr. BINGHAM in three instances.

Mr. JAMES V. STANTON.

Mr. CAREY of New York.

Mr. BEGICH in five instances.

Mr. ROE in five instances.

Mrs. SULLIVAN.

Mr. MURPHY of Illinois in five instances.

Mr. RODINO in three instances.

Mr. DINGELL in three instances.

Mr. MURPHY of New York in four instances.

Mr. DANIELS of New Jersey.

Mr. HAWKINS in two instances.

Mr. ASPIN in two instances.

Mr. HÉBERT.

Mr. REES in four instances.

Mr. DENT.

Mr. FRASER in five instances.

Mr. CABELL.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 766. An act to authorize the disposal of zinc from the national stockpile and the supplemental stockpile;

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

S.J. Res. 117. Joint resolution asking the President of the United States to declare the fourth Saturday of September 1972 "National Hunting and Fishing Day"; and

S.J. Res. 169. Joint resolution to pay tribute to law enforcement officers of this country on Law Day, May 1, 1972.

ADJOURNMENT

Mr. GAYDOS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 33 minutes p.m.), the House adjourned until tomorrow, Thursday, April 20, 1972, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1881. A letter from the Secretary of Defense, transmitting notice that he has authorized deficiencies to be incurred for the necessities of the current year in the appropriations for "Operation and Maintenance, Navy" and "Operation and Maintenance, Air Force", pursuant to 41 U.S.C. 11; to the Committee on Appropriations.

1882. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Justice for "Support of U.S. Prisoners," for fiscal year 1972, has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

1883. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the 58th Annual Report of the Board of Governors, covering calendar year 1971, pursuant to section 10 of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

1884. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to encourage and assist States and localities to coordinate their various programs and resources available for the prevention, treatment, and control of juvenile delinquency, and for other purposes; to the Committee on Education and Labor.

1885. A letter from the Chairman, Federal Power Commission, transmitting the annual report of the Commission for fiscal year 1971; to the Committee on Interstate and Foreign Commerce.

1886. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to provide for the expeditious naturalization of certain former alien employees of the United States who have been admitted to the United States for permanent residence; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

1887. A letter from the Comptroller General of the United States, transmitting a report on the dimensions of insanitary conditions in the food manufacturing industry, Food and Drug Administration, Department of Health, Education, and Welfare; to the Committee on Government Operations.

1888. A letter from the Comptroller General of the United States, transmitting a report on the administration of criteria by the General Services Administration for the leasing of buildings to be constructed; 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. HÉBERT: Committee on Armed Services. House Resolution 918. Resolution requesting certain information from the President and the Secretary of Defense relative to the military involvement of the United States in Indochina. (Rept. No. 92–1003). Referred to the House Calendar.

Mr. MCMILLAN: Committee on the District of Columbia. H.R. 2895. A bill to provide for the conveyance of certain property in the District of Columbia to the National Firefighting Museum and Center for Fire Prevention, Inc.; with amendments (Rept. No. 92–1004). Referred to the Committee of the Whole House.

Mr. MCMILLAN: Committee on the District of Columbia. H.R. 11032. A bill to enable the blind and the otherwise physically disabled to participate fully in the social and economic life of the District of Columbia; with amendment (Rept. No. 92–1005). Referred to the Committee of the Whole House on the State of the Union.

Mr. EVINS of Tennessee: Select Committee on Small Business. Report on the organization and operation of the Small Business Administration (1971) (Rept. No. 92–1006).

Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 9769. A bill concerning medical records, information, and data to promote and facilitate medical studies, research, education, and the performance of the obligations of medical utilization committees in the District of Columbia. (Rept. No. 92–1007), Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RODINO: Committee on the Judiciary S. 513 an act for the relief of Maria Badalamenti (Rept. No. 92–999). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. S. 641. An act for the relief of Luis Guerrero-Chavez, Guadalupe Guerrero-Chavez, and Alfredo Guerrero-Chavez (Rept. No. 92–1000). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. S. 1089. An act for the relief of Robert Rexroat (Rept. No. 92–1001). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. S. 1675. An act for the relief of Antonio Plameras (Rept. No. 92–1002). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 14469. A bill to provide for grants to local educational agencies to plan, develop, and conduct courses dealing with the constitutional rights of individuals, judicial procedure, and police and other law enforcement procedures and problems; to the Committee on Education and Labor.

By Mr. ANDERSON of Illinois:

H.R. 14470. A bill to amend the Internal Revenue Code of 1954 to provide that employees receiving lump sums from tax-free pension or annuity plans on account of separation from employment shall not be taxed at the time of distribution to the extent that an equivalent amount is reinvested in another such plan; to the Committee on Ways and Means.

