zone in 1964, the People's Daily immediately suggested that an "anti-U.S. imperialism united front" be organized. In 1965, Lin Piao declared in his article entitled "Long Live the Victory of People's War" that the "rural villages of the world" should arise to besiege the "cities of the world." Since the expansion of the war in Vietnam, the Chinese Communists have engaged in constant denunication of the United States, waging a sanguinary struggle in Indochina against the U.S. directly or indirectly.

The Chinese Communist chieftains and their propaganda machines have overtly and covertly engaged in inciting and provoking racial strifes or other anti-government activities in the United States. With the advent of 1970's, the Maoists have clamored even more loudly that "the entire world's people unite to defeat U.S. imperialism and its lackeys," asserting in the meantime that "we will struggle relentlessly against the U.S. for one, two or even three hundred years." It is thus patently clear that the Chinese Communist regime regards the United States as its irrevocable enemy. In the light of these facts, how can the appeasers justify their penchant to open relations with the Peiping regime?

The traditional spirit of democracy, freedom, and human dignity has insured the United States role of leadership in the free world. Recently, President Nixon has courageously decided to mine the ports of North Vietnam in order to stem the enemy offensive against South Vietnam. It is gratifying that this sagacious policy has won the overwhelming support of the silent majority. We hope that beginning from now, the United States will no longer compromise with the brutal forces of world communism, or kowtow to international appeasers. However, in order to adopt such a firm stand, much will depend on the silent majority of the United States which, it is hoped, will no longer remain silent, but will articulate its righteous stand to demand victory in Vietnam.

Let us stand together shoulder to shoulder in our common endeavor to defeat the Chinese Communist regime which is a peril to all mankind, and to build a free world of the people, by the people, and for the people.

Signed by Lin Hsiao, chairman of the Rally Commemorating the Tenth Anniversary of the May 1962 Exodus of Refugees from Mainland China, on behalf of more than 1,000 such refugees, Tapei, May 21, 1972.

ALMOST ALL USES OF DDT BANNED

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 1972

Mr. OBEY. Mr. Speaker, the decision several weeks ago by Environmental Protection Agency Administrator William Ruckelshaus to ban almost all uses of DDT in this country was one of the most environmentally sound decisions ever made by a Federal agency.

It was certainly a decision long in coming, and one made only after passing through what seemed to be an endless series of roadblocks.

It was over 3 years ago, in April 1969, that Health, Education, and Welfare Secretary Robert Finch created a Commission on Pesticides headed by Dr. Emil Mrak which was directed to "reappraise the problem of persistent pesticides with special emphasis on DDT."

In July 1969, the USDA suspended the use of DDT, but only for 30 days.

In November 1969, the so-called Mrak Commission on Pesticides reported back to Secretary Finch and concluded that all but essential uses of DDT be ended within 2 years. In that same month some uses of DDT were prohibited, but because of various appeal procedures it was to be a long time before those prohibited uses were actually stopped.

In June 1970, Secretary of Interior Walter Hickel banned the use of DDT and other persistent pesticides on Department of Interior lands. And, in September 1970, an advisory committee of the National Academy of Sciences reported that DDT and its derivations were "serious environmental pollutants."

In May 1971, EPA Assistant Administrator John Quarles said:

Because there is a substantial question as to the safety of DDT to man, wildlife, and the environment, the benefits and risks associated with its continued use should be resolved as quickly as possible.

In March 1972, after hearing from 125 witnesses and receiving over 300 documents and 8,900 pages of testimony over a period of 7 months, the EPA closed its hearings on whether or not DDT ought to be banned in this country.

Mr. Speaker, because a great many of us have been trying for so long to ban this persistent pesticide, I do not even know now whether to believe it has actually happened.

In a sense, it has not, for while the EPA decided to ban this pesticide for most purposes, that action has been put off, at least until December 31, 1972.

I think a lot of people deserve a great deal of credit for this action regarding DDT.

One thinks certainly of Rachel Carson who brought the problems associated with this pesticide to the public's attention. I think also of Senator GAYLORD NELSON of my own State of Wisconsin who was fighting against DDT when no one else would or could. And I think, too, of the many environmental groups which battled through administrative reviews, scientific reviews, public hearings, and lawsuits in their effort to rid our environment of this pesticide. Certainly their persistence rivaled that of their target.

Even with this latest announcement that the days of DDT are numbered at last, it is very obvious that the legacy of DDT will be with us for some time to come. DDT is a persistent pesticide. It stays in the environment for 10 or 15 years after it is used. Even though the use of this pesticide has decreased in this country in recent years, amounts of DDT have not perceptively decreased in the water and the soil.

The same is true, of course, of other pesticides and other chemicals which we are daily putting into our air, water and soil. So, while we can take heart from the DDT decision, we must do so with the recognition that a great deal more in this area remains to be done.

SENATE—*Wednesday, July 19, 1972*

The Senate met at 10 a.m. and was called to order by Hon. JENNINGS RANDOLPH, a Senator from the State of West Virginia.

PRAYER

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

Almighty God, who giveth wisdom and understanding to all who call upon Thee, we beseech Thee to come upon Thy servants in this place to renew their energies, guide their consultations, conciliate their differences, accelerate their efforts that the work undertaken may be completed for the welfare of the Nation and in consonance with Thy will. Reward them with inner peace and harmony with Thy spirit. Guide the President and all our leaders through this age of peril and high promise to the day of the coming of Thy kingdom on earth.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. ELLENDER).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 19, 1972.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JENNINGS RANDOLPH, a Senator from the State of West Virginia, to perform the duties of the Chair during my absence.

ALLEN J. ELLENDER,
President pro tempore.

Mr. RANDOLPH thereupon took the chair as Acting President pro tempore.

THE ACTING PRESIDENT pro tempore. Under the customary order, recognition of the majority and minority leaders, if they so wish, is in order.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, July 18, 1972, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

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

FULL U.S. PARTICIPATION IN INTERNATIONAL TRADE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 918, S. 1798.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 1798, to foster fuller U.S. participation in international trade by the promotion and support of representation of U.S. interests in international voluntary standards activities, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments, on page 1, line 4, after the word "of", strike out "1971" and insert "1972"; on page 2, line 6, after the word "that", strike out "a purpose" and insert "the purposes"; in line 7, after the word "Act", strike out "is" and insert "are"; in line 9, after the word "standardization", strike out "activities," and insert "activities, in a manner consistent with maintaining and fostering competition in commerce,"; in line 12, after the word "general", strike out "public. Another purpose is" and insert "public;"; in line 13, after the word "through", insert "mutually"; in line 15, after the word "standardization", strike out "agreements; within the United States," and insert "agreements; and to improve the balance of trade and balance of payments of the United States."; in line 20, after the word "mean", strike out "industrial and commercial" and insert "engineering and commodity voluntary"; on page 3, line 3, after the word "countries", strike out "or for appropriate recognition within the territory of two or more countries as a standard upon which national standards should be harmonized."; in line 6, after the word "standards", insert "assurance"; in line 12, after the word "identified", insert "international voluntary"; after line 17, insert:

(f) "Antitrust laws" shall mean those laws defined as such in sections 12 and 44, title 15, United States Code, and the Federal Trade Commission Act, sections 41–58, title 15, United States Code, including all amendments to such laws and Acts, and any other laws of the United States on antitrust and unfair methods of competition.

On page 4, line 10, after the word "standards", strike out "and international standards systems"; in line 15, after the word "Inform", insert "and consult with"; in the same line, after the word "of", strike out "State of" and insert "State, with respect to"; in line 17, after the word "States", strike out "and shall take such action with the advice and concurrence of the Secretary of State "; on page 5, line 2, after the word "producers,", insert "supplier,"; in line 3, after the word "users,", strike out "and consumers," and insert "consumers, employees, and the general public"; in line 8, after the word "public", strike out "interest, or" and insert "interest and"; in line 15, after the word "this", strike out "Act" and insert "Act, and (2) shall, in cooperation with affected parties, examine the potential impact on international trade and the balance of trade and balance of payments of the United States, of international standards assurance systems and related activities."; in line 25, after the word "subsection", strike out "(b)" and insert "(a)"; on page 6, at the beginning of line 2, insert "standards assurance"; in line 7, after the word "a", strike out "standard" and insert "standard: *Provided, however,* That prior to establishing such evaluation and accreditation system the Secretary shall:

"(1) consult with affected private organizations and the Committees established under section 12, and

"(2) publish in the Federal Register a notice of his intent to establish such a system. Such notice shall include a brief description of the proposed system and an invitation for any person, within thirty days or such other time as the Secretary designates after the date of publication of such notice, to submit comments with regard to the proposed system."

On page 7, line 1, after "Sec. 7.", strike out "In determining whether an international standardization activity would be in the public interest," and insert "In each determination of the public interest as required by sections 4, 6, 9, 12, and 13 of this act,"; after line 14, strike out:

(c) Whether the standard may unreasonably limit competition to give rise to an unfair method of competition.

At the beginning of line 17, strike out "(d)" and insert "(c)"; in line 18, after the word "standards", insert "assurance"; in line 19, after the word "producers,", insert "suppliers,"; in line 20, after the word "distributors,", strike out "and consumers," and insert "consumers, employees, and the general public."; after line 21, insert:

(d) The effects on the balance of trade and balance of payments of the United States: *Provided, however,* That the public interest finding shall not be made if the international standardization activity is inconsistent with the antitrust laws.

On page 8, line 4, after the word "the", strike out "Interagency Committee on Standards Policy" and insert "committees"; in line 21, after the word "them", strike out "available" and insert "available: *Provided, however,* That prior to listing an international voluntary standard or an international standard assurance system the Secretary shall—

"(1) consult with affected private organizations and the Committees established under section 12, and

"(2) publish in the Federal Register a notice of his intent to list such standard or system. Such notice shall include a brief description of the standard or system and an invitation for any person, within thirty days or such other time as the Secretary designates after the date of publication of such notice, to submit comments with regard to the listing of the standard or system."

On page 9, at the beginning of line 10, insert "international"; on page 10, line 11, after the word "established", insert "(1)"; in line 13, after the word "of", insert "Agriculture,"; at the beginning of line 21, strike out "advisable" and insert "advisable, and (2) a Public Committee on International Standards Policy consisting of members representing consumers, users, manufacturers, suppliers, distributors, employees, and experts in international standards and standards assurance systems, and not less than one-third of the members of which shall be representatives of recognized consumer and environmental organizations."; on page 11, line 3, after the word "the", where it appears the second time, strike out "Committee" and insert "Committees"; in line 4, after the word "the", where it appears the second time, strike out "Committee" and insert "Committees"; in line 7, after the word "the", strike out "Committee" and insert "Committees"; in line 9, after the word "of", where it appears the second time, strike out "the" and insert "either"; after line 11, insert a new section, as follows:

SEC. 13. (a) The Federal Trade Commission may at any time petition the Secretary of Commerce for the removal of a voluntary international standard listed under section 9 on the grounds that such standard is contrary to the public interest, giving due regard to the provisions of section 7 of this Act.

(b) The petition shall contain facts and information supporting the action requested.

(c) After receipt of the petition, the Secretary will initiate an informal hearing under section 553 of title 5, United States Code, on the issues raised in the petition. The Secretary shall designate a hearing examiner and give reasonable notice of the hearing, an opportunity for interested persons to participate in the hearing through the submission of written data, views, or arguments, and, if requested by the Federal Trade Commission, the Secretary shall hold a hearing in which interested persons shall have a reasonable opportunity to present the same orally in an appropriate manner. The testimony in any such hearing shall be reduced to writing, shall be filed in the Office of the Secretary, and, together with written submissions, shall constitute the record. After consideration of all relevant matter presented upon such record, the hearing examiner will make findings of fact and conclusions of law. Such findings and conclusions, together with the record, shall be reviewed by the Secretary who shall make a decision based on the record whether or not to delist the voluntary international standard as requested by the petitioner, such decision shall include findings and conclusions of the Secretary.

(d) The Federal Trade Commission, through its own attorneys, may file, within sixty days after the publication of the decision of the Secretary not to delist a voluntary international standard, a petition with the United States District Court for the District of Columbia for a judicial review of such decision. The Secretary shall file in the court the record of the informal hearing conducted under section 553 of title 5, United States Code, including the findings and conclusions of the hearing examiner and the decision and findings and conclusions of the Secretary. Upon the filing of a petition the court shall have jurisdiction to review the decision of the Secretary not to delist a voluntary international standard in accordance with chapter 7 of title 5 of the United States Code, including that provision that the decision of the Secretary be supported by substantial evidence on the basis of the entire record before the court (including any additional evidence adduced). Upon a showing that the decision of the Secretary is not supported by substantial evidence on the record taken as a whole, the voluntary international standard so listed may be ordered removed by the court and other appropriate relief granted.

On page 13, after line 11, insert a new section, as follows:

SEC. 14. No international standardization activity engaged in by any person, entity, or organization, with or without participation

or approval by governmental bodies of the United States, shall be exempted or immunized from the operation of the antitrust laws.

At the beginning of line 17, change the section number from "13" to "15"; in line 22, after the word "Secretary", insert a comma and "with the assistance of the Committee established in section 12,"; on page 14, at the beginning of line 1, change the section number from "14" to "16"; at the beginning of line 18, change the section number from "15" to "17"; in line 20, after the word "any", insert "law or any"; in line 22, after the word "Act", strike out "affect" and insert "preempt"; at the top of page 15, insert a new section, as follows:

SEC. 18. Review of any determinations made by the Secretary pursuant to section 6(d) or section 9 of this Act may be had in the manner provided in title V, chapter 7 of the United States Code.

After line 4, insert a new section, as follows:

SEC. 19. Nothing in this Act shall be construed to supersede the provisions of sections 2 and 4 of the Act of March 16, 1968 (Public Law 90-268), which amends section 302(f) of the Act of June 30, 1949 (41 U.S.C. 252).

And, after line 8, insert a new section, as follows:

SEC. 20. There is hereby authorized to be appropriated for the purposes set forth in this Act, $1,200,000 for fiscal year 1973 and $1,200,000 for fiscal year 1974. No appropriation shall be made to or for the use of the Department of Commerce for the purposes set forth in this Act for any fiscal year beginning after June 30, 1974, unless such appropriation is made pursuant to authorization by legislation enacted by the Congress after the date of enactment of this Act. Except as otherwise provided by law, any such authorization shall be for a period of two fiscal years.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "International Voluntary Standards Cooperation Act of 1972".

SEC. 2. The Congress finds that participation in the development of international voluntary standards and appropriate use of such standards by United States industry can contribute significantly to the growth of international trade and prosperity. The Congress further finds that the effectiveness of United States participation in the development and adoption of voluntary standards is increased by cooperation between Government and industry in standards matters and that such cooperation can be improved by providing within the Government a focus for international voluntary standards activities. The Congress, therefore, declares that the purposes of this Act are to promote and support adequate representation of United States interest in international voluntary standardization activities, in a manner consistent with maintaining and fostering competition in commerce, for the benefit of producers, distributors, employees, users, consumers, and the general public; to promote international trade through mutually appropriate implementation of international voluntary standardization agreements; and to improve the balance of trade and balance of payments of the United States.

SEC. 3. As used in this Act:

(a) "Secretary" shall mean the Secretary of Commerce.

(b) The term "voluntary standards" shall mean engineering and commodity voluntary standards for products, processes, procedures, conventions, test methods, and the physical, functional, and performance characteristics thereof where acceptance and use of such standards by all persons or by a specified class of persons is not required by State or Federal law or regulation.

(c) The term "international voluntary standard" shall mean a voluntary standard developed for use within the territory of two or more countries.

(d) The term "international standards assurance system" shall mean an agreement between competent governmental or nongovernmental bodies in two or more countries which provides for the mutual recognition of national or regional programs to assure that a product, process, convention, or test method, or the physical functional, or performance characteristic thereof complies with an identified international voluntary standard.

(e) "International standardization activities" shall mean the negotiation, development, adoption, or utilization of international voluntary standards or international standards assurance systems.

(f) "Antitrust laws" shall mean those laws defined as such in sections 12 and 44, title 15, United States Code, and the Federal Trade Commission Act, sections 41-58, title 15, United States Code, including all amendments to such laws and Acts, and any other laws of the United States on antitrust and unfair methods of competition.

SEC. 4. The Secretary is hereby assigned principal responsibility within the Federal Government for international standardization activities. He shall:

(a) Identify international standardization activities which may substantially affect the commerce of the United States and wherein participation by domestic organizations is insufficient to assure that the interests of the United States are adequately protected.

(b) Provide for appropriate participation by private or governmental bodies of the United States in such standardization activities.

(c) Encourage the use of international voluntary standards within the United States where he determines that it is in the public interest to do so.

SEC. 5. In performing his functions under this Act the Secretary shall:

(a) Inform and consult with the Secretary of State, with respect to any contemplated action with involves the international relations of the United States.

(b) Assure that optimum use is made of private capabilities and resources.

SEC. 6. (a) The Secretary is authorized to establish arrangements to provide for appropriate representation of United States interests in international standardization activities through private nonprofit organizations. Arrangements established under this subsection shall include provision to assure that the interests of producers, *suppliers,* distributors, users, *consumers, em*ployees, and the general public are adequately represented. Such arrangements shall include guidelines for private organizations representing United States interests in international standardization activities under this Act to insure that the negotiating positions of such organizations will be in the public interest and shall provide a reasonable opportunity to the Secretary or his designee to review the proposed negotiating positions of such organizations to determine that they are in the public interest.

(b) The Secretary (1) is authorized to conduct such investigations and studies by contract or otherwise as may be necessary to carry out his functions under this Act, and (2) shall, in cooperation with affected parties, examine the potential impact on international trade and the balance of trade and balance of payments of the United States, of international standards assurance systems and related activites.

(c) The Secretary may enter into grants, contracts, or other arrangements (including the supplying of services of Government employees) to assist any private nonprofit organization in the performance of international standardization activities in furtherance of an arrangement established under subsection (a) of this section.

(d) Where United States participation in international standards assurance systems is deemed to be in the public interest, the Secretary may establish a system for the evaluation and accreditation of private domestic organizations which seek to confirm their technical capability to conduct tests or to evaluate the test procedures used by others for the purpose of documenting compliance with a standard: *Provided, however,* That prior to establishing such evaluation and accreditation system the Secretary shall:

(1) consult with affected private organizations and the Committees established under section 12, and

(2) publish in the Federal Register a notice of his intent to establish such a system. Such notice shall include a brief description of the proposed system and an invitation for any person, within thirty days or such other time as the Secretary designates after the date of publication of such notice, to submit comments with regard to the proposed system.

(e) Notwithstanding the provisions of Revised Statutes, section 3648, the Secretary may make payments in advance of the performance of service or the delivery of articles but he shall regulate the timing and amount of such payments with the objective of minimizing the time elapsing between disbursement from the Treasury and use of the funds by the recipient.

SEC. 7. In each determination of the public interest as required by sections 4, 6, 9, 12, and 13 of this Act, among the factors to be considered shall be the following:

(a) The technical adequacy of and need for any proposed international voluntary standard or international standards assurance system and whether such standard or system is appropriate to meeting the need.

(b) The effects of the international standardization activity on the public and occupational health and safety or the quality of the environment, taking into account applicable public health, safety, or environmental quality regulations, directives, and standards.

(c) The extent to which an international voluntary standard or international standards assurance system being considered is supported by affected producers, suppliers, users, distributors, consumers, employees, and the general public.

(d) The effects on the balance of trade and balance of payments of the United States. *Provided, however,* That the public interest finding shall not be made if the international standardization activity is inconsistent with the antitrust laws.

SEC. 8. Where the Secretary determines, after consultation with affected private organizations and the committees established under section 12, that private participation in international standardization activities under arrangements established under section 6(a) has been insufficient to serve the purposes of this Act, he shall establish arrangements and procedures for governmental participation in international standardization activities to the extent necessary.

SEC. 9. Unless it is not in the public interest to do so, the Secretary shall list, under a classification system to be devised by him, each international voluntary standard, international standards assurance system, or any modification thereof negotiated or developed pursuant to this Act. Each listed standard and a full description of each listed international system shall be available to the public, preferably from one or more of the private organizations involved in its development. If such standards and standards systems are not available privately, the Secre-

tary shall make them available: *Provided, however,* That prior to listing an international voluntary standard or an international standard assurance system the Secretary shall—

"(1) consult with affected private organizations and the Committees established under section 12, and

"(2) publish in the Federal Register a notice of his intent to list such standard or system. Such notice shall include a brief description of the standard or system and an invitation for any person, within thirty days or such other time as the Secretary designates after the date of publication of such notice, to submit comments with regard to the listing of the standard or system."

SEC. 10. (a) Each department and agency of the Federal Government shall encourage appropriate use of applicable international voluntary standards listed pursuant to section 9 and shall give appropriate recognition to international standards systems listed pursuant to section 9 in the procurement of supplies or services for its use.

(b) Any department or agency of the Federal Government may provide technical assistance to the Secretary on a reimbursable or nonreimbursable basis and may supply special technical services of its employees to assist private nonprofit organizations in the performance of international standardization activities under this Act. The Secretary shall be currently informed of any special technical services of employees furnished by a department or agency of the Federal Government in assisting private nonprofit organizations in the performance of international standardization activities.

SEC. 11. (a) The Secretary may establish such policies and prescribe such rules, regulations, and procedures as he may deem necessary for the administration of this Act and to carry out the functions authorized hereunder.

(b) Where information is furnished or services rendered under section 6(d) and section 9, he may establish reasonable fees or charges therefor. Amounts received as a result of such fees or charges may be deposited to the credit of the appropriation or fund against which the cost of performing the services was charged.

SEC. 12. (a) To provide policy guidance and to assist the Secretary in carrying out his responsibilities under this Act, there shall be established (1) an Interagency Committee on Standards Policy consisting of members representing the Departments of Agriculture, Defense, Justice, Interior, State, Housing and Urban Development, Commerce, Labor, Treasury, Health, Education, and Welfare, and Transportation, the General Services Administration, the National Aeronautics and Space Administration, the Federal Communications Commission, the Atomic Energy Commission, the Environmental Protection Agency, the Federal Trade Commission, and such other agencies as the Secretary deems advisable, and (2) a Public Committee on International Standards Policy consisting of members representing consumers, users, manufacturers, suppliers, distributors, employees, and experts in international standards and standards assurance systems, and not less than one-third of the members of which shall be representatives of recognized consumer and environmental organizations. The Secretary or his representative shall be the Chairman of the Committees.

(b) The Security may also consult with the Committees in considering whether a particular international standardization activity would be in the public interest, and in any event shall consult with the Committees concerning an international standardization activity upon the request of a member of either Committee who shall be kept advised of all proposed international standardization activities pending before the Secretary.

SEC. 13. (a) The Federal Trade Commission may at any time petition the Secretary of Commerce for the removal of a voluntary international standard listed under section 9 on the grounds that such standard is contrary to the public interest, giving due regard to the provisions of section 7 of this Act.

(b) The petition shall contain facts and information supporting the action requested.

(c) After receipt of the petition, the Secretary will initiate an informal hearing under section 553 of title 5, United States Code, on the issues raised in the petition. The Secretary shall designate a hearing examiner and give reasonable notice of the hearing, an opportunity for interested persons to participate in the hearing through the submission of written data, views, or arguments, and, if requested by the Federal Trade Commission, the Secretary shall hold a hearing in which interested persons shall have a reasonable opportunity to present the same orally in an appropriate manner. The testimony in any such hearing shall be reduced to writing, shall be filed in the Office of the Secretary, and, together with written submissions, shall constitute the record. After consideration of all relevant matter presented upon such record, the hearing examiner will make findings of fact and conclusions of law. Such findings and conclusions, together with the record, shall be reviewed by the Secretary who shall make a decision based on the record whether or not to delist the voluntary international standard as requested by the petitioner, such decision shall include findings and conclusions of the Secretary.

(d) The Federal Trade Commission, through its own attorneys, may file, within sixty days after the publication of the decision of the Secretary not to delist a voluntary international standard, a petition with the United States District Court for the District of Columbia for a judicial review of such decision. The Secretary shall file in the court the record of the informal hearing conducted under section 553 of title 5, United States Code, including the findings and conclusions of the hearing examiner and the decision and findings and conclusions of the Secretary. Upon the filing of a petition the court shall have jurisdiction to review the decision of the Secretary not to delist a voluntary international standard in accordance with chapter 7 of title 5 of the United States Code, including that provision that the decision of the Secretary be supported by substantial evidence on the basis of the entire record before the court (including any additional evidence adduced). Upon a showing that the decision of the Secretary is not supported by substantial evidence on the record taken as a whole, the voluntary international standard so listed may be ordered removed by the court and other appropriate relief granted.

SEC. 14. No international standardization activity engaged in by any person, entity, or organization, with or without participation or approval by governmental bodies of the United States, shall be exempted or immunized from the operation of the antitrust laws.

SEC. 15. On or before the 31st day of January of each year, the President shall transmit to the Congress an annual report for the preceding fiscal year. Such reports shall include a comprehensive statement of the activities under this Act and may include such recommendations as the President deems appropriate. The Secretary, with the assistance of the Committee established in section 12, shall provide such information and assistance as the President may require for the preparation of the report.

SEC. 16. (a) Each recipient of moneys under a grant or contract awarded pursuant to this Act shall keep such records and make such reports as the Secretary may prescribe, including information on the total cost of the approved program and the portion of the cost which is supplied by other sources. In the case of moneys received in advance of performance, such records and reports shall identify the unearned balance of advances on hand, the liabilities and obligations outstanding under such grant or contract, and the application of the funds received.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the recipient that are pertinent to its voluntary standards activities under this Act for the purpose of audit or to determine whether a proposed international voluntary standard or international standards system is in the public interest.

SEC. 17. The negotiation, development, or listing of any voluntary standard or international standards system pursuant to this Act shall not affect any law or any order, requirement, or regulation promulgated by an agency of the Federal, State, or local government, nor shall this Act preempt in any way international military standardization activities conducted by the Department of Defense.

SEC. 18. Review of any determinations made by the Secretary pursuant to section 6(d) or section 9 of this Act may be had in the manner provided in title V, chapter 7 of the United States Code.

SEC. 19. Nothing in this Act shall be construed to supersede the provisions of sections 2 and 4 of the Act of March 16, 1968 (Public Law 90–268), which amends section 302(f) of the Act of June 30, 1949 (41 U.S.C. 252).

SEC. 20. There is hereby authorized to be appropriated for the purposes set forth in this Act, $1,200,000 for fiscal year 1973 and $1,200,000 for fiscal year 1974. No appropriation shall be made to or for the use of the Department of Commerce for the purposes set forth in this Act for any fiscal year beginning after June 30, 1974, unless such appropriation is made pursuant to authorization by legislation enacted by the Congress after the date of enactment of this Act. Except as otherwise provided by law, any such authorization shall be for a period of two fiscal years.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SAN LUIS VALLEY PROJECT, COLORADO

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 906, S. 520.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 520, to authorize the construction, operation, and maintenance of the closed basin division, San Luis Valley project, Colorado, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 16, after the word "water;", strike out "furnishing a water supply for the establishment and operation of the Mishak Lakes National Wildlife Refuge and the operation of the" and insert "establishing the Mishak National Wildlife Refuge and furnishing a water supply for the operation of the Mishak National Wildlife and the"; on page 5, after line 18, insert:

(2) To maintain the Alamosa National Wildlife Refuge and the Mishak National Wildlife Refuge.

At the beginning of line 21, strike out "(2)" and insert "(3)"; on page 6, at the beginning of line 3, strike out "(3)" and insert "(4)"; after line 9, strike out:

(4) To maintain the Alamosa National Wildlife Refuge.

On page 7, after line 10, strike out:

SEC. 8. Pursuant to the authority of the Reclamation Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto, and the Water Resources Planning Act of July 22, 1965 (79 Stat. 244), as amended, with respect to the coordination of studies and investigations, the Secretary shall conduct full and complete feasibility investigations for the purpose of developing a general plan for the improvement of the channel of the Rio Grande above the uppermost point of discharge into the river of waters salvaged by the project, the improvement of the channels of the Conejos, San Antonio, La Jara, and Alamosa Rivers, and Rock Creek, and construction of Wagon Wheel Gap Dam and Reservoir for flood control and other purposes, and other projects designed for the conservation and salvage of waters which may be made available for the purposes set out in section 4(b) of this Act.

On page 8, at the beginning of line 3, change the section number from "9" to "8"; at the beginning of line 6, change the section number from "10" to "9"; and, in line 8, after the word "of", strike out "$15,400,000 (January 1969 prices)" and insert "$18,246,000 (based on April 1972 price levels)"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior is authorized to construct, operate, and maintain the closed basin division, San Luis Valley project, Colorado, including channel rectification of the Rio Grande between the uppermost point of discharge into the river of waters salvaged by the project, and the Colorado-New Mexico State line, so as to provide for the carriage of water so salvaged without flooding of surrounding lands, to minimize losses of waters through evaporation, transpiration, and seepage, and to provide a conduit for the reception of waters salvaged by drainage projects undertaken in the San Luis Valley below Alamosa, Colorado, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), and as otherwise provided in this Act, for the principal purposes of salvaging, regulating, and furnishing water from the closed basin area of Colorado; transporting such water into the Rio Grande; making water available for fulfilling the United States obligation to the United States of Mexico in accordance with the treaty dated May 21, 1906 (34 Stat. 2953); furnishing irrigation water, industrial water, and municipal water supplies to water deficient areas of Colorado, New Mexico, and Texas through direct diversion and exchange of water; establishing the Mishak National Wildlife Refuge and furnishing a water supply for the operation of the Mishak National Wildlife and the Alamosa National Wildlife Refuge and for conservation and development of other fish and wildlife resources; providing outdoor recreation opportunities; augmenting the flow of the Rio Grande; and other useful purposes, in substantial accordance with the engineering plans set out in the report of the Secretary of the Interior on this project: *Provided,* That no wells of the project, other than observation wells, shall be permitted to penetrate the aquiclude, or first confining clay layer.

(b) Construction of the project may be undertaken in such units or stages as in the determination of the Secretary will best serve project requirements and meet water needs: *Provided,* That construction of each of the succesive units or stages after stage 1 of said project shall be undertaken only with the consent of the Colorado Water Conservation Board and the Rio Grande Water Conservation District of the State of Colorado.

SEC. 2. (a) Prior to commencement of construction of any part of the project, except channel rectification, there shall be incorporated into the project plans a control system of observation wells which shall be designed to provide positive identification of any fluctuations in the water table of the area surrounding the project attributable to operation of the project or any part thereof. Such control system, or so much thereof as is necessary to provide such positive identification with respect to any stage of the project, shall be installed concurrently with such stage of the project.

(b) The Secretary shall operate project facilities in a manner that will not cause the water table available for any irrigation or domestic wells in existence prior to the construction of the project to drop more than two feet, and in a manner that will not cause reduction of artesian flows in existence prior to the construction of the project.

SEC. 3. (a) As the waters to be salvaged by means of this project are waters which arise in the closed basin as defined in article I(d) of the Rio Grande compact (53 Stat. 785), the rights of the United States and the States of New Mexico and Texas shall be subordinate to the needs within the basin of origin, and no right to demand continuation of exportation of ground water from the closed basin to the Rio Grande shall accrue to the United States or to the States of New Mexico or Texas to the detriment of water users in Colorado.

(b) There is hereby established an operating committee consisting of one member appointed by the Secretary, one member appointed by the Colorado Water Conservation Board, and one member appointed by the Rio Grande Water Conservation District, which is authorized to determine from time to time whether the requirements of section 2 of this Act are being complied with. The committee shall inform the Secretary if the operation of the project fails to meet the requirements of section 2 or adversely affects the beneficial use of water in the Rio Grande Basin in Colorado as defined in article I(c) of the Rio Grande compact (52 Stat. 785). Upon receipt of such information, the Secretary shall modify, curtail, or suspend operation of the projects to the extent necessary to comply with such requirements or eliminate such adverse effect.

SEC. 4. (a) Except as hereinafter provided, project costs shall be nonreimbursable.

(b) After the project or any phase thereof has been constructed and is operational, the Secretary shall make water available in the following listed order of priority:

(1) To assist in making the annual delivery of water at the gaging station on the Rio Grande near Lobatos, Colorado, as required by article III of the Rio Grande compact: *Provided,* That the total amount of water delivered for this purpose shall not exceed an aggregate of six hundred thousand acre-feet for any period of ten consecutive years reckoned in continuing progressive series beginning with the 1st day of January next succeeding the year in which the Secretary determines that the project authorized by this Act is operational.

(2) *To maintain the Alamosa National Wildlife Refuge and the Mishak National Wildlife Refuge.*

(3) To apply to the reduction and elimination of any accumulated deficit in deliveries by Colorado as is determined to exist by the Rio Grande Compact Commission under article VI of the Rio Grande compact at the end of the compact water year in which the Secretary first determines the project to be operational.

(4) For irrigation or other beneficial uses in Colorado: *Provided,* That no water shall be delivered until agreements between the United States and water users in Colorado, or the Rio Grande Water Conservation District acting for them, have been executed providing for the repayment of such costs as in the opinion of the Secretary are appropriate and within the ability of the users to pay.

SEC. 5. Construction of the project shall not be started until the State of Colorado agrees that it will, as its participation in the project, convey to the United States easements and rights-of-way over lands owned by the State that are needed for wells, channels, laterals, and wildlife refuge areas, as identified in the project plan. Acquisition of privately owned land shall, where possible and consistent with the development of the project, be restricted to easements and rights-of-way in order to minimize the removal of land from local tax rolls.

SEC. 6. Conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the closed basin division of the San Luis Valley project works authorized by this Act shall be in accordance with the provisions of the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 7. The Secretary is authorized to transfer to the State of Colorado or to any qualified agency or political subdivision of the State, or to a water users' organization, responsibility for the care, operation, and maintenance of the project works, or any part thereof. The agency or organization assuming such obligation shall obligate itself to operate the project works in accordance with regulations prescribed by the Secretary.

SEC. 8. Nothing contained in this Act shall be construed to abrogate, amend, modify, or be in conflict with any provisions of the Rio Grande compact.

SEC. 9. There is hereby authorized to be appropriated for construction of the closed basin division of the San Luis Valley project the sum of $18,246,000 (based on April 1972 price levels), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuation in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein, and such additional sums as may be required for operation and maintenance of the project.

Mr. ALLOTT. Mr. President, first of all, I want to express my deep appreciation to the distinguished majority leader and the distinguished minority leader for consideration of this matter at this time. The reason I take the floor is that there are two or three technical amendments in the bill which I think we should take care of.

Inasmuch as we must dispose of the committee amendments first, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments are considered and agreed to en bloc.

Mr. ALLOTT. I offer two technical amendments, and ask that they be considered en bloc.

The ACTING PRESIDENT pro tempore. The amendments will be stated.

The legislative clerk read as follows:

On page 2, line 21, after the word "Wildlife", strike out "and the" and insert "Refuge and the".

On page 4, line 11, after the word "shall", strike out "accure" and insert "accrue".

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

Mr. ALLOTT. Mr. President, I rise in support of S. 520, a bill introduced by myself and my colleague, Senator DOMINICK. The bill would authorize the construction of the Closed Basin division of the San Luis Valley project in Colorado.

This project is a water salvage project and its principal works consist of approximately 136 wells and a conveyance canal to discharge such salvaged waters into the Rio Grande River.

This project will benefit not only Colorado, but real benefits in the form of additional water, will be available to the downstream States—New Mexico and Texas. There are, also, many environmental benefits to be achieved by this project.

First, it will put water to a beneficial use where that water is presently being lost to evaporation.

Second, it will prevent the further accumulation of salts in an area important to waterfowl. The vegetation in this area will tend to die out leaving large bare areas of salt encrusted earth susceptible to erosion if this project is not constructed and operated.

Third, the project will provide water for the establishment of the Mishak National Wildlife Refuge and will furnish a more stable water supply for the existing Alamosa Wildlife Refuge.

Fourth, the conveyance canal will provide fishing on a put and take basis.

Fifth, the proposed plan contemplates salvaging of water at a nearly constant rate of 100 cubic feet per second throughout the entire year. The Rio Grande River below the drain outlet has been designated as a unit of the national wild and scenic rivers system, but at certain times of the year, the river is quite low with very little flow. The Bureau of Sport Fisheries and Wildlife determined that the additional water would transform the first 24 miles of the Rio Grande in New Mexico into a good quality trout stream, and the remaining 52 miles of river will probably be slightly better as a trout stream than at present.

Sixth, San Luis Lake, which is located in the area of the proposed project and near the city of Alamosa has had very little recreation use due to the lack of facilities and the great fluctuation in the water level. The project will stabilize the lake and limit fluctuation to about 2 feet. Funds are included in the project cost to build basic recreation facilities at the lake, and this will provide the valley with a much needed recreation area and a good cold water fishery.

Mr. President, I believe some comment is appropriate at this point concerning the national and international character of the Rio Grande River. As recently as May 25, the Senate confirmed its recognition of the Rio Grande as a national and international water course when it passed S. 1295, a bill to authorize the establishment of the Amistad National Recreation Area in Texas. That bill authorized the appropriation of slightly more that $20 million for the Amistad Recreation Area. In the committee's report of S. 1295 the national as well as international significance of the Rio Grande River was recognized. I believe it would be helpful to quote two paragraphs from that report which are as follows:

The headwaters of the Rio Grande River are in the Rocky Mountains of Colorado, and many communities, in Colorado, New Mexico and Texas depend upon its waters for survival. In 1906 a treaty was entered into between the United States and Mexico to divide the waters of the Rio Grande. The delivery of water to Mexico under the 1906 treaty is an obligation of the Nation, and this was confirmed in the authorization and construction of the Elephant Butte Reservoir to aid in the deliveries.

The fact that the Rio Grande River has been the subject of several treaties makes its development, protection, enhancement and augmentation a national concern and obligation. The obligation is not diminished because a majority of the users of the Amistad National Recreation Area are Texans, just as the national interest in the proposed Gateway National Recreation Area is not diminished simply because the vast majority of the users will be New Yorkers. To the contrary, the international character of the river adds to national interest, especially since international treaties have imposed additional burdens upon three States and their citizens without compensatory setoff or other considerations.

With the international character of the Rio Grande River in mind and the compact and treaty obligations understood, the committee retained as first priority for the water realized from the project assistance in making the annual delivery of water at the gaging station near Lobatos. However, the committee amended the bill to provide for a second priority in providing water to the two wildlife refuges. The reduction and elimination of accumulated deficits in deliveries under article VI of the Rio Grande compact is given third priority, and use in Colorado is given last priority, and is subject to the usual provisions for repayment.

This revision of priorities is effected by amendments 2, 3, and 4 as listed on page 1 of the report (No. 92-947).

Mr. President, I ask unanimous consent that amendments 2, 3, and 4 as shown on page 1 of the committee report, be printed in the RECORD at this point.

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

2. On page 5, between lines 17 and 18 insert the following:

(2) To maintain the Alamosa National Wildlife Refuge and the Mishak National Wildlife Refuge."

3. On page 5, line 18, strike "(2)" and insert "(3)"; and line 24, strike "(3)" and insert "(4)".

4. On page 6, strike all of line 6.

Mr. ALLOTT. Mr. President, going back to amendment 1, as shown on the first page of the report, this is merely a technical amendment to insure the clarity of the language. It is the intent of the bill to establish the Mishak National Wildlife Refuge, and to provide a water supply for it as well as the Alamosa Wildlife Refuge. The new language is intended to make that purpose clear. It is understood that the refuges may require up to a maximum of 5,300 acre-feet of water per year.

Mr. President, I ask unanimous consent that amendment No. 1, as shown on page 1 of the committee report, be printed in the RECORD at this point.

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

1. On page 2, beginning on line 17, strike the words "furnishing a water", and strike all of lines 18 and 19, and insert in lieu thereof the following:

Establishing the Mishak National Wildlife Refuge and furnishing a water supply for the operation of the Mishak National Wildlife Refuge and the

Mr. ALLOTT. Mr. President, amendment No. 5 deletes all of section 8 of the bill. That section provides for a comprehensive study of the Rio Grande above the point of discharge of the main conveyance canal. The Secretary was authorized to study channelization and the construction of Wagon Wheel Gap Dam. The Wagon Wheel Gap Dam was authorized by a 1940 appropriation act; however, no construction work was ever accomplished. The likelihood of the construction of such a dam seems remote under today's conditions, and probably will never be built. However, its continued authorization casts a cloud on the Wagon Wheel Gap. Section 8 would have helped to remove that cloud by requiring a restudy of the previously authorized dam, and removing it from an authorized status to a study status by a later act of Congress. There has been substantial local concern over just the mention of the Wagon Wheel Gap Dam—largely due to a misunderstanding of its legislative status. Perhaps, this bit of legislative history will help to settle it, although with perhaps less finality. In any event, all mention of Wagon Wheel Gap Dam has been removed from the bill by my amendment No. 5.

Amendment No. 6 changes the appropriation authorization by updating it from January 1969 estimates to April 1972 estimates.

Mr. President, I ask unanimous consent that amendment No. 6, as shown on page 1 of the committee report, be printed in the RECORD at this point.

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

6. On page 8, lines, delete the phrase "$15,400,000 (January 1969 prices)" and insert instead the phrase "$18,246,000 (based on April 1972 price levels)".

Mr. ALLOTT. Mr. President, the Closed Basin Division of the San Luis project is one of the best water investment possibilities in the entire Southwest. As the Commissioner of Reclamation stated, the Rio Grande River Basin is one of the most water-short river basins in the Nation. It will salvage water now wasting to the forces of evaporation and transpiration. As Congressman LUJAN so aptly put it:

. . . I feel that it is a tragedy, that with the great need for water in my State, we sit and watch that precious commodity evaporate.

With the enactment of S. 520, we can put a stop to this waste.

As I noted earlier, the project yields many substantial environmental benefits, sufficient in the opinion of some to

justify its construction on that basis alone.

Mr. President, I urge that S. 520, as amended, be adopted by the Senate.

Mr. DOMINICK. Mr. President, as a cosponsor of S. 520 with my colleague from Colorado, Senator GORDON ALLOTT, I urge favorable action regarding this bill.

The bill authorizes construction, operation, and maintenance of the Closed Basin Division, San Luis Valley project. It would salvage shallow ground water not being beneficially used at the present and deliver this water for beneficial use on the Rio Grande River. The Closed Basin Division offers an opportunity to salvage over 100,000 acre-feet of water annually. Water is vital to the region and waste should not be allowed to continue. The project includes significant benefits to the environment in that it will provide water supplies for two major natural wildlife refuges.

Also, additional waters would be made available thereby allowing the United States of America to fulfill its obligations to the United States of Mexico under a treaty dated May 21, 1906. The United States is presently not meeting the treaty requirements because the flow of the Rio Grande has been less than anticipated since 1950.

Mr. President, there is a lawsuit presently pending the U.S. Supreme Court in which New Mexico and Texas have sued Colorado, claiming that Colorado is 840,000 acre-feet in arrears to those States under the Rio Grande Compact which is an interstate compact entered into by these three States and approved in 1939.

The Supreme Court is holding the suit in abeyance as long as Colorado meets its current delivery obligations under the compact. Meeting these obligations works an economic hardship on the San Luis Valley particularly in dry years.

Mr. President, the closed basin division would require the development of approximately 136 shallow wells throughout the entire salvage area. Water salvaged through these wells would be delivered to the Rio Grande River. The area is located north and east of Alamosa, Colo., and northeast of the Rio Grande River, Saguache and Alamosa Counties, Colo. Estimated costs of the project is in excess of $18 million. Annual operation and maintenance cost is estimated to be $355,000.

It is important to note that there would be no dams constructed on the Rio Grande or any of its tributaries.

Mr. President, the most important need for this development is the present situation in the San Luis Valley resulting from water management under the pending lawsuit. Construction of the closed basin project should significantly assist the economy of the San Luis Valley.

Mr. President, I urge the adoption by the Senate of S. 520.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 520

An act to authorize the construction, operation, and maintence of the closed basin division, San Luis Valley project, Colorado, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior is authorized to construct, operate, and maintain the closed basin division, San Luis Valley project, Colorado, including channel rectification of the Rio Grande between the uppermost point of discharge into the river of waters salvaged by the project, and the Colorado-New Mexico State line, so as to provide for the carriage of water so salvaged without flooding of surrounding lands, to minimize loses of waters through evaporation, transpiration, and seepage, and to provide a conduit for the reception of waters salvaged by drainage projects undertaken in the San Luis Valley below Alamosa, Colorado, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), and as otherwise provided in this Act, for the principal purposes of salvaging, regulating, and furnishing water from the closed basin area of Colorado; transporting such water into the Rio Grande; making water available for fulfilling the United States obligation to the United States of Mexico in accordance with the treaty dated May 21, 1906 (34 Stat. 2953); furnishing irrigation water, industrial water, and municipal water supplies to water deficient areas of Colorado, New Mexico, and Texas through direct diversion and exchange of water; establishing the Mishak National Wildlife Refuge and furnishing a water supply for the operation of the Mishak National Wildlife Refuge and Alamosa National Wildlife Refuge and for conservation and development of other fish and wildlife resources; providing outdoor recreation opportunities; augmenting the flow of the Rio Grande; and other useful purposes, in substantial accordance with the engineering plans set out in the report of the Secretary of the Interior on this project: *Provided,* That no wells of the project, other than observation wells, shall be permitted to penetrate the aquiclude, or first confining clay layer.

(b) Construction of the project may be undertaken in such units or stages as in the determination of the Secretary will best serve project requirements and meet water needs: *Provided,* That construction of each of the successive units or stages after stage 1 of said project shall be undertaken only with the consent of the Colorado Water Conservation Board and the Rio Grande Water Conservation District of the State of Colorado.

SEC. 2. (a) Prior to commencement of construction of any part of the project, except channel rectification, there shall be incorporated into the project plans a control system of observation wells, which shall be designed to provide positive identification of any fluctuations in the water table of the area surrounding the project attributable to operation of the project or any part thereof. Such control system or so much thereof as is necessary to provide such positive identification with respect to any stage of the project, shall be installed concurrently with such stage of the project.

(b) The Secretary shall operate project facilities in a manner that will not cause the water table available for any irrigation or domestic wells in existence prior to the construction of the project to drop more than two feet, and in a manner that will not cause reduction of artesian flows in existence prior to the construction of the project.

SEC. 3. (a) As the waters to be salvaged by means of this project are waters which arise in the closed basin as defined in article I(d) of the Rio Grande compact (53 Stat. 785), the rights of the United States and the States of New Mexico and Texas shall be subordinate to the needs within the basin of origin, and no right to demand continuation of exportation of ground water from the closed basin to the Rio Grande shall accrue to the United States or to the States of New Mexico or Texas to the detriment of water users in Colorado.