By Mr. BADILLO:

H.R. 14471. A bill to prohibit States and political subdivisions from discriminating against low and moderate income housing, and to give a priority in determining eligibility for assistance under various Federal programs to political subdivisions which submit plans for the inclusion of low and moderate income housing in their development; to the Committee on Banking and Currency.

By Mr. CAFFERY:

H.R. 14472. 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. CEDERBERG:

H.R. 14473. A bill to increase the membership of the Advisory Commission on Intergovernmental Relations by two members who shall be elected town or township officials; to the Committee on Government Operations.

By Mr. DUNCAN:

H.R. 14474. A bill to provide price support for milk at not less than 85 percent of the parity price therefor; to the Committee on Agriculture.

By Mr. GRAY (for himself and Mr. HARSHA):

H.R. 14475. A bill to provide for certain improvements relating to the Capitol Powerplant and its distribution systems; to the Committee on Public Works.

By Mr. KEE:

H.R. 14476. A bill to provide for repair and conversion to a fixed-type structure of dam No. 3 on the Big Sandy River, Ky., and W. Va., in the interest of water supply and recreation for local interests; to the Committee on Public Works.

By Mr. PODELL:

H.R. 14477. A bill to amend the Public Health Service Act to provide for the prevention of Cooley's Anemia; to the Committee on Interstate and Foreign Commerce.

H.R. 14478. A bill to establish a National Institute of Health Care Delivery, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 14479. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide for grants to cities for improved street lighting; to the Committee on the Judiciary.

By Mr. ROONEY of New York:

H.R. 14480. A bill to establish a Department of Health; to the Committee on Government Operations.

By Mr. SCHEUER (for himself, Mr. WILLIAMS and Mr. WRIGHT):

H.R. 14481. A bill to provide military assistance to Israel in order to assist in the resettlement of Russian refugees; to the Committee on Foreign Affairs.

By Mr. JAMES V. STANTON:

H.R. 14482. A bill to provide for compensation to victims of violent crime; to the Committee on the Judiciary.

By Mr. STUCKEY:

H.R. 14483. A bill to establish in the District of Columbia a system of first part, no-fault insurance for victims of motor vehicle accidents, and for other purposes; to the Committee on the District of Columbia.

By Mr. DORN:

H.R. 14484. A bill to amend title II of the Social Security Act to provide that a woman may be entitled to full old-age insurance benefits at age 60; to the Committee on Ways and Means.

By Mr. DRINAN (for himself and Mr. FAUNTROY):

H.R. 14485. A bill to provide for the cessation of bombing in Indochina and for the withdrawal of U.S. military personnel from the Republic of Vietnam, Cambodia, and Laos; to the Committee on Foreign Affairs.

By Mr. FISH:

H.R. 14486. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients; to the Committee on Interstate and Foreign Commerce.

By Mr. FRELINGHUYSEN:

H.R. 14487. A bill to amend the Federal Aviation Act of 1958 to prohibit the expenditure of Federal funds for certain airport development projects unless the Secretary of Transportation certifies that there has been afforded the opportunity for public hearings to consider the economic, social, and environmental effects of such development and its consistency with local planning, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 14488. A bill to amend title 38 of the United States Code to assist veterans with a permanent and total service-connected disability due to the loss or loss of use of one upper and one lower extremity to acquire specially adapted housing; to the Committee on Veterans' Affairs.

H.R. 14489. A bill to amend title 38, United States Code, to increase the rates of compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 14490. A bill to provide for a Veterans' Administration hospital in Brevard County, Fla., to the Committee on Veterans' Affairs.

H.R. 14491. A bill to amend title 38, United States Code, to increase the statutory rates for anatomical loss or loss of use; to the Committee on Veterans' Affairs.

By Mr. OBEY:

H.R. 14492. A bill to amend the Agricultural Act of 1949, to provide for adjustments in the support price of milk during its marketing year, and to require the support level of milk be set at at least 85 percent of its parity price for its current marketing year; to the Committee on Agriculture.

By Mr. PATTEN:

H.R. 14493. A bill to amend the Public Health Service Act to enlarge the authority of the National Heart and Lung Institute in order to advance the national attack against diseases of the heart and blood vessels, the lungs, and blood, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS:

H.R. 14494. A bill to amend the National School Lunch Act, as amended, to assure that every needy school child will receive a free or reduced price lunch as required by said act and to assure that adequate funds are available for the conduct of summer food service programs for children from areas in which poor economic conditions exist and from areas in which there are high concentrations of working mothers; to the Committee on Education and Labor.

By Mr. PODELL:

H.R. 14495. A bill: the Senior Citizens' Rent Limitation Act; to the Committee on Ways and Means.