(b) There is hereby established an operating committee consisting of one member appointed by the Secretary, one member appointed by the Colorado Water Conservation Board, and one member appointed by the Rio Grande Water Conservation District, which is authorized to determine from time to time whether the requirements of section 2 of this Act are being complied with. The committee shall inform the Secretary if the operation of the project fails to meet the requirements of section 2 or adversely affects the beneficial use of water in the Rio Grande Basin in Colorado as defined in article I(c) of the Rio Grande compact (52 Stat. 785). Upon receipt of such information, the Secretary shall modify, curtail, or suspend operation of the project to the extent necessary to comply with such requirements or eliminate such adverse effect.

SEC. 4. (a) Except as hereinafter provided, project costs shall be nonreimbursable.

(b) After the project or any phase thereof has been constructed and is operational, the Secretary shall make water available in the following listed order of priority:

(1) To assist in making the annual delivery of water at the gaging station on the Rio Grande near Lobatos, Colorado, as required by article III of the Rio Grande compact: *Provided,* That the total amount of water delivered for this purpose shall not exceed an aggregate of six hundred thousand acre-feet for any period of ten consecutive years reckoned in continuing progressive series beginning with the 1st day of January next succeeding the year in which the Secretary determines that the project authorized by this Act is operational.

(2) To maintain the Alamosa National Wildlife Refuge and the Mishak National Wildlife Refuge.

(3) To apply to the reduction and elimination of any accumulated deficit in deliveries by Colorado as is determined to exist by the Rio Grande Compact Commission under article VI of the Rio Grande compact at the end of the compact water year in which the Secretary first determines the project to be operational.

(4) For irrigation or other beneficial uses in Colorado: *Provided,* That no water shall be delivered until agreements between the United States and water users in Colorado, or the Rio Grande Water Conservation District acting for them, have been executed providing for the repayment of such costs as in the opinion of the Secretary are appropriate and within the ability of the users to pay.

SEC. 5. Construction of the project shall not be started until the State of Colorado agrees that it will, as its participation in the project, convey to the United States easements and rights-of-way over lands owned by the State that are needed for wells, channels, laterals, and wildlife refuge areas, as identified in the project plan. Acquisition of privately owned land shall, where possible and consistent with the development of the project, be restricted to easements and rights-of-way in order to minimize the removal of land from local tax rolls.

SEC. 6. Conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the closed basin division of the San Luis Valley project works authorized by this Act shall be in accordance with the provisions of the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 7. The Secretary is authorized to transfer to the State of Colorado or to any qualified agency or political subdivision of the State, or to a water users' organization, responsibility for the care, operation, and maintenance of the project works, or any part thereof. The agency or organization assuming such obligation shall obligate itself to operate the project works in accordance with regulations prescribed by the Secretary.

SEC. 8. Nothing contained in this Act shall be construed to abrogate, amend, modify, or be in conflict with any provisions of the Rio Grande compact.

SEC. 9. There is hereby authorized to be appropriated for construction of the closed basin division of the San Luis Valley project the sum of $18,246,000 (based on April 1972 price levels), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuation in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein, and such additional sums as may be required for operation and maintenance of the project.

POW MOBILE MUSEUM

Mr. SCOTT. Mr. President, the distinguished assistant minority leader, the Senator from Michigan (Mr. GRIFFIN), has called our attention to the fact that a POW Mobile Museum, sponsored by Concern for Prisoners of War, Inc., which embarked on a 4,000 mile cross-country trip from San Diego to Washington, is scheduled to include at least one of the Capitol Buildings today, Wednesday, July 19, at noon.

The Mobile Museum will be on display, and all Members of Congress are invited to tour it and inspect the more than 3 million letters of concern gathered by the sponsors, along with evidence collected, which points up the discrepancies in Hanoi's "official" list of POW's.

Mr. President, I hope that Senators will, if possible, stop by today and see the POW Mobile Museum for themselves.

FEDERAL PURCHASE OF THE KLAMATH INDIAN FOREST

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 893, S. 3594.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The second assistant legislative clerk read as follows:

S. 3594, providing for Federal purchase of the remaining Klamath Indian Forest.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is directed to enter into a contract, prior to June 30, 1972, to purchase at a price of $51,954,709 Klamath Indian Forest lands that were retained by the tribe and that were offered for sale pursuant to subsection 28(e) of the Klamath Indian Termination Act of August 13, 1954, as amended (25 U.S.C. 564w-1). The contract may provide for payment of the purchase price in installments, with interest on unmatured installments at a rate that does not exceed the cost to the United States of borrowing money under similar circumstances, as determined by the Secretary of the Treasury.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the vote by which Calendar 893, S. 3594, was passed be vacated and that the bill be restored to the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The bill is ordered restored to the calendar.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. HART). Without objection, it is so ordered.

ORDER TO LAY THE UNFINISHED BUSINESS BEFORE THE SENATE UPON CONCLUSION OF REMARKS BY SENATOR COOPER TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that immediately upon the conclusion of the speech by the distinguished Senator from Kentucky (Mr. COOPER) today, the unfinished business, S. 3390, be laid before the Senate for its consideration.

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

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Kentucky (Mr. COOPER) is now recognized for not to exceed 15 minutes.

FOREIGN ASSISTANCE ACT OF 1972

Mr. COOPER. Mr. President, I send to the desk an amendment to S. 3390 and ask unanimous consent that the reading of the amendment be dispensed with, but that the amendment be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 1325) reads as follows:

On page 10, beginning with line 18, strike out all down through line 18, on page 11, and insert in lieu thereof the following:

Sec. 12. (a) Funds authorized or appropriated by this or any other Act for United States forces with respect to military actions in Indochina may be used only for the purpose of withdrawing all United States ground, naval, and air forces from Vietnam, Laos, and Cambodia and protecting such forces as they are withdrawn. The withdrawal of all United States forces from Vietnam, Laos, and Cambodia shall be carried out within four months after the date of enactment of this Act.

(b) It is hereby declared to be the policy of the Congress that negotiations be continued with the Government of North Vietnam for a cease fire, to secure the return of all United States prisoners of war held by the Government of North Vietnam and its allies and an accounting of those missing in action, and to seek an end to all hostilities in Indochina.

Mr. COOPER. Mr. President, I have sent to the desk an amendment to section 12 of S. 3390, the section known as the Mansfield amendment.

I offer the amendment with some regret for I can recall only one occasion when I have been separated from Senator MANSFIELD on the war in Vietnam. He has been consistent, utterly conscientious, and without any partisan consideration in his efforts to enlist the Congress in its necessary and constitutional duty to assist in bringing the war in Southeast Asia to a close. He has believed, as he has said so often, that the Congress and the Executive should work together to that end.

But, Mr. President, I have held always and have so stated on the Senate floor in speeches and by way of amendments that the participation of the United States in the war can only be ended by negotiation, or by the total withdrawal of U.S. forces, without conditions, except that they must be protected as they are withdrawn.

What I say now is not intended to question in any way the purposes of those who have introduced and fought for legislative enactments to deny funds for our continued participation in the war. I have never questioned their purposes.

But amendments have been introduced and which have received a great deal of popular support in the country have included a condition precedent—the condition that our forces shall not be withdrawn until there is an agreement to release our prisoners of war or until their release is actually accomplished.

On one hand these amendments have provided that all funds shall be denied except for the withdrawal of our forces. Then in contradiction, they provided implicitly that funds for our participation in the war shall continue, that the United States will continue to fight in Vietnam from other countries, from the air, or from the seas, until our prisoners are released.

I can understand that it is difficult for the Congress to support an amendment which does not have the usual prisoner-of-war condition. It can be said that an amendment without such a provision indicates a lack of concern for those who have fought and who are held by North Vietnam in violation of the Geneva Convention and human decency.

But we must face this issue—how can the release of our prisoners be brought about? Our continued fighting has not secured their release. It is evident that we cannot by force, cause North Vietnam and its allies to release the prisoners. We must look for other ways. It seems to me that there are, at minimum, two prospects for their release.

The first prospect, is that their release

will be secured by negotiations. President Nixon has made a serious and responsible proposal to North Vietnam to end the fighting, for the withdrawal of all our forces in 4 months, and the release of prisoners of war. North Vietnam, if it truly desires peace, ought to negotiate seriously and substantively so that agreement will be reached.

If negotiations are not successful, I see no hope of the release of our prisoners and the ending of the war except by the withdrawal of our forces. When our forces are withdrawn, I think it reasonable to believe that, as has occurred in past wars, our prisoners will be released. With our forces withdrawn, the good offices of many countries and of world opinion will urge upon North Vietnam this international and humane duty. Experience has shown that no country will intervene in a serious way on behalf of our prisoners as long as American forces are fighting in Vietnam.

These are the means, as I see it, to move toward the release of the prisoners and the ending of the war. First and most important is negotiations and the success of the negotiations now taking place in Paris. The second way I suggest for which my amendment calls, is the assurance of withdrawal of our forces.

The amendment establishes a period of 4 months from its enactment for withdrawal of U.S. forces and the end of our participation in the war. This is the same period of time which the President proposed in his speech of May 8. It would give time for safe and orderly withdrawal. It would give time for the necessary adjustments and preparation that South Vietnam must make. If this can be accomplished earlier, it will be all for the good.

It will be argued that to propose such an amendment, or to approve it, may undercut or hinder negotiations now taking place in Paris. I do not think this is correct. The amendment presents to North Vietnam the assurance that the Congress can give, as the President has given, that our forces will be withdrawn. No reason would remain for North Vietnam to hold our prisoners as hostages.

The amendment I offer is more direct than the amendments which have been proposed in past years. They have provided for the withdrawal of all our forces conditional upon the release of the prisoners. It is a condition which North Vietnam can accept or reject, one which enables them to hold our prisoners as hostages upon their terms.

This amendment is consistent with the national commitments resolution which the Senate adopted by a large majority. It is consistent with the War Powers Act initiated by Senator JAVITS and which the Senate approved by a large majority. I think it is clearly constitutional.

The amendment is consistent with amendments which, with others, I have introduced in the past. All but one were approved by the Senate. None of these amendments carried any conditions which would nullify its purpose.

I want to say that it is my desire to assist President Nixon in his continuing efforts to withdraw American forces, to bring the war to a close, and to secure the release of our prisoners of war. He has reversed past policies. He has done his best. As I said earlier in this statement, he has made an exceedingly fair proposal to North Vietnam, and if North Vietnam desires peace and will negotiate seriously, the war can be ended.

I do not believe that this amendment or any amendment can promise absolutely the release of our prisoners of war. I do not believe that any individual can promise the release of our prisoners of war. I can only say that, in my view, negotiations and withdrawal offer the best chance to secure their release.

The purpose of this amendment is to propose to the Congress such a course of action. It expresses a view that the Congress and the President should join in the policy of withdrawing our military forces completely from South Vietnam, Laos, and Cambodia, and cease military action from other countries and from the sea. It would give the people of those countries a chance to live in some kind of peace, and an opportunity to establish their own governmental systems and relations. It will save lives and provide a better chance for the release of our prisoners of war and their return to their families.

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

Mr. COOPER. Mr. President, I yield to the distinguished majority leader.

The PRESIDING OFFICER (Mr. PASTORE). The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I want to commend the distinguished Senator from Kentucky, than whom there is no more conscientious Member of this body, for the forthright proposal which he has just presented to the Senate for consideration.

As he states, if a solution could be found, "It would give the people of those countries a chance to live in some kind of peace, and an opportunity to establish their own governmental systems and relations. It will save lives and provide a better chance for the release of our prisoners of war and their return to their families."

As long as the war goes on I would say the chances of the release of our prisoners of war and recoverable MIA's remain remote. This is a proposition which faces up to the situation very directly, again to quote from the Senator's remarks:

> The amendment I offer is more direct than the amendments which have been proposed in past years.

There is no question about that.

Furthermore, the Senator states, and again I quote him:

> I do not believe that this amendment or any amendment can promise absolutely the release of our prisoners of war.

I would be prone to agree with that. As I understand the distinguished Senator's amendment, what he is offering is a two-prong proposal. One prong is in line with the President's suggestion that within a 4-month period, it may be that negotiations can bring an end to this horrible war. In that respect, may I quote a remark made by Dr. Henry Kissinger on his return from his latest trip to China, in which he said:

> We expect that when the war is finally settled it will be through direct negotiations between the North Vietnamese and American negotiators.

The other prong is withdrawal with no ifs, ands, or buts, but on the supposition that if our withdrawal is complete, then, as a matter without absolute guarantee, our prisoners would stand a better chance to be released.

I may say to my distinguished colleague, while I appreciate his kind words about me in the beginning of his remarks, and we have been together on many facets of the Vietnam situation seeking a solution, it would be my present intention to stick with the proposal contained in the foreign aid bill and to change the date from August 1 to October 1. But I want to assure the distinguished Senator that should that proposal now incorporated in the Foreign Aid Act be nullified, diluted, or killed, I would give most earnest and serious consideration to this direct and clean-cut proposal which seeks to bring about an end to the war in Southeast Asia.

I commend the distinguished Senator for making this suggestion and for giving to the Senate his reasons therefor.

Mr. COOPER. Mr. President, I thank the distinguished majority leader for his remarks. I, too, recall the long association we have had together in Congressional action to end the war in Vietnam.

I recall in 1954 when it was proposed that the United States should intervene in the war in South Vietnam after the fall of Dienbienphu, the majority leader and I spoke against that intervention. Since that time we have joined in amendments and in many efforts concerning an end to the war.

I would like to say that it has been a matter of concern to me for many years that amendments which have been offered to halt the war in Vietnam and which called for the withdrawal of forces—have provided in the same amendment conditions, precedent, including the condition that prisoners must be released. The effect of such conditions, of course, has been to vitiate the amendments.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COOPER. Mr. President, will the Senator yield to me for 2 additional minutes?

The PRESIDING OFFICER. Under the previous order the period for the transaction of routine morning business is now in order, for not to exceed 30 minutes, with remarks therein limited to 3 minutes.

Mr. MANSFIELD. Mr. President, I have asked unanimous consent and I believe it has been granted, that the unfinished business to be laid before the Senate immediately after the time allotted to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator is correct.

FOREIGN ASSISTANCE ACT OF 1972

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, S. 3390, which will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 3390) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. MANSFIELD. Now, the Senator from Kentucky may speak as long as he wishes.

Mr. COOPER. I shall be brief.

The PRESIDING OFFICER (Mr. HART). The Senator from Kentucky is recognized.

Mr. COOPER. Mr. President, as I noted before, what has concerned me and concerned me a great deal, is that amendments called "end the war amendments," provided for denial of funds to continue the participation of American forces in the war and conversely, and in contradiction, included the provision that our participation should continue until our prisoners of war were released.

Of course, the effect of that precondition was to vitiate the end-the-war amendments.

The amendment I offer today does not contain any preconditions for withdrawal. It simply states that the United States shall withdraw its forces from South Vietnam in 4 months from the enactment of this bill; that it shall not continue its participation in the war in Indochina; it means the end of our participation in the war. If this course were followed, we would have a better chance, perhaps the only chance other than through negotiations, to obtain the release of our prisoners.

Mr. President, I shall speak later on this amendment. I intend to press the amendment to a vote.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Nevada.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. MANSFIELD. Mr. President, I send to the desk an amendment to the Cannon amendment now pending and ask that it be stated, and that it be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated.

The amendment was read as follows:

In lieu of the language proposed to be inserted by lines 2 and 3, insert "October 1, 1972."

In lieu of the language proposed to be inserted on lines 5 and 6 insert "October 1, 1972."

Strike lines 7 through 11, page 1 and lines 1 through 3 on page 2.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. 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.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with statements limited therein to 3 minutes.

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

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. RANDOLPH) laid before the Senate the following letters, which were referred as indicated:

PROPOSED CONCESSION CONTRACT WITHIN YELLOWSTONE NATIONAL PARK, WYOMING

A letter from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract within Yellowstone National Park, Wyo. (with accompanying papers); to the Committee on Interior and Insular Affairs.

THIRD PREFERENCE AND SIXTH PREFERENCE FOR CERTAIN ALIENS

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

PROPOSED LEGISLATION RELATING TO ADMINISTRATION OF FEDERAL EMPLOYEE INSURANCE AND ANNUITY COMPENSATION

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to promote the effective administration of Federal employee insurance and annuity compensation (with accompanying papers); to the Committee on Post Office and Civil Service.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. RANDOLPH):

A resolution adopted by the General Synod, Reformed Church in America, New York, N.Y., praying for increased efforts to be made to bring about the release of the prisoners of war resulting from the war in Vietnam; to the Committee on Foreign Relations.

A resolution adopted by the 23d Saipan Legislature, praying for the enactment of legislation to amend 23 U.S.C.A. section 101 (b) to include the Trust Territory of the Pacific Islands in the definition of "State"; to the Committee on Interior and Insular Affairs.

A resolution adopted by the General Synod, Reformed Church in America, New York, N.Y., praying for the enactment of legislation relating to agricultural and migrant workers; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BELLMON, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 7093. An act to provide for the disposition of judgment funds of the Osage Tribe of Indians of Oklahoma (Rept. No. 92-969).

By Mr. HART, from the Committee on Commerce, with amendments:

H.R. 10729. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes (Rept. No. 92-970).

By Mr. HRUSKA, from the Committee on the Judiciary, with amendments:

S. 3307. A bill to amend the joint resolution establishing the American Revolution Bicentennial Commission (Rept. No. 92-971) (together with additional views).

By Mr. BIBLE (for Mr. ANDERSON), from the Committee on Interior and Insular Affairs, with amendments:

H.R. 10858. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Pueblo de Acoma in Indian Claims Commission docket No. 266, and for other purposes (Rept. No. 92-973).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 2411. A bill to establish the Cumberland Island National Seashore in the State of Georgia, and for other purposes (Rept. No. 92-972).

REPORT ENTITLED "ANTITRUST AND MONOPOLY SUBCOMMITTEE ACTIVITIES REPORT, 1971"—REPORT OF A COMMITTEE (S. REPT. NO. 92-968)

Mr. HART, from the Committee on the Judiciary, submitted a report entitled "Antitrust and Monopoly Subcommittee Activities Report, 1971," which was ordered to be printed, together with individual views.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BAYH:

S. 3811. A bill to amend the Act entitled "An Act to provide for the establishment of the Indiana Dunes National Lakeshore, and for other purposes," approved November 5, 1966. Referred to the Committee on Interior and Insular Affairs.

By Mr. CHURCH:

S. 3812. A bill to authorize the appropriation of funds to the Department of Transportation for the use of the Washington Metropolitan Area Transit Authority for the purpose of assuring that the facilities of the Metro Rapid Transit System are accessible to the physically handicapped, and for other purposes. Referred to the Committee on Public Works.

By Mr. HART:

S. 3813. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission Docket numbered 40-K, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAYH:

S. 3811. A bill to amend the act entitled "An act to provide for the establishment of the Indiana Dunes National Lakeshore, and for other purposes," approved November 5, 1966. Referred to the Committee on Interior and Insular Affairs.

INDIANA DUNES NATIONAL LAKESHORE COMPLETION

Mr. BAYH. Mr. President, I introduce for appropriate reference a bill to authorize the additional appropriations needed to complete the Indiana Dunes National

Lakeshore as it was originally approved in 1966. I am hopeful that prompt action will be taken on this bill since the amount of the increase is relatively small—$6 million—while the benefits to the citizens of the area and historical, environmental, and natural values of the land involved are great.

Congress recognized in 1966 by passing enabling legislation and the initial authorization that the Indiana Dunes National Lakeshore is a unique natural treasure. Congress also recognized that the lakeshore can and does provide much needed recreational land close to hundreds of thousands of citizens who live in the highly developed area around the southern tip of Lake Michigan. For the average working man or woman in Indiana or Illinois or elsewhere in the Midwest, completion of the lakeshore is vital, for it is easy to reach and inexpensive to enjoy. There is no better place in the country for bringing the parks to the people.

Unfortunately, the amount of the original authorization has proved to be inadequate to complete the lakeshore as originally envisioned. On the basis of my conversations with officials of the National Park Service, I believe that the costs of completion will be less than $6 million. This is the amount of additional authorization which the bill I introduce today provides for.

We must authorize this additional expenditure not only because of the natural values of the lakeshore and the tremendous recreational potential it contains, but also to carry out the commitment we in Congress made in 1966 to complete the lakeshore. Many persons in the areas affected have relied on that commitment, and the inadequacy of the funding—which could not have been foreseen at the time—has caused considerable inconvenience and uncertainty. Furthermore, the faster that we act to complete the lakeshore now, the less expensive it will be. For all these reasons, I urge congressional approval of this bill as soon as possible.

By Mr. CHURCH:

S. 3812. A bill to authorize the appropriation of funds to the Department of Transportation for the use of the Washington Metropolitan Area Transit Authority for the purpose of assuring that the facilities of the Metro Rapid Transit System are accessible to the physically handicapped, and for other purposes. Referred to the Committee on Public Works.

METRO ACCESSIBILITY TO THE HANDICAPPED ACT

Mr. CHURCH. Mr. President, I introduce for appropriate reference a bill to authorize the appropriation of funds to assure the accessibility of the National Capitol Areas Metro Rapid Transit System to the physically handicapped.

A few months ago the Senate Committee on Aging, of which I am chairman, conducted hearings on a "Barrier-Free Environment for the Elderly and the Handicapped."

Throughout these hearings a fundamental question arose time and time again:

Are we building a society which is becoming increasingly "off limits" to the growing numbers of older and handicapped Americans?

This question takes on added importance now and in the future because within the next 30 years we shall be building another America. During this time span, it is quite likely that more buildings will be constructed in the United States than during the past 200 years. In responding to this growing demand, we must also assure that these units will be accessible to all Americans. With modest increases in costs and no loss of functional utility, most of these new structures can be made usable for the aged and handicapped.

In 1968 the Congress approved the Architectural Barriers Act to make it national policy that buildings constructed with Federal funds should be accessible to the physically handicapped.

However, a question later arose concerning whether the provisions of this law applied to the design and construction of the subway stations which were to be constructed by the Washington Metropolitan Area Transit Authority. This issue emerged because of the unique Federal-State-locality relationship created through the compact.

To resolve this question, the Congress later approved Public Law 91-205. This measure made it clear that the construction of subway stations, surface stations and other structures of the Washington Metropolitan Area Transit Authority are to be accessible to the physically handicapped.

However, further funding authority is now necessary to make Metro completely barrier free. In his testimony before the Senate Committee on Aging, Warren Quenstedt, the Deputy General Manager of the Washington Metropolitan Area Transit Authority, gave these reasons:

> The Congress has been informed that it will be necessary for the Authority to seek additional funds for these facilities inasmuch as the financial plan on which present activities are being carried forward makes no provision for the cost of special facilities for the handicapped.

And the bill that I introduce today is designed to provide the funding authority to carry out this objective. Basically, this measure would authorize $65 million for the installation of elevators to insure that Metro will be accessible to the physically handicapped and others who find it difficult or impossible to utilize escalators.

The reasons for the adoption of this legislation, in my judgment, are many. First, the Metro structures are being constructed with funds belonging to all the people. And, it is only fitting and proper that these structures should be designed and constructed to be usable by all the people.

This is essential—especially for the severely handicapped—because a system which is off limits to them can deny them a meaningful opportunity to participate in society. In fact, structural barriers may force these individuals to withdraw from the mainstream of life. And the economic impact can be devastating.

Today it is estimated that about 50 percent of the homebound, handicapped Americans are unemployed because of the lack of adequate transportation. Yet, if we continue to build public transportation facilities with structures which are inaccessible to these individuals, their problems are likely to intensify.

And we must not overlook this basic fact: the handicapped includes more than just those who are confined to wheelchairs. Many others may also find it necessary to use elevators, instead of the escalators at Metro.

Moreover, because Metro will be located in the Nation's Capital and the surrounding suburbs, it seems to me that its structures should be a model for all other transit authorities to emulate. And, it should be accessible to all Americans, whether they be young, old, or disabled.

Mr. President, for these reasons I urge early and favorable action on this legislation.

By Mr. HART:

S. 3813. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission Docket numbered 40-K, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. HART. Mr. President, I introduce a bill to provide for the disposition of a judgment recovered against the United States by the Grand River Band of Ottawa Indians.

The Indian Claims Commission approved an award of $932, 620.01 on March 27, 1968. Funds to cover the award have been appropriated and are now accruing interest in commercial banks. However, the money may not be distributed until authorized by the Congress.

On May 4, 1971, the House of Representatives passed H.R. 1100 providing for the disposition of the judgment funds. The provisions in this bill were favored by the Department of the Interior. However, shortly after passage of the bill representatives of the Grand River Band contacted me, objecting to several provisions in H.R. 1100. On behalf of these constituents, I asked the Senate Interior Committee not to report the bill until the tribal representatives could be provided an opporunity to express their concerns. The Senator from Washington (Mr. JACKSON), the chairman of the committee, graciously cooperated on this matter.

Since my request to Senator JACKSON a year ago, strenuous efforts have been made by representatives of the Grand River Band and the Department of the Interior to resolve their differences concerning the provisions of H.R. 1100. It is my understanding that as the result of these efforts all differences have now been resolved with the possible exception of one important issue—the eligibility criterion to be used in the disposition of the judgment funds. H.R. 1100 authorizes disposition to all lineal descendents of the treaty group, regardless of the degree of Indian blood. The Grand River Band of Ottawa Descendents Committee, however, strongly urges that the funds be distributed only to those persons with one-fourth degree or more Grand River Ottawa blood.

During the House hearings on H.R. 1100 several arguments were made against adopting a one-fourth degree blood quantum as the criterion for establishing the beneficiary roll. Probably the major argument was that it has

been the uniform practice of the Department of the Interior not to impose any blood quantum requirement when preparing a descendency roll. However, information provided later by the Department indicated that, in fact, on three different occasions legislation has been enacted which limited the distribution of judgments funds to lineal descendents possessing one-fourth or greater degree Indian blood.

Another argument advanced against a one-fourth degree blood quantum requirement was that it would be considerably more difficult to determine eligibility and would substantially increase the cost of preparing the beneficiary roll. We have discussed this point with several persons familiar with the issue and most thought the degree of difficulty in preparing the beneficiary roll would be about the same whether it was based on lineal descendency or a blood quantum requirement. In any case, the difficulty in making the quarter-blood determination does not appear to be a significant problem. In fact, the Bureau of Indian Affairs has been making such determinations on a routine basis for many years, whenever they decide which Grand River Band members are eligible for scholarships, job training, and other special benefits.

In support of their position that the judgment funds awarded the band should be distributed only to persons with one-fourth degree or greater Grand River Ottawa blood, tribal representatives contend that:

If all lineal descendents are eligible, the payment to each person will be so small that no one will really benefit. Even with the more restrictive eligibility requirement, the payment will be small. Records maintained by the chairman of the Grand River Band of Ottawas Descendents Committee indicate that at least 3,000 persons would meet the one-fourth blood quantum requirement, resulting in payment of only about $300 per person. The number of persons eligible under the lineal descendency criterion is not known, but it could easily be doubled, reducing the payment to $150 or less.

Indians with a higher degree of Indian blood tend to have the lowest incomes and are most in need of economic assistance.

In recognition of the greater need of persons with the higher degree of Indian blood, many programs administered by the Bureau of Indian Affairs—including certain educational, job training, and employment preference programs—are limited to persons with at least one-fourth degree Indian blood.

Indians, speaking through duly recognized representative groups, should have some voice in decisions directly affecting them. The wishes of reservation Indians, or other Indians organized under the Indian Reorganization Act, concerning eligibility for judgments awards are usually accepted by the Department of the Interior. Nonreservation Indians, such as the Grand River Band, should receive the same consideration.

These arguments are persuasive. I have also found that persons intimately familiar with Indian affairs in Michigan, including the director of the Michigan Commission on Indian Affairs, strongly support the position taken by the tribal representatives.

The Grand River Basin of Ottawas Descendants Committee—the only group recognized by the Bureau of Indian Affairs to speak for the tribal members—has unanimously passed a resolution asking the entire Michigan congressional delegation to support the adoption of the draft bill prepared by their attorney. I ask unanimous consent that the text of this bill be printed in the RECORD at this point.

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

S. 3813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the funds appropriated by the Act of October 21, 1968 (82 Stat. 1190, 1198, to pay a judgment to the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40–K, together with any interest thereon, after payment of attorney fees and litigation expenses and expenses of the Grand River Band of Ottawas Descendants Committee and such expenses as may be necessary in effecting the provisions of this Act, shall be distributed as provided herein.

SEC. 2. The Secretary of the Interior shall prepare a roll of all persons of Grand River Band of Ottawa Indian blood who meet the following requirements for eligibility: (a) they were born on or prior to and were living on the date of this Act; and (b) their name or the name of a lineal ancestor from whom they claim eligibility appears as a Grand River Ottawa on the Ottawa and Chippewa Tribe of Michigan, Durant Roll of 1908, approved by the Secretary of the Interior February 18, 1910, or on any available census rolls or other records acceptable to the Secretary of the Interior; (c) who possess Grand River Ottawa Indian blood of the degree of one-fourth or more; and (d) are citizens of the United States: *Provided*, no person shall be eligible to have his name placed on the roll who at the same time is an enrolled member of any tribe other than the Grand River Band of Ottawa Indians or the Ottawa and Chippewa Tribe of Michigan.

SEC. 3. Applications for enrollment must be filed with the Great Lakes Agency of the Bureau of Indian Affairs at Ashland, Wisconsin, in the manner and within the time limits prescribed for that purpose. The determination of the Secretary of the Interior regarding the eligibility of an applicant shall be final.

SEC. 4. The judgment funds shall be distributed per capita to the persons whose names appear on the roll prepared in accordance with section 2 of this Act.

SEC. 5. Sums payable to adult living enrollees or to adult heirs or legatees of deceased enrollees shall be paid directly to such persons. Sums payable to enrollees or their heirs or legatees who are less than eighteen years of age or who are under legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons.

SEC. 6. The funds that are distributed per capita under the provisions of this Act shall not be subject to Federal or State income tax.

SEC. 7. The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2052

At the request of Mr. THURMOND, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 2052, a bill to establish a National Cemetery System within the Veterans' Administration.

S. 3070

At the request of Mr. THURMOND, the Senator from Wyoming (Mr. MCGEE) was added as a consponsor of S. 3070, a bill to provide for the payment of pensions to World War I veterans and their widows, subject to $3,000 and $4,200 annual income limitations, to provide for such veterans a certain priority in entitlement to hospitalization and medical care.

S. 3303

At the request of Mr. PEARSON, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 3303, a bill to amend the Internal Revenue Code of 1954 to exempt certain agricultural aircraft from the aircraft use tax, to provide for the refund of the gasoline tax to the agricultural aircraft operator with the consent of the farmer, and for other purposes.

S. 3495

At the request of Mr. DOLE, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 3495, a bill to provide reimbursement of extraordinary transportation expense incurred by certain disabled individuals in the production of their income.

S. 3499

At the request of Mr. TOWER, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 3499, a bill to provide tax incentives to encourage physicians, dentists, and optometrists to practice in physician shortage areas.

S. 3651

At the request of Mr. HUMPHREY, the Senator from Utah (Mr. Moss) was added as a cosponsor of S. 3651, a bill to provide payments to localities for high-priority expenditures to encourage States to supplement their revenue sources, and to authorize Federal collection of State individual income taxes.

S. 3780

At the request of Mr. INOUYE, the Senators from Alaska (Mr. STEVENS and Mr. GRAVEL) were added as cosponsors of S. 3780, a bill to amend section 5(c) of the Home Owners Loan Act of 1933 to authorize an increase in the principal amount of mortgages on properties in Alaska, Guam, and Hawaii to compensate for higher prevailing costs.

S.J. RES. 244

At the request of Mr. RIBICOFF, the Senator from Maine (Mr. MUSKIE) and the Senator from Oklahoma (Mr. HARRIS) were added as cosponsors of Senate Joint Resolution 244, calling for new efforts to protect international travelers from acts of violence and aerial piracy.

SENATE RESOLUTION 330—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL FUNDS FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

(Referred to the Committee on Rules and Administration.)

Mr. JACKSON, from the Committee on Interior and Insular Affairs, reported the following resolution:

S. RES. 330

Resolved, That the Committee on Interior and Insular Affairs is hereby authorized to expend from the contingent fund of the Senate, during the Ninety-second Congress, $15,000 in addition to the amount, and for the same purpose, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946, as amended.

FAIR LABOR STANDARDS AMENDMENTS OF 1972—AMENDMENTS

AMENDMENT NO. 1326

(Ordered to be printed and to lie on the table.)

Mr. ALLEN. Mr. President, I submit an amendment and ask that it be printed, on page 25, line 21, to strike the words "in such subsection" at the end of subsection (e) of section 6 and insert in lieu thereof "in subsection (b) of this section." The committee bill changes existing law. Section 6(e) of the Fair Labor Standards Act requires every employer providing any contract service under a contract with the United States or a subcontractor thereunder to pay all of his employees the minimum wage provided for in section 6(b) of the FLSA. The committee bill would require employers providing services under a contract with the United States to pay all their employees a minimum wage 20 cents per hour more than would be required if they did not have such a contract with the Federal Government.

For example, under the committee bill, restaurants are required to pay their employees $1.80 per hour minimum during the first year following the effective date. If the restaurant owner, however, had a single employee providing services under a contract with the Federal Government, he would be required to pay all of his employees a minimum of $2 an hour during the first year. There are some restaurant companies that have a handful of employees providing contract services in military installations or in Government buildings and several thousand other employees whose work is totally unrelated to the contract work provided for the Federal Government. Such restaurant companies would be required to pay every single employee a 20-cent per hour higher minimum simply because they have a few employees working under a Federal contract.

This change proposed in the committee bill was also proposed in the House of Representatives. It was labeled a "technical amendment." Its significance to the hotel and restaurant industry particularly, in my opinion, has been overlooked. It will affect several hundred thousand employees in the hotel and restaurant industry primarily. For those unfortunate hotel and restaurant owners who happen to be providing a contract service for the Federal Government, no matter how small the service might be, it will mean a substantial penalty. A minimum wage 20 cents per hour higher for those companies doing business with the Federal Government will be most significant particularly for the hotel and restaurant industry. Such companies will be at a serious competitive disadvantage. It is estimated by the Restaurant Association that prices will have to be increased in the industry by at least 7½ percent in order to finance this so-called technical amendment for restaurant and hotel operators who happen to be providing contract services under a contract with the United States.

If this proposed amendment to the committee bill is not agreed to, tipped employees of hotel and restaurant owners providing services under a contract with the Federal Government will have to receive a 50-percent increase in cash wages immediately. Under existing law, tipped employees must receive a cash minimum wage of at least 80 cents per hour because the majority of their income is derived from tips. A study made by the Labor Department in March of 1970 clearly and conclusively shows that tipped employees receive the highest remuneration in the service industries. Their total earnings at the present time average more than $3 per hour nationwide.

If the change proposed in the committee bill is allowed to stand, it will be detrimental to the interest of the Federal Government. Why should an employer be required to pay a 20-cents-an-hour higher minimum wage for the next 2 years to all his employees merely because a few of them provide a contract service to the Federal Government. The Federal Government simply will not be able to obtain contract services from experienced employers if such a penalty is to be exacted from them.

I urge that the present provision in the Fair Labor Standards Act be retained. My amendment would not affect the Federal Services Contract Act. It would not affect the wages of employees providing services to the Federal Government. It merely retains the provision in existing law requiring an employer to pay at least the section 6(b) rates, initially $1.80 an hour if he has some employees working under a Federal contract.

AMENDMENT TO SECTION 6(e)

The section-by-section analysis of the bill contained in the Senate committee report provides that the purpose of the amendatory language to section 6(e) was "to eliminate clauses excluding certain linen supply establishments from full coverage."

The actual amendatory language has an effect well beyond that intended. The amendment changes section 6(e) in two material ways:

First. It deletes the specific exemption for linen supply services—this clearly was intended; and

Second. It substitutes subsection (a) rates—that is, the previously covered rate—for subsection (b) rates—that is, the newly covered rate—this clearly was not intended.

Under the present bill, previously covered employers must pay $2 per hour during the first year; and $2.20 per hour thereafter. Newly covered employers—employers covered for the first time by the 1966 amendment—must pay $1.80 per hour during the first year; $2 per hour during the second year; and $2.20 per hour thereafter. The bill reported out by the Senate committee would preclude any employer from taking advantage of the so-called newly covered rates if such employer had one or more employees subject to the Federal Service Contract Act.

This result—not mentioned once in the committee report—in all probability, was not intended. The result is caused by a small change in the last sentence of section 6(e) whereby reference is no longer made to "subsection (b) of this section", but instead reference is made to "such subsection", which in turn refers back to the subsection (a) (previously covered) rates.

Again it is emphasized that the change of rates from "newly covered" to "previously covered" was probably not intended. It is caused because of the change in technical language referred to above.

The proposed amendment would eliminate this result and permit employers who are otherwise entitled to the newly covered rates to take advantage of those rates in the employer's nongovernment establishments.

(e) Section 6(e) is amended to read as follows:

(e) Notwithstanding the provisions of section 13 of this Act (except subsections (a)(1) and (f) thereof), every employer providing any contract services under a contract with the United States or any subcontract thereunder shall pay to each of his employees whose rate of pay is not governed by the Service Contract Act of 1965 (41 U.S.C. 351–357) or to whom subsection (a) of this section is not applicable, wages at rates not less than the rates provided for in *subsection (b) of this section.*

AMENDMENT NO. 1328

(Ordered to be printed and to lie on the table.)

Mr. GAMBRELL. Mr. President, I am submitting an amendment to S. 1861, the minimum wage bill. The purpose of this amendment is to obtain equal civil rights enforcement treatment for those States, primarily in the South, which have been discriminated against in the enforcement of our civil rights laws.

Members of the Senate will recognize that I have been actively seeking to make the enforcement of civil rights laws uniform throughout the country, by removing those provisions which discriminate against selected areas of the country.

Section V of the Voting Rights Act of 1965 is the most obvious example of such a discrimination.

A more subtle, but yet more antagonizing instance of discrimination, is to be found in the area of school desegregation enforcement, particularly through the use of forced school busing for school desegregation and integration purposes.

The amendment which I offer today eliminates both of these instances of discrimination in civil rights enforcement.

The enactment of my amendment will not impair civil rights enforcement. Under the amendment, the Attorney General will continue to be authorized to oppose voting right violations on an equal basis throughout the country. With reference to school desegregation, enforcement may continue in all respects as it has in the past, except that forced school busing may not be required as a means of school desegregation unless

provided for under a School Desegregation and Uniform Education Opportunities Act which is equally applied and enforced throughout the land.

It seems to me that the provisions of this amendment are only fair. They constitute not a "rollback" but a "catch-up" on civil rights enforcement. Extreme measures for civil rights enforcement should not be applied in some sections of the country when they are not being applied in others.

I ask unanimous consent that my amendment be printed in the RECORD at this point, and that a copy of my statement before the Platform Committee of the National Democratic Party, delivered on June 9, 1972, in Atlanta, Ga., also be printed at this point with exhibits thereto.

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

AMENDMENT No. 1328

At the end of the bill, add the following new section:

UNIFORM ENFORCEMENT OF CIVIL RIGHTS LAWS

SEC. — Section 5 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973c) is amended to read as follows:

"SEC. 5. (a) Whenever the Attorney General has reason to believe that a State or political subdivision has enacted or is seeking to administer any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting which has the purpose or effect of denying or abridging the right to vote on account of race or color, he may institute for the United States, or in the name of the United States, an action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order or a preliminary or permanent injunction, or such other order as he deems appropriate.

"(b) An action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall be to the Supreme Court."

SEC. — Notwithstanding any other law or provision of law, until Congress shall have enacted legislation providing a plan for equal educational opportunities and for the elimination of racial segregation in public schools throughout the United States, to be equally and uniformly enforced throughout the United States among the local educational agencies thereof, the enforcement of any order of a court of the United States or of any desegregation plan submitted by a local educational agency to a department or agency of the United States pursuant to title VI of the Civil Rights Act of 1964, shall be stayed, suspended and postponed to the extent it requires, directly or indirectly, a local educational agency—

(A) to transport a student who was not being transported by such local educational agency immediately prior to the entry of such order or the adoption of such plan; or

(B) to transport a student to or from a school to which or from which such student was not being transported by such local educational agency immediately prior to the entry of such order or the adoption of such a plan:

Provided, That nothing in this section shall prohibit a local educational agency from voluntarily proposing, adopting, requiring, or implementing a desegregation plan, otherwise lawful, that provides for transportation as referred to in Subsections (A) and (B) above, nor shall any court of the United States or department or agency of the Federal Government be prohibited from approving implementation of a plan that provides for such transportation, if the plan is voluntarily proposed by the appropriate educational agency.

SEPARABILITY

SEC. — If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remaining provisions of this Act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

STATEMENT OF U.S. SENATOR DAVID H. GAMBRELL BEFORE PLATFORM COMMITTEE OF THE NATIONAL DEMOCRATIC PARTY, JUNE 9, 1972

Thank you for providing me with the opportunity to appear before this regional hearing of the platform committe of the 1972 Democratic National Convention.

It is my purpose here today to propose to the committee, and to the convention, the adoption of a platform plank calling for a uniform civil rights enforcement policy throughout the Nation.

In some instances in connection with school desegregation special and selective civil rights enforcement policies have fallen upon limited areas outside of the South. However, in large measure, the unfair and discriminatory pattern of civil rights enforcements which I will describe falls upon Southern States and southern people.

Since being sworn in as a member of the United States Senate in early 1971, I have tried in every way possible to call attention to these inequities, particularly as they relate to enforcement of the 1965 Voting Rights Act, and enforcement of laws and policies relating to school desegregation. I have conducted these activities in a good faith effort to eliminate sectional antagonisms in this country which have unnecessarily separated men and women of good will throughout the country.

As part of the effort which I have made, I offered the following resolution in the Senate Democratic caucus, which was unanimously adopted on January 25, 1972.

Whereas, civil rights laws are intended to secure equal protection of the laws for all citizens, now therefore be it resolved, by the Senate Democratic conference, that this body, through its leadership, shall make every effort to require that all laws securing equal protection of the laws are themselves applied equally and uniformly in every section of the country.

This was a significant step forward in the recognition by Democratic Party leadership of the obligation of the Government to give uniform and equal application of civil rights laws throughout the country.

I now propose a plank for this year's Democratic platform which along with the explanatory text, reads as follows:

UNIFORM CIVIL RIGHTS ENFORCEMENT POLICY

Laws and law enforcement on the vital subject of civil rights, including voting rights and desegregation of schools, should be applied uniformly throughout the country. Equal protection of the law and due process of law would be hypocritical slogans if the statutes under which these principles are enforced, are not themselves equally applied. While vigorous steps will be taken against any state or local action, wherever found, depriving any persons of their constitutional rights, no state or section of the country shall be singled out for special enforcement efforts under these laws.

While in previous years there may have been justification for special enforcement efforts under the civil rights laws in limited areas of the country, the time for discriminatory application and enforcement of these laws has passed. Vigorous enforcement efforts directed at specific violations should be continued in every section of the country, but laws and policies which single out selected areas for discriminatory treatment should be abandoned.

In order to achieve a civil rights enforcement policy which is uniform throughout the country, the Democratic party supports the following:

1. The suspension of extreme school desegregation measures such as forced school busing for racial balance, and the cut-off of federal education funds, until a substantial majority of the American public school population has been placed under a uniform system of equal educational opportunity, with uniform desegregation requirements.

2. The repeal of the discriminatory reporting and prior approval requirements imposed on seven states and political subdivisions therein by Section V of the Voting Rights Act of 1965.

3. The announcement by the Department of Justice and the Department of Health, Education and Welfare that federal civil rights compliance policies will be enforced with equal vigor in all sections of the country.

In connection with school desegregation, some school systems are being compelled by federal courts and enforcement agencies to comply with extreme remedies which have been pronounced unacceptable by a large majority of American people. Patchwork enforcement of school desegregation is not only unfair, but undermines public support for quality education, and also undermines the effectiveness of the federal court system. The use of remedies such as forced busing for racial balance and the withholding of funds should be suspended until the Congress adopts a uniform national policy for equal educational opportunity, including equal application and enforcement of desegregation remedies.

Pending adoption of such a measure, legislation should be enacted immediately calling on every school system in the United States with a substantial minority population which is not already under court ordered desegregation to determine through public hearings whether there is discrimination within its system, and if so, the means of eliminating it. Uniformity of desegregation compliance under this plan should be supervised by the Department of Justice and the Department of Health, Education and Welfare, and Federal assistance should be available to aid in the elimination of racial discrimination by local school systems.

Repeal of the reporting and prior approval provisions of Section V of the Voting Rights Act of 1965 will eliminate unfair, unnecessary and burdensome requirements which are offensive to thousands of citizens in seven States who have borne the brunt, at the local level, of achieving racial justice in those areas. Repeal of this provision will not diminish the rights of any voter in the States affected. Federal voting examiners will continue to be available where discrimination may be found. In addition, Federal remedies for specific voting rights violations will continue to exist.

An announcement by officials charged with civil rights enforcement that future enforcement will be vigorous, as well as uniform, will refute any concern that new policies will be haphazardly applied, or that the government's commitment to civil rights is diminished.

That is the text of my proposal. In purpose and intent it is self-explanatory. However, I think a brief summary of the background and circumstances relating to the proposal are in order.

The practical and philosophical reasons for the proposal are three. *First,* the time has arrived when no section of the country should

be singled out as more to blame for discrimination than others. Discrimination can no longer be said to be a problem of only one region. *Second*, the school desegregation and quality education crisis cries out for a solution which is uniform in benefits and burdens, and in which citizens of all sections of the country can enthusiastically participate. *And third*, whether it be viewed as a southern strategy, or simply as a matter of fairness, candidates and political parties which tolerate discriminatory law enforcement policies of this kind can hardly expect support from citizens and political leaders in the areas subject to such discrimination. For myself, I have already stated publicly that I cannot support a candidate for President who will not commit himself to a platform plank such as I am suggesting.

One of the most patently discriminatory enforcement procedures found in any law is found in Section V of the Voting Rights Act of 1965, which requires seven States to obtain prior approval from either the U.S. Attorney General, or the U.S. Court for the District of Columbia, before they, or their local governments, can make even minor changes in voting laws or procedures.

Even if it is assumed that voting and voter registration patterns in 1965 might have justified the classification of specific States for such Federal intervention, this provision of law is no longer necessary in order to guarantee voting rights in these areas. Since 1965, every State to which this provision applies has had at least two gubernatorial elections. In these, and hundreds of other local elections held during that period, hundreds of thousands of black citizens have now become registered to vote, and have in fact voted. (Appendix A). Not only that, but many have run, and been elected to public office themselves. (Appendix B).