By Mr. RANDALL:

H.R. 14496. A bill to make rules governing the use of the Armed Forces of the United States in the absence of a declaration of war by the Congress; to the Committee on Foreign Affairs.

By Mr. RODINO:

H.R. 14497. A bill to provide for the cessation of bombing in Indochina and for the withdrawal of U.S. military personnel from the Republic of Vietnam, Cambodia, and Laos; to the Committee on Foreign Affairs.

By Mr. ROGERS (for himself, Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER of North Carolina, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, and Mr. HASTINGS):

H.R. 14498. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide increased protection for consumers from interstate shipment of unfit and adulterated food; to the Committee on Interstate and Foreign Commerce.

By Mr. RYAN:

H.R. 14499. A bill to provide for the compensation of innocent victims of violent crime, to make grants to States for the payment of such compensation, and for other purposes; to the Committee on the Judiciary.

By Mr. THOMPSON of Georgia:

H.J. Res. 1171. Joint resolution authorizing the President to designate the first week in May of each year, as "One Nation Under God Week"; to the Committee on the Judiciary.

By Mr. BINGHAM:

H. Con. Res. 583. Concurrent resolution with regard to Northern Ireland; to the Committee on Foreign Affairs.

By Mr. BOLLING (for himself, Mr. BURLISON of Missouri, Mr. CLAY, Mr. HALL, Mr. HULL, Mr. HUNGATE, Mr. ICHORD, Mr. RANDALL, Mrs. SULLIVAN, and Mr. SYMINGTON):

H. Con. Res. 584. Concurrent resolution extending to the Honorable Harry S. Truman, 33d President of the United States, greetings

of Congress on the occasion of his 88th birthday, May 8, 1972; to the Committee on the Judiciary.

By Mr. ESCH:

H. Con. Res. 585. Concurrent resolution to encourage an early end to the war in Indochina and to bring about the rehabilitation of Indochina, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself, Mr. BURKE of Massachusetts, Mr. DONOHUE, Mr. DOW, Mr. EDWARDS of California, Mr. ECKHARDT, and Mr. WILLIAM D. FORD):

H. Con. Res. 586. Concurrent resolution to stop the bombing of North Vietnam; to the Committee on Foreign Affairs.

By Mr. PRICE of Illinois (for himself and Mr. BETTS):

H. Res. 933. Resolution expressing the sense of the House of Representatives with respect to actions which should be taken by Members of the House upon being convicted of certain crimes, and for other purposes; to the Committee on Standards of Official Conduct.

By Mr. ANDERSON of Tennessee (for himself, Mr. ABOUREZK, Mr. ADAMS, Mr. ALEXANDER, Mr. BEGICH, Mr. BEVILL, Mr. BRADEMAS, Mr. BURTON, Mr. CLAY, Mr. DENHOLM, Mr. DICKINSON, Mr. DOW, Mr. EDWARDS of Louisiana, Mr. FLYNT, Mr. FOLEY, Mr. FULTON, Mr. GONZALEZ, Mrs. GRASSO, Mr. HELSTOSKI, and Mr. HUNGATE):

H. Res. 934. Resolution expressing the sense of the House of Representatives that the full amount appropriated for the rural electrification program for fiscal 1972 should be made available by the administration to carry out that program; to the Committee on Appropriations.

By Mr. ANDERSON of Tennessee (for himself, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Mr. KUYKENDALL, Mr. LINK, Mr. MCCORMACK, Mr. MALLARY, Mr. MATHIS of Georgia, Mr. MATSUNAGA, Mr. MAYNE, Mr. MELCHER, Mr. MOORHEAD, Mr. OBEY, Mr. O'KONSKI, Mr. O'HARA, Mr. PRICE of Illinois, Mr. ROY, Mr. SARBANES, Mr. SIKES, and Mr. STUBBLEFIELD):

H. Res. 935. Resolution expressing the sense of the House of Representatives that the full amount appropriated for the rural electrification program for fiscal 1972 should be made available by the administration to carry out that program; to the Committee on Appropriations.

By Mr. ANDERSON of Tennessee (for himself, Mr. THONE and Mr. HARRINGTON):

H. Res. 936. Resolution expressing the sense of the House of Representatives that the full amount appropriated for the rural electrification program for fiscal 1972 should be made available by the administration to carry out that program; to the Committee on Appropriations.

MEMORIALS

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

371. By the SPEAKER: A memorial of the Senate of the State of Hawaii, relative to the Federal lease program for low and moderate housing; to the Committee on Banking and Currency.

372. Also, a memorial of the Senate of the State of Hawaii, relative to the agreement between the International Longshoremen's and Warehousemen's Union and the Pacific Maritime Association; to the Committee on Banking and Currency.