What is more, the governors and other top officials of the States involved have taken positive stands against racial discrimination. Here are some of their statements from the public record:

In his inaugural address, Governor Linwood Holton of Virginia stated: "Here in Virginia we must see that no citizen of the Commonwealth in excluded from full participation in both the blessings and responsibilities of our society because of race. We will have a government based on a partnership of all Virginians, a government in which there will be neither partisanship nor prejudice of any kind."

Governor George Wallace of Alabama, during the Florida presidential primary, supported the equal education opportunity referendum which was held at the same time, stating that, "we have to obey whatever the law is, whether we like it or not, and the decision of '54 says non-discrimination."

In his inaugural address, Governor John West of South Carolina called on the people of South Carolina to "unite and work together, putting aside differences of race, politics, generation or other. The politics of race and divisiveness have been soundly repudiated in South Carolina."

And it is well known that Governor Jimmy Carter of Georgia, in his inaugural address in 1971 stated: "at the end of a long campaign, I believe I know the people of our State as well as anyone. Based on this knowledge of Georgians north and south, rural and urban, I say to you quite frankly that the time for racial discrimination is over."

In view of these developments, it seems apparent that any previous justification for discrimination in the application and enforcement of anti-discrimination laws, no longer exists.

Yet under the Voting Rights Act, seven Southern States and local governments therein are required to submit all proposed changes in voting procedures and local laws which only remotely relate to voting, to the United States Attorney General for prior approval or to the United States Court for the District of Columbia for a declaratory judgment that the proposed change would not have the effect of denying the right to vote. Court interpretations of the Voting Rights Act go far beyond the protection of the right to vote against discriminatory laws and policies. The courts have made the act applicable to such diverse political adjustments as municipal consolidations and annexations, changes in the location of polling places, legislative reapportionment and even reapportionment plans approved by Federal court orders. The presumption that all such changes in the States involved are infected with voter discrimination not only result in an enormous burden for the States and the Attorney General, but is patently absurd. And in addition to being an affront to the citizens and officials of these States who have struggled to overcome racial discrimination, the impact of these requirements has been most unjust in communities, such as Atlanta, your host city of the day, which has been free of voter discrimination for more than twenty years.

The views of Mr. Justice Hugo Black, in his dissenting opinion in *South Carolina* v. *Katzenbach*, 383 U.S. 301, 358, are particularly pertinent at this point:

Justice Black stated: "Section 5, by providing that some of the States cannot pass State laws or adopt State constitutional amendments without first being compelled to beg Federal authorities to appove their policies, so distorts our constitutional structure of government as to render any distinction drawn in the Constitution between State and Federal power almost meaningless. I cannot help but believe that the inevitable effect of any such law which forces any one of the States to entreat Federal authorities in faraway places for approval of local laws before they can become effective is to create the impression that the State or States treated in this way are little more than conquered provinces."

I am not suggesting repeal of the Voting Rights Act of 1965. Repeal of section V of that act would not impair enforcement of the right to vote, but would simply remove the presumption of guilt which now exists under the law, and restore the presumption of guilt which now exists under the law, and restore the presumption of innocence, to which our laws have traditionally entitled us.

I have offered legislation in the U.S. Senate which would accomplish the objective of my proposal here. (Appendix C.) My amendment will eliminate the reporting and prior approval requirements for the seven States involved, but would authorize the U.S. Attorney General to protect voting rights against specific violations through actions in the U.S. district courts. All States, sections, communities and citizens of the United States would receive equal protection of the laws under this proposal.

Discrimination in connection with school desegregation has been the result, not of special legislative enactment as is the case with the Voting Rights Act, but through the inability of the court system, and the failure of the Executive Department, to adopt and pursue a uniform school desegregation policy in all areas of the country. Development of a basic school equality and desegregation policy has been left in the hands of the courts. The Congress, and the Executive Department, seem satisfied to leave the court system floundering with this highly controversial problem, and to sweep the matter under the rug whenever possible. The result has been a patchwork development of desegregation requirements and remedies. Enforcement agencies such as the Department of Justice and the Department of HEW will enforce "whatever the law requires" although what the law requires from judicial district to judicial district has differed and been uncertain. Under legal principles, the selection of desegregation remedies in court proceedings is discretionary with the particular judge. In some cases, extreme remedies have been applied, and in others, milder forms have been adopted. The same, of course, is true in the case of administrative remedies applied by the Department of HEW.

In addition, statistics produced by the Departments of Justice and H.E.W., show conclusively that enforcement efforts of Federal agencies continue to be primarily directed toward southern States, even though the south is far ahead of the rest of the country in desegregation of its schools. H.E.W.'s January school desegregation report revealed the following:

1. While 43.9% of black students in the south are in majority white schools, only 27.8% of black students in the north and west attend majority white schools, and only 30.5% attend majority white schools in border states.

2. While only 32.2% of black students in the south are in schools of 80–100% minority student population, 57.1% of black students in the north and west and 60.9% in the border states attend such schools.

3. While only 9.2% of black students in the south attend all-minority schools, the figure is 11.9% in the north and west, and 24.2% in the border states. (Appendix D).

In spite of these statistics, of the 214 student assignment cases which were part of the Justice Department's trial court caseload on December 21, 1971, all but 7 cases were in the south. (Appendix E).

Of almost 550 school systems against which H.E.W. has initiated administrative enforcement proceedings, all but 9 such actions are against school systems in the south.

All but one of the more than 200 school districts in which Federal financial assistance has been terminated under title VI of the Civil Rights Act of 1964 are in the south.

The Departments of Justice and H.E.W. have simply turned their heads to avoid seeing segregation outside the south, although desegregation actions brought by private citizens have disclosed racial discrimination in Michigan, Colorado, California, New York and other States. Isn't it time for Federal enforcement agencies to shift such enthusiasm for desegregation enforcement from southern States to other sections of the country where the problem may be more subtle but is much more widespread?

Our Federal courts have been the object of much criticism and abuse in regard to the school desegregation crisis. Those familiar with court processes realize that the courts themselves have no control over what cases are brought to them, or where, or by whom enforcement will be sought. And while there have been instances of judicial excesses in this field, objective critics agree that most Federal judges in the lower courts have made every effort to comply with what they believe the law to be, under the latest Supreme Court decisions.

Under the circumstances which I have described, the present enforcement system has resulted in an uneven and discriminatory pattern of desegregation enforcement, in an unfair distribution of the benefits and burdens of desegregation, and in a loss of public support for equal educational opportunities. Such support would undoubtedly be more firmly supported if a uniform desegregation policy was adopted and uniformly applied throughout the country.

The inequities of our present school desegregation policies can best be illustrated by yesterdays vote on the higher education bill. The Congress has now adopted a so-called "moratorium" on forced school busing which will leave forced busing in effect upon those who have suffered with it longest, and upon those who have voluntarily complied with

court mandates rather than engaging in delaying tactics. What could be more of an incentive to resistance than to reward it as Congress has done?

As if the inequities which I have described were not enough, there is another aspect of the forced busing controversy which is most frustrating. Every poll or referendum which has been taken on the subject shows that the will of the people is being completely ignored. Busing to achieve racial balance has been pronounced unacceptable by 73% of the American people. But still this remedy is being applied all over the South. (Appendix F).

Of course, the solution to the entire school desegregation and quality education problem is to adopt uniform standards throughout the country providing for equal educational opportunity and for equal application and enforcement of desegregation remedies. This will require an act of Congress, which should be made a priority piece of legislation by the next Democratic administration. Meanwhile, in order that the inequities of the existing desegregation patterns should not inhibit support for quality education legislation, and so that there will be assurance that all of this country's public school systems are brought into uniform desegregation compliance, an interim plan of uniform desegregation compliance should be adopted.

I have suggested, and have pending in Congress, a proposal which does just that. (Appendix G). The platform plank which I have offered also sets forth this proposal.

This interim legislation should suspend extreme desegregation remedies such as forced busing for racial balance and the withholding of Federal funds. Under the plan I have proposed, the suspension of these remedies would end as soon as uniform desegregation remedies are established by the Quality Education Act. Pending the adoption of that act, uniformity in desegregation would be achieved by requiring every school system in the country which has a substantial minority population and is not already under court ordered desegregation to determine through public hearings whether there is discrimination within such system, and if so, the means of eliminating such discrimination. Uniformity in desegregation plans developed by this method would be supervised by the departments of justice and H.E.W., and Federal assistance would be available to aid in the elimination of such racial discrimination. During the development of such a uniform system of school desegregation, the extreme remedies of forced school busing and the withholding of Federal funds would remain in suspension.

This program would not halt desegregation, but would accelerate it in areas of the country outside the South. It would not outlaw forced busing, as such, but would simply suspend federally required forced busing. Local option busing would be permitted. Federal funds would be available to assist in desegregation, as an incentive to rapid compliance.

There is no question in my mind but that wide support can be found, in the South, and throughout the country, for approaching school desegregation and quality education on this basis. On the other hand, continuation of the present uneven, inequitable, and discriminatory desegregation program can only prolong the achievement of our quality education goals, and intensify the controversy relating to it.

As a part of my effort to make equal Civil Rights enforcement a permanent part of Federal Government policy, I have raised the question of a platform plank on this subject with each of the candidates for the democratic presidental nomination. Copies of my correspondence with them are attached hereto as Exhibit H. You will notice that Senators Humphrey, Jackson and McGovern have each indicated support for a platform plank of this type, although it is qualified in the case of Senator McGovern. Governor Wallace has verbally indicated support of this platform plank, through a communication from his staff. Senator Muskie and Representative Chisholm have not replied.

Substantial doubt as to the extent of the commitment on the part of Senators Humphrey, Jackson and McGovern was raised during the Senate voting on the forced school busing issue in late February. All of them, along with Senator Muskie, either voted against or were announced against the anti-busing proposal which I offered as an amendment to the higher education bill, substantially in the form which I have proposed here today. Frankly, it is difficult for me to understand how any of these Senators could have supported the caucus resolution of January 25, 1972, which I have previously described, and then failed without explanation to support a specific piece of legislation seeking to equalize Civil Rights enforcement.

The time has now arrived for the Democratic Party, and those seeking the presidential and vice presidential nominations of that party, to take a specific stand on this question. The party and its candidates must decide whether, as a matter of political expediency, if not a matter of fairness, it is desirable to continue belaboring the South and its people with discriminatory Civil Rights enforcement. Southern people have largely accepted the changes brought about through Civil Rights legislation and related court decisions. The antagonisms which once existed between the people of various sections of the country in regard to the civil rights issue no longer exist. Americans in sections of the country outside the South have discovered that the political and social difficulties being experienced in the South can also become a part of their own experience.

I believe that a majority of Americans, as well as a majority of southerners, would favor the abandonment of a discriminatory Civil Rights enforcement policy, and would support the platform plank which I have proposed. Thus, I call upon the Democratic Party, and all of its members from every section of the country, to pledge support for equal enforcement of the Civil Rights laws throughout the country, and I urge you, as members of the party's platform committee, to recommend the adoption of the platform plank which I have proposed here today.

APPENDIX A

VOTER REGISTRATION IN THE SOUTH—AUTUMN, 1970

State	Voting age population, 1960 census		Whites registered	Blacks registered	Voting age population, 1960 census	
	White	Black			Percent White registered	Percent black registered
Alabama	1,353,058	481,320	1,311,000	315,000	96.9	65.4
Arkansas	850,643	192,626	728,000	153,000	85.6	79.4
Florida	2,617,438	470,261	2,495,000	302,000	95.3	64.2
Georgia	1,797,062	612,910	1,615,000	395,000	89.9	64.4
Louisiana	1,289,216	314,589	1,143,000	319,000	88.7	62.0
Mississippi	748,266	422,589	690,000	286,000	92.2	67.7
North Carolina	2,005,955	550,929	1,640,000	305,000	81.8	55.4
South Carolina	895,147	371,104	668,000	221,000	74.6	59.6
Tennessee	1,779,018	313,873	1,600,000	242,000	89.9	77.1
Texas	4,884,765	649,512	3,599,000	550,000	73.7	84.7
Virginia	1,876,167	436,720	1,496,000	269,000	79.7	61.6
Totals	20,096,735	5,016,100	16,985,000	3,357,000	84.5	66.9

Source: Voter Education Project, Inc.

APPENDIX B

Elected Black officials for 11 Southern States

Years:	*Total Blacks elected*
Prior to 1965	Less than 100
1966	159
1968	385
1970	644
1971	735
1972 [1]	873

[1] State senators, 6; state representatives, 41; county officials, 111; city officials, 425; law enforcement officials, 117; school board members, 176.

S. 3420

SEC. —. Section 5 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973c) is amended to read as follows:

"SEC. 5. (a) Whenever the Attorney General has reason to believe that a State or political subdivision has enacted or is seeking to administer any voting qualification or prerequisite to voting, or standard, practice, or procedure with respect to voting which has the purpose or effect of denying or abridging the right to vote on account of race or color, he may institute for the United States, or in the name of the United States, an action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order or a preliminary or permanent injunction, or such other order as he deems appropriate.

"(b) An action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall be to the Supreme Court."

APPENDIX D

DHEW OFFICE FOR CIVIL RIGHTS—FALL 1971 ESTIMATED PROJECTIONS OF PUBLIC SCHOOL NEGRO ENROLLMENT COMPARED WITH FINAL FALL 1968 AND 1970 DATA[1]

Geographic area	Total pupils	Negro pupils		Negro pupils attending schools which are—					
				0 to 49.9 percent minority		80 to 100 percent minority		100 percent minority	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
Continental United States:									
1968	43,353,568	6,282,173	14.5	1,467,291	23.4	4,274,461	68.0	2,493,398	39.7
1970	44,877,547	6,707,411	14.9	2,223,506	33.1	3,311,372	49.4	941,111	14.0
1971 estimate	44,691,675	6,724,956	15.0	2,393,824	35.6	3,084,785	45.9	778,832	11.6
Difference 1970–1971	−185,872	17,000	0.1	170,318	2.5	−226,587	−3.5	−162,279	−2.4
32 north and west:[2]									
1968	28,579,766	2,703,056	9.5	746,030	27.6	1,550,440	57.4	332,408	12.3
1970	29,451,976	2,889,858	9.8	793,979	27.5	1,665,926	57.6	343,629	11.9
1971 estimate	29,299,586	2,913,047	9.9	810,895	27.8	1,664,771	57.1	325,874	11.2
Difference 1970 to 1971	−152,390	23,189	0.1	16,916	0.3	−1,155	−0.5	−17,755	−0.7
11 south:[3]									
1968	11,043,485	2,942,960	26.6	540,692	18.4	2,317,850	78.8	2,000,486	68.0
1970	11,570,351	3,150,192	27.2	1,230,868	39.1	1,241,050	39.4	443,073	14.1
1971 estimate	11,551,697	3,139,436	27.2	1,377,847	43.9	1,010,558	32.2	290,390	9.2
Difference 1970 to 1971	−18,654	−10,756	0.0	146,979	4.8	−230,492	−7.2	−152,683	−4.9
6 Border and District of Columbia:[4]									
1968	3,730,317	636,157	17.1	180,569	28.4	406,171	63.8	160,504	25.2
1970	3,855,221	667,362	17.3	198,659	29.8	404,396	60.6	154,409	23.1
1971 estimate	3,840,392	672,473	17.5	205,082	30.5	409,456	60.9	162,568	24.2
Difference 1970 to 1971	−14,829	5,111	0.2	6,423	0.7	5,060	0.3	8,159	1.1

[1] 1971 figures are estimations based on latest available data and are subject to change upon final compilation.
[2] Alaska, Arizona, California, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Vermont, Washington, Wisconsin, Wyoming.
[3] Alaska, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia.
[4] Delaware, District of Columbia, Kentucky, Maryland, Missouri, Oklahoma, West Virginia.

APPENDIX E

EDUCATION SECTION CASELOAD

State	Trial Court student assignment cases	School districts involved	Trial Court miscellaneous cases	Appellate Court amicus cases
Alabama	18	[1] 123	2	0
Arkansas	8	17	0	0
California	1	1	0	1
Connecticut	1	1	0	0
Florida	7	18	0	0
Georgia	25	104	0	0
Illinois	1	1	2	0
Indiana	1	20	0	0
Kansas	[2] 1	1	0	0
Louisiana	40	40	2	0
Mississippi	48	[3] 74	2	1
Missouri	1	7	0	0
North Carolina	[4] 11	[5] 19	0	0
Ohio	0	0	[6] 1	0
Oklahoma	1	1	0	0
South Carolina	18	26	1	0
Tennessee	10	20	[7] [8] 2	0
Texas	[9] [10] 13	44	1	0
Virginia	9	9	0	0
Total	214	526	13	2

[1] Trade schools and junior colleges counted as one miscellaneous case.
[2] Defensive suit.
[3] Excludes splinter systems Clinton & Durant; Jackson counted as Appellate Court case.
[4] Includes 1 defensive suit involving 6 districts.
[5] Excludes splinter system Scotland Neck.
[6] Defensive suit.
[7] Includes 1 higher education suit.
[8] Includes 1 defensive suit.
[9] Does not count as separate those cases severed from multi-district suits.
[10] 1 suit involves the State Education Agency and all districts in the State.

HARRIS SURVEY: INCREASING CONTROVERSY HARDENS OPINIONS AGAINST RACIAL BUSING

(By Louis Harris)

Altho the American people oppose busing school children to achieve racial balance by an overwhelming 73-20 per cent margin, the division in the country over the morality of "most white children going to white schools and black children going to black schools" is close.

By a narrow 40-39 per cent, Americans say such separation of the races in the nation's schools is "morally wrong." Paradoxically, parents across the country whose children are bused to school testify they are perfectly satisfied with their current local arrangements, altho they are adamantly opposed to "busing to achieve racial balance."

Clearly, attitudes toward busing have hardened over the last year. In early 1971 and again in early March, a cross section of 1,600 households was asked:

"Suppose the courts ordered that children in your community had to be bused to be sure that white and black children attended the same schools. Would you be willing or not to see children bused for this purpose?"

	1972 Pct.	*1971* Pct.
Willing to see children bused	25	47
Not willing	69	41
Not sure	6	12

The dramatic difference between this year and last is that in 1972 a sizable majority is now willing to defy court orders on school busing, up nearly 30 points from a year ago. Clearly, the political rhetoric of 1972 has left the courts and measures to achieve racial balance thru busing isolated from a majority of public opinion.

The Harris Survy also demonstrates that the issue is far more a matter of the racial overtones involved in the busing issue rather than parental objection to busing as such.

The survey found that 51 per cent of the households in the country now have children in them who are 18 years of age and under. Of this directly affected part of the population, 34 per cent reported that they now have children who are regularly bused to school. Most frequently bused are rural pupils, where 58 per cent of the households with school age children report that students are bused.

Nationwide, parents with children who are bused to school daily were asked:

"Do your children find it convenient or inconvenient to take the school bus?"

	Total Parents Pct.
Convenient to bus	89
Not convenient	10
Not sure	1

By an overwhelming 9 to 1 margin, parents report that daily busing of their children to school works out highly conveniently.

By a thumping 83-15 per cent margin, parents whose children are bused to school every day clearly are satisfied with the arrangement. The results indicate beyond doubt that the heart of the busing controversy obviously is not parent aversion to busing their children.

The key, of course, is to be found in the the words "busing to achieve racial balance." On this score, there is little doubt about the current set of public opinion:

"Would you favor or oppose busing school children to achieve racial balance?"

	Total Public Pct.
Favor	20
Oppose	73
Not sure	7

White people in the survey opposed busing for racial balance by 78 to 17 per cent altho blacks favored it 52 to 34 per cent. Regionally, opposition is highest in the Deep South states, where people are against busing by 87 to 6 per cent.

People hold to these views about busing for racial balance, even tho there are serious doubts among the public about the morality of continuing essentially segregated education.

"Do you feel it is morally right or morally wrong for most white children to go to white schools and most black children to go to black schools?"

	Morally Right Pct.	*Morally Wrong* Pct.	*Not Sure* Pct.
Nationwide	39	40	21
By Region			
East	33	44	23
Midwest	38	43	19
South	49	32	19
West	35	42	23
Border States	44	37	19
Deep South	59	21	20
By Race			
White	42	38	20
Black	15	59	26

Regionally, it is evident that public opinion is troubled by the moral issue involved over essentially segregated schools, altho blacks feel much more strongly on this aspect of the issue than whites.

Nationwide, however, it is clear that whatever their moral pangs on the issue, a big majority of the people are emotionally committed against busing for racial purposes,

even tho busing of children as such is hardly a concern at all.

S. 3435

A bill to impose a moratorium on involuntary student transportation until a uniform plan of racial desegregation shall have been implemented throughout the country

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 "Uniform Desegregation and Student Transportation Moratorium Act of 1972".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that:

(1) The provision of equal educational opportunity to all students of a local educational agency requires racial desegregation.

(2) School desegregation should be required equally and uniformly in every section of the United States.

(3) For the purpose of desegregation, many local educational agencies have been required to reorganize their school systems, to reassign students, and to engage in the extensive transportation of students.

(4) In many cases these reorganizations, with attendant increases in student transportation, have caused substantial hardship to the children thereby affected, have impinged on the educational process in which they are involved, and have required increases in student transportation often in excess of that necessary to accomplish desegregation.

(5) At the same time that extensive transportation of school children and other extreme and disruptive remedies are being required in some local educational agencies for the purpose of desegregation, many local educational agencies throughout the country have not undertaken any effective efforts to desegregate.

(6) This inequity in the application and enforcement of desegregation remedies obstructs the nationally accepted goal of equal educational opportunities without regard to race, color, or national origin.

(7) The Congress is presently considering legislation to achieve the goal of equal educational opportunity for all citizens.

(8) A moratorium on the involuntary transpotration of school children will permit an orderly legislative settlement of the question of providing equal educational opportunity on a uniform basis throughout the country.

(b) It is, therefore, the purpose of this Act to impose a moratorium on the effectiveness of Federal court orders that require local educational agencies to transport students, and on the involuntary implementation of certain desegregation plans under title VI of the Civil Rights Act of 1964 until racial desegregation is uniformly applied and enforced or until such earlier date as there shall be adopted a uniform plan to provide equal educational opportunities throughout the country.

SEC. 3. (a) Notwithstanding any other law or provision of law, the effectiveness of any order of a court of the United States and the implementation of any desegregation plan submitted by a local educational agency to a department or agency of the United States pursuant to title VI of the Civil Rights Act of 1964, to the extent such order or such plan requires for any period subsequent to December 31, 1970, directly or indirectly, a local educational agency to transport students in order to overcome racial imbalance or to carry out a plan of racial desegregation, shall be postponed until plans providing for the racial desegregation of schools as provided in subsection (b) of this section, or reports of the absence of racial discrimination as described in subsection (b) of this section, shall have been adopted uniformly throughout the United States by the appropriate local educational agencies thereof.

(b) Plans providing for the racial desegregation of school shall provide for the elimination of—

(1) any deliberate segregation by an educational agency of students on the basis of race, color, or national origin among or within schools;

(2) the assignment by an educational agency of a student to a school, other than the one closest to his place of residence within the school district in which he resides, if the assignment results in a greater degree of segregation of students on the basis of race, color, or national origin among the schools of such agency than would result if such student were assigned to the school closest to his place of residence within the school district of such agency providing the appropriate grade level and type of education for such student;

(3) discrimination by an educational agency on the basis of race, color, or national origin in the employment, employment conditions, or assignment to schools of its faculty, or staff;

(4) the transfer by an educational agency, whether voluntary or otherwise, of a student from one school to another if the purpose and effect of such transfer is to increase segregation of students on the basis of race, color, or national origin among the schools of such agency;

(5) language barriers that impede equal participation by the students of a local educational agency in its instructional programs;

(6) the provision of inferior schools among communities in accordance with racial predominance;

(7) any unequal allocation of school facilities and resources among communities within a local educational agency in accordance with racial predominance, except for the purpose of equalizing educational facilities; and

(8) prohibitions against volitional student transfers from schools in which a majority of the students are of their race, color, or national origin to schools in which a minority of the students are of their race, color, or national origin.

(c) (1) A plan or report shall not be deemed to have been adopted for the purpose of subsection (a) of this section until such plan or report, approved by the appropriate local educational agency after public hearing, has been submitted by an appropriate official of such agency to the Secretary of Health, Education, and Welfare, and the Secretary has not interposed an objection within sixty days after such submission. The Secretary shall interpose an objection to any report which he finds to be inaccurate in any substantial respect and shall object to any plan which he finds to be substantially deficient in the elimination of racial discrimination as described in subsection (b) of this section; *Provided,* That any such plan or report, whether or not submitted to the Secretary, shall be deemed to have been adopted for the purpose of this section if the Federal district court having jurisdiction of such agency shall have approved the substance of such plan or the truth of such report, and has found such plan or report to be in accordance with the Constitution of the United States.

(2) Plans shall not be deemed to have been uniformly adopted throughout the United States for the purpose of subsection (a) of his section until—

(A) such plans have been adopted in school systems containing not less than 75 per centum of the school population in public school systems which have total minority student population greater than 10 per centum, or

(B) such plans are in effect not less than seventy-five of the one hundred most populous school systems in the United States (1) which have total minority student population greater than 10 per centum or (2) which had a greater percentage of minority students in 1971 attending schools in which minority students were in the majority than in 1968, and such plans are in effect in 75 per centum of the States of the United States having a minority public school student population grater than 10 per centum.

(d) Nothing in this Act shall prohibit an educational agency from proposing, adopting, requiring, or implementing any desegregation plan, otherwise lawful, that exceeds the limitations specified in subsection (a) of this section, nor shall any court of the United States or department or agency of the Federal Government be prohibited from approving implementation of a plan that exceeds the limitations specified in subsection (a) of his section if the plan is voluntarily proposed by the appropriate educational agency.

(e) A local educational agency shall be deemed to transport a student if it pays any part of the cost of such student's transportation, or otherwise provides such transportation.

U.S. SENATE,
Washington, D.C., November 24, 1971.

Hon. HUBERT H. HUMPHREY,
Chairman, Policy Council,
Democratic National Committee,
Washington, D.C.

DEAR SENATOR HUMPHREY: I am writing you as Chairman of the Policy Council of the Democratic National Committee which, I understand, is soliciting the suggestions and opinions of Democrats throughout the country as to how to improve our Party's policies and goals, and in particular to improve our opportunity to prevail in the election campaign next year.

For several years, it has been my feeling that the Democratic Party, in national election campaigns, has suffered because antagonisms within the Party have excluded many Democrats in the South from full participation in Party affairs.

Recent newspaper reports indicate that you personally, have made a point of welcoming Southern Democratic input into next year's national election campaign. A similar recognition on the part of other national candidates, and in the Party Platform for 1972, would help to restore support for the National Party which the South has consistently given until the last two elections.

For your consideration, and that of the Policy Council, in this connection, I am enclosing the text of a suggested plank for the Platform of the National Democratic Party next year. It proposes that there be uniform enforcement of civil rights laws throughout the country. It can hardly be expected that the Southerners, even those who are Democrats, could support any candidate or any party which would not agree to give the South equal treatment in this regard.

I would like to have the benefit of your comments on this proposed platform plank. Copies of this letter are being directed to the other principal candidates for the Democratic nomination, as well as to the Chairman of the Democratic National Committee, for their comments.

It is my sincere hope that our Party, and our candidates will have the wisdom to support a platform of this type. Otherwise, the support of thousands of Southerners who might otherwise be expected to vote for Democratic candidates, may be lost.

Yours sincerely,

PLATFORM STATEMENT: UNIFORM CIVIL RIGHTS ENFORCEMENT POLICY

Laws and law enforcement on the vital subject of civil rights, including voting

rights and desegregation of schools, should be applied uniformly throughout the country. Equal protection of the law and due process of law would be hypocritical slogans if the statutes under which these principles are enforced, are not themselves equally applied. While vigorous steps will be taken against any State or local action, wherever found, depriving any persons of their constitutional rights, neither the South, nor any State or other section of the country shall be singled out for special enforcement efforts under these laws.

U.S. SENATE,
Washington, D.C., December 2, 1971.

Hon. DAVID H. GAMBRELL,
U.S. Senate,
Washington, D.C.

DEAR DAVID: I have your letter of November 24 along with the text of a suggested plank for the Platform of the National Democratic Party. I welcome your proposal.

I am sure you know my feelings about the importance of the South to the Democratic Party. The most disappointing and sad experience of my political life was my failure to carry one of the Southern states in the election of 1968. I like the South and its people. I have always felt comfortable and at home in the South. I of course understand some of the reasons for my poor showing in the Southern states in 1968. Nevertheless, I am determined to do my best to see that the South returns to the Democratic Party and that the Democratic Party treats the South as an equal partner.

It is wrong to single out the South for special Federal supervisory directives. Today there are new leaders in the South—men like yourself and Governor Carter. These new leaders deserve and need the wholehearted cooperation of the Democratic Party. Likewise, the Federal Government should look to these new leaders for direction and counsel—encouraging them and backing them.

I like your proposed platform plank. It is fair and just. It represents the position that our Party should take.

Sincerely,

HUBERT H. HUMPHREY.

U.S. SENATE,
Washington, D.C., January 5, 1972.

Hon. VANCE HARTKE,
Hon. GEORGE MCGOVERN,
Hon. HENRY JACKSON,
Hon. EDMUND MUSKIE,
U.S. Senate,
Washington, D.C.
Hon. SAM YORTY,
Mayor,
Los Angeles, Calif.
Hon. JOHN LINDSAY,
Mayor,
New York, N.Y.

DEAR SIR: I have recently submitted to the Chairman of the Democratic National Committee a proposed plank for the National Democratic Party next year. The proposed plank, a copy of which is enclosed, calls for a uniform civil rights enforcement policy throughout the country.

The proposed platform plank would represent a commitment by the Democratic Party, and its candidates, that special laws and law enforcement in regard to civil rights would not be applied in limited sections of the country and particularly in the South.

I think such a commitment will be critical in returning the South to its traditional support of the Party's candidates in the general election, and I also think that such a commitment will be critical in the efforts of any candidates to obtain the Democratic nomination.

I am asking each of the principal candidates for the Democratic nomination to state their views on this important subject. An early reply from you would be greatly appreciated.

With best wishes for a happy and prosperous New Year, I am

Sincerely,

U.S. SENATE,
Washington, D.C., February 21, 1972.

Hon. DAVID H. GAMBRELL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GAMBRELL: Thank you very much for sending me a copy of your proposed plank for the Democratic Platform calling for a uniform civil rights enforcement policy throughout the country.

I believe a strong statement on this subject should be included in the 1972 Platform. The Democratic Party should be committed to the principle of equal enforcement, without regard to the geographic region involved.

I appreciate this opportunity to comment on your proposal.

With best wishes.

Sincerely yours,

HENRY M. JACKSON,
U.S. Senate.

U.S. SENATE,
Washington, D.C., April 3, 1972.

DEAR DAVID: It is a pleasure to respond to your request for my comments on your proposed plank for the National Democratic Party Platform this year advocating uniform civil rights enforcement.

I support the principle expressed in your plank that civil rights laws should be enforced uniformly throughout the country. No state or group of states should be singled out for regulation or scrutiny of its actions simply because it is a part of a particular region. However, I would stress that when official conduct in a particular state or group of states shows a pattern of infringement of its citizens' civil rights, steps must be taken to insure that these rights are protected.

Such a pattern—to be sure—has existed in many of the southern states, a pattern which contributed to the passage and subsequent enforcement of the 1964 Civil Rights Act and the Voting Rights Act of 1965, which I supported and whose enforcement I continue to support. As Clarence Mitchell said so eloquently during the hearings to extend the Voting Rights Act of 1970, "You don't need dam legislation in states that don't have water."

But in my visits to the South during the past year I have seen a desire to overcome old divisions and a new determination on the part of people of both races to make the South a place where both can live and work together. It is a very encouraging trend for the South and for the country.

The adoption of your plank would encourage the continuance of this trend, and I lend it my support.

I am sorry that the press of a busy schedule has kept me from replying sooner.

With kindest personal regards, I am

Sincerely,

GEORGE MCGOVERN.

APRIL 21, 1972.

Hon. GEORGE MCGOVERN,
Old Senate Office Building,
Washington, D.C.

DEAR GEORGE: Thanks for your letter of April 3, in which you give qualified support to the principle of equal protection of the law as it relates to the uniform application and enforcement of civil rights laws throughout the country.

However, while your motives in adopting this position may be the best, I do not think you and others, including Clarence Mitchell, have ever committed yourselves to searching out discrimination in every area of the country. It has recently been uncovered in Detroit, San Francisco, and elsewhere, much to the surprise of the self-righteous and hypocritical. To follow through on Mitchell's figure of speech, I suggest that you get a better divining rod when you go looking for "water" to dam, and quit telling me there's no "water" except in the South. I am tired of being labeled a "racist" by those who have never really faced up to race problems in their own backyards.

Enclosed is a copy of my proposed moratorium on forced school busing, which will give a little relief to those laboring under the most extreme of desegregation remedies until the rest of the country catches up on the milder forms of desegregation. If you cannot support this or some comparable form of equal protection, I would consider your support of my platform plank to be meaningless.

Incidentally, I anticipate offering legislation to equalize voting rights enforcement in order to further test out the commitment of members of the Democratic Caucus to "equal protection of the law" in every section of the country.

With best regards, I am.

Sincerely,

FOREIGN ASSISTANCE ACT OF 1972—AMENDMENT

AMENDMENT NO. 1327

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted an amendment intended to be proposed by him to the bill (S. 3390) to amend the Foreign Assistance Act of 1961, and for other purposes.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 1328

At the request of Mr. STAFFORD, the Senator from New Hampshire (Mr. MCINTYRE) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of amendment No. 1318 intended to be proposed to the bill (S. 1861), the Fair Labor Standards Amendments of 1972.

NOTICE OF HEARINGS CONCERNING STATE TAXATION OF NATIONAL BANKS

Mr. SPARKMAN. Mr. President, the Banking, Housing and Urban Affairs Committee will commence hearings on the subject of State taxation of national banks at 10 a.m. in room 5302, New Senate Office Building, on August 1 and 2, 1972. During these hearings, the committee will receive testimony on S. 3652 and any other bills or proposals concerning this matter which are referred to the committee prior to the hearings.

Those wishing to appear before the committee in regard to this matter should contact Mr. Reginald W. Barnes on extension 225–7391.

MEETING OF SUBCOMMITTEE ON AGRICULTURAL RESEARCH AND GENERAL LEGISLATION

Mr. ALLEN. Mr. President, announcement is made that the Subcommittee on Agricultural Research and General Legislation will hold hearings July 28 on H.R. 14896, to amend the National School Lunch Act, as amended, 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, and for other purposes, related to expanding and strengthening the child nutrition programs.

The hearings will be in room 324, Old Senate Office Building, beginning at 9 a.m. Anyone wishing to testify should contact the committee clerk as soon as possible. Because of the large number of witnesses expected, all witnesses will be requested to limit their oral presentations to 10 minutes. Additional testimony will be printed in the hearing record.

Mr. President, there are several important child nutrition bills pending before the Subcommittee on Agricultural Research and General Legislation. These bills would thoroughly revise existing statutes on child feeding, some of which have been on the books since 1946.

We should take a thorough look at all our existing child feeding programs and should make such changes as are called for. However, the next school year will begin in a few weeks. School administrators around the country need to know what kind of program they may expect. Therefore, the subcommittee will attempt to expedite action on H.R. 14896, which is a temporary bill already passed by the House of Representatives. At a later date, extensive hearings on the other important child feeding bills pending before the subcommittee will be scheduled.

NOTICE OF HEARINGS ON CERTAIN CONVENTIONS

Mr. SPARKMAN. Mr. President, I wish to announce that the Committee on Foreign Relations has scheduled public hearings on August 2 and 3 on the conventions set forth below. The hearings will be held in room 4221 of the New Senate Office Building, beginning at 10 a.m.

First. Universal Copyright Convention (Ex. G, 92–2).

Second. Vienna Convention on the Law of Treaties (Ex. L, 92–1).

Third. Convention on the Means of Prohibiting and Preventing the Illicit Import, Export, and Transfer of Ownership of Cultural Property (Ex. B, 92–2).

Fourth. Convention for the Avoidance of Double Taxation With Norway (Ex. D, 92–2).

Fifth. Convention Establishing an International Organization of Legal Meteorology (Ex. M, 92–2).

Sixth. Convention on International Liability for Damage Caused by Space Objects (Ex. M, 92–2).

Persons interested in testifying on any of the above conventions should communicate with Mr. Arthur M. Kuhl, chief clerk of the Committee on Foreign Relations.

NOTICE OF HEARING ON THE AMERICAN REVOLUTION BICENTENNIAL COMMISSION

Mr. HRUSKA. Mr. President, at the direction of the Committee on the Judiciary, I desire to give public notice that the Standing Subcommittee on Federal Charters, Holidays, and Celebrations of the Committee on the Judiciary will commence overnight hearings on the American Revolution Bicentennial Commission beginning August 1, 1972, at 10 a.m. in room 2228, New Senate Office Building.

The American Revolution Bicentennial Commission was created by the act of July 4, 1966, to plan, encourage, develop, and coordinate the commemoration of the American Revolution Bicentennial in 1976.

Interested persons who desire to be heard should contact Thomas B. Collins, committee counsel, room 2226, New Senate Office Building, on or before July 26, 1972.

The subcommittee consists of Mr. McCLELLAN, of Arkansas, and myself, chairman.

NOTICE OF HEARINGS CONCERNING EXPORTS OF CATTLE HIDES

Mr. TALMADGE. Mr. President, I wish to announce that the Committee on Agriculture and Forestry will hold hearings Wednesday and Thursday, July 26 and 27, on the recently announced ban on exports of cattle hides. The hearings will begin at 9 a.m. each day in room 324, Old Senate Office Building. Anyone wishing to testify should contact the committee clerk as soon as possible.

ADDITIONAL STATEMENTS

ALL-AMERICA YOUTH BOWLING CHAMPIONSHIPS

Mr. PROXMIRE. Mr. President, each year our people become more aware of a serious need for wholesome relaxation and fun.

One outstanding program that achieves this goal is the All-America Youth Bowling Championships, held each summer in suburban Washington at Silver Hill Bowl, Silver Hill, Md. Over 150 graduating high school seniors representing 48 States and Canada are visiting Washington July 28–31 for 4 days of competitive bowling, sightseeing, and fellowship with other young men and women.

Entrants are competing for the championships in one of three bowling categories, and for 21 college scholarships each worth $1,000 that will be awarded on the basis of both scholastic and bowling achievement.

The 1972 All-America Youth Bowling Championships are sponsored by the National Bowling Council and conducted by the Bowling Proprietors' Association of America.

College scholarships worth a total value of nearly $170,000 have been awarded to happy winners representing thousands of young Americans who have participated in the AAYBC since it was inaugurated in 1960.

Today, approximately 18 million Americans 18 years old and under participate in the sport of bowling.

The National Bowling Council deserves special commendation not only for the sponsorship of AAYBC but also for its continuing effort over the years to provide a good, healthy recreational activity for young people.

ASSOCIATION OF THE UNITED STATES ARMY POSITION PAPER SUPPORTING SALT PROPOSALS

Mr. THURMOND. Mr. President, the Association of the United States Army published a position paper on July 7, 1972, in support of the SALT proposals for the ABM treaty and the interim agreement on offensive weapons.

The support of AUSA for SALT, however, was contingent upon these agreements being coupled with firm executive and congressional support for important strategic programs which will assure continued U.S. military power.

Because these matters will be coming before Congress, I ask unanimous consent that this position paper be printed in the RECORD.

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

AUSA SUPPORTS SALT PROPOSALS

AUSA supports the SALT proposals for the ABM treaty and the Interim Agreement on offensive weapons, provided they are coupled with firm executive and Congressional support for those programs which will insure the sufficiency of our remaining military forces. We must be certain, for example, that we continue programs which will place our country in a position to negotiate further acceptable limitations on offensive systems and also prevent the United States from being placed in a position of strategic inferiority in the years ahead. Finally, we must provide positive evidence to our allies of our intention to maintain our strategic deterrent power, which they consider essential to their security.

Our support for these proposals stems from the following reasons: The proposals represent a very important first step in bringing to a halt the senseless and spiraling strategic arms race. With each side fully capable of exterminating the other, adding further to these devastating arsenals makes no sense at all. So this first halting step towards "relieving mankind of the burden and terror of modern weapons" should be given every opportunity to prosper. A compelling point which encourages our support is the fact that these agreements are not entered into on a basis of trust, but rather on the basis of enlightened self-interest on both sides.

The Interim Agreement perpetuates nothing which did not already exist in fact, and could only have gotten worse without an agreement. It is apparently politically infeasible to obtain Congressional support for programs that would enable us to keep abreast of the Soviet Union in strategic arms development. The Soviets for some time have been allotting a far larger share of their gross national product to national defense than we have been willing to do. As a consequence, the Soviet Union not only has reached parity with us, but has surpassed us in several areas. Moreover, at the present rate, they would be far ahead of us in five years time. These proposals would arrest that momentum.

We are persuaded that adequate means of verification are available to us to make sure that the Soviets adhere to the agreements. If the Soviets do not live up to the agreements, we will have to be prepared to respond by materially upgrading our own efforts. We had reached a point where marginal additions of strategic power could not be decisive and potentially decisive additions could be extremely dangerous. As Dr. Kis-

singer so aptly put it, "The nuclear age is overshadowed by its peril."

We are assured by our leadership that we have a major advantage in nuclear weapons technology and in warhead accuracy. Also, with our MIRV's, (Multiple, Independently Targeted Reentry Vehicles) we have a two to one lead today in numbers of warheads, and it is estimated that this lead will be maintained during the period of the agreement, even if the Soviets develop and deploy MIRVs on their own.

Admiral Moorer, the Chairman of the Joint Chiefs of Staff, has testified that "If we press forward vigorously with our programs designed to protect against a degradation in national security posture, the Joint Chiefs of Staff believes that the deterrent capability of our strategic forces will not be impaired, that peace in the world may be enhanced, and that the undertaking will be in the best interests of the U.S."

The Interim Agreement applies only to numbers, which gives an advantage to the Soviets. It has no qualitative limitation—the area in which we have a superiority which should remain throughout the life of the agreement. Dr. Kissinger put it another way: "The current arms race compounds numbers by technology. The Soviet Union has proved that it can best compete in sheer numbers. This is the area limited by the agreement. Thus, the agreement confines the competition with the Soviets to the area of technology. And heretofore we have had a significant advantage." These factors make it all the more imperative that we go forward with programs that will enable us to improve our technology and maintain our replacement capability at least until an adequate follow-on agreement can be reached.

It seems to us that these initial proposals offer a great opportunity to begin to move from an arms competition to an arms limitation.

There have been no better alternatives in sight in the past quarter of a century.

The Agreement permits the Soviet Union more strategic launchers than the United States, but prevents them from having the strategically significant lead previously projected, based on their present momentum. We had no plans to construct additional strategic launchers in the five year time frame of the Agreement. We thus can limit the Soviet lead through negotiations rather than by adding to our force structure.

The greatest danger from accepting these proposals stems not from the details of the proposals themselves, but rather from their side effects. Perhaps the most worrisome is the basic inertia engendered by the euphoria which may result from a reduction in nuclear danger. We must never forget that this is only a small first step. If we fail to follow the legitimate dictates of our own security, the leadership of the U.S.S.R. will, in Admiral Moorer's words, "Chalk it up, not to goodwill, but to failure of will, not to our confidence, but to our weakness."

It must always be remembered that these proposals affect only a part of our strategic force, and have no effect on the non-nuclear arena in which all conflicts in the past quarter of a century have occurred.

The SALT agreements came about because we stayed strong and the Soviets respected our strength. We must insure that we can continue negotiations from comparative strength.

We were impressed by the assessment which was summed up by Dr. Kissinger in these words. "For the first time, two great powers—deeply divided by their divergent values, philosophies and social systems—have agreed to restrain the very armaments on which their national survival depends. . . .

"The final verdict must wait on events, but there is at least a reason to hope that these accords represent a major break in the pattern of suspicion, hostility and confrontation which has dominated U.S.-Soviet relations for a generation."

To gain such an end, the risks in these proposals are well worth taking.

SUMMARY OF PRINCIPAL IMPACTS OF THE STRATEGIC ARMS LIMITATION AGREEMENTS

A. ABM treaty

1. Neither side is permitted to deploy a nationwide ABM defense or a base for such a defense.

2. Each side is permitted to deploy a limited defense of two areas—the national capital and one area containing ICBMs. In each defense area, out to a 150 km radius, each side is permitted up to 100 ABM launchers and interceptors and a limited radar base for these interceptors.

3. Neither side is permitted to give ABM capability to non ABM systems, e.g., air defense systems.

4. Verification will be by national means. The parties have agreed not to interfere with these means.

5. The treaty will be of unlimited duration. Withdrawal is permitted for supreme interest.

B. Interim offensive agreement

1. Each side is permitted to keep any fixed land based ICBM launchers currently operational or under construction. No new fixed land based ICBM launchers may be built.

2. The Soviets may complete the 313 modern large ballistic missile launchers, e.g. for SS–9 class missiles, currently operational and under construction. No new ones may be built.

3. Neither side may convert to modern large ballistic missile launchers any other ICBM launchers.

4. Each side may keep any SLBM launchers operational or under construction. Also, newer SLBM launchers may be built as replacements for older SLBM launchers or for older heavy ICBM launchers.

5. Verification will be by national means. The parties have agreed not to interfere with these means.

6. The duration of the Agreement is five years. Withdrawal is permitted for supreme interest. The parties have agreed in the ABM Treaty to continue active negotiations for limitations on strategic offensive arms.

C. Offensive forces summary

	U.S.S.R.	United States
Modern large ballistic missile launchers, (e.g., for SS–9 class missiles)	313	0
Other ICBM launchers not replaceable with SLBM launchers (e.g., for Minuteman and SS–11 class missiles)	1,096	1,000
SLBM launchers and older ICBM launchers replaceable with SLBM launchers	950	710
Missile totals	2,359	1,710
Heavy bombers (1972) (not limited by the agreement)	140	457
Total delivery vehicles	2,499	2,167

PROPOSED SALE BY THE AEC OF THE LA CROSSE BOILING WATER REACTOR—LACBWR—TO THE DAIRYLAND POWER COOPERATIVE

Mr. PASTORE. Mr. President, by letter dated July 5, 1972, the AEC advised the Joint Committee on Atomic Energy of its intent to sell the La Crosse boiling water reactor—LACBWR—to the Dairyland Power Cooperative. The LACBWR is a 50-megawatt—net—electrical nuclear steam plant, located on the east bank of the Mississippi River, about 19 miles south of La Crosse, Wis. The LACBWR project was authorized under section 109(c) of Public Law 87–315—September 26, 1961. The reactor is Government-owned and is operated by Dairyland under a contract with AEC for a 10-year period which ends on November 1, 1979. The AEC has no unilateral right to terminate the contract.

Under its contract with AEC, Dairyland operates the AEC-owned nuclear plant on a cost reimbursable basis; purchases from AEC the steam produced by the reactor for use in the generation of electricity; and has the use of the reactor as an integral part of its electrical system for a period of 10 years.

Justification data for the arrangement which led to the existing contract was submitted to the Joint Committee as required by the authorizing legislation. Sale of the reactor prior to November 1, 1974, will require an amendment to the arrangement which was submitted to the Joint Committee. Before the AEC can sell the reactor, the proposal must lie before the committee for a period of 45 days while Congress is in session, unless the Joint Committee, by resolution in writing, waves the conditions of all or any portion of such 45-day period.

Mr. President, I ask unanimous consent to have printed in the RECORD correspondence forwarded to the Joint Committee on Atomic Energy by the Atomic Energy Commission concerning the proposed sale. Background documents referred to in this correspondence are on file in the office of the Joint Committee on Atomic Energy.

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

REVISED PROGRAM JUSTIFICATION DATA—LACBWR PROJECT—ARRANGEMENT 60–110–2

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 5, 1972.

Hon. JOHN O. PASTORE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR PASTORE: This is in furtherance of our January 21, 1972 letter that informed you of the proposed arrangements on which the Commission and Dairyland Power Cooperative had reached agreement in principle for the sale by AEC of the La Crosse Boiling Water Reactor (LACBWR) to Dairyland for private ownership and operation.

We have since negotiated a modification to the existing operating contract with Dairyland, copy enclosed, for the sale consistent with the principles set forth in the outline of the proposed arrangements that accompanied our January 21, 1972 letter.

Pursuant to applicable statutory requirements, this letter and enclosures are submitted as revised program justification data for the LACBWR Project (Arrangement 60–110–2), providing for the sale of the reactor plant and fuel to Dairyland in accordance with the enclosed proposed contract modification. The Commission and Dairyland expect to execute this modification shortly. Thereafter, it is planned that transfer of title to Dairyland will take place coincident with Dairyland obtaining a conversion of the existing 10 CFR Part 115 operating authorization to the necessary licenses for its private ownership and operation of the plant. We will advise the Committee when such transfer is made. Until title transfer, the reactor will continue to be operated by Dairyland for AEC under the existing contractual arrangement.

There is enclosed an estimate of the costs to AEC in connection with the LACBWR Project after giving effect to the sale arrangements. This $27,894,000 estimate is less than the currently authorized $28,204,000 for the project. As stated in this enclosure, this cost estimate does not include three contingencies for which AEC retains responsibility following the sale, in view of the unlikelihood of any of these contingencies materializing. The maximum potential liability of AEC under these contingencies is estimated at $4,000,000. This amount, added to the $27,894,000 stated in the enclosed cost estimate, aggregates less than the current authorization of $28,204,000 plus 15%. The enclosed contract modification recognizes that the Commission's obligation with respect to these contingencies is subject to the availability of appropriated funds. In view of the foregoing, the current authorization should remain unchanged, in order that it will be available against which to request appropriation of funds in the unlikely event they are needed for any of these three contingencies.

Should you desire any further information on this matter, please let us know.

Sincerely,

R. E. HOLLINGSWORTH,
General Manager.

LA CROSSE BOILING WATER REACTOR PROJECT—ARRANGEMENT 60-110-2

ESTIMATE OF PROJECT COSTS TO AEC, GIVING EFFECT TO PROPOSED SALE OF LACBWR TO DAIRYLAND POWER COOPERATIVE

	Thousand
AEC-owned reactor plant—design and construction generator plant—furnished by Dairyland at cost of approximately $8.7 million	$12,455
Fabrication of reactor fuel—Cores I and II	1,527
AEC-furnished special nuclear material for Cores I and II	6,209
Reactor plant operations [1]	7,436
Fuel use charges waived by AEC	2,358
Revenue from sale of steam to Dairyland for generator plant	(1,672)
Replacement power payments	2,331
Total estimated costs to AEC	30,644
Sale price of reactor plant and Cores I and II to Dairyland	(2,750)
Net estimated cost of project to AEC [1]	27,894

[1] Includes operating costs to 11/1/71 (the date as of which the sale is to be made effective for financial settlement purposes), plus provision for AEC responsibilities thereafter under the terms of the sale contract, except that the following contingencies have not been provided for in the above costs in view of the unlikelihood of their materializing:

(a) Should Dairyland determine to permanently close down the reactor plant prior to 11/1/74, AEC will pay Dairyland a lump sum of $1,000,000 toward decommissioning, etc.

(b) Should there be a reactor plant failure (exclusive of a failure confined to the fuel) prior to 11/1/74 which the parties agree is estimated to cost Dairyland more than $1,000,000 to repair, AEC will pay 80% of Dairyland's net cost for replacement power until the reactor plant is returned to operation by Dairyland or until Dairyland restores its generator plant to operation with steam from another source, whichever is earlier, but in no event for more than three years. (The amount payable by AEC will be 80% of any excess of the cost to Dairyland of the replacement power, over what it would have cost Dairyland to produce that power in the nuclear plant. Thus, should the contingency materialize, AEC's liability may be nil, but the maximum liability estimated is $2.5 million.)

(c) In the event the parties determine prior to 11/1/79, based on data then available, that any or all of the carbon steel forced circulation piping (installed as a developmental aspect of the plant) must be replaced by 11/1/82 for safety reasons, AEC will compensate Dairyland for such replacement. (The amount payable by AEC in the event this contingency arises will depend upon the extent of piping that must be replaced, but is estimated to involve not more than $500,000.)

In the event any of the foregoing contingencies materialize, the Commission will advise JCAE, and seek the appropriation of any additional funds necessary therefor.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., January 21, 1972.

Hon. JOHN O. PASTORE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR PASTORE: You will recall that during the FY 1972 Authorization Hearings we advised the Committee of our intent to pursue with Dairyland Power Cooperative (DPC) the possibility of their taking over the La Crosse Boiling Water Reactor (LACBWR) for private ownership and operation.

Under the Commission's existing contract with DPC the earliest date on which the reactor could be offered to DPC for purchase is November 1, 1974. Consequently, the discussions between AEC and DPC have been on the basis that transfer of the reactor plant at this time, which is outside the contemplation of the contract, would have to be by mutual agreement on arrangements which each party considers more advantageous than continuation of the existing contract for operation of the reactor.

Following initial discussions, DPC submitted the proposal contained in its enclosed letter of August 16, 1971. In essence, this proposal amounts to DPC paying a purchase price of $1, with AEC continuing to bear the risks and be responsible for substantially the same obligations that it now has under the operating contract, except for the reimbursement of DPC's normal operating expenses.

Further discussions resulted in the parties reaching agreement in principle on revised arrangements as set forth in the enclosed "Outline of Proposed Purchase Arrangements." Briefly, these revised arrangements, acceptable to both parties as the basis for negotiation of a definitive agreement, are:

DPC to pay $2.75 million for the reactor plant and the two fuel cores now at the site. DPC to own the fuel material in the two cores, reprocessing of which is to be DPC's responsibility and expense.

From above $2.75 million, AEC to allow DPC a lump sum of $650,000 to make repairs and modifications that have been agreed upon as necessary.

AEC is relieved of all obligations with respect to the reactor plant and its operation, except for certain additional plant modifications not now considered necessary, should they become necessary, and for certain contingencies (as specified under 2 and 3, respectively, of the "Outline").

From a financial standpoint, the advantages to AEC and the potential benefits and risks to DPC from the proposed arrangements are reflected in some detail in our enclosed analysis, "Effect of Proposed Sale of LACBWR to DPC." From the Commission's programatic standpoint, the continuation of LACBWR is not necessary since the project is outside the mainstream of our currently most pressing reactor development efforts. It is our conclusion that the proposed sale arrangements offer advantages to both parties over continuing under the existing operating contract, in that:

AEC will save dollars in any event and, should the plant encounter unforeseen technical difficulties, AEC will be relieved of obligations under the existing contract which outweigh the limited contingencies that AEC will continue to be responsible for under the proposed sale arrangements.

The arrangements offer the opportunity to DPC to realize economic benefits from purchasing the reactor for private operation. These potential benefits to DPC (if the plant runs well after purchase) and risks (if it doesn't) are fairly balanced. Sufficiently so that AEC is not giving DPC a windfall on the one hand or, on the other, leaving it with risks that are unreasonable or beyond its ability to sustain.

We plan to proceed to negotiate with DPC a definitive agreement for its purchase of LACBWR on the basis of the aforementioned arrangements which have been accepted by the parties in principle. Should there be any significant departures from these arrangements during the negotiations, we will inform you. We also plan to submit revised project justification data, reflecting the definitive agreement negotiated for transfer of LACBWR to DPC, as soon as the negotiations are completed.

Should you desire any further information on this matter, we will be pleased to provide it.

Sincerely,

———— ————,
General Manager.

JOINT COMMITTEE ON ATOMIC ENERGY STAFF ANALYSIS OF PROPOSED SALE BY AEC OF THE LA CROSSE BOILING WATER REACTOR—LACBWR—TO THE DAIRYLAND POWER COOPERATIVE

The Commission, by letter dated July 5, 1972, to Chairman Pastore, has advised the Joint Committee of its intent to sell the La Crosse Boiling Water Reactor (LACBWR) to Dairyland Power Cooperative.

LACBWR is a 50-megawatt (net) electrical nuclear steam plant, located on the east bank of the Mississippi River, about 19 miles south of La Crosse, Wisconsin. The LACBWR project was authorized under Section 109(c) of Public Law 87-315 (September 26, 1961). The reactor is Government-owned and is operated by Dairyland under a contract with AEC for a ten-year period which ends on November 1, 1979. The AEC has no unilateral right to terminate the contract.

Under its contract with AEC, Dairyland operates the AEC-owned nuclear plant on a cost reimbursable basis; purchases from AEC the steam produced by the reactor for use in the generation of electricity; and has the use of the reactor as an integral part of its electrical system for a period of ten years.

Under the existing contract, November 1, 1974, is the earliest date on which the reactor could be sold to Dairyland. The contract requires the Commission to offer to sell the reactor to Dairyland upon expiration of the operating term of ten years (November 1, 1979), but the Commission may offer to sell the reactor at any time during the second five years of operation (that is after November 1, 1973). Under the contract, Dairyland has an obligation to buy the reactor if it is determined to be an economic and reliable power producer. Justification data for the arrangement which led to the existing contract was submitted to the Joint Committee as required by the authorizing legislation. Sale of the reactor prior to November 1, 1974, will require an amendment to the arrangement which was submitted to the Joint Committee. Before the Commission can sell the reactor, the proposal must lie before the Committee for a period of 45 days while Congress is in session, unless the Joint Committee, by resolution in writing, waives the conditions of all or any portion of such 45-day period.

The Commission's reason for the proposed sale of the reactor prior to November 1, 1974, is premised on the fact that continued operation of the reactor is of no technical

value to AEC and termination of AEC's contractual responsibilities would benefit AEC economically (at least approximately $5.6 million). Dairyland would pay AEC $2,750,000 for the reactor and for two fuel cores now at the site. Sale of the reactor this year would reduce the Commission's term for paying costs for operation of the reactor from a certain three additional years (November 1, 1974) and a probable eight additional years (November 1, 1979).

The Commission would undertake no obligations under the proposed sales arrangement which it does not already have under the existing contract. As summarized below, the sales arrangement will actually result in a sizeable reduction in the costs which AEC must obligate for reactor operation and significantly limit the contingency-type AEC risks under the existing contract.

(a) AEC currently pays the operating costs for the reactor. Operating costs through November 1, 1971, the agreed-upon date for purposes of financial settlement, are estimated to be $7.4 million. In the absence of a sale, the AEC could continue to have the responsibility to pay operating costs to November 1, 1979, which would involve an estimated ten million additional dollars.

(b) The Commission currently has an obligation to provide replacement power if LACBWR is shut down for nuclear causes. The AEC has already paid Dairyland $2.3 million for this purpose. Under the proposed sale, the AEC liability for replacement power would be limited to a maximum of 36 months and then only if a shutdown for nuclear causes occur prior to November 1, 1974, and the cost of repair to Dairyland is in excess of $1 million.

(c) Under the existing contract, AEC has a continuing obligation for ten years to keep the reactor in an operable condition. Under the proposed sale, AEC has allowed $650,000 to provide for all expected modification necessary to permit Dairyland to obtain the required AEC provisional operating license. (The $650,000 would be offset from Dairyland's $2,750,000 purchase price.)

(d) AEC currently has the responsibility to replace the third feed water heater if necessary at any time during the ten-year operating term. Under the proposed sale, this obligation is limited to November 1, 1974.

(e) AEC, under the existing contract, has the responsibility to provide for the decommissioning of the facility in the event the plant is not determined to be an economic and reliable power producer at the end of the ten-year term. Under the proposed sale, the AEC obligation for decommissioning is limited to $1 million and to that extent only if permanent shutdown for valid technical reasons occurs prior to November 1, 1974.

With the exception of the three contingencies (summarized below), all of the funding necessary for the Commission to satisfy its obligations under the proposed sales contract is included in the $7.4 million which is currently obligated for the operating cost of the facility up to November 1, 1971. The three contingencies not funded and which would require additional appropriations if the events covered by the contingencies occur are as follows:

$1 million to cover decommissioning; approximately $500,000 to cover replacement of carbon steel piping; and approximately $2.5 million to provide for replacement power.

The maximum estimated amount of additional funds which might be needed to cover these contingencies is estimated to be $4 million. In the technical judgment of the AEC staff, the decommissioning and replacement power contingencies are remote.

In view of the foregoing, it would appear that the proposed sale of the plant is in the best interest of the Government in that: (1) AEC has already obtained all of the information it needs from the operation of the plant; (2) AEC's expenses for the operation of the plant beyond November 1, 1971, will be eliminated; (3) AEC's risks beyond November 1, 1971, are reasonable, for the most part remote, and in any event, less than under the existing contract; and (4) manpower resources which are applied to the LACBWR program would be available to programs of greater scope and urgency.

The economic value of the plant to Dairyland depends on how well the plant operates and for how long. If the plant is operational over a life of 20 years, for example, Dairyland will have purchased for $2.1 million an asset whose economic value is about $7.1 million ($4.5 million for the reactor and $2.6 million for fuel). But Dairyland, by purchasing the reactor as of November 1, 1971, is giving up the rights it has under the existing contract for an additional three or possibly eight years in which to demonstrate the plant's reliability and economics. If risks do materialize, the economic value of the reactor could be reduced practically to zero and Dairyland could lose the use of its turbine-generator set in which it has an investment of about $7 million until an alternate steam source is acquired.

CAPTIVE NATIONS WEEK—1972

Mr. JAVITS. Mr. President, the yearly observance of Captive Nations Week expresses our sense of solidarity and support of the desire for freedom and independence of the peoples of the captive nations of East Europe. Captive Nations Week, established by Public Law 86–90, of which I was a cosponsor, emphasizes that the people of the United States, through their representatives in Congress, do not and cannot forget the plight of those East European peoples whose fundamental human rights and aspirations for national independence are still denied them today.

U.S. ties with the peoples of Eastern Europe particularly are bonds of sympathy and understanding; they are ties of family, culture, and religion for millions of our citizens who trace their origins to those lands. They are also ties of history and tradition as the names of such American heroes as Kossuth, Pulaski, and Kosciuszko bear out. And these nations themselves have derived inspiration and assistance from the United States in their own historic quests for national independence.

Recent far-reaching diplomatic achievements such as the SALT agreements, the Four Power Berlin Treaty, and Chancellor Brandt's "Ostpolitik," and the forthcoming European Security Conference and the parallel MBFR negotiations all seek a normalization of relations between East and West in Europe. But normalization must not be allowed to mean acquiescence in the perpetual denial of human freedom in one-half of an artificially divided Europe. In our own search for stability in our relationship with the U.S.S.R., we must not sacrifice our own dedication to the principles of freedom and human dignity.

The harsh reality of repression and the continuing struggle for independence and freedom of expression throughout Eastern Europe reaffirms our resolve to use all our resources of diplomacy, morality, and world public opinion so that freedom is ultimately realized again by the peoples of the captive nations. We must not fail these captive nations by muting our expressions of concern and solidarity as elements of an overall "bargain of convenience" with the Soviet Union. To do so would be a betrayal of ourselves and the freedom for which men and women have fought and sacrified for centuries and which is the base of our own freedom.

ANOTHER CONTRIBUTION TO THE ADMINISTRATION'S CREDIBILITY GAP

Mr. HUGHES. Mr. President, the diligent avoidance of candor has become a habit as well as a fine art with the present administration.

In order to get crowd figures for Transpo, the Department of Transportation, according to a recent Washington Post report, contracted with a Washington firm. The head of the firm told the Post that—

> The attendance estimates hadn't been based on a full count of persons entering the gates, but instead had been based on estimates of the number of cars arriving (and average number of persons per car), the weight of tickets taken in, and the speed at which traffic was moving on entrance ramps; as well as compilations of such items as the number of lost children, which usually constitute a more or less fixed percentage of the total crowd at large events like Transpo.

With due deference to the ingenious circuitousness of this approach, one wonders why, if an accurate crowd count is desired, they did not count the people. Another fleeting thought is this: Is there a "fixed percentage" of "lost children" in all of our Government's public information policies?

ACT OF COMPASSION AND CONCERN BY CITIZEN OF EASLEY, S.C.

Mr. THURMOND. Mr. President, the Greenville, S.C., News of June 28, 1972, contains an article concerning an act of great compassion and human concern by a citizen of Easley, S.C. The article outlines the events of June 24, 1972, when Charles Bowens, a 52-year-old carrier, saw flames coming from the second floor of an apartment building in Easley during the predawn hours.

Mr. Bowens' alert reaction to that danger and persistent attempts to awaken the tenants of that apartment building undoubtedly saved a number of lives.

Mr. President, I ask unanimous consent that the article entitled "Newspaper Carrier Sees Early Flames In Easley," be printed in the RECORD.

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

[From the Greenville (S.C.) News, June 28, 1972]

NEWSPAPER CARRIER SEES EARLY FLAMES IN EASLEY

(By Walt Belcher)

EASLEY.—A newspaper carrier sees a different world from most in the early hours of his deliveries. He sees deserted streets, sometimes an occasional rabbit that has managed to survive surburbia, and very often he sees a sunrise.

But Greenville News carrier Charles Bowens saw something last Saturday morning

that might have saved the lives of 48 people.

Bowens, 52, a hard-working carrier who covers the Easley area, was delivering papers on West B Avenue about 4:30 a.m. when he saw flames coming from the second story of the Nalley Apartments.

"I was delivering from my car," he said. "I saw the blaze when I was a block away from the apartment and I drove down honking my car horn," Bowens said. "I didn't see any lights in the apartment, so I started hollering."

Bowens said it seemed like he woke up the whole neighborhood, but no one in the apartment building responded.

"I went inside to the first downstairs apartment," he said, "and I beat on the door but no one answered." He said he went across the street and called the Easley Fire Department. Bowens said he then went back into the house.

"I was concerned about two invalid women who were in wheelchairs. I knew most of the people living there and I wanted to get them out because the flames were getting bigger."

Tommy Walker, 21, awoke about the same time Bowens saw the blaze. He tried to get his mother, Mrs. Lessie Walker, into her wheelchair and out of their second floor apartment. He saw that the chair would not go down the steps, so he picked his mother up and carried her out.

Bowens went upstairs through the flames and smoke and helped others to get out, including another invalid, Mrs. Jessie Mae Gambrell. Bowens said he was not afraid and flames didn't bother him because he doesn't get upset too easily.

Bowens, who once lived in the Nalley Apartments, said he knew the old building would burn easily if it ever caught on fire.

Easley Fire Chief Jimmy Cobb said Bowens' quick action might have prevented the fire from becoming an even worse disaster. The 20-year-old, two-story brick apartment house was almost totally destroyed by the blaze.

Easley firemen answered the call about 4:35 Saturday morning. By that time the entire second story had burned. Much of the burning ruin had fallen to the first floor.

In all, twelve black families, representing 48 men, women and children, were left homeless. Their clothing and furniture was either burned or damaged by water used to fight the blaze. No one was injured.

The cause of the fire had not been determined Tuesday, but Chief Cobb said he did not suspect foul play. Some of the former tenants of the building said they thought the fire started in room two, which they said was vacant.

The fire was not the worst in the city's history as far as cost of damage goes, Cobb said, but it has displaced more people and affected more lives than any other fire in recent history.

Bowens, who also works for J. P. Stevens Co. in Greenville and part-time at Berea High School, has been a Greenville News Carrier just over two years. He lives about six blocks from where the fire occured.

NEWSPAPER GUILD SHOWS ITS COLORS

Mr. GOLDWATER. Mr. President, during the past year we have heard an actual flood of words about freedom of the press and the public's right to know. The argument was used over and over again to defend the stealing of the Pentagon papers and their subsequent publication by newspapers which knew they were printing classified Government information.

Now, Mr. President, a question arises involving the press which I believe the public has a right to know lots more about.

I am speaking, Mr. President, of the apparent endorsement of Democratic presidential nominee GEORGE MCGOVERN by the American Newspaper Guild. This is one of the most interesting and least written about stories that has come out of the Democratic Party's Convention and its aftermath. The question arises as to just what has the guild done in this respect. All that I know about it was the story which appeared in the Washington Evening Star and Daily News of Friday, July 14. It carried a Miami Beach dateline and was written by an anonymous "Star staff writer."

This story reported that Charles A. Perlik, Jr., president of the Newspaper Guild, walked into the McGovern press room the day before in the Doral Hotel and announced "the endorsement of our union for GEORGE MCGOVERN as President of the United States and I appeal to you to support that candidacy as well."

According to the Star story, the room immediately exploded with political reporters declaiming the action and demanding to know upon whose authority Perlik was acting. He said he was acting on a recent unanimous vote of the Newspaper Guild's 14-member executive board. He also told the reporters that it was time for journalists to stop being "political eunuchs," according to the story.

Mr. President, I certainly have no wish to make a lot of enemies among the 33,000 reporters, photographers, and others who make up the guild. However, if the Newspaper Guild is going to take a political position for the first time in its history, it is time that the American people who are dependent upon guild members for their news are told all about it.

It is not enough, Mr. President, to say that this was a group "Freudian slip" in order to explain it away as merely the misguided action of an executive board.

In all fairness, Mr. President, the Star story said that within a few hours a petition was circulating at the convention headquarters expressing the "strongest possible disapproval" of the union action and promising further action to counter it. The petition noted that a reporter's political preference was a private and personal matter and that the press "is suspect enough" without the "outrageous arbitrary action" of its union officials.

Mr. President, it certainly is no secret that I am one who has raised not only suspicions but deliberate charges against some sections of the communications media for what I believe to be a built-in bias in favor of radical Democrats like Senator GEORGE MCGOVERN, even as some members of the press are becoming self-conscious and critical of the image their associates are creating. The latest attack on Washington correspondents comes from none other than Robert Novak, of the columning team of Evans and Novak, and for years a reporter for the Wall Street Journal.

Novak let his hair down in a copyrighted paper he prepared for a symposium at Kenyon College which is later to be incorporated into a book called "Mass Media and Modern Democrats."

Of the Washington correspondents, Novak said this:

More and more, the members of the Washington press share a lot of the world views taken by the dominant liberals who control the Democratic Party.

Novak said he sees "increasingly, a rigid conformity among the Washington Press Corps" and "a startling consensus on the basic perceptions."

Interestingly enough, the Washington Post on Sunday carried nearly a page and a half in its editorial section on the press and its critics without ever mentioning the resolution reportedly adopted by the American Newspaper Guild.

Mr. President, the action of the Newspaper Guild, whether it runs into a protest petition or not, does not surprise me one bit. Many times I have referred to the liberal leaning of some sections of the American Press Corps and offered the opinion that it had its roots in actions taken long ago in the 1930's when the Newspaper Guild was first organized.

In my recent book, "The Conscience of a Majority," I developed this theme, and because I believe it has a more direct application today than ever before I am going to repeat one segment of my chapter on the communications media. Here is what it says:

Aiding and abetting what I like to refer to as almost the development of a journalistic frame of mind in this nation was the growing power and propaganda efforts of organized labor. The union bosses wielded enormous influence over the public information media just through the emotional presentation of their cause (i.e., to help the downtrodden, underpaid working man). But where the unions are concerned, the effort didn't stop at the art of persuasion. It became more direct through the thing that unions were doing best in the early 1930's—organizing.

It was in this period that the American Newspaper Guild gained its great power in the ranks of the nation's reporters. In those days, becoming a member of the newspaper guild almost automatically aligned a reporter with the overall objective of organized labor. It put him on the side of labor against the side of management, yet his job newswise often forced him to cover strikes and charged him with the responsibility to report accurately on the activities of both union and management officials. This, of course, was during the popular reign of a noted newspaper leftist and columnist named Heywood Broun. Mr. Broun, as President of the Guild and as a newspaper columnist, very often called the tune for a biased and slanted orchestration on the part of liberal members of the Fourth Estate. When he died, other "bell cow" columnists took over the unofficial but highly effective work of leading the pack.

I doubt if there was any official understanding, but over the years it could be observed that a thesis or argument which had its beginning in a column by some outstanding liberal writer such as Walter Lippmann or Marquis Childs was soon backed up and repeated in various forms by other writers and commentators. It almost seemed as though the pro-liberal members of the Fourth Estate read certain papers and certain writers each day to get the "morning line" to be followed.

Other facets of union pressure on a presentation of news were to be found in other kinds of union organization. For example, the

truck drivers who distributed newspapers were unionized. The printers, without whom no newspaper can publish, were unionized. And in these days it was popular and accepted for some unions, including the Guild, to take public stands on national issues having nothing to do with their particular problems of employment, wages and working conditions. These actions, of course, placed the Guild on one side or the other of bitterly fought issues which all newsmen should have been free to report on objectively and without any affiliation strains at all. Another complicating factor which tended to influence this generation of newsmen was the Guild's affiliation with the CIO. The Congress of Industrial Organizations, at that juncture in our history, was bitterly partisan on behalf of the Democratic Party and liberal objectives all the way down the line. Not a few Guild units in the 1930's were infiltrated by United States Communists, some of whom were ousted in bitterly fought union meetings.

What I am endeavoring to show here is the fact that the pro-liberal bias which is thoroughly evident throughout the public media today had its beginning almost three decades ago and was fed by not only the conditions of the times but also by an atmosphere of great change in government concepts.

This is the way I put the problem in my book. Today I merely would like to call attention to its prophetic nature with regard to events transpiring today.

OIL SHALE AS A NEW SOURCE OF ENERGY

Mr. MOSS. Mr. President, each day we become painfully aware of the impending energy crisis facing this Nation. The blackout of New York on July 17 is only a sample of the grave problems which must be overcome if we are to maintain our present quality of life. Our standard of living is directly proportional to our ability to supply our need for energy. I cannot overemphasize the important role that energy and energy sources play in sustaining our world position politically and economically. They are the foundation of our life style.

In the past, little attention was paid to the fact that our energy sources might some day be depleted, nor was it possible to foresee the tremendous burst of energy demand which we are presently experiencing. But today it is clear that our ability to supply energy is failing to keep pace with national demand.

This means of course, that we must be seeking new energy sources to fill the void which will inevitably result as present resources and techniques for obtaining them fail.

A source of petroleum that as yet has not been greatly exploited exists in vast deposits of oil shale in the Uintah Basin of Utah, the Piceance Creek Basin of Colorado, and the Washakie and Green River Basins of Wyoming. Oil shale reserves in these areas are estimated at about 1,430 billion barrels, whereas U.S. crude oil reserves presently stand between 128.6 and 270 billion barrels.

Before initiating large scale operations for the recovery of energy sources, proper steps must be taken to insure that energy resource requirements will not be filled at the expense of other valuable resources such as clean water and air, and natural aesthetic values.

Last May, the Intermountain Universities' Conference on Policy Formulation in the Development of Energy Resources was held at the Salt Palace in Salt Lake City. An excellent presentation dealing with various aspects of the potentiality of oil shale was given by Mr. Howard R. Ritzma of the Utah Geological Survey. I ask unanimous consent that it be printed in the RECORD.

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

EXTENT AND ENVIRONMENTAL ASPECTS OF OIL SHALE DEPOSITS

Deposits of oil shale are known in 5 of 6 of Earth's continents; a 1962 publication lists 23 countries in which such deposits occur. These vary widely in size, physical situation, access and in what is known of them and what, if any, development has taken place. In geologic age they range from Cambrian to Pliocene.

It is beyond the limitations of this paper to review the varied geology of these deposits and the complex chemistry of the rocks contained within them. It is sufficient to say here that the material contained in these so-called oil shales is not petroleum—it is kerogen—and the rock is not always shale. The famed Eocene Green River Formation shales of the U.S. are better described as kerogenaceous dolomites.

Medicinal oil has been extracted from Austrian oil shale since 1350. Oil shale was used as the source of oil in Australia, Brazil, Canada, France, New Zealand and Scotland before 1900; but these small enterprises, several dating to before the 1950's, were mostly inundated by the flood of crude petroleum from wells produced elsewhere. However, sizable amounts of shale oil have continued to be produced in China, U.S.S.R. and Sweden, even to the present.

Of the World's deposits, the Eocene Green River Formation oil shales of northwest Colorado, northeast Utah and southwest Wyoming contain by far the largest known concentration of oil. The only close rival to the United States in potential is Brazil where the Permian Irati shales are known to contain oil in the order of one trillion barrels.

I will concentrate today on the oil shales of Colorado, Utah and Wyoming. These shales (or kerogenaceous dolomites) were deposited in two fresh water lakes, Lake Uinta to the south of the Uinta Mountain Uplift in what is now Utah and northwest Colorado, and Lake Gosiute in present southwest Wyoming. The configuration and peculiarities of these two lakes and subsequent structural movements have determined the present outcrop pattern of the oil shale and the distribution of the resource among the three states.

Perhaps the best known appraisal of this resource is that of Donnell in Colorado School of Mines Quarterly, volume 59, number 3, First Symposium on Oil Shale. The following is quoted from this reference based on estimates by Donnell for Colorado, Cashion for Utah and Culbertson for Wyoming:

"In the three-state area it is estimated that beds that will yield more than 10 gallons of oil per ton and average 13 gallons per ton contain more than two trillion barrels of oil and of this two trillion barrels more than three-quarters of a trillion barrels are contained in beds that will yield an average of 25 gallons of oil per ton. Of the estimated resources of 25-gallons-per-ton shale, 80 percent are in the Piceance Creek Basin, 15 percent in the Uinta Basin of Utah, and 5 percent in the Green River Basin in Wyoming."

Ten years or so later, this estimate still stands quite well. Some increases are in order in Wyoming and Utah. These are important locally, but when compared with the overwhelming total already known and readily available in Colorado, the overall picture is still much the same. The Piceance Creek Basin of northwest Colorado is without challenge the paramount oil shale deposit of the U.S. and the World.

Exploration for U.S. oil shale was mostly accomplished before 1950. The outline of the Colorado, Utah and Wyoming deposits and locations of the choice areas for development have been public knowledge for more than half a century. Recent exploration has been mainly more coreholes and assays to perfect knowledge of specific areas. The problems of oil shale during this time have been mostly those of technology, economics and politics, and more recently environmental. These environmental problems will be discussed later.

Production of synthetic liquid and gaseous fuels and petrochemicals from oil shale has been within the technologic grasp of man for 25 years or more. In most cases the methods employed are imitations, adaptations or improvements of methods borrowed from the 19th century or from abroad. Oil shale technology has progressed from experiment through all stages to small scale plants on the outcrop. The main problem and effort has been designing up to the scale needed for commercial operation. One has only to skim the mountainous published literature on every conceivable facet of oil shale development technology to conclude that this is a subject that has been researched and tested with exceeding thoroughness. How much more unpublished work reposes in private files is anybody's guess.

The technology which is ready and applicable to commercial oil shale production is predicated on surface and underground mining of shale, above ground retorting of crushed shale and upgrading and refining of crude shale oil to synthetic liquid and gaseous fuels and chemicals. *In situ* methods of producing oil from shale, eliminating mining, crushing, retorting and spent shale disposal have not progressed to a stage where any is considered close to commercial application. A dramatic break-through in *in situ* technology would be welcome indeed, but prospects are not encouraging for this at present.

I will skirt quickly around the tangled thicket of political and economic problems that have beset oil shale. To these have been more recently added the overwhelming issues of environmental protection. Somehow, all of these seemingly insurmountable problems have become subordinate to a much bigger problem, the energy crisis, that is bearing down on us with frightening speed. Suddenly, the right moment for oil shale development, postponed for decades on end, has become now.

Oil shale development is intimately related to land and lease ownership and it has become obvious that inception of an oil shale industry has waited on announcement of a leasing policy on Federal lands. Announcement of this policy in 1971 and orderly implementation of the program has set in motion events that will undoubtedly lead to significant production of oil from shale in this decade.

Examination of ownership and control of the land on which oil shale resources are located demonstrates why this has happened. Colorado, of course, dominates the situation with 80% of the resource. With Colorado about 75% of this resource is on Federal land (including the Naval Oil Shale Reserve) and 25% on privately owned lands. By a quirk of history Colorado has no State-owned lands in the Piceance Creek Basin.

In Utah, the Federal government controls about two-thirds, 67% of the rich thick oil shale, the State of Utah about 17%, the Ute Indians about 6% and rest—10%—is in private hands. The percentages in Wyoming are shown on the chart; but the categories make up so small a part of the whole, the overall effect is minimal.

The all important facts are these: (1) the Federal government controls 73.3% of this resource in the three States and 75% of it in Colorado, and (2) until 1971 there was no stated policy as to when or how this resource was to be used in the national interest. It has been said over the past quarter century or so—and with some justification—that private enterprise had enough oil shale under control to start an oil shale industry any time it chose to do so. But, as long as the Federal Government held all the aces, jokers and wild cards—and the rule book—private enterprise hardly felt worthwhile to sit in on the game.

After a number of hesitations, false starts and the preparation of appropriate environmental statements, the Department of the Interior announced on June 29, 1971 plans for a proposed program to permit development of a small part of the oil shale resource on public lands in Colorado, Utah, and Wyoming. This program has moved in orderly fashion through the first three stages: (1) application for permits to drill informational core holes, (2) evaluation of data and, (3) nominations of six 5120 acre tracts—two in each of the three States—to be offered for lease by sealed, competitive bonus bids. Informational core drilling was completed in late 1971. Few coreholes were drilled, and it was apparent that enough data were already in hand. Tract nominations were invited in early November 1971. On February 5, 1972 the Interior Department announced that 15 companies submitted 23 nominations of tracts, 17 in the Piceance Creek Basin of northwest Colorado, five in Utah and one in Wyoming.

The program has moved along briskly. The Department of the Interior selected the most suitable tracts in mid-April 1972. Public hearings and field examinations are under way this month in the regions affected during a 60-day public review period. It is expected that enough information will be developed by the hearings to enable the Secretary of the Interior to determine whether or not to conduct a lease sale. Final lease terms—probably much the same as tentative terms already published—environmental requirements, and a leasing schedule would then be published. Competitive bid leasing is scheduled to begin in December 1972.

The proposed leasing program has been designed to meet the requirements of the Mining and Minerals Policy Act of 1970 and the recommendations of the Public Land Law Review Commission. By 1975, it is hoped that small-scale production should nearly be under way in western Colorado and Utah and possibly in Wyoming as well. About 50,000 barrels per day is projected in 1976 increasing to near 1,000,000 barrels per day in 1985. Those who think these large impressive figures are the solution to our energy crisis, should consider that this is only 4½% of the estimated U.S. consumption of oil and natural gas liquids in that year, only 13 short years from now.

I should also mention that the National Petroleum Council estimates that shale oil production will be only 100,000 barrels per day in 1985, 10% of the Interior estimate. Take your pick of gloomy estimates.

Looking ahead to that million barrel per day mark in 1985, a report issued by Secretary of the Interior Morton in January of this year states: "More importantly, a basis would be laid for greater shale oil production near the end of the century when it will be urgently needed."

This, of course, is only the Federal program. Private enterprise will operate as lessee on public lands and is also moving to develop plants on its own acreage. Two or possibly three such operations are planned in Colorado and possibly one in Utah. In the latter instance development of private and Federal lands may be closely meshed using the same processing facilities.

In Utah, development on State lands has been held up by prolonged litigation over the substances covered by State leases. A Utah Supreme Court decision which hinged on the differences between kerogen and petroleum has defined oil shale as a substance separately leasable from oil and gas and oil-impregnated sandstone. Another situation clouds the oil shale picture in Utah. The State has an unfilled entitlement to 235,000 acres of Federal land to replace State lands swallowed up in national parks and monuments, bombing ranges, wildlife refuges, etc. About 150,000 acres has been selected in the choicest oil shale area. Approval of the selection has been held up for two years but action appears to be near. Some kind of unitization or pooling of interests may result.

Until this situation is settled in some equitable fashion the basic ownership of much of Utah's oil shale resource is uncertain.

The best guesses and estimates of the oil shale situation are these:

1. We will need oil shale as part of the nation's energy mix sooner than we think.

2. By dint of forceful and prodigious effort, oil from shale will begin to be produced between 1975 and 1980.

3. This necessary effort will be fought at every turn and by every tactic by preservationist and environmental groups. If these groups prevail, the delay could contribute to a self-imposed energy crisis of unbelievable gravity.

4. Production of shale oil will begin in Colorado, probably on Federal lands, closely followed by development on private or a mixture of private and Federal lands. Development in Utah will follow close behind, probably on a mixture of Federal and private lands. Development in Wyoming will lag far behind the other two states.

5. Development will be by underground and surface mining methods. Experimental work will continue *in situ* methods of extraction.

6. As development proceeds, great improvement over existing methods of mining and processing will evolve. Much of this improvement will be in means of handling tremendous volumes of material.

7. The integrity of the environment will be respected and preserved. Some areas will be lost to other uses for tens of years—perhaps a half century or more—but will be gradually restored to near their original state, or, where possible, to some enhanced status.

So much for prediction. What environmental problems do we face in production of shale oil from mined shale?

Let us consider these in order as we see them on this flow diagram.

STRIPPING OR OPEN CUT MINING

Maintaining stability of the pit or open cut (safety problem in operation)
Prevention of erosion by wind or water
Restoration of surface

UNDERGROUND MINING

Surface subsidence
Leaching and interference with ground water circulation
Dust (safety problem in operation)

CRUSHING OF MINED SHALE

Dust and noise
Storage of crushed shale
Storage or disposal of fines
By-product separation (principally salines and pyrite

RESTORING

Release of gases and particulates—air pollution
Release of waters, vapors or odors
Thermal pollution (cooling liquids and heat to air)
By-product disposal or storage

SPENT SHALES DISPOSAL

Storage subsequent to disposal
Mine or open cut disposal
Problems related to varying properties of spent shale (variations in raw material and processes)
Similar to those of existing oil refining complexes.

The problems listed above do not defy solution and most are already well along to solution using existing knowledge and technology. The principal problem is design and construction of equipment up to the scale needed for the immense operations needed to exploit this resource.

Part of the uncertainty of this operation is cost. It is hard to say today just what dollar per barrel figure is the break-even point for profitable oil shale development. If oil shale has to bear heavy costs for unrealistic, absolutely fail-safe environmental protection costs, it may never be a profitable venture. This is a particularly disturbing possibility if the rules are continually made more restrictive through the early years of development. Precedent for this sort of harassment has already been set by capricious and confiscatory administrative and legal decisions relating to offshore oil operations in California and to construction of the Alaska pipeline.

Water is a vexing problem—source, use and disposal. The entire oil shale region is within the basin of the Green and Colorado rivers, a system with a limited supply of water and burdened already with problems of silt-laden and saline water. Downstream lies lake Powell and the cork in the bottle, Glen Canyon Dam. Oil shale plants will have to be closely contained to prevent increases in levels of salinity or solid matter in the Colorado River system.

Another difficult problem of oil shale development is restoration of mined land, particularly re-vegetating an arid land that was scantily vegetated to begin with.

The most pressing need we have is for basic data on the land—soils, vegetation, fraction, fracture and joint patterns in the rocks, circulation of surface and subsurface waters and detailed meteorological data. With this sort of information in hand, problems can be tackled intelligently in advance and with flexibility as new situations arise. It is encouraging to note that a program of study and research is being launched in Colorado to assemble data and to identify and tackle problems of water and land use, roads, access, population, housing, schools, and the like. This combined effort of Federal and State agencies, local government and industry is financed at present at around $700,000. No such program has developed in Utah.

The three-state oil shale region is a single entity. Geology physiography, climate and weather completely ignore state boundaries. Problems are much the same from one state to the next. As an example, most of the prime oil shale area of Utah is more easily accessible from Rangely, Colorado than from Vernal, Utah. Surprising interest has been evident in the Colorado areas immediately adjacent to Utah, which may mean that a much greater total impact will be felt in northeast Utah from the combined operation in the two states than from the Utah operation alone.

If oil shale is to be developed most efficiently, at minimum cost and with minimum disruption of the environment of the oil shale region, the industry should be closely but reasonably regulated with uniform regulations governing the entire operation across

state lines. Planning of all types should be on a regional basis.

The best way to attack the problems ahead would be through interstate agreements, perhaps informally at first, but with some sort of formal organization as the industry moves into sustained operation. Failure of State and local government to move into this field will surely invite more Federal regulation to move into this field will surely invite more Federal regulation on top of that which is already in effect through existing agencies. It would appear of great importance to retain as much local control on the situation as possible.

OIC SUCCESS STORY

Mr. BROOKE. Mr. President, it has been my privilege to be associated for many years with a program called Opportunities Industrialization Centers. This program was founded in Philadelphia in 1964 by the Rev. Leon H. Sullivan. Since then, it has spread to a number of cities, including Boston and Washington, where it has provided effective job training—and jobs—for many thousands of disadvantaged men and women.

Last weekend, the Washington Post published an article describing what OIC has meant to a number of District residents. I believe the article will be of interest to Senators, for it contains some useful insights into the development and implementation of an effective job training program.

I ask unanimous consent that Bart Barnes' article, entitled "Thousands Made Employable in Job Retraining Program," be printed in the RECORD.

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

THOUSANDS MADE EMPLOYABLE IN JOB RETRAINING PROGRAM

(By Bart Barnes)

At 27, Maude Fobbs, D.C. resident for five years and a high school dropout from Richmond, has no trouble at all remembering how it was a year ago when she was living on $27 a week unemployment and paying $20 of that for her weekly room rent.

With virtually no job skills, a limited education and no money, Miss Fobbs, like thousands of other inner-city blacks, had little to look forward to in life but a continuation of the barebones existence she'd grown accustomed to.

At 6:30 o'clock this afternoon at the Departmental Auditorium, Miss Fobbs and more than 900 others will be awarded diplomas at graduation ceremonies marking the completion of the sixth consecutive year of a job retraining program that since 1966 has taught work skills to more than 5,200 people in Washington.

The program is called Opportunities Industrialization Center and it was founded in 1964 in Philadelphia in an abandoned jailhouse by a black Baptist minister, the Rev. H. Sullivan. Its aims were simply to train the unemployable and the unemployed and then place them in jobs where they could earn a living and make a contribution to society.

Eight years later, the program has spread to 105 cities in the United States, five in Africa and one in Central America.

In Washington, it operates on an annual budget of $1.6 million, about half of that amount consists of federal government grants channeled through the center's national office. The rest comes from subcontracting jobs for other local groups, like the United Planning Organization and about $300,000 comes from fund-raising efforts undertaken within the community.

Of the 5,200 persons to complete the training program since it started in November, 1966, 3,700 have been placed in jobs.

Maude Fobbs is one of them.

"I heard about it on the radio," she recalled yesterday. "I was in the program from September to February and then I went to work for the Navy Department." While in the Opportunities Industrialization Program, Miss Fobbs studied clerk-typing.

At the Navy Department, Miss Fobbs earns $5,166 a year and in addition to clerical duties, she is doing some accounting work. In a year or so, she says, she'd like to go back to school either at Federal City College or George Washington University.

Samuel Robertson, who spent seven of his 31 years in jail for armed robbery, decided to apply for the jobs program one day last March when he went by the Industrialization Center's office at 16th Street and Park Road NW on a bus.

"I wasn't doing much of anything," Robertson said. "I saw some people coming out of the building so I thought I'd go in to see what was happening."

Robertson, who never went past the fifth grade in his home town of Galveston, Texas learned to work as a cashier at the center but after finishing that program stayed on as a member of the staff.

Currently he and other staff members are working in a program in which they visit community residents in their homes to organize such efforts as alley cleanups and trash removal.

His experience at Opportunities Industrialization Center, Robertson said, "was the first time anybody treated me like I was somebody. It made me want to treat other people like they're somebody too."

Not all those who complete the job training program, however, are placed in jobs immediately.

Calvin Rutherford, 16, a dropout from Ballou High School in Far Southeast Washington, learned some construction skills at the Industrialization Center but he says he's been unable to find work since his program ended May 30.

Most persons entering the Opportunities Industrialization Program can count on being there about 3½ months before being discharged and, they hope, placed in a job.

Job skills taught include auto mechanics, telephone repairing, construction skills, keypunch machine operations, clerk typing, secretarial skills and offset printing.

The program also puts a heavy emphasis on counseling and before a trainee is assigned to a skills program, he enters a course aimed at developing an attitude that will permit him to function successfully on a job.

This course can last anywhere from two weeks to three months, depending on the individual, and it includes such things as work habits, histories of minority groups, possibly remedial writing, reading and arithmetic and consumer education.

Officials at the center stress that persons enrolled in the program are not paid and they say that this helps them draw only students who want to learn, not students who want the money.

About 37 per cent of persons registering for the program drop out along the way, a figure the program's executive director the Rev. Edward A. Hailes considers satisfactory. The figure has remained constant since the program began in 1966.

After graduates of the program are placed in jobs, their counselors keep in touch with them. Occasionally graduates of the program are called back for more training if they are not ready to function at work.

BEHIND WALL STREET'S GLOOM

Mr. HUGHES. Mr. President, a number of informed commentaries have been made recently concerning the gathering gloom on Wall Street regarding indications that the American economy is headed for a new onset of inflation and a period of climbing interest rates.

Many factors have been cited as contributing to the apprehension of the financial community, some of which have substance and others of which reflect political bias and a desire to divert attention from the real reasons for the grim financial outlook. As an example of the latter, it has been suggested by some partisan sources that the financial community is trembling about the economic policies of the Democratic nominee for President, Senator MCGOVERN.

I commend to the Senate's attention an article by Leonard Silk, published in the New York Times of Wednesday, July 12, 1972, which sets forth the real reasons for concern on the part of the Nation's financial leaders.