373. Also, a memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to regulation of the televising of certain professional athletic games; to the Committee on Interstate and Foreign Commerce.

374. Also, a memorial of the Legislature of the Commonwealth of Massachusetts, relative to the protection of certain endangered species of wild animals; to the Committee on Interstate and Foreign Commerce.

375. Also, a memorial of the Legislature of the Commonwealth of Massachusetts, relative to allowing greater immigration into the United States to the people of Ireland; to the Committee on the Judiciary.

376. Also, a memorial of the Legislature of the Commonwealth of Massachusetts, relative to the establishment of a veterans' hospital in the city of Worcester, Mass.; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CAREY of New York:

H.R. 14500. A bill for the relief of Sigurd Daasvand; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 14501. A bill for the relief of Chief Petty Officer Edward Francis Burns; to the Committee on the Judiciary.

By Mr. McCLURE:

H.R. 14502. A bill to quitclaim the interest of the United States to certain land in Bonner County, Idaho; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

SCOUTS WORK HARD TO IMPROVE OUR ENVIRONMENT

HON. J. CALEB BOGGS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Wednesday, April 19, 1972

Mr. BOGGS. Mr. President, young Americans are rightly concerned about environmental excellence for our Nation. During our celebration of Earth Week, I am happy to note that the young people in Delaware are particularly active in action programs that will improve our environment.

Among the leaders in this effort are the thousands of Girl Scouts and Boy Scouts throughout Delaware. Because of its significance, I would like to share the news of their work with the Senate.

The Girl Scouts have developed a most exciting program that will take place today throughout Delaware. These young ladies have named today Tree Plant Day.

Following school, many of the 13,021 Girl Scouts who live in Delaware will visit church yards, State and city parks, courthouses, schools, and nursing homes in the State. Together with Girl Scouts from the Delmarva Peninsula areas of Maryland and Virginia, the girls will plant many thousands of trees, both seedlings and larger trees.

This Tree Plant Day, which commemorates the 60th anniversary of the Girl Scouts of America, is a most impressive effort. I believe it will offer a real benefit to the environment of Delaware in the years ahead.

As importantly, it demonstrates the commitment these young people have to environmental enhancement.

Then during next week, on Saturday, April 29, the Girl Scouts will join with many Boy Scout troops in programs for the second annual Scouting—Keep America Beautiful Day.

The 400 troops of Boy Scouts, Cub Scouts, and Explorer Scouts in Delaware, comprising 14,500 young men, plan to clean up litter from parks and roadsides throughout the State.

Last year's record was a most impressive one, when Scouts throughout Delaware cleaned up 450 miles of highway roadside, hauling many tons of trash away for proper disposal.

The Scouting—Keep America Beautiful Day program is a national effort, undertaken by the Boy Scouts and the Girl Scouts.

I know that all Members of the Senate share my sense of thankfulness for the fine effort of these young people.

Mr. President, to give a better understanding of these various efforts, I ask unanimous consent that a description of the Delaware Tree Plant Day program, and a description of Scouting—Keep America Beautiful Day be printed in the Extensions of Remarks.

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

NEWS RELEASE FROM CHESAPEAKE BAY GIRL SCOUT COUNCIL

17,000 Girl Scouts in the Chesapeake Bay Girl Scout Council will participate in a one day ecology happening on Wednesday, April 19. This single day event was planned to celebrate the 60th Anniversay of Girl Scouting.

In towns, cities and counties throughout the Delmarva peninsula, Girl Scouts will be planting trees in city and state parks, church yards, schools, firehouses and camps. Girls will learn about ecological needs and will take "Eco-Action". Some places, the Brownies will be planting banks of ivy to help stop erosion. There will be all kinds of trees—from inch-high seedlings to tall single specimen trees.

Some of the happenings will be the Rehoboth Beach, Del., troops planting at their church meeting place; 20 girls will be planting trees at the new park in Ocean View, Del. Some Maryland Girl Scouts will be planting at the Rock Hall, Md., Civic Center. In Salisbury, Md., the troops will be planting 500 seedlings at North Lake Park.

Girl Scout Troop 613 of Chestertown, Md., will be planting dogwood trees at the Magnolia Hall Nursing and Convalescent Home. Laurel, Del., girls will plant at the day care center. Seaford, Del., troops are planting at the Kiwanis Park. Snow Hill, Md., Brownie troop 363 will be planting at the Snow Hill Elementary School. Some Salisbury, Md., Brownies will plant something green at Beaver Run School. Federalsburg and Preston, Md. troops will be planting at the Preston School. At Rising Sun, Md., 65 Girl Scouts in troops 307, 129 and 44 will be planting at Hopewell United Methodist Chuch. Senior Museum Aides from Wilmington and Town-