Two basic factors are cited—"the poor timing of Federal fiscal policy, with bigger and perverse budget deficits developing at a time when the economy is picking up speed * * *" and "the fresh outbreak of international monetary instability and uncertainty, touched off by the floating of the British pound."

The article points out that one of the main causes for the widening deficit—which it says may climb well above $30 billion for fiscal 1973 and could exceed $35 billion—"is the concealed build-up of defense expenditures."

Mr. Silk observes:

This has received little attention in the midst of well-publicized troop cutbacks and withdrawals from Vietnam.

The article points out that:

The rise in military spending since the middle of last year has been the fastest since the Vietnam build-up in 1966.

It also explains that:

The new defense build-up is being understated by budgetary cash accounting, just as happened during the 1965–66 Vietnam build-up.

What these points add up to, Mr. President, is that the principal villain fueling the inflationary fires is our excessive spending for the war in Indochina and for new weapon systems far exceeding our rational needs for national defense.

This is the main cause for the inability of the American housewife to make ends meet at the marketplace.

I ask unanimous consent that the article be printed in the RECORD.

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

BEHIND WALL STREET GLOOM SOME WAGE-PRICE CURBS SEEM LIKELY REGARDLESS OF WHO WINS THE ELECTION

(By Leonard Silk)

Two basic factors underlie Wall Street's apprehension that the American economy may be headed for a new bout of inflation and climbing interest rates—which would cause weaker bond and stock markets. The first factor is the poor timing of Federal fiscal policy, with bigger and perverse budget deficits de-

veloping at a time when the economy is picking up speed and starting to narrow the unemployment gap. The second factor is the fresh outbreak of international monetary instability and uncertainty, touched off by the floating of the British pound.

A more serious international monetary crisis would result from the persistence of large deficits in the United States balance of trade and payments, which renewed American inflation would intensify.

On the budgetary front, it is already clear that the deficit for fiscal 1973 will be much higher than the Nixon Administration's original estimate of $25.5-billion.

HIGHER DEFICIT PROJECTED

Insiders say the projected deficit for fiscal 1973 has climbed well above $30-billion and could exceed $35-billion.

One cause of the bigger deficit is the 20 per cent increase in Social Security benefits, which Congress has now passed and the President has signed. Even with higher payroll taxes, which begin next January, increased Social Security outlays will add $4.2-billion to the net deficit.

A second cause of the widening deficit is the concealed build-up of defense expenditures. This has received little attention in the midst of well-publicized troop cutbacks and withdrawals from Vietnam.

Economists at the Manufacturers Hanover Trust Company note that defense spending increased by $4.5-billion at an annual rate in the first quarter of 1972. The rise in military spending since the middle of last year has been the fastest since the Vietnam build-up in 1966.

Part of the explanation is the increase in military pay. In addition, as published indicators of defense activity show, there has been sharp turn around in spending on military hardware and inventories. A further enlargement of defense procurement is also in store.

Work on defense projects has begun to exceed payments. Department of Defense unpaid obligations outstanding have climbed steadily over the last eight months.

SMALLER OUTLAYS ESTIMATED

Production of defense and space equipment, as the Manufacturers Hanover analysis shows, has climbed at an annual rate of 10 per cent since January. The speed-up of defense spending thus far reported does not reflect the recent expansion of the Vietnam war, which, according to Manufacturers Hanover, is adding $1-billion to $2-billion monthly to defense costs.

Similarly, Michael Levy, chief fiscal economist of the Conference Board, a nonprofit business research organization, notes a sharp build-up in defense spending.

Defense outlays were projected to rise by less than $300-million in the fiscal 1973 budget, as submitted. However, Mr. Levy concludes that this understates the real impact of the defense build-up on the national economy.

The rising defense trend, he indicates, is partially masked by the long lead times in the procurement of major defense hardware and also by what he calls "certain peculiarities in present payment patterns."

In other words, Pentagon cash accounting is concealing accrued Government liabilities and actual defense spending by defense contractors on real goods and services.

However, the national income accounts, which are relatively immune to shifts in the timing of Government payments, project a $3.5-billion rise in defense purchases for fiscal 1973. Moreover, defense obligations incurred rose by about $5.5-billion in fiscal 1972 and will rise by an additional $3.5-billion in fiscal 1973, according to The Conference Board estimate.

Thus, the new defense build-up is being understated by budgetary cash accounting, just as happened during the 1965–66 Vietnam build-up.

1973 FISCAL BUDGET

Furthermore, the budget deficit for fiscal 1973 will be increased by shifts forward from the fiscal 1972 budget, which was originally projected by the Administration to run a deficit of $39-billion but which actually wound up with a deficit of $26-billion, approximately $13-billion less than forecast.

The drop in the fiscal 1972 deficit was chiefly due to the overwithholding of income taxes and the inability of the Federal Government to increase spending as rapidly as it planned.

Economists outside the Government now believe that at least $10-billion to $12-billion of the planned deficit for the fiscal year 1972 that ended on June 30 will slide into fiscal 1973.

The organization for Economic Cooperation and Development, in its recent annual review of the United States economy has warned that the correction of the overwithholding of taxes and slippage on the expenditure side would make the fiscal 1973 budget more expansionary than originally planned.

As the O.E.C.D. report observes, "it might have been preferable for a fiscal policy to have provided more stimulus at an earlier stage of the recovery period and less so in late 1972 and early 1973; the present budget profile may entail a certain inflationary danger, as a large part of the fiscal stimulus may now occur when the economic expansion is likely to be already relatively strong and secured."

Given the difficulties in the United States of quickly switching fiscal policy from stimulus to restraint, since Congress holds the power of the purse, the burden of curbing excess demand is likely to fall on monetary policy in the year ahead. Tighter money would increase pressures on interest rates.

International concerns about the dollar and continued deficits in the American balance of payments would make the Federal Reserve more willing to see interest rates move higher.

POUND'S IMPACT

"Faced with a new dollar crisis," says James J. O'Leary, vice chairman of the United States Trust Company, "our Government would be under pressure to guard against inflation by slowing down our efforts to achieve vigorous economic growth and full employment."

This, he argues, would in turn mean a less vigorous and briefer recovery of corporate profits. This would then be translated into a weaker stock market.

Dr. O'Leary contends that the expectation of rising short-term interest rates in the months ahead has been strengthened by the floating of the British pound and "the accompanying weakness of the dollar."

Rising short-term rates were expected even before the floating of the pound because of climbing demand for short-term funds. Now, with short-term capital outflows a major factor in the weakening of the dollar, says Dr. O'Leary, "the monetary authorities have greater reason to accept or even encourage rising short-term rates."

The rest of his scenario goes as follows: rising short-term rates are most likely going to touch off a rise in long-term rates. This would be bearish for the bond market. And, higher bond yields would be bearish for the stock market, since they would attract money into bonds.

Yet, as Dr. O'Leary notes, the behavior of securities markets in the months ahead will be determined, not primarily by international monetary developments, but by what happens in the domestic United States economy.

The potentially inflationary budgetary deficits that lie ahead and the strains they create for monetary and interest rate policy give scant cause for complacency on that score.

The persistence of inflationary pressures also seems likely to cause the Nixon Administration—or the Democratic Administration that might succeed it—to maintain some form of wage-price controls beyond the elections.

These are some of the reasons why the burgeoning business boom is producing so little euphoria on Wall Street.

JEAN WESTWOOD

Mr. CHURCH. Mr. President, for the first time in our political history, a woman has been elected chairman of a major political party. This is, I think we can all agree, an outstanding achievement.

Mrs. Jean Westwood, selected as chairperson of the Democratic National Committee, is a remarkable woman who brings to her new job enormous credentials as a political leader and organizer.

In a recent article in the Washington Star, columnist Mary McGrory describes Mrs. Westwood as a "McGovern freak."

Mrs. Westwood, notes columnist McGrory "was the first person in the Democratic establishment to come out for McGovern, and she did it unfashionably early, in January 1971."

Mr. President, Mrs. Westwood—with her proven organizational talents and her ability to do the job that needs to be done—is definitely my kind of "freak."

I ask unanimous consent that the article be printed in the RECORD.

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

MRS. WESTWOOD "A MCGOVERN FREAK"

(By Mary McGrory)

George McGovern's appointment of Jean Westwood, who is not only a woman but a Mormon, as Democratic national chairman was just about the last straw for the Old Guard—an insult to tradition added to the injury of the nomination.

The fact that Mrs. Westwood, a graying blonde with a voice several registers lower than a foghorn, has been a member of the National Committee since 1968 does not mitigate their rage. She was the first person in the Democratic establishment to come out for McGovern and she did it unfashionably early, in January 1971.

The post of national chairman has always been the fief of the Irish Catholic male, and George McGovern did not bring on the Celtic twilight without much thought. At one point, he indicated he was considering incumbent Lawrence O'Brien as his running mate. An hour before he announced his choice of Mrs. Westwood, he was still examining O'Brien's terms for staying on.

QUESTION OF CONTROL

O'Brien's aggrieved followers contend that Mrs. Westwood insisted on the redemption of of a McGovern promise. She wanted the job, no question, but she seems singularly without pride of office. Another theory is that McGovern was persuaded by one of the few hardnoses around him that in case he lost the election, he would want to retain control of the National Committee.

The young folks around him, who never heard of Jim Farley, were pleased.

"She's a McGovern freak," said one, "but she's an old pro, a real leader."

Elsewhere in the new wing, the Women's Political Caucus was less than overjoyed

by the elevation of a sister. Mrs. Westwood, who never loses sight of the main chance, opposed them on the seating of the South Carolina delegation, with its insufficient representation of women. She also worked against them on abortion, their favorite issue.

"The important thing is to get McGovern elected," she told them.

Just unifying the Democratic National Committee will take much of her talent. Like so many of the delegates to the convention, the committee seemed more anxious to send NcGovern a message than to put him in the White House. They embarrassed him by turning down his choice for vice chairman, Pierre Salinger.

Mrs. Westwood does not spend her energies bewailing such manifestations of restlessness and spite. She believes, with her candidate, that the Democrats will settle down when faced with the choice between George McGovern and Richard Nixon, identified by McGovern in his acceptance speech as the "unwitting unifier" of the Democrats.

A SCORE TO SETTLE

The new chairman has an old score to settle with the President. It goes back to his Senate election campaign days in 1950 in California, where Mrs. Westwood was living at the time.

"I have an abiding hatred for him," she says in one of her rare emotional moments.

Even with Nixon's help, she has problems. Labor is threatening to sit out the election, hoping to bring back the old party in 1976, a prospect as likely as the reintroduction of Latin into the Catholic Church. The South is ringing with cries of doom. Texas will be lost because of John Connally; Illinois because of Richard Nixon; New York, because of the Jews, the Catholics and John Connally.

It will be interesting to see how Mrs. Westwood goes about coaxing the smoldering regulars back into the fold.

Her habitual greeting during her arduous toils for her candidate is, "What do you need?"

Whatever it is—a voting tally, a reading of the mood of the Ohio delegation or a cup of coffee—she manages to come up with it.

Mrs. Westwood's finest hour was the turning back of the California challenge. The candidate put her in charge of the operation. She organized a three-tier army of nine "heavy" floor leaders, 250 whips and an intricate system of in-state McGovern captains.

She dispatched 80 delegate-watchers to the Miami hotels to report back any movement.

She sent the candidate himself to give big caucuses. She held a 5½ hour briefing on the legalities of all credentials disputes the day before the battle, armed her floor operatives with red cards (no) and blue cards (yes) to flash to the faithful during the confusing procedural votes.

When it was over, McGovern had won back California by 1,633 votes.

"I like the details," she explains, "That's what wins."

A STEP AT A TIME

Like her candidate, whom she met in 1968 when she was a Kennedy delegate, she goes forward a step at a time. She shares his view that victory is a matter of putting the good people of the country on three-by-five cards and getting them out on election day.

Poltics is in her blood. Her father was postmaster in Price, Utah, the mining town where she was born. She and her husband, whom she married when she was 17, have taken a hand in every issue and campaign that has come along.

"In Price, we had all colors and races and everybody got along fine," she says. "That's the way it ought to be in the country, and I think George McGovern can do it."

ORDER OF AHEPA CELEBRATES GOLDEN ANNIVERSARY

Mr. BROOKE. Mr. President, on July 26, 1972, the Order of Ahepa, the American Hellenic Educational Progressive Association, will celebrate the 50th anniversary of its founding.

The Order of Ahepa is a fraternal organization which is nonsectarian and nonpolitical. Membership in the order is open to men of good moral character who either are or intend to become citizens of the United States or of Canada. Originally founded in Atlanta, Ga., the Order of Ahepa now has 430 chapters in 49 States, Canada, and Australia.

In its 50 years of worthy service to our country, the Order of Ahepa has contributed to many valuable causes. These include relief for hurricane and flood victims, scholarships for deserving students, and aid to many overseas cultural programs.

The Order of Ahepa has nine basic objectives, which all Americans can certainly share:

First. To promote and encourage loyalty to the United States of America.

Second. To instruct its members in the tenets and fundamental principles of government, and in the recognition and respect of the inalienable rights of mankind.

Third. To instill in its membership a due appreciation of the privileges of citizenship.

Fourth. To encourage its members to always be profoundly interested and actively participating in the political, civic, social, and commercial fields of human endeavor.

Fifth. To pledge its members to do their utmost to stamp out any and all political corruption; and to arouse its members to the fact that tyranny is a menace to the life, property, prosperity, honor, and integrity of every nation.

Sixth. To promote a better and more comprehensive understanding of the attributes and ideals of Hellenism and Hellenic culture.

Seventh. To promote good fellowship, and endow its members with the perfection of the moral sense.

Eighth. To endow its members with a spirit of altruism, common understanding, mutual benevolence, and helpfulness.

Ninth. To champion the cause of education, and to maintain new channels for facilitating the dissemination of culture and learning.

The Order of Ahepa has always displayed its benevolence and generosity to those in need both here and abroad during its 50 years of existence. I am confident that the Order of Ahepa will continue to make contributions to the betterment of American life for many years to come.

DEATH OF JOSEPH FIELDING SMITH, PRESIDENT OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS

Mr. MOSS. Mr. President, Sunday, July 2, the Church of Jesus Christ of Latter-Day Saints lost its beloved leader, President Joseph Fielding Smith. He was widely known as a strong defender of his faith and an esteemed and often-quoted leader of his church.

President Smith has given a lifetime of devoted service to his church. Since April of 1910 when he was chosen as a member of the Council of the Twelve, he has helped administer church affairs. In this capacity he served for 60 years until in 1970, at the age of 93, he was chosen as president of the Church of Jesus Christ of Latter-Day Saints.

President Smith was also considered a great gospel scholar and scriptorian. He is the author of 24 books and numerous articles and pamphlets circulated in the church. For his writings and efforts in this field, he was awarded an honorary Doctor of Letters degree from Brigham Young University.

He was born on July 19, 1876, and passed away shortly before his 96th birthday. He was a devoted church leader and a great American. I ask unanimous consent to have printed in the RECORD an article entitled "His Influence Will Live On," published in the Deseret News of July 3, 1972.

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

HIS INFLUENCE WILL LIVE ON

A religion is inevitably judged by the kind of people it produces, and if ever a man was a product of his church it was Joseph Fielding Smith.

As the son of Joseph F. Smith, sixth President of the Church, and grandson of Hyrum Smith, martyred brother of the Prophet Joseph Smith and a leading figure in the early history of the Church, President Joseph Fielding Smith was deeply conscious of his rich spiritual heritage and the responsibilities it entailed. "In all my life," he said, "whenever I've been tempted, one thought has always come to me. What would my father think of that?"

Schooled and prepared early in all areas of Church service since his early youth, he served nearly 60 years as an Apostle before being called as 10th President of the Church.

With a life span that spread from the age of the covered wagon to that of the jet plane, he was long acknowledged as the leading authority on Church history and doctrine, with an unexcelled grasp of the Church's continuity and mission.

To those who knew him only by reputation or through his sermons and writings, he was a symbol of a strict but loving fundamentalism who brought out the best in others by demanding the highest standards of performance from them as he demanded from himself.

To his friends and neighbors, he was a man of many talents and much devotion—who attended the bedside of the sick, who performed at all hours many kindly services, who provided wise counsel on personal, school, and social problems as well as spiritual problems.

To his colleagues and close associates, he was an understanding and thoughtful administrator who assigned himself tasks more rigorous than he assigned others; a fearless defender of the faith and a militant preacher of righteousness who never gave any quarter to expediency.

To his own family, he was a kind, gentle, loving husband and father—who was never too busy to sit up with a sick child, to tell bedtime stories to little ones, or to help with perplexing school problems; who was quick to see the humor in a situation; who was unselfish, uncomplaining, considerate, thoughtful, and sympathetic—qualities that helped guide all 11 of his children into temple marriages and all five of his sons into the mission field.

Under his hand, the Church Historian's office matured and developed. Both a watchful critic and a loyal friend, President Smith exercised a guilding hand that kept secure the integrity and soundness of countless manuals and publications.

From his own pen came 24 illuminating books and a progression of pamphlets that enriched his own and younger generations.

But this was no one-sided man, no ascetic recluse concerned only with the spiritual and mental. A firm believer in educating the whole man, he enjoyed sports and athletics. Until his seventies, he was a familiar figure on the handball courts. He also encouraged his children's athletic endeavors.

On becoming President of the Church at an age when most men have long since retired, President Smith gathered about him a set of tested and faithful counselors to help in guiding the affairs of the Church. Though his term as President was comparatively brief, there was no coasting on the momentum of past achievements. President Smith left no doubt that he had his own ideas about a number of Church programs and put the stamp of his personality and character clearly upon them.

This, then, was Joseph Fielding Smith: Crusader for righteousness. Life-long scholar. Tender husband and father. Concerned neighbor and devoted friend. Strict but loving spiritual leader. Prophet of God. A life that reflects honor and credit on his parentage, on the Church which shaped him and which he, in turn, helped shape.

The Desert News joins Church members everywhere in mourning President Smith's passing, in expressing gratitude that he lived and worked among us, and in conveying love and sympathy to the Smith family and to his beloved associates in the presiding councils of the Church.

INFLATION, UNEMPLOYMENT, AND THE PRICE SPIRAL

Mr. FANNIN. Mr. President, we hear much rhetoric today about inflation and unemployment. These, indeed, are serious problems which must be solved.

What distresses me is the fact that the people who are the most vociferous in pointing out these problems all too often are the very ones who cause the problems.

This Congress, because of its fiscal irresponsibility, is the cause of the problems.

Inflation is the result of excessive Government spending. Yet, time and again we hear Members of this Congress denounce inflation in one breath and then propose massive new spending programs in the next breath.

We hear cries about unemployment from the very people who propose such job-killing legislation as increasing the minimum wage.

Mr. President, the San Diego Union on July 3, 1972, published an editorial entitled "Congress at Root of Price Spiral." It should be obvious to everyone that Congress is at the root of our economic problems today, both inflation and unemployment. I ask unanimous consent that the editorial be printed in the RECORD.

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

FEDERAL SPENDING FEEDS INFLATION—CONGRESS AT ROOT OF PRICE SPIRAL

The cost of groceries has become a symbol of inflation in the United States of America, perhaps because food is a basic item in every family budget. Inflation hits home, in an emotional and a practical sense, when food prices go up.

Nevertheless, groceries are still by and large a bargain for the American people when considered as a percentage of the weekly expenses in the average wage-earner's home. Thanks to increased productivity of our farmers, the percentage of income going for food is no higher today than it was a decade ago—and much lower than the proportion spent by housewives in most of the world's other industrialized states.

Administration officials may have had this in mind when they warned that the decision to lift import quotas on meat and to extend controls to wholesale and retail prices of fresh produce and seafood can be expected to have only a mild effect on the cost of living. This hardly amounts to a new offensive against inflation, but simply brings up a couple of extra artillery pieces.

The real battle is being fought on the floor of the U.S. Congress. It is there, in the irresponsible attitude toward the federal budget, that we find the roots of spiralling prices, not just for meat and vegetables but for everything else as well.

In the fiscal year just ended the federal government spent $26 billion more than it took in from taxes. The deficit in the year now beginning may be as high as $27 billion, and may reach a staggering $40 billion in the following year.

Some economists try to defend such excessive spending on grounds that a "full employment budget" is not inflationary. Under this concept, the government pretends that taxes will come in as if services and industry were operating at full capacity, even though it is plain they are not. Now, even the pretense of this theory is all but abandoned and Congress is opening the way for budget deficits that are admittedly inflationary.

Congress shows no inclination to slow down its spending spree, even in the face of a Brookings Institution report saying most of the money being spent to cure social ills is being wasted, even when the Department of Health, Education and Welfare admits that its growth has been so rapid and disorganized that it cannot tell for what purpose much of its money is being spent.

More than anything else, it is this federal spending orgy that is feeding inflation and which could lengthen the time that price and wage restraints will be necessary. As consumers we can all appreciate the government effort to save us a few cents on the price of meats and vegetables, but we can hardly take heart from that Congress is doing with the budget. As far as inflation is concerned, that's where the action really is.

OPERATION HEALTH SAVING

Mr. HUGHES. Mr. President, each day's mail arrives with its assortment of problems, complaints, and requests—the GI who wants a transfer or discharge; the irate constituent who disapproves of a vote; the citizen who feels he's been unfairly treated by his Government; the invitation to speak at next month's civic function—the list goes on and on. But some of the most heartbreaking mail of all comes from senior citizens who find—for no reason that makes any sense at all—that society has shut them out and has cruelly left them in loneliness and want. Sometimes we can help, as in medicare cases, or when Congress acts on legislation such as the recently enacted 20 percent social security increase. All too often, however, we find that we can offer little more than sympathy and understanding.

How very heart warming it is, then, when the day's mail brings with it a story of people helping people, of community warmth and compassion. Such a story came to me from the Reverend Arlin H. Adams, the administrator of the Veterans Memorial Hospital of Waukon, Iowa. He described for me the activities of April 1, 1972, a day known as Operation Health Saving.

On that day some 104 senior citizens of the Waukon area received thorough physical examinations at a cost to them of $1 each. This token cost was made possible because all professionals—doctors, dentists, nurses, and other medical personnel—and all nonprofessionals—office personnel, aides, lab technicians, and others—donated their services for the day. The cost for these 12 hours of free service would ordinarily have been $4,000.

Reverend A. H. Adams gives us a detailed report on how Operation Health Saving came about. He tells us of the response that far exceeded expectations. He tells us of the pleasure many of the people had in renewing friendships, in being out again after a housebound winter, just in experiencing the companionship of others. He tells us of the medical findings resulting from the examinations, as well as of the social service needs which were discovered. For instance, almost 10 percent of the participants had neither a radio or TV, and another 10 percent had no indoor bathroom facilities.

But most of all, we learn that this 1-day clinic, this experiment in health saving discovered a sizable number of our senior citizens who were not able to benefit from our existing health services and programs. The program discovered an extent of very real poverty among the elderly that had not previously been imagined. And that poverty resulted in medical neglect. Who can say how much medical poverty would be discovered if properly organized 1-day clinics were held throughout our Nation? Moreover, how much valuable information could we gain from such programs to help us in our deliberations about needed health programs throughout our country?

I ask unanimous consent that this inspirational account of citizen caring for citizen be printed in the RECORD.

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

A SMALL HOSPITAL SERVES, OR OPERATION: HEALTH SAVING!

April 1st, 1972 was a red letter day for 104 Senior Citizens in the Waukon, Iowa, area, people 65 years of age and over and who had not a thorough physical examination in at least the past two years. The afore mentioned 104 people were given this examination for the total cost of $1.00 per person by the Good Samaritan Complex of Waukon. The Good bed Veterans Memorial Hospital and the Good Samaritan Nursing Center, a 76 bed institution. The administrator is the Rev. Arlin H. Adams, Chap. LTC, AUS, Ret. The Waukon service area includes an area of circa 13–14,000 population. Waukon is a town of less than 4,000 people in N.E. Iowa.

What was, is Operation: Health Saving? It was, is and will be again, a diagnostic clinic which consisted in the giving of a very thorough physical examination to those elderly people who for one reason or another were unable, or did not feel they were able,

to get such an examination for themselves. Medicare or Medicaid gives no help in preventive medicine to the elderly. Preventive medicine is what these people need and many feel that they can't afford the $68.00 payable, even were they admitted to an overnight stay in the hospital for such an examination. The physical, on April 1st, included everything, teeth, eyes, hearing, lab work, x-rays, podiatry otology, the works. One little lady said, "My word, that young doctor I had poked his nose into every opening in my body! He was thorough!"

WHO WERE ALL INVOLVED?

Naturally the older people needing the service area were involved. And such beautiful people they were! In they came, after having been pre-registered, the halt, the lame, the spry, with canes, even a few in wheel chairs, all smiling hesitantly, just a bit afraid that this was an April Fool's day joke.

Also involved were the Pink Ladies, Good Samaritan Ladies, Candy Stripers, office girls, nurses, aides, housekeepers, lab, x-ray personnel, and a bunch of lovely teen-agers who came in just to offer their help. Volunteers were used to lead the examinees from place to place. We had a one on one, or buddy type, system and it worked well. A word about the Candy Stripers and teen agers, there was instant rapport between them and the aged. To see them all going, hand in hand, up and down the halls, into and out of the elevators, chatting, smiling, laughing, well, it was truly great.

Another group of people involved were the professionals; the doctors, the dentists, the podiatrist, the otologist, the optometrist, the physical therapist, the Lab and X-ray technicians. These people gave their services for the day. Many nurses and aides also donated their work, all so that the entire cost would be as little as possible. The doctors and other health professionals gave evidence of their love for people, their care and concern for the health of all, regardless of ability to pay or not pay. Talk is being made of some changes in procedure for the second Operation: Health Saving to be held perhaps again next April.

It was a day of joy and gladness. Had there been absolutely no result from the physical angle, had nothing been discovered, everyone in excellent health, the day would still have been tremendously worthwhile. Some of the elderly had not been out of their apartments and houses all winter long. The shrieks and shouts of joy as they saw old friends and neighbors, some for the first time in years, that alone was a joyful noise! The entire social angle by itself was worth every bit of effort put into the day.

WAS ANYTHING WORTHWHILE FOUND BY THE EXAMINATIONS?

Indeed so! The optometrist informed us that normally one might find 2 or 3 suspected glaucomas in a group of that size and in that age span. We found a possible 12 of our 104 folk in the suspect class and several, since, have turned out to have glaucoma! Now, with proper treatment their sight can be saved to some extent, and other eye problems are being treated. The total days of extra sight saved for these people, between now and their deaths, well, who can count and evaluate that?

In the hearing matter, over 90% of the people were found to be suffering some hearing loss or another. Some were of a type to be aided by hearing aids, some were not. But for those who just thought their hearing was the result of old age, not able to be remedied, and who now have treatment, who now will hear better, longer, again, who can put a monetary value on that?

Look at this! One little lady came in with such bad diabetic ulcers on her legs and feet that she could hardly walk. Gangrene was imminent. She was given orders to be pounding on the door of her physician by Monday AM. She did. Tuesday she was in the hospital. Her legs were saved. Was that worthwhile? A poor old lady walks and is independent in her own apartment for some years yet, needing neither nursing home care or hospitalization, not crutch nor wheel chair. Worthwhile? You bet.

This too bears seeing! One large bodied man, in his seventies, was brought in by wheel chair, his feet were too bad for him to do more than stagger on. We found that all winter he and his wife lived in an older house, one with a "path" not a bath, and Dad had to go out to empty the pot, bring in the wood and water. Mother could not. BUT—you see, Dad had to go out side in subzero weather without shoes or slippers. His feet were so sore, so swollen that he wound up doing these chores barefooted, even in weather way below zero and in deep snow! His feet are being treated, the County Home Makers are at work helping! Good? Much!

A number of people said, over and over, "What a blessing this is. I knew something was wrong with me but I felt I could not afford a physical examination just to see if there were." Many cried with joy and said, "Thank God for the doctors and the hospital for doing this."

WHO BORE THE COST OF ALL THIS?

The $1.00 diagnostic clinic was, for all purposes, a free one to the elderly. The dollar took off the onus of charity and was allegedly to cover the cost of some of the x-ray film. Many of the recipients were so pleased at the BARGAIN they got. But the bargain was made possible by the Good Samaritan Complex absorbing much of the cost and above all by the doctors, dentists, and all other professionals donating their services for the day. It was estimated that had we had to pay all the people, including the volunteers (and they at only $1.60 per hr.) according to their normal rates our cost for the day would have been a staggering $4,000.00 or there about. It was a 12 hour day for most of our personnel. So the gratis labor, the efforts of care and concern for others by the doctors and entire staff is what made this possible. No such clinic can possibly work without that dedication unless somewhere there is either State or Federal money available. Should that be the case, and we don't know that it is, then perhaps more health institutions will be ready to tackle such an operation.

HOW DID THIS COME ABOUT?

Chaplain Adams, administrator and Chaplain of the Complex, a member of the Ev. Lutheran Good Samaritan Society of Sioux Falls, So. Dak., received the idea from an article written in a Social Services magazine by the Dr. John Mason, Director of Services for the Aging of the American Lutheran Church.

Dr Mason had seen some pre-retirement physicals in England a few years ago Britain has socialized medicine yet even there it was found that many elderly did not make proper use of it. People kept putting off going to the doctor, specifically in the rural areas and among the poorer people, even as they do in America.

The Rev. Adams had also discovered that too many elderly were brought into the hospital or nursing home when it was too late to do much about the physical break downs. On reading Dr. Mason's article the Medical Staff which discussed it thoroughly and agreed to hold such a clinic. The date was set by the Medical Staff and then it was up to the administration to work out the logistics and details. April 1st was designated as the date.

The logistics of the clinic were neither small nor easily overcome. In a small, non-tax supported hospital, just breaking even in the expense column, the finance alone took some shuffling. Extra glassware and needs for the Lab were gotten, film for X-ray, disposable garments for use during the examinations, lunch and coffee, arranging the schedules of workers, getting needed equipment into the various areas, setting up time schedules etc., etc., for the professional staff, all were met and solved. Some not solved very well, next time we know what things caused the bottle necks and we will be able to run things a bit more smoothly. Although, with excellent cooperation the day went remarkably well.

HOW WERE THE PEOPLE NOTIFIED?

Once the date was set and a pre-registration form was worked out, the cooperation of local news media was sought. The first news releases were issued a complete month in advance. Local papers, radio stations, area TV outlets, and every minister, pastor and priest were all given the releases and their cooperation asked for. Subsequent press releases followed to all of the same people. A number of state wide newspapers, a radio network and three TV stations caught the vision and tremendous publicity was generated for this first of its kind in America!

When the project was originally mentioned the Medical Staff was not too sure of its relevance. Would 10 or even 20 people need this in our area? After all we had doctors who made house calls, we had a fine small hospital readily available, one with an open door policy! The administrator thought maybe 40 might need the service.

Within two weeks of the first publicity over one hundred people of the area had already registered! Before the actual day came over two hundred had registered! The Medical Staff concluded that we would be able to do a really thorough job for 104 people for the day. The first 104 were notified as to their acceptance and given a time to report. The remaining 120 will be waiting for the next such clinic. Remember, these were people 65 and over who had not had a good physical examination in at least two years. We do know of a few who slipped in but for the most part these people had not had an examination. In fact, a goodly number said this was the first such examination in all their lives! As for those who did slip in, our philosophy is that we would rather be "took" by some rather than miss caring for those who needed it.

A BIRD'S-EYE VIEW OF THE FINDINGS

We have already covered several of the items, the high incidence of suspected glaucoma, the little lady whose legs were saved and elderly gentleman with the poor feet. Some of the base statistics are as follows:

Total number involved—104 of whom 60 were female, 44 male.

Possible glacoma—7 females out of 60; males were 5 of 44.

Urinalysis showed 2 males with abnormalities demanding immediate attention, the one needing attention soon; 6 ladies needed attention at once, 4 soon.

Blood tests showed all males normal and only one lady abnormal now. (Abnormal Now is the Medical Staff's wording for needs immediate attention, Abnormal Soon, means needs checking on in the near future).

X-ray showed 3 men needing immediate attention, 2 soon; Ladies—11 now and 4 soon.

Podiatry—The podiatrist was amazed at an exactly even break in what may turn out to be an important statistic in the future—52 people had arthritic knees and 52 had no problems at all and of the fifty two who had problems with arthritis in the knees everyone had some sort of foot trouble and had done nothing or little about them. Of the 52 who had no arthritic knees everyone had some sort of good foot or arch support and wore them regularly.

The question arose in the Medical Staff as to whether there is a relationship between those two facts. The statistics in this area will be closely scrutinized again after the

next clinic. Maybe we have discovered something, maybe nothing, but it will be interesting to follow up. 9 men, 12 ladies had urgent needs, 9 men and 16 ladies needed some good checking up soon.

Dental—10 men need immediate attention., 7 soon; 8 ladies need work done at once, 8 later.

P.T. one man and eight ladies needed immediate attention; 8 ladies and five men needed attention soon.

EKGs showed things to be studied; Only 8 men but 22 women needed immediate work and study done on their coronary problems, most of which had not been suspected prior; then 9 ladies and 7 men needed attention soon. We were interested in the larger proportion of females needing heart study.

Otology—hearing losses were found in most. Of those that could be helped we found the following, 13 men and 14 ladies needed immediate attention and help; 8 men and 9 of the fair ones had problems that should be looked after soon.

A report form was sent to each person going thru the clinic. Remember, this was diagnostic only. The doctors and specialists read the charts, studied the x-rays, etc., and made the proper comments for each person examined, a brief report was sent to the individual who then presented this to the physician or health professional of his choice for further action. Doctors living elsewhere simply have but to call into our Medical Records and they will receive either a verbal report or a transcript (Xerox'd) of any or all of the reports.

ANY SOCIAL SERVICE TYPE NOTATIONS?

Yes, we found that ten of the people had Neither radio or TV. No regular contact with the outside world. Another 11 admitted to not having a bathroom, only a "path" to the Chic Sales. And, a total of 13 were interested in a low rental housing development of some kind. Good Samaritan is seriously thinking of doing something along that line but first must add an additional fifty beds to the nursing home.

IS THERE SOMETHING HERE TO MAKE US THINK?

When one considers that if we stretch our statistics and say that we cover a 14,000 population service area and then have already over 220 people registered out of that total population for such a clinic and add to this the information gathered by the various Senior Citizens groups (who also worked with might and main for this) to the effect that at LEAST another 200 people in the area fulfill the qualifications, well, we were horrified. To think that in our land, in a place where medical services are available that there should be such neglect of physical health by just the very segment of the population that needs it most, this causes one to gasp! If approximately 3% of our people need health care and we extend this across the Nation, then the resultant six million or so is staggering. And friends from the cities tell me that in the poverty areas and ghettos, black and white, the averages will run much higher in our senior citizen groups! What a tremendous field of work for all of us! Truly the most neglected person today is the aged, regardless of color, Creed or wealth! One might well conclude that never before has so much been said about and so little actually done for so many.

WHAT COULD POSSIBLY CAUSE THIS NEGLECT?

In one word, poverty! Either real or anticipated. Everyone working with the elderly knows how the marginal and even better incomed people anticipate poverty. For example, in our own small town of less than 4,000 we had a survey taken about three years ago. We found that over 200 family units, including from one to four people, were existing on less than $200.00 per month and half of these were hardly existing on income of less than $100.00 per month. On this little income some were paying taxes and upkeep on houses, trying to run a car, pay insurances, etc., etc., and also eat a little here and there. No wonder they were their own physicians and diagnostic experts leaning on Father Fletcher's tonic and aspirins and once in awhile sneaking in to see the cheapest local chiropractor.

Oh, they have medicare and such like. Do they now? Oh, yes! Hogwash! How many of these people can afford over five dollars a month for their self pay portion of Medicare. With incomes like that you might as well promise them something on the moon! They simply can't afford medicare at those prices! Something is radically wrong in our land when people who made their money in fifty cent and dollar a day times now have to live in two and three dollar per hour times and receive no outside help for such a basic need as complete, thorough and proper medical care!

My good friend, Dr. Carl A. Becker, of Racine, Wis., says that it is criminal to offer these people help by way of OAA or Welfare! Right on, Carl! He says, "These are a proud people and should have their needs met without the constant use of third or fourth party interceders. They should receive this through the mails in some way similar to Social Security." And I agree.

WHAT CAN OR SHOULD BE DONE ABOUT THIS?

Here in Waukon I am sure that our Medical Staff will rise to the occasion once more. But shall we continue to do this indefinitely, having a practically free clinic? We are interested in reaching out with preventive medical care but somewhere, some time it is going to have to be paid for. Two or three such clinics to get the ball rolling for all America is a small price to pay, but it can't be an indefinite thing.

We are hoping that our small brush fire will now gradually build up and eventually sweep across the nation. Two hospitals in Iowa are already investigating the possibility of their putting on such a clinic. We of the Good Samaritan Complex are hoping that some of the great, the high, those in power will also catch the vision and pitch in to do something to prevent for the millions of elderly from going down to old age far more blindly, far more decrepitly, agonizingly and helplessly than ever needs to be. Industry has long ago found out that preventive maintenance is cheaper, better in the long run than neglect until repair and costly replacement is necessary. Can't we learn from that?

Should anyone be interested in the minutia of details connected with the program, please feel free to write to, or call: Rev. Arlin H. Adams, Adm., Veterans Memorial Hospital, Waukon, Iowa 52172, Phone—319-568-3411.

HASKELL INDIAN JUNIOR COLLEGE

Mr. PEARSON. Mr. President, all too often in this body as we debate the merits of multibillion-dollar Federal programs and face complex and contentious issues, we lose sight of some relatively small, straightforward, but vital efforts underway to meet the needs of our people. While the Senate was recessed, I had the opportunity to visit one such program, Haskell Indian Junior College in Lawrence, Kans.

This small institution, funded through the Bureau of Indian Affairs, has a clear and important mission: To provide quality educational opportunity for Indian youth. It was most refreshing to talk with the students and staff at Haskell and find that they are receiving the education and training needed to assume positions of interst and responsibility.

In recent years, and all too belatedly, we have begun to recognize the difficulties American Indians face. At times, well-intentioned rhetoric has been allowed to stand where positive action is needed. But at Haskell, rhetoric about the need to provide educational opportunity for Indians; to train Indians for jobs—to break cycles of poverty—all that is a reality. This school, and others like it, are not the end of an obligation, but a good beginning. We cannot relax in self-satisfaction with the funding of one good institution, but with Haskell we can be satisfied that young Indian men and women are receiving a fine education.

I was most impressed with the efforts of the Haskell administration and students, acting together, to keep the school in step with the times. They are not satisfied with their institution—a good sign of a vigorous student body and forward-looking administration.

Mr. President, I wanted to share with Senators impressions after a brief visit to Haskell. It is an example of one quiet, well-administered Federal program which will never get headlines, but which meets a demonstrated need and helps to fulfill a longstanding commitment of our Government.

CAPTIVE NATIONS

Mr. PERCY. Mr. President, on the occasion of Captive Nations Week 1972, I call the attention of my colleagues and all the American people to the important task of promoting freedom throughout the world. For those of us who enjoy our lives in freedom, let us cling to that freedom, sustain it, and appreciate it. For those who live in nations deprived of their freedom, let us help them by keeping alive the world's consciousness of their plight.

My friend, Dr. Kazys Bobelis, president of the Lithuanian American Council, has been very effective in bringing before the American people the issue of the deprivation of basic human rights in Lithuania, Latvia, and Estonia, and I wish to acknowledge his good work here in the Senate today. I would also mention the continuing work of another friend of mine, Aloysius Mazewski, president of the Polish National Alliance and the Polish American Congress, who has stated with memorable eloquence the legitimate aspiration of the peoples of Poland and the other captive nations for true national independence free of foreign influence and control.

There are thousands of Americans who devote their energies to these same goals. They include the leaders and members of many ethnic groups and organizations. I take this occasion to salute them for their persistent devotion to freedom and to assure them that I, too, pray for freedom for all mankind.

HOBART JACKSON: A DISTINGUISHED LEADER FOR ELDERLY BLACKS

Mr. CHURCH. Mr. President, all 20 million older Americans are members of a minority group in one important sense—they account for one-tenth of our total population.

They also share many common problems and concerns: Limited income in retirement, spiraling property taxes, transportation difficulties, gaps in medicare coverage, and others.

These pressures, however, are even more intensified for the 1.6 million aged blacks who frequently experience multiple forms of jeopardy.

Nowhere is this more evident than in their alarmingly high incidence of poverty.

Approximately 50 percent of all elderly Negroes have incomes below the poverty line. They are more than twice as likely to be poor as the total aged population and approximately four times as great as for all age groups.

The evidence is also painfully clear that many of these individuals reflect all aspects of the poverty syndrome—malnourishment, dilapidated housing, poor health, and limited education.

To help focus national attention on these enormous problems, the National Caucus on the Black Aged was formed nearly 2 years ago.

Under the skillful direction of Hobart C. Jackson, the national caucus has taken an active role in formulating policies to respond to the special needs of aged Negroes.

Additionally, Hobart has served the Committee on Aging—of which I am chairman—effectively as a cochairman of our Advisory Council on Aging and Aged Blacks.

In a recent interview in the June edition of Geriatrics, Hobart discusses candidly the plight of elderly Negroes and the role of the National Caucus on the Black Aged.

Mr. President, I commend this article to the Senate and ask unanimous consent that it be printed in the RECORD.

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

THE BLACK ELDERLY: JEOPARDIZED BY RACE AND NEGLECT

Question to Hobart C. Jackson, chairman of the National Caucus on the Black Aged: *Why was the national caucus formed and how does its role differ from that of other organizations?*

Mr. JACKSON. The National Caucus on the Black Aged came into being in 1970. At that time, a group of persons from such fields as sociology, housing, psychology, gerontology, education, and research, and some with no special occupational orientation, felt that it was time for a specific organization to do something about the very special problems of the black elderly. The caucus now has the involvement of more than 800 persons who are strategically located across the country, with several hundred more elderly persons also in activist roles.

At the time the caucus was formed, we felt that such an organization was necessary because the problems of the black elderly are critical and because no other organization existed that was solely devoted to such a cause. Although there are several black national organizations that have expressed deep concern about the problems of the black elderly, only one—the National Urban League—has actually moved to translate its concern into action. Other black organizations are perhaps justifiably preoccupied with other priorities one of the unfortunate developments when there are so many inequities to overcome. Their efforts toward social revolution seem not to include the elderly specifically, for whatever reasons. Those predominantly white organizations in the field of aging are doing very little about the problems of the minority elderly.

The problems of the black elderly are more critical than those of any other group that might be singled out, however. According to the information in our files, elderly blacks bring to their older years a lifetime of economic and social indignities, a lifetime of struggle to get and keep a job—more often than not at unskilled and hard labor—a lifetime of overcrowded, substandard housing in slum neighborhoods, of inadequate medical care, of unequal opportunities for education and for the cultural and social activities and involvements that nourish the spirit, a lifetime of second- or third-class citizenship, a lifetime of watching their children and grandchildren learn the high price that must be paid for just being black in America. Thus, the elderly black person lives in multiple jeopardy, where the problems of age are compounded by the problems of race, grinding poverty, and other disabilities.

Q. Aren't there any existing programs designed to help eldedly blacks?

Mr. JACKSON. There are a few programs, but not nearly enough. Research findings lead to the inescapable conclusion that health, welfare, and other life-sustaining services for aged blacks are grossly neglected. This neglect is found on all levels of social and political organization—local, state, and national. Delivery of the services that do exist is grossly inadequate.

This lack of services is especially acute in the area of health care. The stark fact is that most elderly blacks cannot afford the costs of medical care and must either do without or settle for that which the community provides at nominal or no cost—care which, more often than not, is offered with indifference at best and frequently in a way calculated to humiliate. For instance, many black Medicare patients are treated as ward service patients, rather than as private patients, in our hospitals.

Although overt discrimination is perhaps becoming less frequent on the front line of health services, blacks are still confronted with the flat refusal of many medical specialists and other special health personnel and facilities to accept black patients. Nursing homes are a good example. It is true that only a small number of our elderly persons, approximately 5 percent, are in institutions, but only 3 percent of this 5 percent are black. The reason is that many nursing homes refuse to open their doors to blacks, and the church-related nonprofit homes are especially guilty of this.

Existing health insurance programs have been of little help to the black population. The kinds of jobs many blacks have carry little or no health insurance; the older black has even slimmer resources with which to secure insurance protection against his increasing medical needs.

Q. What about areas besides health care? Don't such programs as Social Security at least alleviate some of the income problems?

Mr. JACKSON. No. For most elderly blacks, Social Security exists only in theory. Elderly blacks are discriminated against by the Social Security system, for they, in general, do not live long enough to collect benefits no matter what they may have paid into the system. Black men and women are much less likely to reach old age than their white counterpart; twice as many whites, proportionately, as blacks reach age 75. In the last decade, the average lifespan of black men decreased from 61 years to 60 years.

In the early days of the Social Security program, the exclusion of such categories as farm labor and domestic service automatically excluded the majority of blacks from sharing in this meager protection. Even now, despite some improvement over the years, it is estimated that there are tremendous numbers of blacks who have never enrolled because they lack understanding of their rights and the benefits involved, or because their employer hasn't pursued the matter, or because they themselves have been reluctant to cut in on their cash earnings which are so desperately needed for current living expenses. On the average, the benefit is, therefore, much less for blacks than it is for whites and many more blacks proportionately than whites are on the Old Age Assistance rolls. We need a more equitable system providing a minimum payment above the poverty level.

Q. What can the caucus on the black aged do about all this?

Mr. JACKSON. Mainly, we hope to give as much visibility as possible to the unfortunate plight of the black elderly in all areas of concern. Also, we plan to take whatever action is within the resources of the caucus to change this situation for the better. Such action includes urging other organizations—national, state, and local—to join in this effort. For example, national organizations have been made aware of the existence of the caucus on the black aged because of our participation in specific programs they have sponsored, because we have been in direct communication with them, and because of our involvement and impact on the 1971 White House Conference on Aging. Some of these organizations are the American Association of Homes for the Aging, the Committee on Aging of the American Medical Association, the National Institute of Senior Centers, the National Welfare Rights Organization, the National Council on Aging, the National Urban League, and the Gerontological Society. Some of the church hierarchies have also been approached, and we have been in touch with other black caucuses, such as those of the black psychiatrists, black sociologists, black clergymen, and black congressmen.

On the political level, we have testified at Senate hearings and regional hearings sponsored by the White House Conference on Aging. At the 1971 White House Conference on Aging we articulated proposals in the areas of income, housing, health care, and transportation.

Q. Have such efforts been successful?

Mr. JACKSON. Yes and no. Publicity has been adequate in certain local areas, but national coverage has not really been achieved to the extent desirable. One of the greatest barriers to this is the lack of definitive data on the black elderly. Unfortunately, the total profile of the black aging is incomplete because of lack of information from the Bureau of the Census and other possible sources. Many of our elderly blacks are still invisible—despite their color—because even with some new housing centers for the older people and somewhat broader Social Security coverage, not nearly enough census studies and analyses have been done to produce the needed facts. However, through the cooperation of the U.S. Senate Special Committee on Aging and the special work of Dr. Inabel Lindsay, we have been able to update certain information on the black elderly with respect to their life style, geographic distribution, estimated average income and assets, incidence and extent of chronic illness, longevity expectations, employment patterns, quality of housing, effectiveness of federal programs, and a few other areas. This information is available in the publication, *The Multiple Hazards of Age and Race.*

Some of the other barriers the caucus faces are the apathy, the institutional racism, the lack of commitment or strategic areas of power, the pragmatism and the divisive nature of politics, the extremely slow pace in bringing about constructive change, and the

tendency to want to deliver a different kind of service to the poor than to others.

In both the voluntary and the governmental sectors we have encountered far too many organizations that are well meaning about the problems but are very rigid, self-servicing, self-perpetuating, vested interest-type organizations which through inadequate or irrelevant programs tend to maintain the status quo.

Despite these obstacles, we do see some hope in the future in coalescing with others, including the elderly themselves, to bring about constructive change.

One of our most heartwarming experiences was achieved two weeks before the 1971 White House Conference on Aging when we were able to bring 800 black elderly poor to Washington, D.C., from 20 states across the country in a national conference to articulate their own needs and problems and to make recommendations for resolving them. These recommendations were the basis for some of our input into the White House Conference.

We shall monitor very closely the implementation of our White House Conference recommendations by such agencies as the Administration on Aging and others. We want to see older black people served by all the existing and future programs at least to the extent of their representation in the population, but preferably much more than that because of the multidimensional aspects of their problems.

YOUTH DIFFERENTIAL

Mr. BROCK. Mr. President, the youth differential provision in the pending substitute demands the attention of every Member of this body. In fact, it is one of the strongest reasons for supporting the substitute. A special minimum wage for youths under 18 and full-time students under 21 is essential to insure work opportunity and training for young Americans.

There is a growing social concern to provide employment opportunities for young people. However, as the minimum wage advances, many employers find they cannot afford to employ inexperienced, untrained help at the minimum rate. The result has been a persistent and alarming growth in youth unemployment in the past decade. Unemployment has generally been ranging around 17½ percent for 16- to 19-year-olds compared with 4.9 percent for adults. The unemployment rate for black teenagers is twice as great—40 percent. We cannot afford to let this trend continue. If there ever was a time to initiate new measures to halt the reduction in employment opportunities for young people, it is now.

To increase job opportunities for young people, employers must be provided some inducement to hire them. The proposed substitute would accomplish this by establishing payment of a special youth minimum rate of 80 percent of the prevailing minimum wage, or $1.60, whichever is higher, for youths seeking nonfarm jobs and 80 percent of the prevailing minimum or $1.30, whichever is higher, for youths seeking farm jobs.

To assure that the special youth rates do not reduce the number of jobs available to older workers, the substitute authorizes the Secretary of Labor to prescribe standards and requirements to guard against loss of employment opportunities for adults. However, the Department of Labor estimates that an insignificant number of adult workers will be affected by the special youth differential since few adults are seeking the types of jobs generally sought by youths—unskilled, part-time, or trainee positions.

Substantial efforts have been made at the Federal, local, and private levels to meet the increasing demand for jobs by youth. A combined Federal-private effort is needed to keep young people headed toward the goal of meaningful employment. This summer jobs for young people will rise to an all-time high of 1.2 million. This is 220,000 more summer jobs than were available for youngsters last summer. An estimated $378 million will be spent in Federal funds under four programs providing 865,322 jobs. The remaining 336,000 jobs will be provided mainly in the private sector by business and industry, without Federal financial support.

All these efforts will be diminished, however, if private employers refuse to meet the surplus of youths seeking jobs because of the inequitable increase in the minimum wage proposed by S. 1861 which prices unskilled, disadvantaged young people out of the job market.

Another obstacle to youth unemployment is the existing requirement authorizing prior certification by the Department of Labor before an employer can hire a youth at a lower wage. The substitute would eliminate this cumbersome certification procedure while the committee bill seeks to perpetuate it.

Most youngsters want to work, either out of necessity or to help advance their education and future job potential. These youths must be given a chance to work—to become a part of society. I believe the youth differential proposal will help provide them with the entry they seek into the work force. I strongly urge its adoption.

Mr. President, I ask unanimous consent that a Review and Outlook editorial entitled "The Split Minimum Wage," published in the Wall Street Journal, be reprinted in the RECORD.

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

THE SPLIT MINIMUM WAGE

We do not believe the federal minimum wage should be raised this year, although all signs in the Capital now point in that direction. But if it is, the House of Representatives at least has chosen a method that would modify the adverse effect the higher rate would have on the economy, inflation, and teenage unemployment. Against the advice of most economists, the Senate Labor Committee, though, seems determined to maximize the damage.

The House-passed bill would permit employers to continue paying youths under 18 and students under 21 at the present rate of $1.60 per hour; the rate for most other nonagricultural workers would go to $1.80 this year and $2 a year from now.

The Senate Labor Committee is in a more generous frame of mind. By a 14-to-2 vote it endorsed an immediate boost in the minimum wage to $2 an hour and another to $2.20 a year from now. It also accepted the AFL-CIO's argument in opposition to a "split" minimum wage. George Meany says that if an employer can pay a teenager a lower rate he will hire the lad and fire his father.

Yet the nation's three decades of experience with the minimum wage indicates this is not what is likely to happen at all. Because an adult with work experience, even at an unskilled job, will almost always command a higher rate than will a beginner the legislated minimum wage in practice becomes the starting wage, the basic floor for beginners. When it is raised, the increase ripples upward through the nation's wage structure.

If this were the only effect, we wouldn't be too concerned with periodic increases in the minimum wage. There are, after all, much more powerful inflationary forces at work. But there are other problems, worsened by the type of steep increase the Senate Labor Committee has in mind.

At the lower end of the wage scale, where minimum wage increases have their greatest immediate impact, employers will tend to find it economic to modernize, to replace men and women with machines sooner than would be the case if the wage scale had not been mandated. If the employer is too small to modernize, and finds he can't compete with larger companies or with foreign competition, he has to fold.

Eventually, inflation and productivity catch up with the minimum wage. But meanwhile, the displaced employes either go jobless, are forced to migrate in search of unskilled job opportunities, or accept employment normally held by teen-agers. In any event, employers who were willing to hire a teen-ager at a low hourly rate, hoping the youth could learn skills that would make him productive and worthy of higher pay, is discouraged from hiring him at the higher minimum. Then too, the nation will simply do without teen-age services it would like but can't afford at the legislated minimum, for example, delivery boys.

Since 1950, when the minimum wage was 75 cents an hour, the relative level of teenage unemployment has doubled even as the relative numbers of teen-agers participating in the labor market has declined—so many more are staying in school.

The Senate Labor Committee sees the minimum wage as a quick and easy method of eliminating poverty, at no cost to the U.S. Treasury. But as so often happens, the simple solution has the opposite of its intended effect. Few will benefit from an increase in the minimum at this time, and those who do will see the benefits quickly vanish. Yet teenage unemployment will go up another notch, as it always does when the minimum wage goes up. The House has at least taken this into account by stretching out the increase and by exempting teen-agers from it. It would be better yet, for the low-income people this kind of legislation is supposed to help, if there were no increase at all.

SPENDING UNDER CONTINUING RESOLUTIONS

Mr. FONG. Mr. President, during the debate on House Joint Resolution 1234—the continuing resolution for appropriations for fiscal year 1973—the distinguished Senator from Wisconsin (Mr. PROXMIRE) offered an amendment which stated that—

Obligations incurred in any one quarter under the authority of this Continuing Resolution for activities and programs financed by the Foreign Assistance and Related Programs Appropriation Act, 1972 (Public Law 92-242) shall not exceed one-fourth of the annual rate of new obligational authority appropriated in said Act or the fiscal year 1973 budget estimate of new obligational authority for such activities and programs, whichever is lower.

This amendment was prompted by the way certain agencies went about allocating a large portion of their appropriations at the beginning of the fiscal year when they were still operating under a continuing resolution.

The continuing resolution problem became most serious last year when the foreign assistance appropriation bill was not enacted until March 1972, 9 months into the fiscal year for which it was intended. During those 9 months, five continuing resolutions allowing three different rates of obligations for the programs covered by that appropriation bill were enacted.

It is fair to say that the administration was faced with a very unusual situation with respect to foreign assistance legislation while program requirements were proceeding apace. In the absence of an appropriation statute, the pattern of obligations adopted by the heads of the affected agencies during that time were governed heavily by operational and administrative considerations. In addition, past experiences with continuing resolutions—whose amounts were usually exceeded by the final appropriations—played a significant role in the budgeting and spending process.

Mr. President, whatever reservations or hangups we may have as to the large withdrawal of funds in some of these programs during the confusing period of last year's continuing resolutions, I personally believe that Congress was to be blamed as much as anyone else. Therefore, I though it only fair that the people responsible for monitoring the spending under the continuing resolutions be given a chance not only to explain the circumstances under which the spending occurred, but also to inform Congress as to the steps that would be taken to alleviate the criticisms and concerns that were expressed by some Members of Congress.

It may interest Senators to know that with less than a day's notice, Caspar Weinberger, Director of the Office of Management and Budget, testified before the Foreign Operations Subcommittee about the criticisms that were lodged against the Defense Department for drawing $374 million a few days after the first continuing resolution was adopted last year. Despite the fact that Director Weinberger did an outstanding job in providing the subcommittee members with pertinent answers and assurances as to how he planned to cope with the problem, it was unfortunate that the Defense Department declined to send anyone to testify in its behalf. I was most disappointed with the way the Defense Department reacted to the committee's invitation to testify. Needless to say, I do not condone such action, and I hope it does not happen again.

Mr. President, one of the reasons I opposed the amendment was the fact that the end result which it was designed to achieve could be accomplished by the actions that will be and, in fact, have been taken by Director Weinberger. During the hearing, he assured us that immediate steps would be taken to advise all departments and agencies about the concern of Congress, that the cooperation of the Treasury Department regarding the matter will be sought, that meetings and consultations with the various aides of the departments and agencies will be held by him, and that he, as Director of the Office of Management and Budget, will issue an OMB bulletin informing all concerned about the importance of obligating fiscal year 1973 funds under the continuing resolution at the current reasonable rate of spending.

Mr. President, I am happy to inform the Senate that Director Weinberger has already taken steps to carry out the pledge he made to the committee members on June 29, 1972. Besides issuing OMB Bulletin No. 73–1 on July 3, Mr. Weinberger has made arrangements with the Treasury Department's Commissioner of Accounts to refer to OMB for review agency requests for temporary appropriations under the continuing resolution. In addition, agencies of the executive branch have been instructed to issue or update their internal instructions to "assure a minimum rate of obligating in accordance with the policy prescribed."

Mr. President, I commend Director Weinberger for taking immediate action to cope with the problem of spending under a continuing resolution. I ask unanimous consent that his letter of July 6 and the text of OMB Bulletin No. 73–1 be printed in the RECORD.

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

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 6, 1972.

Hon. HIRAM L. FONG,
Foreign Operations Subcommittee,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FONG: Enclosed is a copy of OMB Bulletin No. 73–1, which I issued on July 3 pursuant to the pledge I made in testimony before the Senate Foreign Operations Subcommittee on June 29, 1972. It provides a statement of policy on the rate of obligating under the Continuing Resolution (P.L. 92–334).

As promised, we have also made arrangements with the Treasury Department's Commissioner of Accounts to refer to us for review, when appropriate, agency requests for temporary appropriations under the Continuing Resolution.

In addition, the executive branch agencies have been instructed to issue (or update as appropriate) their internal instructions to assure a minimum rate of obligating in accordance with the policy prescribed.

We believe that the steps taken will lead to the adherence of agency operations at the minimum level intended during the period the Continuing Resolution is in effect.

Sincerely,

CASPER W. WEINBERGER,
Director.

RATE OF OBLIGATION UNDER THE CONTINUING RESOLUTION—PUBLIC LAW 92–334

To the heads of executive departments and establishments:

1. *Purpose.* This Bulletin provides a statement of policy on the rate of obligation which agencies will maintain under the recently enacted Continuing Resolution. Its objective is to assure that each agency establish controls immediately to maintain its rate of operations during the effective period of the Continuing Resolution at the lowest possible level. This rate should be consistent with the Resolution, and should not frustrate potential congressional action on the regular appropriations that might provide a lesser amount.

2. *Background.* The Continuing Resolution is intended to provide funds to maintain Government operations at a minimum necessary for orderly continuation of activities until regular appropriations are enacted. Amounts temporarily appropriated for continuing projects or activities covered by the Continuing Resolution (in terms of specified rates for operations) are the maximum amounts which may be obligated during the period the Continuing Resolution is in effect.

In some instances, eventual congressional reductions in appropriation requests to a level below the appropriation enacted for the prior year could make the maximum operating rate authorized by the Continuing Resolution higher than the rate authorized (later) by the Congress in regular appropriation acts. Each agency must be alert to such a possibility and conduct its operations in such a manner as to permit the Congress to maintain its Constitutional prerogatives.

Responsible behavior on the part of each agency is essential to the maintenance of continued confidence and trust in the agency by the Congress. Because of a few specific instances last year this problem is currently of considerable concern to members of the appropriations committees. Thus, House Report 92–1173 on "Continuing Appropriations, 1973" admonishes the agencies to "avoid the obligation of funds for specific budget line items . . . on which congressional committees may have expressed strong criticism, at rates which unduly impinge upon discretionary decisons otherwise available to the Congress."

3. *Policy.* Agencies will incur obligations under authority of the Continuing Resolution at the *minimum* rate necessary for the orderly continuation of existing activities, preserving to the maximum extent reasonably possible the flexibility of the Congress in arriving at final decisions in the regular appropriation bills. Particular attention should be given to probable congressional appropriation action which may ultimately result in a lower appropriation level than in fiscal year 1972. Accordingly, agency heads will establish controls to assure that their programs are operated in a prudent, conservative, and frugal manner.

Requests must be made to the Treasury Department for temporary appropriations warrants under the Continuing Resolution. These requests will reflect this policy.

Every effort should be made to identify projects or activities for which there is a possibility of reduced appropriations. In these instances especially, the agency must establish controls so that future congressional action is not preempted by a high (even though legal at the time) rate of obligation under the Continuing Resolution.

4. *Agency instructions.* Each agency head will issue (or update as appropriate) internal instructions to carry out the above policy. A copy of such instructions will be furnished to the Office of Management and Budget within one week of the date of this Bulletin.

CASPAR W. WEINBERGER,
Director.

UTILIZATION OF FISCAL YEAR 1973 CONTINUING RESOLUTION AUTHORITY FOR AGENCIES AND ACTIVITIES FUNDED BY THE FOREIGN ASSISTANCE AND RELATED ACTIVITIES APPROPRIATIONS BILL

Mr. PROXMIRE. Mr. President, as chairman of the Appropriations Foreign Operations Subcommittee, I have, in recent weeks, voiced concern as to how cer-

tain agencies and activities have utilized continuing resolution authority to end-run the appropriations process.

Prior to the congressional recess, I stated that I would keep the Senate apprised of Treasury warrants requested under authority of the fiscal year 1973 continuing resolution by agencies and activities funded through the foreign assistance and related activities appropriation bill.

I ask unanimous consent to have inserted at this point in the RECORD, first, a table reflecting the fiscal year 1973 annual rate as established by the continuing resolution for each of the appropriation accounts; second, a request from the Department of Defense, dated July 11, 1972, for issuance of a Treasury warrant in the amount of $124 million for the military assistance program; and third, a request from the Department of Defense, dated July 13, 1972, for issuance of a Treasury warrant in the amount of $100 million for the foreign military credit sales program.

As will be noted both of these requests from the Department of Defense are within 25 percent of the applicable annual rate established by the continuing resolution and I trust that this ratio will be maintained until we pass an annual bill—which I hope will be within the next several weeks.

A hearing concerning this problem was held by the Foreign Operations Subcommittee on June 29 with Mr. Caspar W. Weinberger, Director of the Office of Management and Budget, as our principal witness. A letter and enclosure which I have subsequently received from Mr. Weinberger outlines the very responsible efforts of his office to restrict the more flagrant abuses of continuing resolution authority. I ask unanimous consent to have this information printed at this point in the RECORD.

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

Foreign Assistance and Related Agencies Appropriations for Fiscal Year 1973 Under the Continuing Resolution

[In thousands of dollars]

TITLE I—FOREIGN ASSISTANCE ACTIVITIES	
Economic Assistance:	
Worldwide, development loans	$200,000
Alliance for Progress, development loans	150,000
Worldwide, technical assistance	160,000
Alliance for Progress, technical assistance	80,000
American schools and hospitals abroad	15,575
Programs relating to population growth	125,000
International organizations and programs	124,835
Indus Basin Development Fund, loans	12,000
Indus Basin Development Fund, grants	10,000
Contingency fund	30,000
International narcotics control	0
Refugee relief assistance (Bangladesh)	100,000
Administrative expenses:	
AID	50,000
State	4,221
Subtotal, economic assistance	1,061,631
Other: Overseas Private Investment Corporation (OPIC) (reserves)	$12 500
Subtotal, other	12,500
Military and Supporting Assistance:	
Military assistance (grants)	500,600
Supporting assistance	550,000
Subtotal, military and supporting assistance	1,050,600
Total, Title I, Foreign Assistance Act	2,124,731
TITLE II—FOREIGN MILITARY	
Credit sales	400,000
Total, Foreign Military	400,000
TITLE III—OTHER	
Peace Corps	72,500
DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS	
Ryukyu Islands, Army: Administration	0
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE	
Assistance to refugees in the United States (Cuban program)	139,000
DEPARTMENT OF STATE	
Migration and refugee assistance	8,212
Resettlement of Soviet Jewish Refugees	0
INTERNATIONAL FINANCIAL INSTITUTIONS	
International Bank for Reconstruction and Development	0
International Development Association	0
Inter-American Development Bank	0
Asian Development Bank	0
Total, title III, Foreign Assistance (other)	219,712
TITLE IV—EXPORT—IMPORT BANK	
Limitation on program activity	0
Grand total, all titles	2,744,443

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., July 11, 1972.

Mrs. JOYCE BARBEE,
Deputy Assistance Director, Central Accounting Operations, Bureau of Accounts, Treasury Department, Washington, D.C.

DEAR MRS. BARBEE: It is requested that an appropriation warrant in the amount of $124.0 million be issued for account 1131080 for the initial implementation of the FY 1973 Military Assistance Program pursuant to the Continuing Resolution Authority of Public Law 92–334.

The above request for financing is within the military assistance program funding levels approved by the Department of State on July 3, 1972.

This request is consistent with the policy provided by Executive Office of the President, Office of Management and Budget Bulletin No. 73–1, dated July 3, 1973 (copy attached).

Sincerely,

ERICH F. VON MARBOD,
Comptroller.

JULY 13, 1972.

Mrs. JOYCE BARBEE,
Deputy Assistance Director, Central Accounting Operations, Bureau of Accounts, Treasury Department, Washington, D.C.

DEAR MRS. BARBEE: It is requested that an appropriation warrant in the amount of $100 million be issued for account 1131082 for the operation of the FY 1973 Foreign Military Sales Program through August 18, 1972, pursuant to the Continuing Resolution Authority of Public Law 92–334.

This request is consistent with the policy provided by Executive Office of the President, Office of Management and Budget Bulletin No. 73–1, dated July 3, 1972.

Sincerely,

ERICH F. VON MARBOD,
Comptroller.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 6, 1972.

Hon. WILLIAM PROXMIRE,
Chairman, Foreign Operations Subcommittee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed is a copy of OMB Bulletin No. 73–1, which I issued on July 3 pursuant to the pledge I made in testimony before the Senate Foreign Operations Subcommittee on June 29, 1972. It provides a statement of policy on the rate of obligating under the Continuing Resolution (P.L. 92–334).

As promised, we have also made arrangements with the Treasury Department's Commissioner of Accounts to refer to us for review, when appropriate, agency requests for temporary appropriations under the Continuing Resolution.

In addition, the executive branch agencies have been instructed to issue (or update as appropriate) their internal instructions to assure a minimum rate of obligating in accordance with the policy prescribed.

We believe that the steps taken will lead to the adherence of agency operations at the minimum level intended during the period the Continuing Resolution is in effect.

Sincerely,

CASPER W. WEINBERGER,
Director.

RATE OF OBLIGATION UNDER THE CONTINUING RESOLUTION—PUBLIC LAW 92–334

To the heads of executive departments and establishments:

1. *Purpose.* This Bulletin provides a statement of policy on the rate of obligation which agencies will maintain under the recently enacted Continuing Resolution. Its objective is to assure that each agency establish controls immediately to maintain its rate of operations during the effective period of the Continuing Resolution at the lowest possible level. This rate should be consistent with the Resolution, and should not frustrate potential congressional action on the regular appropriations that might provide a lesser amount.

2. *Background.* The Continuing Resolution is intended to provide funds to maintain Government operations at a minimum necessary for orderly continuation of activities until regular appropriations are enacted. Amounts temporarily appropriated for continuing projects or activities covered by the Continuing Resolution (in terms of specified rates for operations) are the maximum amounts which may be obligated during the period the Continuing Resolution is in effect.

In some instances, eventual congressional reductions in appropriation requests to a level below the appropriation enacted for the prior year could make the maximum operating rate authorized by the Continuing Resolution higher than the rate authorized (later) by the Congress in regular appropriation acts. Each agency must be alert to such a possibility and conduct its operations in such a manner as to permit the Congress to maintain its Constitutional prerogatives.

Responsible behavior on the part of each agency is essential to the maintenance of continued confidence and trust in the agency by the Congress. Because of a few specific instances last year this problem is currently of considerable concern to members of the appropriations committees. Thus, House Report 92–1173 on "Continuing Appropriations, 1973" admonishes the agencies to "avoid the obligation of funds for specific budget line items . . ., on which congressional committees may have expressed strong criticism, at

rates which unduly impinge upon discretionary decisions otherwise available to the Congress."

3. *Policy.* Agencies will incur obligations under authority of the Continuing Resolution at the *minimum* rate necessary for the orderly continuation of existing activities, preserving to the maximum extent reasonably possible the flexibility of the Congress in arriving at final decisions in the regular appropriation bills. Particular attention should be given to probable congressional appropriation action which may ultimately result in a lower appropriation level than in fiscal year 1972. Accordingly, agency heads will establish controls to assure that their programs are operated in a prudent, conservative, and frugal manner.

Requests must be made to the Treasury Department for temporary appropriations warrants under the Continuing Resolution. These requests will reflect this policy.

Every effort should be made to identify projects or activities for which there is a possibility of reduced appropriations. In these instances especially, the agency must establish controls so that future congressional action is not preempted by a high (even though legal at the time) rate of obligation under the Continuing Resolution.

4. *Agency instructions.* Each agency head will issue (or update as appropriate) internal instructions to carry out the above policy. A copy of such instructions will be furnished to the Office of Management and Budget within one week of the date of this Bulletin.

CASPAR W. WEINBERGER,
Director.

Mr. PROXMIRE. Mr. President, I should again advise the Senate that the Foreign Operations Subcommittee reported a fiscal year 1973 appropriations bill to the full committee on June 26, and as chairman of the subcommittee, I am prepared to take it to the Senate floor as soon as it is reported by the full committee.

AMERICA'S DYING SMALL TOWNS: TRAGEDY OR OPPORTUNITY?

Mr. HUMPHREY. Mr. President, Mr. Ronald Schiller, a freelance writer who has a special interest in the problems of cities, spent some time earlier this year studying the problems and potentials of rural communities. He traveled to various parts of the United States talking and interviewing officials and people living in some of our Nation's smaller towns. He also acquainted himself with the work of the Senate Subcommittee on Rural Development of which I serve as chairman.

In June of this year he prepared an article for the National Civic Review covering his findings and assessment of Smalltown, U.S.A. His article, entitled "Population Resettlement Plans May Save Dying Towns," was later condensed and reprinted in the July 1972, issue of the Reader's Digest under the title "America's Dying Small Towns: Tragedy or Opportunity?""

In the article Mr. Schiller observes:

It is this maldistribution—the concentration of more and more people into a few urban areas—rather than the actual increase in the nation's population, that lies at the heart of most of our burgeoning social problems, urbanologists tell us. The economic and ecological damage it has wrought, the soaring crime rates, anti-social violence, drug addiction, racial conflicts, traffic strangulation and power blackouts it has engendered in our metropolises, are too readily observable to require documentation.

Short of imposing compulsory birth control, the most obvious and cheapest way to defuse the population bomb, as urbanologists have come to realize, is to keep the rural population anchored, and eventually to siphon people off to the nation's existing small towns and cities by providing them with the facilities and economic opportunities needed to attract and support larger populations.

Mr. Schiller's observation are consistent with the findings and legislative work of our Rural Development Subcommittee. The Rural Development Act of 1972, which is now awaiting final action by Congress, contains programs which will help achieve the objectives cited by Mr. Schiller.

It is one of the most comprehensive and far-reaching pieces of rural development legislation ever developed by Congress. It contains over $500 million in new grant authority to help rural communities improve their community facilities and services and to help attract jobs and industry to rural America.

Mr. President, I ask unanimous consent that Mr. Schiller's article be printed in the RECORD.

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

AMERICA'S DYING SMALL TOWNS: TRAGEDY OR OPPORTUNITY?

(By Ronald Schiller)

If the growing hazards, crush and callousness of urban life are becoming unbearable to you, how would you like to live in a tree-shaded, sparklingly clean community, with the purest of air, low taxes, friendly neighbors, a top-rated educational system with one teacher to serve every 12 students, and a crime rate so low that people leave their homes unlocked and walk the dark streets at night without fear?

Well, all of these amenities, and more, are awaiting you in Russell, Kan. But, before you pull up stakes to take advantage of this good life, be warned that you'll probably need an independent income to live in Russell, for you will find almost no employment opportunities there. Like thousands of other small cities and towns in rural America, the community is withering. During the past two decades, while U.S. population jumped 35 percent, Russell's population dropped 18 percent—from 6,483 people in 1950 to 5,371 in 1970. There are empty stores on its main street. Its fine modern schools serve scarcely two-thirds the number of students they were built to accommodate, with each entering class smaller than the one ahead of it. Of the 132 members of its 1968 senior class, all but 15 had to move to the cities to find livelihoods.

Russell and the country around it are suffering because they have too few industries to sustain them. Although their fertile fields now produce more wheat, feed and cattle than ever before, farm families too are leaving in large numbers. Few *want* to go. They are forced out by low crop prices, rising operating costs, and by mechanization and miracle fertilizers which have increased agricultural productivity to the point where one man can do the work that required three in 1950. The number of farms in the county has shrunk from 1,065 to 735 in 20 years; and, as families leave the soil, more businesses go under and employes lose jobs to swell the exodus.

Why should the 150 million of us who live in America's cities and suburbs be concerned with the fate of one small town in Kansas? Because what is happening to towns like Russell represents a national disaster wreaking havoc on all of our lives. During the past quarter-century an estimated 30 million people have fled the farms and open countryside in the most massive migration in history. We chose Kansas as the scene of our investigation because, despite one of the nation's lowest birthrates, it has exported more people than the other Great Plains states. Vast areas of Appalachia, the South and the intermountain regions of the West have been similarly decimated as farmers, agricultural laborers and coal miners have drifted to the cities seeking work, but too often ending up on welfare.

Indeed, so explosive has our metropolitan growth been that nearly 75 percent of all Americans now live and work on only one and one-half percent of the nation's land. And with the population expected to increase at least another 75 million by the end of the century, 230 million people will be jostling each other for breathing space in the same impacted areas. In fact, if the present trend continues, more than half of us will be crowded into three huge "megalopolises," which demographers refer to as Boswash (stretching from Boston to Washington), Chipitts (Chicago to Pittsburgh) and Sansan (San Francisco to San Diego). It is this concentration of more and more people into a few urban areas, rather than the actual increase in the nation's population, that lies at the heart of most of our burgeoning social problems—soaring crime rates and violence, drug addiction, racial frictions, traffic strangulation.

Clearly, we need to discover ways to keep the rural population anchored, and eventually to siphon people from our strangling cities and their suburbs to the nation's existing small towns. We need to provide the facilities and economic opportunities there that will attract and support larger populations. Contrary to assertions about the strong lure of the cities, fewer than half the people questioned in a recent Harris poll wanted to be living in or near a city ten years hence.

To demonstrate what local initiative can accomplish to meet this inclination toward "the land," consider the towns of Hays and McPherson, Kan., which 20 years ago were about the same size and were faced with the same economic problems as other small Kansas towns. But while many of these towns declined, Hays' population soared almost 80 percent, McPherson's 25 percent.

A dozen years ago, local citizens in both towns formed industrial-development committees, which called in planning experts to inventory their economic strengths, point out weaknesses and devise programs for growth, including the raising of money to buy land for industrial parks. Brochures were sent to expanding manufacturing firms throughout the country; and the slightest nibble in response would bring local businessmen to the company's doorstep to plead their cause.

These bootstrap efforts have paid off handsomely. Ten new industries producing everything from mobile homes to plastic pipe, have moved into McPherson, providing 2000 jobs. Hays is now the site of a huge laboratory, employing 750, which makes medical and hospital supplies; and also of a hydraulic cylinder factory, which gives work to 150 more. Both towns are now thriving. For, as studies indicate, every 100 new factory jobs create additional employment for 65 people in the non-manufacturing trades, bring in three new retail stores, raise the population by 350, increase total personal income by $700,000 annually and retail sales by some $300,000.

It may be argued that Hays and McPherson were favored because of their colleges, airports and four-lane interstate highways. But much smaller Ellsworth (1970 pop.: 2080) enjoyed none of these advantages. Emigration of people and business had brought it to the verge of rigor mortis, until druggist Bob Nichols and a few other young business leaders appointed them-

selves a committee to save the town. After six years of dogged effort, their opportunity came when they were advised, one night in 1968, that an industrial prospect would arrive at seven the next morning and would give them one hour to present their case. They were not told the firm's name or the nature of its business—just that it was a manufacturing concern which would employ 400 people.

"We worked late into the night assembling our facts and figures," Nichols recalls. "The next morning we were asked where the workers for the plant would come from. In short order we came up with more than 500 applications for employment" Impressed by such cooperation, and by the community itself, the auto-parts supplier chose Ellsworth over 40 other potential sites in five states. Since then, a Chicago lawnmower manufacturer, employing 25, has moved in, and there are hopes for two other plants.

The new $150,000-a-month industrial payroll has restored Ellsworth to exuberant health. The population has increased 15 percent, and the elementary schools are filling up again. The empty stores are fully occupied, and 54 new homes have been built since the beginning of the year—along with Ellsworth's first motel, drive-in bank and Montgomery Ward branch.

Are the industries satisfied with their new locations? "I've never dealt with employes more conscientious, or more easily trainable," was the enthusiastic response of the director of the manufacturing laboratory in Hays. Isn't the distance from their sources of supply and the major consumer markets a problem? "Not at all," a McPherson plant comptroller assured me. "The added cost of transportation is more than repaid by lower taxes, utility rates and operating expenses, and by the higher productivity of the workers."

Unhappily, however, such success stories are far more the exception than the rule. Although Russell and other communities started later than the three towns mentioned, they have done as much, and worked just as hard, to lure industry—with little to show for their efforts. Seventy-five of Kansas' 105 counties are still losing people, and if the exodus is to end, the state will need twice as many new jobs as are currently being created. A disproportionate bulk of the $145 billion spent by business and government every year on new plants, facilities and contracts is still pouring into urbanized regions.

What is needed to deal effectively with the twin problems of urban overcrowding and rural blight is a comprehensive national population-resettlement plan that will enable us to design our future instead of resigning ourselves to it. The first significant steps are now being taken.

A recently enacted federal law forbids construction of major U.S. government facilities in congested areas unless there is compelling reason. The Rural Development Act of 1972, now before Congress, proposes to expand federal loans and grants to communities of fewer than 50,000 and to rural businessmen when they are unable to obtain financial help elsewhere. A nationwide program directed at rural-development research and extension education would be initiated in both public and private colleges. Annually, $500 million in federal funds would be shared with states, local planning and development groups, and rural governments.

The cost of such programs will be far less than the massive sums that will have to be expended to keep our metropolises from collapsing, if they continue their present unabated growth. In terms of human morale, the benefits will be incalculable. "For it is in the countryside," states President Nixon's Task Force on Rural Development, "that we can find the clean air, clear water, living space, recreation, tranquillity and inspiration for tomorrow's people."

POPULATION RESETTLEMENT PLANS MAY SAVE DYING TOWNS

(By Ronald Schiller*)

If the growing hazards, crush and callousness of urban life are becoming unbearable to you, how would you like to live in a tree-shaded, sparklingly clean community, with the purest of air, few traffic or parking problems, low taxes, friendly neighbors who will go out of their way to help you, a top-rated educational system, with one teacher to serve every 12 students, and a crime rate so low that people leave their homes unlocked and walk the dark streets at night without the slightest fear?

Well, all of these amenities, and more, are awaiting you in Russell, Kansas. You'll be 10 minutes from a fine municipal golf course, 20 minutes from a large unpolluted lake, where you may keep your boat in a modern marina, swim from sandy beaches or catch your limit of walleyes and bass in an hour. If culture is your bag, there's an excellent library in town, and you may attend plays, concerts and lectures at a state college 26 miles away.

But before you decide to pull up stakes to take advantage of this good life, be warned that you'll probably need an independent income to live in Russell, for you will find almost no employment opportunities there. Like thousands of other small cities and towns in rural America, the community is withering. During the past two decades, while the population of the United States jumped 35 percent, Russell's population dropped 18 percent—from 6,483 people in 1950 to 5,371 in 1970. All except one of its agricultural equipment dealers have gone out of business. There are empty stores on its main street. Its fine modern schools serve scarcely two-thirds the number of students they were built to accommodate, with each entering class smaller than the one ahead of it. And of the 132 members of its 1968 senior high school class, all but 15 had to move to the cities to find livelihoods.

"With $12,000 of our money invested in their educations, they graduate with a diploma in one hand and a bus ticket in the other," is the comment of newspaper editor Russ Townsley. "We're being bled of our most precious asset, the young, most energetic and ambitious element of our population."

Russell and the county around it are suffering because they have too few industries to sustain them. They were built to serve farmers and, later, oilfield workers. But the oil is being depleted, along with workers. And although the fertile fields now product more wheat, feed and cattle than ever before in their history, farm families, too, are leaving in large numbers. Few of them want to go. They are being forced out by low crop prices, rising operating costs, and by mechanization and miracle fertilizers which have increased agricultural productivity to the point where one man can do the work that required three men in 1950. The number of farms in the county has shrunk from 1,065 to 735 in 20 years as the smaller operators sold out to bigger ones. And as families leave the soil, more and more businesses go under and employees lose their jobs, to swell the exodus.

Why should the 150 million of us who live in America's cities and suburbs be concerned with the fate of one small town and county in Kansas. Because what is happening to towns like Russell represents a national disaster that is wreaking havoc on all of our lives. During the past quarter-century an estimated 30 million people have fled the farms and open countryside in the most massive migration in history.

We chose Kansas as the scene of our investigation because, despite one of the nation's lowest birth rates, it has exported more people than the other Great Plains states. But the story is the same throughout America's heartland, where over half of the counties have been depopulated. Vast areas of Appalachia, the South and the inter-mountain regions of the West have been similarly decimated as uprooted farmers, agricultural laborers and coal miners have drifted to the cities seeking work, but too often ending up on welfare.

Indeed, so explosive has been our metropolitan growth that nearly 75 percent of all Americans now live and work on only 1.5 percent of the nation's land. And with the population expected to increase at least another 75 million by the end of the century, 230 million people will be jostling each other for breathing space in the same impacted areas. In fact, if the present trend continues, demographers predict, more than half of us will be crushed into three huge "megalopolises," which they refer to as "Boswash" (stretching from Boston to Washington), "Chipitts" (Chicago to Pittsburgh) and "Sansan" (San Francisco to San Diego).

It is this maldistribution—the concentration of more and more people into a few urban areas—rather than the actual increase in the nation's population, that lies at the heart of most of our burgeoning social problems, urbanologists tell us. The economic and ecological damage it has wrought, the soaring crime rates, anti-social violence, drug addiction, racial conflicts, traffic strangulation and power blackouts it has engendered in our metropolises are too readily observable to require documentation.

Short of imposing compulsory birth control, the most obvious and cheapest way to defuse the population bomb, as urbanologists have come to realize, is to keep the rural population anchored, and eventually to siphon people off to the nation's existing small towns and cities by providing them with the facilities and economic opportunities needed to attract and support larger populations. Contrary to assertions that the lure of the cities is too strong to resist, less than half the people questioned in a recent Harris poll wanted to be living in or near a city 10 years from now.

To demonstrate what local initiative and aggressive leadership can accomplish to meet this inclination toward "the land," consider the towns of Hays and McPherson, Kansas, which 20 years ago were about the same size and were faced with the same economic problems as other small Kansas towns. But while many of these towns declined, Hays' population soared almost 80 percent and McPherson's 25 percent, because local citizens refused to accept defeat. A dozen years ago they formed industrial development committees which called in planning experts to inventory the towns' economic strengths, point out their weaknesses, and devise programs for growth, including the raising of money to buy land for industrial parks. Brochures were sent out to expanding manufacturing firms throughout the United States, and the slightest nibble in response would bring a team of local businessmen to the company's doorstep to plead their cause.

These bootstrap efforts have paid off handsomely. Ten new industries, producing everything from mobile homes to plastic pipe, have moved into McPherson, providing 2,000 jobs. Hays is now the site of a huge laboratory, employing 750, which makes medical and hospital supplies; and also a hydraulic cylinder factory, which gives work to 150 more. Both towns are now thriving. For, as studies indicate, each 100 new factory jobs create additional employment for 65 people in the nonmanufacturing trades, bring in three new retail stores, raise the population by 350, increase total personal income by $700,000 annually and retail sales by some $300,000.

*Ronald Schiller is a free-lance writer with special interest in the problems of cities. He has been managing editor of *United Nations World*, assistant foreign news editor of *Life* and a national affairs writer for *Time*.

It may be argued that Hays and McPherson were favored because of their colleges, airports and four-lane interstate highways. But much smaller Ellsworth (population 2,080 in 1970), enjoyed none of these advantages. It claims it "isn't the 'hub' of anything, except honest, harworking people who raise their families in an atmosphere of community pride, faith in the future, rural stamina and concern for each other." Despite the brave words, the emigration of people and businesses had brought it to the verge of rigor mortis, until druggist Bob Nichols and a few other young business leaders appointed themselves a committee to save the town.

After six years of dogged effort, their opportunity came when they were advised, one night in 1968, that an industrial prospect would arrive in town at seven the next morning, and would give them exactly one hour to present their case. They were not told the firm's name or the nature of its business, other than that it was a manufacturing concern that would employ 400 people.

"We worked late into the night assembling our facts and figures," Nichols recalls. "The next morning we were asked where the workers for the plant would come from. In short order we came up with more than 500 applications for employment." Impressed by such cooperation, and by the community itself, the company, which supplies parts to major automobile manufacturers throughout the country, chose Ellsworth over 40 other potential sites in five states. Since then a Chicago lawn mower manufacturer, employing 25, has moved in, and there are hopes for two other plants making plastic bags and camper tops.

The new $150,000-a-month industrial payrolls have restored the once-dying community to exuberant health. The population has increased 15 percent, as former residents moved back from as far as California and the East Coast. A new high school has been completed, and the elementary schools are filling up again. The empty stores are fully occupied and 54 new homes have been built since the beginning of the year—along with Ellsworth's first motel, drive-in bank and Montgomery Ward branch.

Are the industries satisfied with their new locations? "I've never dealt with employees who were more conscientious, more easily trainable, or who have produced better quality work," was the enthusiastic response of the director of the manufacturing laboratory in Hays. Isn't the distance from their sources of supply and the major consumer markets a problem? "Not at all," a McPherson plant comptroller assured me. "The added cost of transportation is more than repaid by lower taxes, utility rates and operating expenses, and by the higher productivity of the workers."

Unhappily, however, such success stories are far more the exception than the rule. Although Russell and other communities started later than the three towns mentioned, they have done as much, and have worked just as hard, to lure industry—with little to show for their efforts. Seventy-five of Kansas's 105 counties are still losing people, and if the exodus is to end, the state will need twice as many new jobs as are currently being created. The response has been slow in coming. The trickle of industry into rural areas is increasing, but not rapidly enough. A disproportionate bulk of the $145 billion spent by private business and the federal government every year on new plants, facilities and contracts, is still pouring into the urbanized regions.

What is needed to deal effectively with the twin problems of urban overcrowding and rural blight—as public and private study groups have repeatedly found—is a comprehensive national population-resettlement plan that will enable us to design our future instead of resigning ourselves to it. The first significant steps toward this goal are now being taken.

A recently enacted federal law forbids construction of major U.S. government facilities in congested areas, unless there is impelling reason. The rural development act of 1972, now before Congress, proposes to expand federal loans and grants to communities of fewer than 50,000 and to rural businessmen when they are unable to obtain financial help elsewhere. A nationwide program directed at rural development research and extension education would be initiated in both public and private colleges. Annually, $500 million in federal funds would be shared with states, local planning and development groups, and rural governments.

The cost of such programs will be far less than the massive sums that will have to be expended to keep our metropolises from collapsing, if they continue their present unabated growth. In terms of human morale, the benefits will be incalculable. "For it is in the countryside," states President Nixon's Task Force on Rural Development, "that we can find the clean air, clear water, living space, recreation, tranquility and inspiration for tomorrow's people."

THE NEED FOR CONTINUED FEDERAL SUPPORT OF FLOOD CONTROL PROJECTS

Mr. PEARSON. Mr. President, during the Senate recess, I inspected five major reservoirs constructed by the U.S. Army Corps of Engineers. These projects, located in Osage, Jefferson, Coffey, and Marion Counties, were designed primarily as flood control projects.

The Corps of Engineers has completed its primary task of flood control with its usual professional competence and care.

But these reservoirs could serve a second vital purpose: recreation. They could be areas for fishing, swimming, boating, and other outdoor recreation, but on this inspection trip, it became apparent that several of the areas lacked access roads, adequate waste disposal facilities, or provisions for law enforcement and maintenance. No Federal funds were available to provide the roads and other services needed to turn a flood control project into a fine recreational area. It is clear that the counties in which they are located do not have the resources to build and maintain the necessary facilities.

This trip demonstrated to me that we need to take a hard look at our planning for these and similar projects in Kansas and across the country. In the past, we may have missed opportunities to utilize similar projects for recreational purposes. If this is the case, we may be wise to provide additional funds to assist municipal, county, and State government to build and maintain access roads and other facilities. In the future, Congress and the Corps of Engineers should seriously consider incorporating recreational facilities into their plans for projects primarily designed for flood control.

ADMINISTRATOR RUCKELSHAUS ACTS TO INSURE AIR POLLUTION CLEANUP

Mr. BOGGS. Mr. President, outside the Capitol Building today, the air is heavy with pollutants. Automobiles and other sources of pollution continually add new poisons to a stagnant air mass.

When Congress passed the Clean Air Amendments of 1970, it created a program intended to assure clean, healthy air everywhere in our Nation in the near future. Deadlines are essential for this goal, and I believe they will work.

A part of the control strategy involves a required 90-percent reduction in auto emissions by the 1975 model year, tightening the controls already required for new cars.

William Ruckelshaus, Administrator of the Environmental Protection Agency, just last week identified an apparent gimmick that, if unchecked, could prove a major impediment to achieving clean air. Administrator Ruckelshaus then took forceful action to correct the danger.

The situation is this: The automobile industry apparently plans to incorporate sensors and other devices into many of its cars that would disable, or turn off, the vehicles' air pollution control systems. The apparent rationale for these devices is that they would improve the car's performance.

Some of these cutoff systems, I understand, are intended to be activated when the air temperature is above or below an 68–86 degree range. That is the range required in EPA tests of air pollution control systems.

Other sensors, I understand, are intended to bypass the pollution control systems when a car's radio is turned on or the air conditioning is working.

This could mean, for example, that a car would be pouring out many times the permitted emission level of pollutants as soon as a driver turns on his car radio on his way to work in the morning.

Clearly, the purpose of any such cutoff device can only be to subvert the intent of the air pollution control law.

Administrator Ruckelshaus wisely has demanded that the auto industry provide the EPA and the public with full information on this situation. If the reports on these cutoff devices are accurate and they are being used to circumvent the intent of the Clean Air Act, their use must be stopped at once.

Mr. President, I wish to express my commendation of Mr. Ruckelshaus in seeking to bring this issue before the public. To give Senators a fuller understanding of the situation, I ask unanimous consent that Mr. Ruckelshaus' letter and an EPA statement be printed in the RECORD.

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

ENVIRONMENTAL PROTECTION AGENCY,
Washington, D.C.

DEAR MR. ———: It has been brought to my attention that for the 1973 model year some automobile manufacturers intend to install on new cars certain devices the purpose of which is to wholly or partially disable portions of the emission control systems. The purpose of this letter is to advise you of the course of action that we will pursue to assure that the use of such devices is not inconsistent with the Clean Air Act.

To put this matter into context, we fully realize that the control of emissions on a modern automobile is a highly complex matter. It frequently involves the use of sophis-

ticated devices that modulate spark advance, throttle setting, or exhaust gas recirculation to assure that vehicle emissions are adequately controlled under varying operating conditions and throughout the vehicle's useful life. To the extent that such devices operate in an essentially similar manner when the prototype vehicle is being tested for compliance with emission standards *and* when the vehicle is being operated under typical urban driving conditions, their use may be appropriate. Their use may also be appropriate to the extent that such devices are used to protect the vehicle or the emission control system against damage that may occur under unusual circumstances, or are needed to assure safe vehicle operation under unusual and short-term circumstances.

Two general classes of devices that some manufacturers are planning to install in 1973 vehicles warrant special scrutiny. I am referring to *ambient temperature* related devices which are designed so that the entire emission control system is operative when the car is tested under the standard 68°–86° F. test conditions, but which modify or disable such control systems when the vehicle is outside of that range; and to *accessory* related devices which do the same thing when accessories that are not operative during the official test are turned on.

The purpose and effect of these kinds of devices require careful study. As you know, manufacturers applying for certification of 1973 model vehicles are presently required to supply detailed data on all emission control related sensors, devices, switches, and related components. I have directed our technical staff to make a review of all Final Applications for 1973 model year certification for the purpose of evaluating the justification for all sensors, switches, and related devices that are planned to be installed on new 1973 model year cars. On the basis of this review, you will be notified if the Agency concludes that the use of any such sensor or device is inconsistent with the intent of the Clean Air Act. Fifteen days after such notification, any new vehicles leaving your assembly lines will not be allowed to be equipped with any operative sensors or devices specifically disallowed. Accordingly, if your company plans to use sensors or devices in 1973 model vehicles which may adversely affect emission control under conditions or during operations likely to occur in actual use, I strongly urge that you promptly undertake the necessary technical work that will allow you to remove such sensors or devices from production vehicles, or to render them inoperative to the satisfaction of the Administrator if they cannot be physically removed after the 15-day period following notification expires.

To effectuate this procedure for review of sensors or emission control related devices used on 1973 models, all certificates of conformity issued with respect to 1973 vehicles will be subject to the terms and conditions set forth as Appendix A to this letter.

You may wish to review the material that you have already submitted to our technical staff in support of your Final Application for Certification of 1973 model vehicles in order to make certain that such data is complete as to the identification of all emission control related sensors or devices or in terms of a justification for their use. If you conclude that data previously submitted is incomplete, I urge you to supply the Director of the Division of Certification and Surveillance in Ann Arbor, Michigan, with such supplemental material as you wish to have considered in our evaluation of this matter as it affects your vehicles. Such additional information should reach us within 30 days of the date of this letter, to be effectively considered in this review. No certificate of conformity issued by this Agency will be deemed to cover any vehicle or class of vehicles which have installed on them devices of this type which were not described in your Final Application, or the function of which was so inadequately described as not to allow us to ascertain their true purpose or operational characteristics.

To control such practices in the future, we intend shortly to propose new regulations which will provide that, beginning with 1974 model year vehicles, emission control related sensors or devices can be installed in new vehicles only with the advance approval of the Environmental Protection Agency. The burden of proof will be on the manufacturer to demonstrate in each instance that any such sensors, switches, or devices do not adversely affect emission control under conditions or during operations likely to occur in actual use.

Sincerely yours,

WILLIAM D. RUCKELSHAUS,
Administrator.

Enclosure.

APPENDIX A

This certificate of conformity is issued subject to the following conditions:

1. As soon as practicable after issuance of this certificate the Administrator will undertake an examination of the purpose and effect of any system, device, or scheme employed by the manufacturer which wholly or partially disables any portion of the emission control system installed on any vehicle(s) or engine(s) covered by this certificate or which otherwise adversely affects the emission control performance of such vehicle(s) or engines(s) during any driving or operating condition likely to occur in actual use.

2. Upon completion of the examination, the Administrator may issue a notice to the manufacturer that the use of any such system, device, or scheme is inconsistent with the intent of the Clean Air Act.

3. No vehicle or engine manufactured after the 15th day after the date of issuance of the notice by the Administrator (or such other day as the Administrator may prescribe in such notice) shall be deemed to be covered by this certificate of conformity, if it employs any system, device, or scheme the use of which the Administrator has determined to be inconsistent with the intent of the Clean Air Act under paragraph 2.

4. No vehicle or engine manufactured at any time shall be deemed to be covered by this certificate of conformity if it employs any system, device, or scheme which (a) wholly or partially disables any portion of the emission control system installed on the vehicle or the engine or which otherwise affects the emission control performance of such vehicle(s) or engine(s) during any driving or operating condition likely to occur in actual use, and (b) has not been included in the manufacturer's Part II application for certification.

RUCKELSHAUS ORDERS REVIEW OF SENSOR DEVICES ON 1973 MODEL AUTOS

William D. Ruckelshaus, Administrator of the Environmental Protection Agency, has ordered a staff review of sensor devices that are designed to disable portions of the emission control systems on 1973 model autos.

In a letter to all auto makers, the Administrator declared that he has directed EPA's technical staff to review all final applications for 1973 model year certification to evaluate the justification for such sensors, switches and related devices.

"Two general classes of devices that some manufacturers are planning to install in 1973 vehicles warrant special scrutiny," Ruckelshaus wrote. "I am referring to ambient temperature related devices which are designed so that the entire emission control system is operative when the car is tested under the standard 68 to 86 degree F. test conditions, but which modify or disable such control systems when the vehicle is outside of that range; and to accessory related devices which do the same thing when accessories that are not operative during the official test are turned on."

He added that on the basis of the review, the manufacturers will be notified if the use of such devices is considered by the Agency as inconsistent with the intent of the Clean Air Act. If EPA reaches this conclusion, auto makers will not be allowed to equip new autos with such devices beyond 15 days after notification by EPA of its decision.

Ruckelshaus in his letter urged the auto industry to undertake "the necessary technical work" that will, if necessary, allow removal of the sensors or make them inoperative.

The Administrator noted in his letter that the use of the devices may be appropriate under certain conditions, such as protecting a vehicle or its emission control system from damage under unusual circumstances, or to assure safe vehicle operation under "unusal and short-term circumstances."

But he warned that the purpose and effect of such devices requires careful study. Noting that auto makers applying for certification of 1973 models are now required to supply detailed data on all emission control related sensors and other components, Ruckelshaus advised that if manufacturers determine the data is incomplete they must submit additional data on them to EPA within 30 days.

Ruckelshaus also declared that EPA will soon propose new regulations specifying that auto makers beginning with the 1974 model year can install such devices only with advance approval of EPA.

THE PARTY'S OVER—DAVID BRODER'S BOOK ON PRIORITIES GIVES CLEAREST AND MOST COMPREHENSIVE EXPOSITION OF COUNTRY'S NEEDS YET IN PRINT

Mr. PROXMIRE. Mr. President, David Broder, the astute and sensitive national political reporter, has just written a book entitled "The Party's Over" in which he spells out many of the problems this country faces.

There is a chapter in the book entitled "Needs" which I believe is the clearest and most comprehensive exposition of the needs this country faces and their costs that I have seen.

He quotes the mayors of the United States on the problems they face—problems which are so severe and harsh that one must conclude the Nation is unwilling to face up to them because their reality is so severe.

He details the need for city services, housing, mass transit, health care, and day care centers and contrasts this sharply with the erosion of the central city revenues which are needed to pay for them.

NO NEED FOR FURTHER STUDY

He notes that the Kerner Commission and the Douglas Commission and the Violence Commission have all spelled out in massive detail the problems we face. There is no need for further study. We have the facts. But action has been postponed.

He contrasts our great private affluence with our public penury so far as social needs are concerned, and also compares the surfeit of excesses with which we fund our military endeavors with the

paucity of dollars available for less affluent Americans.

WHERE DO WE GET THE MONEY?

He properly raises the question of where are we going to get the money and chastises both Democrats and Republicans in the White House and in Congress for their alacrity in reducing taxes on beer, cosmetics, and white wall tires at the same time that a city like Newark, with the highest TB rate, the highest infant mortality rate, and the highest crime rate in the country is denied funds both through the failure of its own State legislature to treat its cities fairly and by the Federal Government where the principle of federation often gives more power to geography than people.

If there is any failure in this book, it is the assumption that much of what we already spend at the Federal level is good and needed, and that the remaining unmet needs must be met from higher taxes and greater tax justice. My view is that not only are vast funds available from a return to full employment, and more modestly from tax reform, but also that an explicit examination of existing Federal spending will reveal countless billions now spent inefficiently, ineffectively, and for improper purposes.

Among these, I suggest, are the $6 billion in foreign military aid, much of the "big project" economic aid, sugar subsidies, and the vast subsidies which now go to housing which fail in their alleged purpose to aid low income families but instead help the housing financiers. These must be reordered and reformed in order to serve the great purposes for which they were designed.

We could save vast sums by examining in detail the way we spend funds for education and the manner in which the National Institutes of Health have been stuffed with funds to fight disease but which have been inefficiently used.

The unbelievable way in which this country subsidizes the automobile through the vast network of highways and institutions which support the car costs us billions in added subsidies to remove pollutants from the air and in incentives to search for energy resources now essentially wasted by making every commuter a king.

NEED TO EXAMINE EXISTING PROGRAMS CRITICALLY

Thus, I would add to Mr. Broder's able exposition an urgency to examine, kill, cut, change, and reorder the vast network of existing Federal programs including their subsidies, their tax shelters, and their failure to carry out the ends for which they were initially designed.

I commend Mr. Broder's book to the Senate and ask unanimous consent that his chapter on "Needs"—the best and most moving exposition I know of in detailing the country's urgent problems—be printed in the RECORD.

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

NEEDS

In the spring of 1971, with the American economy operating at the level of one trillion dollars a year—a measure of wealth almost literally beyond human comprehension—the mayors of seventeen of the nation's largest cities decided to join in what they called a "road show."

To Baltimore, San Francisco, Seattle, New York, Milwaukee and their other cities they went. At each stop, the routine was the traditional mixture for a political tour—a press conference, a lunch, a tour of the host city, sometimes a banquet. But this was no ordinary junket. For the stark, simple message the mayors were trying to drive home was that their cities were on the brink of bankruptcy and collapse. One by one, they would stand and give their testimony:

Kenneth Gibson of Newark: "I say wherever the American cities are going, Newark will get there first. Of our 400,000 people, 60 percent are black and 10 percent Puerto Rican. Newark has probably the worst quality of life of any major city. Unemployment is 11 percent. We have the highest TB rate, the highest infant mortality rate, the highest crime rate in the country. Our deficit this year is $70 million in a $200 million budget. If we had bubonic plague, the government would move in with everything it's got to save us. But our cities are afflicted with social and financial illness, and it looks like we're going to let them die."

Moon Landrieu, New Orleans: "It is appalling to believe this country would let a city like New Orleans go down the pipe, but if you're going to save it, you better save it now, because two or three years from now may be too late. We are a city of 600,000. In the last decade we lost 125,000 people—mostly white and affluent—moving out to the suburbs, and in their place, 90,000, mostly poor and black, moved in. We provide the transportation facilities, the parks, the zoo, the airport, the cultural facilities for a metropolitan area of 1.1 million. And we get nothing back from the suburbs. We don't even get the sales tax, because they have their own shopping centers. We don't have enough money even to put a coat of paint on our problems. We tax everything that moves, and everything that stands still, and if it moves, we tax it again."

Thomas J. D'Alesandro, Baltimore: "The population of Baltimore is 905,000. Of that number, 305,000 pay a state income tax. Of those, 187,000 pay on an income below $3,000 a year. That leaves 118,000 substantial taxpayers as my base. The more I hit them with increased real estate taxes, the more of them move out—and the more Baltimore becomes a repository for the poor."

Carl Stokes, Cleveland: "We've pushed our taxes as far as we can. With the recession, our income is down $25 million this year. We have already laid off 1,500 employees—health aides, city planners, people in public works, community relations. Sixty percent of the money I have left goes for police and fire protection."

Sam Massell, Jr., Atlanta: "I'm a newcomer to the group, but since I've been mayor we've had a 40 percent increase in our ad valorem tax; our police budget is up 60 percent; I've asked for increases in the sales tax, the income tax, the hotel tax, the liquor tax and the cigarette tax. We've had a police slowdown to force higher wages and we've been through a 37-day strike by the garbage men, and yet mine is one of the healthiest cities represented here today."

Harry G. Haskell, Wilmington, Delaware: "We had national guard troops in Wilmington for nine months to prevent a riot, the longest occupation of an American city since the Revolutionary War. I took them out the day I was sworn in. Our schools are 80 percent black, and they are not doing the job. We depend on the property tax, but property is no longer the basis of wealth in our city; income is. We won't go bankrupt; we'll just shrivel; that's what's happening now."

Peter F. Flaherty, Pittsburgh: "I've learned how lonely it is to be a mayor. I found that three-fourths of our zoo visitors were suburbanites. So I asked the county commissioners to pay half of the million-dollar budget. . . . They just looked out the window."

Roman S. Gribbs, Detroit: "Right now, in our current fiscal year, we face a $25 million deficit; we have raised every tax to the legal limit; the state can't help us because it has a $100 million deficit. I need $43 million more next year just to stand still, with the wage package we've negotiated with our employees. If we don't get more money, I've told the people we will have to cut every city service. I'll close 15 to 31 recreation centers, and 31 firehouses . . . and if you see those cutbacks, you'll see blowups of some kind."

Kevin H. White, Boston: "We as mayors are expendable, but our cities are not. My fear is that the public is getting bored with hearing about the 'crisis of the cities.' But we have to go on talking, because soon the time for speeches will be done. Boston is a tinderbox. The fact is, it's an armed camp. We are faced with the possibility of a psychological collapse over racial enmities."

Wesley C. Uhlman, Seattle: "In some ways, we are better off than New York or the older cities of the East. Our racial and environmental problems are not as insoluble as theirs, but we still have the exodus of the affluent. We have 12.7 percent unemployment in Seattle—100,000 trained and educated people out of work, engineers and technicians in aerospace and other things. It's a whole new class of unemployed and no one knows how to deal with it. It's cut our revenues. We are talking about laying off a whole class of police cadets. We've cut our downtown street-cleaning from three times a week to once. We have cried wolf in the past, but the wolf is here."

By the time the mayors had finished their recital, no one who heard them had any doubt that the crisis of which they spoke was genuine. And that was the point of the whole exercise—to combat the notion that the problem was unique to San Francisco or St. Louis or Philadelphia.

So long as the problem was thought of as local, scapegoating would be easy. In the late 1960s, a whole generation of men who had been considered models of urban leadership gave up and quit trying to run their cities: New Haven's Dick Lee, Atlanta's Ivan Allen, Detroit's Jerome Cavanagh, Philadelphia's Dick Dilworth, Boston's John Collins, Minneapolis's Art Naftalin, and more. Their successors and their counterparts clung together in hopes that they too would not be picked off one by one.

Just as the mayors tried to dramatize the crisis in city government, other leaders have tried to make the same point about their realms of responsibility, using all the tools of modern public relations—conferences, task forces, white papers, foundation studies, press releases, television specials.

Doctors have announced a breakdown in health care delivery systems; judges (from the Chief Justice on down) have warned of the crisis of the overburdened courts; governors have sent forth urgent appeals for Federal help for the states; cardinals have warned that the parochial schools are closing at the rate of one a day; bus line owners have said they need higher subsidies to avoid still further fare hikes; college presidents have pleaded with alumni and with foundations to help them meet their deficits; police chiefs have asked for more men and modern equipment to cope with the upsurge of crime; medical researchers have told dramatic tales of progress against mankind's deadliest killers being delayed by cutbacks in their grants; penologists have warned that ancient, overcrowded facilities and lack of trained staffs have made the jails jungles of homosexuality, which turn out more criminals than they rehabilitate; railroad men have said their equipment and roadbeds will continue to deteriorate and their service to decline unless they receive higher subsidies from the government; hospital administra-

tors have said the cost of care will continue to rise unless the government builds new facilities for outpatient care; and, now and then, a general or admiral tries to make his voice heard over the clamor of competing domestic claims to say that we are skimping dangerously on the national defense.

What few men in public life and few citizens want to acknowledge is that the fiscal crunch is not just the problem of a single city or of the cities as a group, not just the problem of the education system, the transportation system, the health system, the law enforcement system or the national defense system.

The dirty little secret of American politics in the 1970s is that every single essential service we depend on some public agency to provide is seriously underfinanced. In an era of general affluence, we are simply not paying enough in taxes to maintain the necessary basic community services.

PROMISES WE HAVE YET TO KEEP

Most people feel they are too highly taxed already. A Gallup Poll in October, 1969, found almost 78 percent of the people saying Federal taxes are too high and 59.3 percent declaring local levies exorbitant.

Obviously, taxes have increased. Between fiscal 1955, the year the narrative of this book begins, and fiscal 1971, total national, state and local tax collections rose from $87.9 billion to $273.9 billion. And yet, in those years, Federal spending has exceeded revenues by $96.5 billion and the debt of state and local government has increased by $101.9 billion. In that whole span of years, during two-thirds of which we have been at peace and during virtually all of which we have been prosperous, we have fallen $198.4 billion short of paying our governmental bills.

We have fallen ever farther short of meeting our promises to ourselves and to our country—a fact which may not be unrelated to the disillusionment discussed in the last chapter. Joseph A. Califano, Jr., who succeeded Bill Moyers as President Johnson's assistant for domestic affairs, noted in a 1970 speech how consistently we have failed to achieve the specific goals written into law by Congress and approved by our Presidents:

"The Housing Act of 1949 declared that the 'general welfare and security of the nation require the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization . . . of a decent home and suitable living environment for every American family. . . .' In the 1968 Housing and Urban Development Act, Congress recognized that for 20 years the promise had not been kept, noted the failure as 'a matter of grave national concern,' and rededicated itself to 'the elimination of all substandard housing in a decade.' Yet what has been done to fulfill that commitment to the 26 million Americans who still live in housing unfit for human habitation?

"The 1966 Model Cities legislation affirmed that 'improving the quality of urban life is the most critical domestic problem facing the United States. . . .' Its stated purpose was to provide 'financial and technical assistance to enable cities of all sizes . . . to plan, develop and carry out locally-prepared . . . programs . . . to rebuild and revitalize large slums and blighted areas.' Nevertheless, we continue to stand by while the physical plant of most of our cities further decays or moves toward obsolescence and the postwar suburbs of the '40s enter the first stages of severe deterioration.

"The Economic Opportunity Act of 1964 declared it 'the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training, the opportunity to work and the opportunity to live in decency and dignity.' Six years later, some 25 million Americans are still locked in poverty.

"The Omnibus Crime Control and Safe Streets Act of 1968 recognized the urgency of the nation's crime problem, calling it a matter that threatens 'the peace, security and general welfare of its citizens.' The Act made it 'the declared policy of the Congress to assist state and local governments in strengthening and improving law enforcement at every level by national assistance.' But year after year, the crime rate continues its persistent rise, while the Safe Streets Act is funded at 50 percent of its programmed level."

Time and again, presidential commissions, made up of distinguished leaders of American life, have pointed out the same set of unfulfilled obligations.

In 1967, the President's Commission on Law Enforcement and the Administration of Justice, headed by Attorney General Nicholas deB. Katzenbach, called for "a greatly increased effort" on the part of Federal, state and local governments against the rising tide of crime. "The most urgent need of the agencies of criminal justice in the states and cities is money with which to finance the multitude of improvements they must make," the report said, and added: "If this report has not conveyed the message that sweeping and costly changes in criminal administration must be made throughout the country in order to effect a significant reduction in crime, then it has not expressed what the commission strongly believes."

A year later came the report of the National Advisory Commission on Civil Disorders, headed by Illinois Governor Otto Kerner. Starting from the stark assertion that "our nation is moving toward two societies, one black, one white—separate and unequal," it argued that this fateful division "can be reversed" only by "a commitment to national action on an unprecedented scale." The commission's comprehensive plan for improving education, employment, welfare, housing and law enforcement in the riot areas was set forth in several stages, but the additional costs of the first stage alone were estimated by the Johnson Administration to be at least $30 billion a year.

Late in 1968, the National Commission on Urban Problems, headed by former Senator Paul H. Douglas of Illinois, concluded its two-year study of the cities with these words: "If there is a sense of urgency and even alarm in our report and recommendations, it is because the commission saw the cities of our country first-hand and listened to the voices of the people. The commission members were certainly not less concerned or knowledgeable than the average citizen, but after our inspections, hearings and research studies, we found problems much worse, more widespread, and more explosive than any of us had thought." The commission gave no overall cost estimate for its recommendations; however, it said one of them alone, for revenue sharing with the states and cities, would add about $6 billion a year to the Federal budget.

Finally, in late 1969, the National Commission on the Causes and Prevention of Violence, headed by Dr. Milton S. Eisenhower, president emeritus of Johns Hopkins University, "solemnly declare[d] our conviction that this nation is entering a period in which our people need to be as concerned by the internal dangers to our free society as by any probable combination of external threats" and called for doubling the spending on law enforcement and criminal justice and a $20 billion increases in Federal financing of "general welfare" programs aimed at the social needs of the metropolitan areas.

Whatever their special focus, these four high-level commissions came to essentially the same conclusion: To save the nation from the scourge of crime and violence, of riot, disorder, of social decay, racial antagonism and human waste spreading from its great cities, a vast increase in public spending for essential services—law enforcement, housing, education, income maintenance and job training—will be needed. Otherwise, the outlook, they all said, will be grim. The alternative picture was presented most starkly in the Eisenhower Commission report, in this description of the "way these cities will likely look" if, instead of effective public action, individuals try to obtain a modicum of security by their own individual efforts:

"Central business districts in the heart of the city . . . will be largely deserted except for police patrols during night-time hours. High-rise apartment buildings and residential compounds protected by private guards and security devices will be fortified cells for upper-middle and high-income populations living at prime locations in the city. Suburban neighborhoods, geographically far removed from the central city, will be protected mainly by economic homogenity and by distance from population groups with the highest propensities to commit crimes.

"Lacking a sharp change in federal and state policies, ownership of guns will be almost universal in the suburbs, homes will be fortified by an array of devices from window grills to electronic surveillance equipment, armed citizen volunteers in cars will supplement inadequate police patrols in neighborhoods closer to the central city, and extreme left-wing and right-wing groups will have tremendous armories of weapons which could be brought into play with or without any provocation.

"High-speed, patrolled expressways will be sanitized corridors connecting safe areas, and private automobiles, taxicabs and commercial vehicles will be routinely equipped with unbreakable glass, light armor, and other security features. Inside garages or valet parking will be available at safe buildings in or near the central city. Armed guards will "ride shotgun" on all forms of public transportation.

"Streets and residential neighborhoods in the central city will be unsafe in differing degrees, and the ghetto slum neighborhoods will be places of terror with widespread crime, perhaps completely out of police control during the night-time hours. Armed guards will protect all public facilities such as schools, libraries and playgrounds in these areas.

Between the unsafe, deteriorating central city on the one hand and the network of safe, prosperous areas and sanitized corridors on the other, there will be, not unnaturally, intensifying hatred and deepening division. Violence will increase further, and the defensive response of the affluent will become still more elaborate."

That is the nightmare future that awaits us if we continue to starve our public services.

PRIVATE AFFLUENCE, PUBLIC PENURY

Despite the multitude of warnings we have been given, the necessary commitment of public funds has not been forthcoming. Over a year after his commission's report was issued, Dr. Eisenhower noted that of the estimated 10 million serious crimes that had occurred in the previous year, only 12 percent resulted in the arrest of anyone; only 6 percent led to a conviction, and only 1½ percent resulted in anyone going to jail. "And of those who were incarcerated," he added, "most will return to prison another time for additional offenses."

And yet, he said, "our entire criminal justice system in this country—federal, state and local—receives less than 2 percent of all government revenues and less than three-quarters of one percent of our national income."

The truth, said Lloyd Cutler, the lawyer who served as the commission's executive director, is that "our criminal justice system as presently operated does not deter, does not detect, does not convict and does

not correct." By way of illustration of his generalization, *Life* magazine reported in 1970 that for a person committing a felony in New York City, the odds of being arrested, indicted, found guilty on the original charge and then going to prison are considerably less than one in two hundred.

Inadequate police forces, jammed court dockets, overworked prosecutors are all part of the problem, but the clearest example of the costliness of our starvation of the criminal justice system lies in the area of corrections. The annual cost of crime in America has been estimated to be somewhere between $50 billion and $100 billion. Almost 80 percent of the felonies are committed by repeaters—persons who have been through the corrections system at least once. But our prisons are so inadequate for the task of rehabilitation that Norman Carlson, director of the Federal Bureau of Prisons, has said, "Anyone not a criminal will be one when he gets out of jail."

Senator Edward J. Gurney of Florida, in pleading for greater Federal help, said four jails still in use in 1971 had been built before George Washington's inaugural and 25 percent of all the local jails around the country are more than fifty years old.

A survey by the Census Bureau of city and county jails in 1970 found over half—52 percent—of their inmates had not been convicted of any crime, but were simply awaiting trial. Not surprisingly considering the conditions of the jails and the grievances many of these men feel, riots and violence are commonplace. In September, 1971, the nation was shocked when thirty-seven men—twenty-eight prisoners and nine guards—were killed at Attica state prison in New York by state policemen ordered in to quell a demonstration against the jail conditions. But there had been ample warning. More than a year earlier, Chief Justice Warren Burger had said, "The American people would not tolerate the conditions that exist in most prisons if they could see them and see the frustration, the waste and the absence of facilities and programs to change men who are there."

But they were tolerated, even though many of those in jail had not even been convicted of crimes. In March, 1971, the *New York Times* reported that about 80 percent of the inmates in Philadelphia's four jails, where rioting had occurred the previous year, were awaiting trial. The average wait was four months, during which time, prison superintendent Edward J. Hendrick noted, the inmates could not be forced to work or take vocational training. "I'm candid to admit," he said, "we're running a human warehouse."

Reporter Walter Rugaber then described the routine:

"Each day about 150 people are awakened at 6 a.m. to get ready for the one-hour bus ride to City Hall. There they are packed into four extremely small cages on the seventh floor to await a summons to court.

"The largest of these cells was estimated by a guard to measure 6 feet by 14 feet. Inside there are hard narrow benches and balky toilets. There is no drinking water. Roaches scurry over the debris.

"The ventilation is so limited that on a single hot day late last summer seven men, including two of the guards, fainted. After a day of this, defendants often return to jail without even glimpsing a courtroom.

"Mr. Hendrick's records show that Ophus Lampkin has been hauled to court 24 times since March, 1970. John L. Sanders has made the trip 19 times since August, 1970. Robert Briscoe has gone to City Hall 44 times since August, 1969."

If the immediate needs of the criminal justice system are not being met, neither are the underlying problems of the cities where most of the criminals are bred. The U.S. Conference of Mayors said in March of 1971 that, even if Nixon's revenue-sharing plan was passed, the states and cities would be at least $5.7 billion short of their basic needs. Later, of course, the promised $6 billion of revenue sharing was scuttled in favor of the economic stimulus of tax cuts.

Meantime, the cities were making desperate economies. The lead stories in the *New York Times* of April 20, 1971, were headlined: "Mayor Threatens to Cut 90,000 Jobs Unless State Aids," and "State Is Dismissing 8,250 with Wide Cuts in Services. 4,000 Vacant Jobs Also Abolished—Psychiatric, Narcotics, College and Conservation Programs Curbed."

Cities large and small felt the same squeeze. Atlanta rejected a gift of $27,000 worth of trees to beautify its central shopping area, because it could not afford the men to water them. Little Portland, Maine, cut off its $3,000 annual contribution to the city symphony and a $2,000 grant for a children's theater.

Claremont, California, eliminated its street maintenance program. Los Angeles canceled plans for a new central library. Philadelphia shuttered nine more recreational facilities, bringing the total to such centers closed for lack of staff to thirty-two. It cut the food and clothing allowance for dependent children and reduced the daily food budget for city prisoners to eighty-nine cents. Cleveland shut its police academy and eliminated its police cadet program. Detroit eliminated its weight-and-measures-inspection force and all its industrial and social hygiene programs.

What was true of the cities was also true of the major institutions and services within them. In May, 1971, the President's Commission on School Finance applied the all-too-familiar word "crisis" to the condition of the public and parochial schools.

Rising teacher salaries and the same general inflation that played havoc with municipal budgets also plagued school boards. At the same time, voter resistance to higher property taxes rose significantly. The Investment Bankers Association reported that in 1970 only 48 percent of the school bond issues were approved by voters, compared to a 77 percent approval rate in 1965 and an 89 percent rate in 1960. Los Angeles, forced to cut its school spending $20 million at the start of 1971, reduced the high school day from six to five periods and laid off about fifteen hundred employees. Detroit cut its teaching staff by two hundred and stopped painting school buildings, and there were similar stories in dozens of other cities. Even Montgomery County, Maryland, one of the wealthiest suburbs in the country, was forced to adopt a policy of hiring only inexperienced teachers in order to stay within its budget. The *New York Times* quoted Dr. Orlando Furno, a Baltimore school official who makes an annual survey on school expenditures in the major cities, as saying it is inevitable that "Americans are simply going to have to accept lower quality education."

The college picture is no brighter. The Carnegie Commission on Higher Education reported in 1971 that after a decade "characterized by the most rapid growth and development in . . . American history," a "depression [is] now settling on American colleges and universities." A sample survey indicated that 61 percent of the institutions, accounting for 76 percent of the total enrollment, were either in financial difficulty or clearly headed for financial trouble. A quarter of the nation's private colleges were dipping into endowment principal to meet their current expenses. In 1971, Harvard, Yale, Princeton and the University of Chicago, among others, were operating at a deficit. Cutbacks in curriculum, delays in building plans, and salary freezes are the order of the day. Clark Kerr, chairman of the Carnegie Commission, calls it—yes, that's right—"the greatest financial crisis colleges have ever faced."

There is a similar crisis, so everyone from President Nixon on down has agreed, in the health field, stemming from a shortage of personnel, skyrocketing costs and a "delivery system" that denies all but the most affluent the kind of early, comprehensive, preventive care that represents the best investment in the future health of the individual and the nation.

Nationwide, the supply of doctors is estimated to be at least 50,000 short of needs, with comparable scarcities in other health professions. But the overall shortage is compounded by the tendency of medical personnel to concentrate in the suburbs and the affluent big-city neighborhoods, leaving both small towns and lower-income city populations in dire straits. In 1970, there were 132 counties in the United States, ranging up to 18,000 population, with no resident doctors. New York had almost three times as many doctors per 1,000 residents as did Mississippi. Jack Star reported in *Look* magazine that in the Chicago area the doctor-patient ratio was four times as high in the upper-income suburbs as in the central city. He also reported that the Sears Roebuck Foundation had given up trying to lure doctors to small towns after 52 of the 162 clinics it helped build for them were left vacant or were converted to other uses. Conditions of patient care in Chicago's Cook County Hospital, once regarded as one of the great training grounds of American medicine, have deteriorated to the point where its residents and interns have threatened several times in recent years to resign and force its closing. Star described it as a place where emergency-room patients wait two hours for a preliminary examination, another two or three for an x-ray; where patients stumble to the nurses' station to seek help, because emergency call buttons have been removed from their beds, there being far too few nurses to answer them; where fly swatters are part of the equipment in un-airconditioned operating rooms, because windows must be kept open to keep the temperature even midly tolerable for the sweating surgeons and patients, but the screens have gaping holes.

The American transportation is in no better condition. As John Burby described it in his 1971 book *The Great American Motion Sickness*, it is an "indifferent, inefficient, dirty, smelly, noisy and often destructive and deadly beast of national burden that goes where the spirit of speculation moves it or where it is driven by vested interest." Traffic in downtown New York, he noted, "which in 1906 crept along behind horses at an average speed of 11.5 miles an hour, was by 1966 creeping along at 8.5 miles an hour behind the most powerful engines Detroit could mass produce." Public transportation systems in many of the large cities are in a state of disrepair and decline, and in some they are virtually nonexistent. In the Watts section of Los Angeles, site of one of the major riots of the 1960s, Burby said "public transportation was so thin that the only way to reach the County Hospital was by taxi. The round-trip fare by cab was $10. And when a man in Watts complained that he didn't feel well, the bitter question was whether he felt 'ten-dollars bad.'"

He quotes former Secretary of Transportation Alan Boyd's observation: "It's a sad commentary that if you say you have seen a city where the skies were black with smoke, with ambulances rushing to help the wounded and planes circling overhead, where men in helmets were digging trenches in the streets, and where people were pushing and shoving in a desperate attempt to escape, I'd have to ask whether it was a city at war or at evening rush hour."

FACING UP TO THE COSTS

In recent years America has not met the costs even of those services which anyone would regard as the basic necessities of community life: police and fire protection, a system of courts and law enforcement; schools; doctors and hospitals; a transportation system.

Gaps exist in many other areas, which can hardly be thought less consequential for a stable, civilized society: decent housing; an adequate income for families in poverty; clean air to breathe; clean water to drink; proper care for the aged and indigent; at least a modicum of support for the artists and intellectuals, the scientists and scholars.

What would it cost? No one really knows. In 1967, after months of hearings, Senator Abraham A. Ribicoff of Connecticut appalled people by suggesting that a trillion dollars of public and private investment would be needed over a decade to make the American city habitable again. The National Urban Coalition, in its 1971 "Counterbudget," a detailed five-year plan designed to meet the needs of which we have been speaking, projected total Federal outlays rising to $353 billion by 1976—a 66 percent increase in constant dollar terms in five years.

Realization of the magnitudes involved has made almost all serious political leaders in both parties talk of the necessity for a "reordering of priorities." Most often, this has come to mean a shift away from defense and overseas spending and an increase in domestic welfare categories. The Counterbudget, for example, spelled out plans for a $20 billion reduction in the defense budget over the next five years.

The practicality and the risk of such a strategy is hotly debated. There is little agreement on what a frugal but prudent defense budget would be. One should observe, however, that the "reordering of priorities" has begun; the defense share of the fiscal 1972 budget, 32.1 percent, is the lowest in twenty-two years, and the Nixon Administration projects it to decline further in years to come.

Meantime, our development assistance to the nations of the Southern Hemisphere, which has been allowed to dwindle in the last decade, almost certainly will need to increase. The economic stability of those lands is probably as important to future world peace as the quality of our national defense; and America, like most of the other developed nations, has not been meeting its obligations to assist them.

It was popular a few years ago to suggest that these accumulated needs could be met from the "peace dividend" that would follow the Vietnam war or from the "fiscal dividend" resulting from the automatic increases in government revenues generated by a growing economy. Neither of these hopes seems likely to materialize. The "peace dividend" has been lost in higher military salaries and the rising cost of weapons and matériel. The "fiscal dividend" has also vanished like a mirage, at least for the near future. Inflation, unexpectedly high welfare and medicaid costs and the built-in increases in existing programs have pushed its arrival off to some time in the hazy beyond. The President's 1971 Economic Report, the independent budgetary analysis of the Brookings Institution and other studies see no unallocated funds available between now and 1974; even in 1975 or 1976, they are problematical.

So the choice we face is not simply one of how we divide up the government budget, but how much more we are willing to take from our private consumption, by way of taxes, to meet these national and community needs. And this is an issue few national political leaders are willing to raise, knowing the climate of public opinion to be what it is.

Instead, the leaders of the two parties have been vying in their race to cut Federal taxes. In 1969, President Nixon called for the phase-out of the 10 percent surtax President Johnson had belatedly asked Congress to impose in 1967. The Democratic Congress immediately went Nixon several billion dollars better in misguided generosity, voting an $8 billion tax cut at a time of roaring inflation. That action was taken in the same month that the Eisenhower Commission drew its stark portrait of what America faces if it seeks private solutions to the community problem of crime and violence. It represented an abdication of political responsibility. Charles L. Schultze, the tough-minded scholar and former budget director, was right in upbraiding his fellow Democrats, who, he said, "talked about priorities for pollution control and education and an end to hunger but voted for beer and cosmetics and whitewall tires."

As a result of that tax cut, personal income increased $52 billion in 1970 but Federal government receipts went up only $400 million. The 1969 tax cut was as clear a case of a deliberate decision to subsidize individual spending (and to feed inflation) at the cost of public services as our history affords.

Unfortunately, that has been the pattern. Walter Heller has calculated that the cumulative effect of the Federal income tax cuts of the 1960s was to reduce Federal revenues by $23 billion in 1970. And in 1971 Nixon's solution to the strains on the American economy was to cut corporate and individual taxes again by $8 or $9 billion a year, while deferring such important public spending as revenue sharing with the states and cities and overhaul of the welfare system. And, once again, Congress outdid the President in misguided "generosity" to the taxpayers.

Somehow this trend must be reversed, unless, as Andrew Brimmer, a member of the board of governors of the Federal Reserve System, has said, we are willing to accept a further "serious deterioration in the scope and quality of our public services." One of the crucial tasks of leadership in the 1970s, I believe, is to secure public agreement to finance those public services at an adequate level. This almost certainly means raising Federal taxes. It also means increasing use of state income taxes; as Walter Heller has noted, if all fifty states used the income tax as effectively as the ten largest do, revenues from that source alone would double.

To make increases in these taxes palatable, indeed, to make them politically possible, the political parties would have to link them to a program of tax reform that convinced the average voter that those who have been avoiding taxes would now be made to pay their proper share. Tax resistance is high today, because people know the tax system is inequitable, and has been growing more so, as the burden of financing government has shifted increasingly from the progressive Federal income tax to regressive payroll, sales and property taxes.

A variety of methods are available to make the tax system both more productive and more equitable. But, before the tactical question can be reached, political leaders and the political parties must first decide if they have the courage to put the basic question—the question of values—to the people. Taxes are, as Justice Holmes first said and as Walter Heller has kept reminding us, "the price of civilization." The question that needs to be put to the American voter is, How high a price are you willing to pay to make neighborhoods safe and livable, to end poverty, to meet our medical and educational needs, to halt the deterioration of our environment, to meet our world responsibilities? These are not goals we can obtain for ourselves, by individual effort, earnings or savings. If we are to meet these needs, we will have to do so as a nation, as a community. And it will cost us money.

IMPLEMENTATION OF THE PERCY PRODUCTIVITY AMENDMENT TO THE ECONOMIC STABILIZATION ACT

Mr. PERCY. Mr. President, when the Senate considered the Economic Stabilization Act Amendments of 1971, it adopted unanimously an amendment that I along with Senator JAVITS, Senator PROXMIRE, Senator RIBICOFF, and Senator ROTH offered in order to provide an incentive to increased productivity. The amendment provided that any pay increases given to workers as a direct reflection of increases in their productivity would be exempt from Pay Board controls. I intended the amendment to allow greater take-home pay for workers who deserve increases because they have increased their output. The amendment was not intended to be an incentive to so-called speedups or an encouragement to establish piecework operations. The pay increases covered by the amendment reflect any productivity increase that results from use of new machinery, new processes, or management-labor innovations.

This exception has been fully implemented by the Pay Board in formal regulations published in the Federal Register in final form on April 19. The Pay Board made the decision that it would use what it has labeled the "Percy plan" as a spur to productivity.

In this connection, an article written by Mr. Robert C. Scott, and published in the June issue of Woodworking & Furniture Digest, is instructive. Mr. Scott, a consultant in incentive pay plans, explains how companies can design productivity pay plans that are eligible for exemption from Pay Board controls under the Percy plan. Mr. Scott also cites examples of three small companies that have installed such plans to the advantage of their employees and their stockholders.

The theory behind such "Percy plans" is that employees should share fully in a plant's or department's productivity gains by sharing in the increased profits that such productivity increases generate. This kind of pay incentive plan can ideally be linked with job enrichment programs which enlist employees and their supervisors in an effort to make jobs more satisfying and meaningful by redesigning them, by making the workplace more attractive, and by giving employees a role in deciding the pace and organization of their work.

I ask unanimous consent that Mr. Scott's article be printed in the RECORD.

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

IMPROVED PROFITS AND WAGE INCREASES NOW POSSIBLE UNDER PHASE II AMENDMENT

(By Robert C. Scott)

A short passage, buried in the fine print of the December 1971 legislation extending the President's right to impose wage and price controls on our economy, may be the solution for company managers who are fighting the dual problem of profit improvement and higher pay to workers striving to keep up with the cost-of-living spiral. This simple modification in the law also may be the only means by which an employer can protect himself from competitors with higher wage rates and people-pirating practices.

It all began on November 30, in the Senate, when Senator Charles Percy was joined by Javits, Proxmire, Ribicoff and Roth to introduce a short amendment, approved in advance by the Pay Board and Treasury officials, to exempt from Pay Board controls increases tied directly to productivity increases. To define his purpose, Senator Percy had inserted into the Congressional Record a description of what the amendment would allow:

"The types of employee incentive plans covered are mainly what is known as 'productivity-sharing' plans. Companies can, for example, institute a program of 'productivity bonuses' on a plant-wide basis. These bonuses do not become a fixed part of the compensation of workers and are not paid out when productivity falls. They will also reflect gains from the introduction of new systems and machines."

The measure passed the Senate by a vote of 82 to 0!

On February 23, the full 18-member Pay Board, by a unanimous vote, issued a ruling to implement this passage. On April 19, The Federal Register printed proposed regulations to carry out that ruling. Final regulations were to follow a 10-day period allowed for public comment. Here are the regulations:

"1. A new incentive plan covering substantially all of the employees in a plant and based on the measured productivity of that plant as a whole does not require prior approval. A full description of the program, proof that any added payments are directly related to productivity improvements and certification that such payments will not of themselves increase unit labor costs must be filed with the Pay Board within 30 days after installation." (Note: your legal counsel will want to study paragraphs 201.59(b) and (d) of Title 6, Chapter II in the Federal Code.)

"2. a new incentive plan on less than a plant-wide basis and directly reflecting measurable productivity improvements of that smaller group (or individual) may also be installed but it will require advance notification to the Pay Board and must meet certain criteria outlined in these same regulations. Thus new standard hour or piece rate type incentives will be permitted, but each instance will require advance notification." (Note: again, study paragraphs 201.59(c) 1–5 of the same Title 6, Chapter II.)

The Price Commission is requiring some rollbacks of price increases previously allowed as offsets to wage and material cost increases. But those rollbacks will apply only to increases which were allowed since the imposition of wage and price controls. There are no current regulations which require cutting prices to levels below last August 15. Thus, a profit margin improvement brought about through operation of a plant-wide productivity sharing program will not have to be passed along to customers beyond the point which restores pre-controls price levels.

Now, let's look at several ways you can establish a plant-wide productivity sharing plan which will meet the Pay Board requirements, and let's enumerate some factors you should consider for assuring your stockholders that their interests also are protected.

One route would be a program tied to gains in overall units of output per hour of applied time. This might be board feet of lumber, or number of finished chairs per man-hour, for example. Such an example represents productivity in a simplified measurement and it can be used only when the product has little or no variety in style, quality or unit price; and when you can be sure that materials will not be chewed up unnecessarily in the interest of output improvements.

Another route would be a program tied to sales value per man-hour or per dollar of direct labor cost. The classic analogy here is a brickyard where the main raw material is a wasting asset with little value in raw form at the site. This offers little possibility for woodworkers who wish to control material and supply costs, and savings in those costs should be included in a productivity sharing program.

The secret lies in your own existing accounting records of sales, purchases and payrolls which may contain the means for taking advantage of the profit improvement potential in the Percy amendment. It can come through broad motivation of your employees and a built-in protection for your stockholder interests. This is not simply an academic theory. It has many years of practical demonstration in manufacturing plants with several examples in the woodworking industry.

Here is how to test the feasibility in a cursory examination of your own records . . . but remember that this is only a testing method, not a ready-made do-it-yourself program which can be legitimately applied without professional assistance. Help is needed for analysis of historical facts, development to fit your particular situation (each different plant may have variations), and proper presentation to your employees to avoid threatening pitfalls. Yet, the preliminary look won't cost you anything and is not a burdensome task for the accounting department:

1. Set up a worksheet for recording data from your past 5 to 10 years of operations. Simply use the final (after audit) figures from your accountant.

2. Start with net shipments, then add or subtract a fair market value for the change in both finished goods and work-in-process inventories. Your objective is to estimate sales values for those years on an "as produced" output basis.

3. Deduct delivered costs incurred for all of the various plant purchases (materials, supplies, utilities, components and parts, contract work, shipping costs, etc.) which were direct costs in producing the same output values. The year-by-year remainder is what you would report to the U.S. Census at least every five years as your "value added by manufacture." Let's simply call it your Production Value.

4. Now extract payroll costs, including all fringe benefits and existing incentives which have been established for all of your direct or indirect labor within the plant up through the level of working foreman, but no higher. Again, this is a figure you would have reported periodically to the Census, except that they do not ask for costs of some benefits you should include here, such as pensions, medical insurance and payroll taxes. Call this your Total Plant Compensation Costs . . . or simply Plant Payrolls. Now use a sheet of square grid cross section paper and mark off vertical coordinates to represent Payroll Costs against the horizontal coordinates for Production Values. Work outwardly from the bottom left-hand corner which represents zero-zero. Plot your annual points. Then eyeball a curve which smooths out the apparent average.

This is sufficient to have a cursory look and determine the feasibility of a program. Do you then have a straight line, or do you see pronounced uphill or downhill trends?

If your points average along a single straight line, you have an initial indication that your own operations fit a pattern which characterizes about 95 percent of all competitive manufacturing plants. Your Production Value per dollar of Plant Payroll is holding in balance by virtue of mechanical improvements, methods changes and price adjustments sufficiently well to offset rising employment costs. Your Economic Productivity is remaining sufficiently constant to establish a base for a plant-wide productivity sharing incentive plan.

Perhaps a simplified analysis and a direct statement of possibilities in your case is tantalizing. Can it really be true? Maybe so, but where can you see proof in action?

Here are some examples:

Kemp Furniture Co. of Goldsboro, N.C., is one living proof. They adopted such a program in April 1967 after finding that their Economic Productivity factor (production value per dollar of plant payroll) was $2.04. Since then, they have paid monthly flexible bonuses when actual performance exceeded this standard. All subsequent wage and benefit increases have been direct results from the program, and right now, their people are earning about 9 percent in bonus payments . . . with comparable gains to the company.

Okay, you say, this may work for production of low end and medium bedroom furniture, but what about high end merchandise, or completely different kinds of woodworking, especially those with high labor content?

C. F. Martin Co. is a good example to answer that one. They are world renowned manufacturers of hand-crafted, high-quality acoustic guitars in Nazareth, Pennsylvania. Some of their instruments might range in price above that of a whole room setting with full decorator treatment . . . and a musical instrument of that quality contains craftsmanship which goes back for hundreds of years.

Martin adopted a productivity sharing program in September, 1966 after finding that their product mix would require a blend of results from several standards. For example, while repair work yielded an Economic Productivity factor of $1.29, guitar production had a factor of $1.94.

The company has a past six-year history of being able to raise base wages and employee benefits by as much as 63 percent while also paying extra productivity bonuses of zero to 30 percent on a monthly basis. The six-year average has been about 12 percent.

While considering such case histories, keep in mind that both company and employees benefit alike from improved income, and it is all based upon past history of that company, not rates or standards set by someone else.

Still another program of more recent origin comes from Stowell Silk Spool, a New England manufacturer of job order wood turnings. They began their program in June, 1970, after finding that their Economic Productivity factor ran $1.82. They were able to increase their productivity for the entire year of 1971 fully enough to offset a 12 percent increase in wage and benefit costs . . . and then pay another 9 percent in flexible productivity bonuses! Profit increases were commensurate with both the productivity gain and the volume improvement they enjoyed.

A simple and fair method for offering your people a "piece of the action" seems to be the logical route and certainly the "spirit of the law" left open for profit improvement under the Percy Amendments to the Economic Stabilization Act and the expediency offered by the Pay Board and Price Commission. Whatever your feelings about other aspects of the present economy or politics, productivity sharing is a great idea to check out.

Moreover, since the concept has proved beneficial to both large and small companies long before recent price controls were conceived, it is worth investigation even by those who are now exempt under the 60-or-less employees ruling which was issued in early May to streamline the Price Commission's jurisdiction and permit a heavier concentration of Pay Board action against the larger companies.

If your company employs less than 60 people, there are several further considerations of special interest to you in the May rulings. Final interpretations have not been clarified on a situation in which you may be judged an integral part of the construction industry. That one is a newly reinforced major target for additional and more refined control on the premise that construction has been a major contributor toward inflation, the other being health-care firms. A large segment of the woodworking industry is involved both directly and indirectly with construction, or construction materials and components, therefore it may be found a party to the inflated cost of housing. Hundreds of

sawmills, manufacturers of plywood, particleboard and hardboard, plus the various distributor organizations may be included. Besides the primary channels, there also could be included the many manufactured homes, prefabricated building components, structural beam laminators and other such secondary or remanufacturing firms involved whether they employ 60 or 600 people.

But the 60-employee exemption is not an open door for uncontrolled moves by smaller companies outside construction-related operations. Several stipulations bring some of these under tighter control and more alert policing of activities than have been exercised since last November. Controls remain if a business scores an annual sales volume of $50 million or more . . . if as many of your employees as 50 percent are covered by industry wage contracts which do cover more than 60 workers . . . if 50 percent of your employees are covered by a master or jointly-negotiated contract covering more than 60 workers, although the company, itself, and the other employees may be exempted . . . if the sum total of all employees you use, including part time added to full time, amount to more than 60 people.

But, suppose that none of the fine type or intricate legal ramifications apply to your case and you think you are home free. There was a strong hint about your particular situation given when the crack-down on "the bigs" was announced. Streamlining of the total program, a greatly beefed-up staff in the Price Commission office and on the Pay Board, plus redeployment of IRS bird dogs to concentrate on larger companies with greater efficiency in detection and prosecution . . . all of this was done on the premise that the small companies will be checked more effectively by competition from the better-controlled large ones.

Need we say more to prove why you now need to be more concerned about your own efficiency, employee motivation and improved profit potential?

FIFTIETH ANNIVERSARY OF AHEPA

Mr. TALMADGE. Mr. President, 50 years ago this July 26, a group of men came together in Atlanta, Ga., to form the American Hellenic Educational Progressive Association, the AHEPA.

AHEPA's goal then, as now, was the promotion of good and responsible American citizenship through education.

Since that time, the organization has grown, becoming international in scope. AHEPA provides invaluable civic services to communities both here and abroad.

Its 430 local chapters are scattered throughout 49 of our 50 States, Canada, and Australia. This extensive network of altruistic men has for 50 years now channeled money into such worthy causes as relief funds and educational programs.

In addition, the AHEPA's are active on the local level in the fields of education, charity, and civic improvements.

I ask the Senate and the entire Nation to join me in congratulating this selfless body upon their completion of 50 years of service to the world community.

PRESIDENT NIXON'S RECORD ON VIETNAM

Mr. BROCK. Mr. President, of late, new surges of optimism have been spreading in both the domestic and international press regarding an impending solution of the Vietnam conflict. These reports had a number of salutory effects ranging from an upward trend in the stock exchanges last week to a marked improvement of temperament of the pandas in the Washington Zoological Park.

Whatever changes we may attribute to reports that American involvement in Vietnam is being brought to conclusion, I believe that the prescience of certain members of the Washington press corps lends credibility to those who have supported the President in his efforts to bring the conflict to an acceptable conclusion.

Regarding reports that the Communists will wait to deal with a possible new President, I would say that if I were a North Vietnamese leader, I would want to deal with a man of President Nixon's consistency and reliability. President Nixon's record on Vietnam, and more generally in the entire field of foreign policy, has been unimpeachable. This is a dramatic change from the records established by either of the previous administrations. Throughout the world, foreign leaders can now depend on agreements and accords made with the United States. No longer is the word of the United States suspect in foreign circles.

World powers have urged Hanoi to meet the United States in compromise. Hanoi would do well to accept their sagacious advice.

Mr. President, I ask unanimous consent that a column by Mr. Charles Bartlett entitled "Shrinking Leverage for Hanoi" be printed in the RECORD.

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

SHRINKING LEVERAGE FOR HANOI

It is hard after years of disappointments to feel optimism regarding Vietnam, but it is also hard to see how the North Vietnamese can ignore much longer the logic of a settlement.

The Soviets have let it be known that K. F. Katushev, a party aide to Chairman Brezhnev, made two points when he flew to Hanoi on April 26, the day after Henry Kissinger wound up his first visit to Moscow. Katushev praised the Hanoi leaders for their brilliant success on the battlefield, but warned they should give sober thought to a settlement because they must expect a bitter rain of American bombs in reprisal.

Katushev is presumably now back in Hanoi with Soviet President Nikolai Podgorny and no one can say that his warning was exaggerated. The North Vietnamese have lost an estimated 45,000 men on the battlefield and much of their infrastructure at home. The offensive which they billed as "the final glorious battle" of the revolution is badly bogged down, crucial supplies are being effectively interdicted, and demoralization on which they counted in South Vietnam has not developed.

The Russians promise they will keep the supplies coming and hold out hope for a resumption of petroleum deliveries after a new plastic pipeline is laid between Hanoi and the Chinese border. Because the pumps for this pipeline are buried and because its plastic sections can be quickly replaced, the North Vietnamese have grounds to believe they may shortly be able to pipe a reasonable supply of oil from China to the DMZ.

But this will be Chinese oil if Peking does not soften its remarkable refusal to transship Soviet supplies through its ports. The Chinese can be stiff and they are not in particular sympathy with Hanoi's plight because the invasion violated a cardinal Maoist tenet that revolution cannot be accomplished by armies unless the guerillas have won the support of the people.

The supply prospects are bleak while the two big allies squabble and the military prospects are bleak as long as they tolerate the American interdiction. But the Soviets are blunt in saying they do not intend, at a moment when they want to draw closer to American capitalism, to allow the opportunity to be lost in the tensions over Vietnam.

So Hanoi's real holdout hope is that the American people will grow impatient with their President's policy of heavy bombing and force Congress to tie his hands. But sentiment against the punishment of North Vietnam has not crystallized to a point at which Congress is apt to act decisively. In fact, the American public has displayed until now a rather pleased reaction to the President's stern measures.

But having erred in gauging the sentiment of their South Vietnamese cousins, the North Vietnamese strategists can easily err now on the outlook of the American public. The rise of George McGovern can be interpreted after all as a strong manifestation of distaste for the Nixon policy.

And this is how the political developments here are being read in Hanoi. Nothing that McGovern's prestige and influence are growing "like a snowball in wintertime," Nhan Dan said June 10 that the McGovern phenomenon is linked to the Nixon administration's "cruel, stubborn, and perfidious policy" in Vietnam. The votes for McGovern are, the paper said, expressions of indignation.

So it will be tempting for Hanoi to wait and see if the McGovern phenomenon develops further. But it will be an awkward wait, poised between an uncertain military venture and a humiliating return to guerrilla warfare. And all the while those new bombs, rarely more then 5 feet off their targets, will be coming down.

The wait moreover may not be worth its sacrifices because Nixon, anxious to keep his pledge to end the war, may offer better terms now than any President, including what McGovern would be apt to produce after the election. The circumstances point to a prospect that Hanoi's negotiating leverage will shrink from this point.

NUCLEAR CAPABILITY SPREADS

Mr. SYMINGTON. Mr. President, I for one believe the proposed SALT ABM treaty is a step forward, but do not believe it should be a cause for euphoria, in this or any other country.

Much remains to be done, and many other nations must also agree to some form of meaningful arms control. If that goal is not achieved, it is only a question of time before the world will blow itself up.

I ask unanimous consent that a recent article entitled "Nuclear Capability Spreads," written by Andrew Wilson of the London Observer and published in the Washington Post, be printed in the RECORD.

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

NUCLEAR CAPABILITY SPREADS

(By Andrew Wilson)

LONDON.—By the end of the 1970s, about one-third of the countries in the world will have significant programs for the production of nuclear energy, and hence the potential for making nuclear weapons.

This warning note, sounded by the Stockholm International Peace Research Institute in its 1972 year book on World Armaments

and Disarmament, is likely to temper the euphoria created by the recent U.S.-Soviet agreement on strategic arms limitations.

The institute—an independent international research body set up in 1966 by Sweden—says that the possibility of the proliferation of nuclear weapons would lead to a totally new situation in military and strategic affairs.

The 1968 non-proliferation treaty currently creates a barrier against the spread of nuclear weapons, but the strength of this barrier will depend on how many states subscribe to the treaty.

At present, only about half the countries of the world have ratified or acceded to the treaty, and there is currently a hold-up of new ratifications and accessions while a number of states wait for the completion of negotiations on military safeguards between the International Atomic Energy Authority and Euratom, the European Community atomic energy authority.

Among the countries that have not signed the treaty are India, Pakistan, Israel, South Africa, Argentina and Brazil. Egypt has signed, but has not yet ratified; the same is true of Japan, Australia, Italy, Belgium, the Netherlands, Switzerland and West Germany.

The year book points out that the main factor behind the spread of nuclear technology is that, for most environments, nuclear power reactors provide the cheapest means of producing electricity.

Last year, 16 countries had 128 nuclear power reactors in operation with a total capacity of 35,000 megawatts of electricity. In 1977, 32 countries will have 325 nuclear reactors with a total capacity of 174,000 megawatts, the institute estimated. By 1980, the world's nuclear capacity will probably exceed 350,000 megawatts.

As a byproduct, nuclear power reactors produce considerable quantities of plutonium each year; about 13 tons will be produced this year; 65 tons annually in 1977 and 130 tons in 1960.

By 1980, about one-third of this plutonium will be owned by countries which do not now possess nuclear weapons—an amount of plutonium that would, in theory, make possible the production of 100 nuclear weapons of Hiroshima size per week.

FEDERAL SUPPORT OF LAW ENFORCEMENT WORKS

Mr. PEARSON. Mr. President, on July 6, I had the opportunity to inspect the newly installed automatic information retrieval systems which the Kansas City Police Department purchased with a grant from LEAA. I am delighted to report to the Senate that our Federal funds have been well spent.

This equipment enables the KCPD to utilize the computerized information storage system of larger departments. Mayor Walsh and the police officers with whom I spoke indicated that this new equipment enables them to coordinate the operation of neighboring police departments. No longer can criminals hide behind city and State lines.

With the installation of this automated system, the officer in a patrol car or a patrolman on the beat can ask for a rundown on, for example, a suspicious automobile or a suspect's name, and receive a complete report in a matter of seconds. These rapid reports can make the difference between the apprehension of a criminal and his escape.

We have spent a great deal of time speaking about the problem of rising crime rates. With programs like LEAA, we have begun to combat crime in the streets of Kansas City and other metropolitan areas with the most modern technology available to us. By utilizing computers, we have increased the effectiveness of the cop on the beat, and at a reasonable cost.

The value of these and other programs is beginning to tell as crime rates are leveling off or dropping in major metropolitan areas across the country. After seeing this equipment and talking with the men who use it, I am convinced that our support of the LEAA programs is justified.

THE 50TH ANNIVERSARY OF THE ORDER OF AHEPA—AMERICAN HELLENIC EDUCATIONAL PROGRESSIVE ASSOCIATION

Mr. NELSON. Mr. President, on July 26, the Order of Ahepa—the American Hellenic Education Progressive Association—will celebrate its 50th anniversary. The order is presently active in 49 States, Canada and Australia, with a total of 430 local chapters. The State of Wisconsin is proud to have three local chapters, one each in Racine, Milwaukee, and Fond du Lac.

The "AHEPA family" composed of four separate organizations, the Order of Ahepa, the Daughters of Penelope—senior women's auxiliary—the Sons of Pericles—junior young men's auxiliary—and the Maids of Athena—junior young women's auxiliary—all work together on a local, district and national level.

The value of this organization can be illustrated by the goals which it pledges to pursue:

One. To promote and encourage loyalty to the United States of America.

Two. To instruct its members in the tenets and fundamental principles of government, and in the recognition and respect of the inalienable rights of mankind.

Three. To instill in its membership a due appreciation of the privileges of citizenship.

Fourth. To encouraged its members to always be profoundly interested and actively participating in the political civic, social and commercial fields of human endeavor.

Fifth. To pledge its members to do their utmost to stamp out any and all political corruption; and to arouse its members to the fact that tyranny is a menace to the life, prosperity, honor, and integrity of every nation.

Sixth. To promote a better and more comprehensive understanding of the attributes and ideals of Hellenism and Helenic culture.

Seventh. To promote good fellowship, and endow its members with the perfection of the moral sense.

Eighth. To endow its members with a spirit of altruism, common understanding, mutual benevolence, and helpfulness.

Ninth. To champion the cause of education, and to maintain new channels for facilitating the dissemination of culture and learning.

The Order of Ahepa has contributed financially to many worthy causes during its 50 years of existence, on a national and international level. Local AHEPA chapters have always given generously and actively supported local community undertakings in the fields of education, charity and civic improvement. AHEPA has awarded scholarships to worthy students for the past 41 years on the local, district, and national levels. In addition, courses in modern and ancient Greek and the classics have been promoted.

Mr. President, the Order of Ahepa is entitled to recognition and congratulations for its half century of good works and contributions to the general welfare.

LACK OF CONCERN OVER LOCAL JAILS

Mr. BROCK. Mr. President, with sordid conditions still prevalent in many of our crowded Federal prisons, concern over our county jails usually amounts to little more than an afterthought.

Surprisingly enough, 45 percent of all prisoners in this country are locked up in local jails.

I am currently supporting S. 3185, the Federal Corrections Reorganization Act which would set up an advisory council to deal with specific problems in State and local institutions.

This council would conduct seminars on penal reform, serve as a clearinghouse for information, and submit annual reports to Congress, the executive, and the courts, advising appropriate action each could take to improve our current "corrections debacle."

In an article published recently in the Wall Street Journal, Mr. Jack Kramer paints a vivid picture of the blatant lack of concern over our local jails.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

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

[From The Wall Street Journal, July 11, 1972]

CRITICS, INMATES ASSERT THAT THE NATION IS IGNORING OVERCROWDING AND POOR FACILITIES OF SMALL JAILS

(By Jack Kramer)

LAS VEGAS, N. MEX.—Eulogio Duran has one ambition: He wants to go to prison.

"Prison is a plenty bad place," he recently explained to a visitor, "but it's better than this."

"This" is the San Miguel County Jail. And even the local sheriff agrees that a term in a federal or state prison is better than a stay in the San Miguel jail—with good reason. Food dangles from the jail's ceiling to keep it from the rats that, prisoners say, scamper through huge cracks in the crumbling walls. In winter, icy winds sweeping down off the Sangre de Cristo mountains rush in through broken windows, rustling ripped-open mattresses into which prisoners burrow to keep from freezing. In the summer, everything reeks of urine.

Unfortunately, San Miguel's jail is far from unique. In fact, as its condition suggests, while national attention is concentrated on state and federal prisons, the country's 4,037 local jails—which hold 45% of all prisoners—constitutes one of the gloomiest aspects of the penal picture.

"Jails are the weakest, most neglected link in our criminal justice system," says Richard W. Velde, assistant administrator of the Justice Department's Law Enforcement Assist-

ance Administration. "On the whole, jails are brutal, filthy cesspools of crime."

VIOLENCE, RAPE AND DRUGS

Problems common to all penal institutions—violence, homosexual rape, drugs, too little money and too many inmates—are often at their worst in municipal or county jails, which are least able to combat them. On the average, for example, jails are able to spend only about $1,046 annually on each prisoner, or about 55% of the $1,922 spent by state and federal penitentiaries. According to the nation's first jail census, completed last year, half of the jails have no medical facilities, 47 lack even an operating flush toilet and one in five is overcrowded—some of them seriously so.

Moreover, while state and federal prisons at least make an effort to keep inmates busy with such activities as making license plates or learning to cook, most jail inmates while away the days in complete idleness, lacking not only educational but even exercise facilities. And most jails, another survey showed, don't even have such basic operating necessities as plans for handling fires, riots or contagious disease.

Topping it off, says Mr. Velde of the Justice Department unit, jail personnel are "the most uneducated, untrained and poorly paid of all personnel in the criminal justice system—and furthermore, there aren't enough of them."

True, most jail inmates don't have to put up with their privations all that long: The average jail term is slightly less than two months, while the average prison stay is about 20 months. But penal experts say that plus for jails is offset by many factors.

One jail minus is the fact that while everyone in prison is a convicted criminal, more than half of those in jail are untried defendants—legally presumed to be innocent. They may be detained for months or longer simply because they cannot afford to post even a nominal bail. Moreover, 5% of the inmates are juveniles, two-thirds of whom are unconvicted and some of whom are under arrest for offenses that aren't adult crimes, such as possession of alcohol or running away. (In Conroe, Tex., last year, a 14-year-old boy in jail for truancy from school hanged himself.)

"It's not simply the injustice of throwing them in jail for such 'crimes,' it's the contamination that's bound to happen when you throw them in with hardened criminals," asserts Robert Weddle, a professional jail consultant. According to the national jail census, 70% of all jails accept juveniles.

As a legal matter, the convicted criminals in jails are both misdemeanants—those guilty of lesser crimes—and felons awaiting transfer to the penitentiary or whose cases are on appeal. However, only about 7% of the estimated three million persons who pass through the nation's jails every year are charged with or convicted of felonies. For the most part, jails are catch-alls, playing social roles for which, critics say, they are ill-suited.

In many cities, the jail is primarily used to rid the streets of homeless drunks, to check prostitutes for venereal disease, and to punish gamblers, thieves and other petty offenders for which one brief jail term after another is a way of life.

(A Supreme Court decision handed down last month may change this situation, however. The decision gives the right of free counsel to any defendant who faces jail and who wants a lawyer but is too poor to afford one. Previously, misdemeanants weren't eligible for such counsel. In order to avoid the added costs of providing free lawyers in misdemeanor cases, some states have begun to rewrite misdemeanor statutes to eliminate the threat of imprisonment.)

However, despite rising concern, even outrage, by lawmen and penologists about the sad state of local jails and the damage they do, other attempts at reform thus far have a dismal record. "We are doing little more than fighting a holding action," says Michael N. Canliss, former president of the National Sheriffs' Association.

The traditional remedy is to replace crowded, dilapidated jails with new ones. But many authorities, such has Hans W. Mattick, co-director of the Center for Studies in Criminal Justice at the University of Chicago Law School and former assistant warden at Illinois' Cook County jail, contend this is a serious mistake. Too often, the real motive behind this approach is "monument building, contract letting and patronage" on the part of the sheriff and other politicos, Mr. Mattick says, and it usually amounts to "pouring the same old milk into new bottles while the mold continues to flourish."

What's really needed, critics insist, isn't more and larger jails but fewer prisoners. Yet many experiments that show promise of reducing jail populations, such as those given national publicity five years ago by the President's Commission on Law Enforcement and the Administration of Justice, tend to stagnate rather than spread.

The presidential commission, for example, recommended "work-release" programs in which selected jail inmates would work in the community during the day, earning wages and paying for part of their keep, and then return to jail at night. Advocates say such programs have been highly successful since their introduction in Wisconsin nearly 60 years ago.

Yet a recent survey for the Justice Department discovered that work-release isn't widely used. Only 35 of the 50 states even have legislation authorizing it. In those states a total of merely 11% of the eligible jail inmates are participating, and most of the participants are located in five states.

The bail system in jails is also faulty, critics say. In the traditional bail system, they contend, the very defendants who are most likely to show up for trial are often held, not because they are guilty, but because they cannot buy their liberty. Yet the habitual criminal, who may be of more danger to the community, goes free merely because he has money.

To remedy this situation, the President's commission recommended that inmates who are good risks be released without money bail; and in the early 1960s, nearly a hundred bail-reform projects were established across the country to carry out this recommendation. But now the movement is "stagnating, even retrenching in some cities" according to Paul Wice, a political scientist at Washington and Jefferson College, Washington, Pa., who recently completed a nationwide survey of bail reform projects for the Justice Department.

NO PROGRESS

The presidential commission also concluded that by handling alcoholics in medical treatment centers, so-called detoxification centers, rather than in jails, their periods of sobriety would be lengthened, and the load on jails would consequently be reduced. Proponents cite Kings County in the state of Washington as one successful example. The detoxification center there costs about $9 daily for each patient, compared with a cost of only $6.50 a day in the county jail, according to center Director Ron Fagan. But the special center has cut the number of alcoholic repeaters by about 40%, resulting in a significant savings of tax dollars, Mr. Fagan says.

Nevertheless, according to researchers at the American Bar Foundation, which recently completed a study of detoxification centers and other reform proposals, there has been "no signficant progress since 1966." Ray Nimmer, a research attorney who worked on the study, says that in 1966 there were 246 detoxification centers. "Now, I'd be surprised if there are more than 250," he says.

But experts blame the dismal plight of local jails on a number of other factors as well—and some see little hope of improvement. Fragmented jurisdictions, for example, are a major source of trouble. Although there are only 250 state and federal prisons, there are more than 4,000 jails, each controlled and financed by separate, often overlapping governmental units. The result, according to a Justice Department survey, is "needless duplication of effort, inefficient use of funds, and rather substantial gaps and inequities in the administration of justice." One example of the difficulty is Waco, Tex., where the county houses the bulk of the area's prisoners in a cramped, rundown facility while the brand new city jail stands almost empty.

LACK OF EDUCATION

The rising crime rate also looms as a troublesome psychological factor. For instance, many bail reform projects "had their local funds cut off because people became convinced—wrongly, I believe—that suspects free on bail were playing a large role in the spiraling crime statistics," says Washington and Jefferson's Prof. Wice.

Lack of standards further compounds the sad state of jails. Although the Federal Bureau of Prisons publishes standards for state and federal penitentiaries, it publishes none for for handling prisoners, sheriffs and other jail administrators usually aren't required to have training in penology, or even the formality of a high school education.

"Not only are sheriffs uneducated in penology, they usually couldn't care less about it." says Chicago Law School's Mr. Mattick. "They're elected politicians, and political sex appeal is in enforcement and crack crime-fighting units, not in the jail."

But even if adequate standards were widespread, there's considerable doubt among experts that they would be enforced.

INITIATIVES TO PROMOTE ECONOMIC GROWTH IN SOUTHEAST ASIA

Mr. PERCY. Mr. President, Mr. A. W. Clausen, president of the Bank of America, recently made a most interesting speech on the need to plan ahead for postwar Southeast Asia. His specific concern is the need to build healthy economies in that region of the world and in developing areas generally in order to achieve a peaceful world.

Mr. Clausen describes Southeast Asia as a rich area in terms of natural resources and human labor, but lacking in capital and the institutional arrangements necessary to harness the entrepreneurial energies of the people.

To meet these deficiencies, Mr. Clausen proposes a development strategy with four main tenets:

First. A multinational effort.

Second. Greater involvement of the private sector.

Third. Greater participation by host countries.

Fourth. Recognition that differing ideologies and social systems need not be impediments to the establishment of peaceful and normal economic relations between countries.

The conclusion Mr. Clausen reaches is that prosperous nations cannot remain isolated and rich in a world of want and that to achieve lasting peace, we must have healthy economies in developing nations.

Mr. President, I commend this most thoughful presentation to the Senate and ask unanimous consent that it be printed in the RECORD.

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

SOME THOUGHTS ON ECONOMIC INITIATIVES FOR LASTING PEACE

(By A. W. Clausen)

Last fall—you remember last fall—I was attending a conference of international bankers. Between sessions, a reporter buttonholed one of my companions and asked how he'd describe the monetary situation. My friend replied: "Poised."

I mention the incident because, somehow, that reply for all seasons characterizes the potential dynamics of our world today and the events we've been watching in recent months.

I suggest that we are not merely at one of those possible turning points in world affairs, but that we are actually in the midst of a genuine and major breakthrough in our relationships with one another.

If you sense a note of optimism, you are right. I am optimistic. I'm optimistic because many of the initiatives that have been needed so long are now being taken at last.

I have in mind, among other things, the United Kingdom's scheduled entry into the European Community, the renovation of international trade and monetary arrangements, the acceptance of the People's Republic of China into the community of nations, and what appears to be a meaningful start on strategic arms limitation. Many other issues that must be faced now *are* being studied systematically. (The Stockholm Conferences, for all its difficulties, is a case in point.)

Conscious that virtually no subject stands outside the legitimate concern of this great financial crossroads, I've faced something of a quandary choosing a single topic for today. But in the process of pondering the bounty of possible issues, I have concluded there is one major opportunity before us which—for lack of fresh perspective and sufficient discussion—has failed to get appropriate attention this side of the Atlantic. I refer to Southeast Asia. I hardly need to say that this is a subject of deep concern to my own country and countrymen.

The Pacific rim may strike some Europeans as remote. For many decades, of course, London has had windows on Asia: Hong Kong, Australia, Singapore. Even today, despite the United Kingdom's west-of-Suez policy, the currencies of Malaysia, Singapore, and Hong Kong are still associated with the sterling bloc. The City and Whitehall both have had extensive experience and preeminent expertise in dealing with and within the region. And parenthetically I wish to say this experience and this expertise are very much needed now—again.

Somehow, with the passing of colonialism, Southeast Asia has become, in effect, an economic "no man's land." Europe continues to offer a special patronage to Africa. America's initiatives toward developing countries have emphasized a special relationship with Latin America. Somehow, businessmen acquired an impression that foreign investment in Asia was, somehow, "more foreign" than investment in Africa or South America.

Meanwhile, investors' forebodings and uncertainties have been compounded by the intermittent warfare that has plagued the region historically—particularly in Indochina, but also in Indonesia and elsewhere. When Southeast Asia has come to our attention, it has been in the most negative light imaginable.

There are indications that things are changing. So much so that I submit it is timely and relevant for rational men to make rational plans for a postwar Southeast Asia. I submit that the future of Southeast Asia—and the problems, the opportunities, the obligations emerging there—must concern the entire community of developed nations.

If the industrial nations want a peaceful world—without the recurrent waste of resources required by attempts to police that peace—optimal strategy requires that we build self-reliant and healthy economies in developing areas. This holds true for Europe, for Britain, for the Soviet Union, and, of course, for the United States.

In this context, I attach particular significance to the Nixon-Brezhnev Declaration of Principles of May 29—notably that pivotal concept that differences in ideology and social systems need *not* be obstacles to the development of normal relations among peoples.

Southeast Asia becomes a crucial piece in the global mosaic. It is one of the major *underdeveloped* parts of the world. (Too often that description has been used as a euphemism for *poor* but in this case the sense of *unfulfilled potential* is the connotation I have in mind.)

What is this potential that has been underutilized? Although poverty may appear to be the common condition of Southeast Asia, the region is in fact abundant with wealth. Its natural resources include copper, the precious metals, tin, petroleum, hard woods, numerous botanicals, and, not least, rich soil and ample water for power and irirgation. Indonesia alone, for instance, has within its territory virtually every natural resource of any economic consequence.

More important still are the human resources. Labor, though often unskilled, is abundant and therefore competitive in cost with the work forces of developed countries. In a number of nations within the region—Singapore, Hong Kong and the Philippines come to mind—there's a substantial pool of educated labor, potential managers for tomorrow's business enterprises. There is also an uncommon cultural potential—in the sense that Southeast Asians have a widely shared and long ingrained enterpreneurial spirit. Two things, however, have been in relatively short supply: capital—and institutional arrangements to harness the latent entrepreneurial energies of the people.

Several elements will be essential for any reasonable long-term development strategy for this region. Four concepts in particular seem to me fundamental:

First, the effect must be multinational;

Second, it must encourage greater involvement by the private sector than any development program we have attempted in the past quarter century;

Third, it must insure greater participation—and, indeed, guidance—by most countries; and . . .

Fourth, it must take into account the principle of the Nixon-Brezhnev Declaration to which I have already alluded—namely that differing ideologies and social systems need not become impediments to the establishment of peaceful and normal economic relations.

For a number of reasons, I believe that the United States must be joined in economic assistance efforts by other nations of the developed world. We must multilateralize the source of regional assistance so as to remove any possible bias or stigma of unilateral politics.

It is not my purpose this afternoon to delve into the historical background of the region but I do believe it is helpful to recognize some aspects of the trends that have become visible since World War II. The policy of containment is clearly out of date. We have progressed to a phase of coexistence. But coexistence, almost by definition, is static. The time has come to progress further—to progress to what I shall call dynamic collaboration.

I believe development efforts should be approached cooperatively by a number of nations for these reasons:

Multinational cooperation avoids the prospect of outside assistance being influenced unduly by narrow national interests.

Multinational cooperation can avoid, or at least can minimize, the error of ignoring local views, local needs and local cultures. Such an approach, it seems to me, would force consideration of factors which too often have been ignored in past government assistance programs.

Speaking practically, a joint approach by a number of nations also spreads the financial burden. Not insignificantly, it would help developed countries to more readily balance their own international accounts.

I believe governments must participate but, beyond that, I am convinced that successful and efficient development in Southeast Asia ultimately will depend heavily on private initiatives and private investment.

A few years ago, Professor Charles Lindblom, a Yale economist, took note of what he called "a worldwide re-discovery of the market mechanism." He pointed out that capitalism and the market mechanism are not the same thing, although, understandably, they are often confused with each other. It was, after all, under capitalist auspices that the market mechanism first became, on a vast scale, the organizer of economic life.

But—in Professor Lindblom's words—"the market mechanism is a device that can be employed for planned as well as unplanned economies, and for socialism as well as capitalism." I would add that the market exchange mechanism also has the extraordinary advantage of neutrality. It operates without regard for ideology or social system.

There is a very practical consideration that prompts me to emphasize the advantages of increased private participation in the task of developing Southeast Asia.

Government money is tax money and I doubt that anyone here is unaware that taxpayers are increasingly disenchanted with the burden of supporting economic assistance and development programs for foreign countries. This is certainly true in the United States, as news reports from the U.S. Congress and our election hustings remind us daily. And I understand it is of some concern here and in some other European capitals.

Because of this growing citizen resistance, I think we must turn vigorously to the private sector to close the income gap between the developed and the less developed nations. Greater emphasis upon and reliance upon private finance are essential.

Beyond the fiscal constraints on governmental action, we know that private enterprise is highly efficient in allocating scarce resources, whereas government programs too often tend to breed a quasi-colonial relationship. Individual countries receiving government assistance are tempted to enter long-term contracts which tie up resources and thwart the most efficient distribution, which is through the market mechanism. For these reasons, although I do recognize that government has a role to play, I think we must look to the private sector to work out a preponderant share of the job. I would also recommend that, where you do acquiesce to government's assistance, you pay close heed to government's performance.

In concept, the underlying problem is relatively simple. We must transfer capital and technological skill into the less developed countries to establish both the setting and the machinery that will encourage additional private capital flows into those same areas.

Negotiations toward stepped-up development must resolve several problems.

For one thing, foreign investment is often inhibited by fear of unfair or capricious treatment by some host governments—gov-

ernments which are unstable either in their power or in their policy.

For another thing, host governments must be persuaded to devote an appropriate portion of their own available resources to development programs. This is fundamental. Developing countries can hardly expect private support from abroad for projects toward which their own governments demonstrate no genuine enthusiasm. Conversely, experience has shown repeatedly that the most successful projects are those in which local interests have a direct financial stake. This too is fundamental.

An overall strategy must bear in mind three other considerations:

Consideration One: Virtually every country seeks and welcomes new industry. Yet the arrival of that industry creates a paradox. The influx of capital and know-how and the consequent rise in the employment of domestic labor are viewed as good. But—the outflow of irreplaceable natural resources and the repatriation of profits to foreign investors are looked upon as bad, or at least with misgiving and distrust.

A possible solution to this difficulty might be a system whereby the less developed nations—either through the private sector or through government-private collaboration—would be assured of maintaining majority ownership of resources. At the same time, outside entrepreneurs would receive payments for their services from the sale of the resources.

Consideration Two: The outside developer rightly believes he must be protected against expropriation or discrimination by the host government. The host country needs to be protected against unscrupulous and exploitive adventurers. But, conversely, the legitimate businessman needs to know under what circumstances he can safely commit his capital and technology to a project in a particular country.

The foreign entrepreneur must respect and justify the hospitality of the host country. Conversely, the host country must demonstrate moderation in the regulation of outside investment.

You can do many things with legal devices—restraints, restrictions and regulations—but you can't use them to raise capital. Direct investors, after all, are not philanthropists. They will invest because—and only because—a profit can be made with reasonable security of principal.

I think a promising long-range solution might be an international code regulating the relations between foreign investors and their host countries, a code fair to both parties—buttressed by a multinational agency to indemnify firms for losses due to violations of the code. At the same time, of course, the agency would be empowered to arbitrate disputes involving any corporate violations of the code and would provide impartial assistance in determining damages done or setting the fair value of facilities which the host country might seek to buy out.

Consideration Three: The need for infrastructure investment is very real. In Southeast Asia, or most of it, the public facilities—roads, harbors, telecommunications, power—are insufficient to permit the profitable development of economic potential. A virtuous cycle can be created when a portion of private revenues—in the form of taxes, fees and royalties—are assigned to public infrastructure investment which in turn enhances the profit opportunities of private enterprise.

These three points deal with mobilization of finance capital in Southeast Asia. While I can only sketch the ultimate form this mobilization might take, I surmise the funds would come in part from national governments, in part from private investors and in part from international institutions. I would expect the Asian Development Bank, for example, to play a role as will private international banks, including my own.

In all that I've been saying about Southeast Asia, there obviously has been one reality upon which I have not yet commented. I recognize it cannot have escaped your attention—and that is the tragedy of Indochina. Since 1949, Indochina has been an aberration which has had bitter repercussions both for its varied peoples and states—and for the metropolitan powers who have found themselves enmeshed there, acting out their own conflicts.

I must emphasize that I have no special or privileged information that is not available to any other interested onlooker, but it's my personal belief that the warfare involving metropolitan powers must end in a reasonably short time. Whether the time is weeks, months or longer, I cannot say. Any private citizen who speculates on this point obviously risks being proved a fool or worse by tomorrow's news dispatches.

Further, all of us in this room know there are several scenarios for the ultimate outcome of the warfare. These range from a status quo situation approximating the alignment of political groupings that existed in the 1950s to the possibility of a single Vietnam, or even a single Indochina, under the hegemony of Hanoi.

I will not venture to guess what the outcome may be. But I would suggest that all the scenarios I've heard or read about have a common flaw. Each sketches the eventual outcome a little too sharply, a little too much in stark contrasts with hard edges.

The eventual reality, in my opinion, is likely to be in more subtle shadings. If I were to choose some comparison from the political forms we can see elsewhere, I would be inclined to pick the example of Yugoslavia—although I must add quickly that a Yugoslav-type state in Southeast Asia is bound to be vastly different from such a polity in Balkan Europe.

Whatever the outcome, there is one part of the developed world's long-term economic response vital to the problems of the Southeast Asian region as a whole. This is the inevitable need to provide Indochina with the aid and assistance essential for its rehabilitation and development.

An informal proposal within the U.S. government, reported last January, would commit between $7 and $8 billion over a four-year period for reconstruction projects in Vietnam, Cambodia and Laos. I endorse this proposal. Moreover, I believe it is necessary to assign a fair portion of this total for the reconstruction and rehabilitation of facilities in North Vietnam.

Precise totals are very difficult to derive, but I think the overall numbers here are a plausible starting point. For comparison, the Marshall Plan, in its initial four-year period, involved about $17 billion for 17 countries. On the other hand, World War II lasted six years—all too long—but the fighting in Indochina has been going on more than a quarter century. Clearly, the task there will be of unusual dimensions.

I might note that the reconstruction of roads, railroads, harbors, airstrips and other so-called infrastructure facilities will have a byproduct benefit—a spillover effect—of considerable significance to overall economic development. This spillover benefit would extend beyond the Indochina peninsula to other areas of Southeast Asia.

I have been discussing a rather broad set of concepts in a necessarily short period of time. I shall try briefly to itemize the most important ideas I want to leave with you today.

It is unrealistic to think that the prosperous nations of the world can survive as walled and moated keeps in a wilderness of want.

If we are to have lasting world peace, we must take bold new initiatives to assure self-reliant and healthy economies in the developing nations.

One place to start is Southeast Asia. Parts of this richly endowed area—I would include Hong Kong, Indonesia, Malaysia, the Philippines, Singapore and Thailand—already display many of the dynamics requisite for a robust and mutually-beneficial commerce.

The private sector of our nations must move into the forefront of developmental programs. We must work out arrangements to stimulate orderly capital flows while protecting resources of the local areas involved.

Finally, our new efforts must be truly multinational—international economic initiatives through which the industrialized nations of the West can contribute peacefully.

In closing, I shall simply say that I am personally convinced that the optimistic view of our global relationships is both candid and intensely pragmatic. It is, after all, the ultimate pragmatism—the recognition of a small planet's need to survive.

THE GENOCIDE CONVENTION: UNDERSTANDING THE UNDERSTANDINGS

Mr. PROXMIRE. Mr. President, in favorably reporting the Genocide Convention to the Senate, the Foreign Relations Committee attached four understandings to the treaty. I believe that an awareness of these understandings and of their purpose is essential to a clear understanding of the treaty itself.

The first of these concerns the phrase "intent to destroy" in article II, stating that it be interpreted to mean "the intent to destroy a national, ethnical, racial, or cultural group in such a manner as to affect a substantial part of the group concerned." This statement refutes claims that the treaty would cover individual cases of racial or religious harassment or intolerance, or that it would confer jurisdiction over cases of homicide.

The second understanding concerns section A of article II, which states that acts of genocide include "causing serious bodily or mental harm to members of the group." It construes the vague term "mental harm" to mean the permanent impairment of mental faculties.

The third deals with article VI, which states that individuals charged with genocide will be tried either in the country in which the crime was committed, or in an appropriate international tribunal. The understanding underscores the right of any nation to try its own citizens in its own courts, and allays any fears that ratification of the convention would deprive U.S. citizens of their constitutional rights.

The final understanding declares that the United States will not deposit its instrument of ratification until after the implementing legislation has been passed. It emphasizes that ratification of the treaty is the first step of a two part procedure; I urge my colleagues to take that step without further delay.

RURAL ENVIRONMENTAL ASSISTANCE PROGRAM—ILLINOIS

Mr. PERCY. Mr. President, the Agricultural Stabilization and Conservation Service—ASCS—administers several conservation and land use programs.

The best known and most widely used of these is the rural environmental assistance program—REAP—formerly agricultural conservation program—ACP—which shares costs with farmers and ranchers to assist them in carrying out authorized soil, water, woodland, and wildlife conservation practices and pollution abatement practices.

During the last 5 years, over 80,000 Illinois farmers have participated one or more times in this program which is designed to, first, minimize erosion caused by wind and water; second, conserve water; third, advance woodland and wildlife conservation; and fourth, abate agriculture-related pollution of water, air, and land—for the benefit of the participating farms, the community, and the general public.

In 1971 Illinois used about $5.4 million for cost-sharing. These funds are matched by farmers to pay the total cost of performing the conservation practices. The farmer also supplies the labor and management necessary to complete and maintain the practice.

Some of the major practices and the portion of the State cost-sharing funds used to carry them out in 1971 were:

Establishing permanent vegetative cover, 19 percent.

Water impoundment reservoirs, 8 percent.

Permanent sod waterways, 25 percent.

Under the redirection effort of the REAP, Illinois is concentrating on erosion control measures—those measures that serve the greatest public purpose of most need and which deserve public support. High priority will be given to conservation measures which benefit local communities and the general public as well as the participating farms.

REAP is giving special attention to meeting conservation needs in special conservation project areas organized by local people. In 1971, a half-million dollars of REAP funds—farmer and REAP investments of at least $1 million—were used in connection with 16 of these projects covering 660 participating farms. Seventeen new projects are expected to be approved in 1972.

Also, 1971 REAP cost-shares amounting to $494,982 were used in 1,328 farms in 31 Public Law 566 planning and operational small watersheds in Illinois. In the Shawnee and Two Rivers resource conservation and development projects applicable to 19 Illinois counties, the REAP cost-shares of $932,226 helped on 2,584 farms. The farmer and REAP investments of more than $500,000 in these project areas materially furthered the farm and project conservation plans in these watershed and R.C. & D. project areas.

An indication of the farmer interest in REAP is that in 1971 farmers filed written requests for $11.5 million of REAP cost-sharing assistance. This was 2¼ times the amount of allocation available in the State. By February 29, 1972—very early in the program year—requests for cost-sharing already exceeded the amount of 1972 funds available. The conservation needs as shown by conservation needs inventory are even greater than the requests indicate.

The State and county ASC committees and the interagency REAP development groups are constantly trying to develop programs to apply programs funds so as to produce maximum conservation for each dollar expended.

Mr. President, REAP is a most valuable program for Illinois farmers and I urge its continuation and expansion.

PROPOSED CHARTER REFORM FOR DEMOCRATIC PARTY

Mr. McGEE. Mr. President, serious reservations have been expressed by many Democrats over the proposed charter reform for our party. Fortunately, delegates to the Democratic National Convention in Miami Beach last week voted overwhelmingly to put off implementation of the charter for at least 9 more years to enable comprehensive study to continue on the issue.

This morning's Washington Post contains an analysis of the charter reform, written by Prof. Alexander M. Bickel for "The New Republic." Mr. Bickel offers some thought provoking comments concerning the potential hazards inherent in the adoption of the new charter for the Democratic Party as it now stands.

I ask unanimous consent that Mr. Bickel's comments be printed in the RECORD.

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

IF DEMOCRATS' PROPOSED CHARTER IS ADOPTED—

[Under the proposed new charter for the Democratic Party] membership would be free and open, but only enrolled members could participate in party affairs, and movement in and out for one caucus or one primary would be difficult. Moreover, the party would have clear policies, continuously formed by standing bodies and by a biennial national policy conference. No one who did not accept those policies would feel very keen about joining. Minorities within the party would, no doubt, continuously splinter off, and once gone would stay away, while the party became continuously purer and smaller.

Unless the country went to a multi-party system—to facilitate which we would have to abolish the electoral college—the Democratic Party would go the way of the Whigs and be replaced by another major party. If we did go to a multi-party system, with everyone pure and tight within his own party, Presidents would be even less able to govern in accordance with a coherent program. Deadlocks between Presidents and Congresses would be even more deadlocked, compromises would be even messier, and frustration even greater, as we waited for one John Tyler after another to serve out his four years. The temptation would be to abolish the four-year term and make the President responsible to Congress. Then we would be like the third French Republic, or like Italy now. The milennium would have arrived.

None of these horrible things will happen if the proposed O'Hara-Fraser charter is adopted. Not a chance. Rather the Democratic Party will just vanish. It will go down in a glorious ideological sunset.

DEATH OF UNDER SECRETARY OF THE INTERIOR WILLIAM THOMAS PECORA

Mr. ALLOTT. Mr. President, it is with great sadness that I rise to pay tribute to a friend and distinguished public servant, Dr. William Thomas Pecora, who died yesterday.

As Under Secretary of the Interior Bill Pecora served with the energy, skill, and dedication that he brought to the many positions of responsibility he held in his professional career.

Bill Pecora was one of those rare men who combined a life of active public service with scholarly attainments of the highest order. After serving as an instructor in geology at Harvard, he joined the U.S. Geological Survey. He rose to the rank of chief of the branch of geochemistry and petrology, and then to research geologist and chief geologist. In September 1965, with the advice and consent of the Senate, he became Director of the Geological Survey. He was reappointed and reconfirmed in 1969. Last year he became Under Secretary.

A native of New Jersey, a Princetonian, the holder of a doctorate from Harvard and several honorary degrees, Bill Pecora devoted his life to bringing science to bear on public policy. The public has been well served by him. His life has ended too soon. Mrs. Allott and I extend our deepest sympathy to his wife, Ethelwyn Elizabeth Pecora.

ACCOMPLISHMENTS OF FORMER PRESIDENT LYNDON B. JOHNSON

Mr. McGEE. Mr. President, this morning's Washington Post contains a column by Jack Valenti, a White House special consultant in the Johnson administration.

Mr. Valenti was commenting on the treatment accorded former President Johnson at the Democratic National Convention last week in Miami Beach. I fully agree with Mr. Valenti's strong feelings over the decision to ignore the former President. I agree with Mr. Valenti's assessment, because it is not only those delegates to the Democratic National Convention who chose to be discourteous to a former President of our Nation, but also the many thousands of Americans who apparently have overlooked the long string of significant programs in the area of human rights, education, health care, aid to the poor, conservation, and others that were the result of President Johnson's vision and commitment to making the United States a better place to live for all its citizens.

As Mr. Valenti remarked concerning President Johnson's achievements in public life:

The list of advances in human justice is endless, almost a hundred landmark pieces of legislation that aimed at caring about those who had many partisans and shouters but few achievers.

History may well record that Lyndon Baines Johnson accomplished more than any other President of the Nation in the area of domestic concerns. But today it is apparent that the memories of too many Americans—Democrats and Republicans alike from all walks of life—are all too short. History will be a more objective judge of the contributions that President Johnson made to this country.

I ask unanimous consent that Mr. Valenti's column be printed in the RECORD.

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

BUT "DEJOHNSONIZATION" MADE LBJ A NON-PERSON

(By Jack Valenti)

As I watched the Democratic telethon, and then the convention that followed I kept waiting for someone to acknowledge that Lyndon Johnson was a Democratic President. But as the week ended it became clear that as far as the telethon and the convention were concerned (except for a late Thursday night speech by Senator Kennedy) President Johnson was a non-person, expunged from the Democratic Party with the same kind of scouring effectiveness that Marxist revisionists use to rewrite Communist history. As a final petty insult, the managers of the convention made sure LBJ's picture was absent among the portraits of FDR, Truman, Stevenson and JFK.

It seemed odd that the party, so firmly fixed in its zeal to bring justice and hope to all Americans, turned its back on President Johnson, who more than any President in all U.S. history accomplished what had eluded all his predecessors in the area of human rights, education, health care, aid to the poor, conservation, and just plain caring about the powerless, the forgotten, and the uninvited.

It was an act of discourtesy, not to mention memory gone sour.

I cannot but believe that black people throughout this land understand with a fervor born of too much neglect that it was a President from the Southwest, of all places, who did more to lift the level of their living and to secure their pride than any other man. The first black on the Supreme Court, the first black in the Cabinet, the first black Assistant Attorney General. Have we forgotten? The Civil Rights Act of 1964, the Voting Rights Act of 1965, the Equal Housing Act of 1968 have fastened in conscience and legislation rights that belong to all U.S. citizens. But before Johnson these rights existed only in rhetoric. Lyndon Johnson gave human rights the covenant of national law.

Ever since Lincoln, Presidents have made the motions and gone through the ritual of putting human rights on the agenda. But not until Johnson came to command did aspirations transform into achievement. Charles Evers and every black elected official in the South know better than any of us that it was the Johnson human rights action that gave the vote to the black man, and with that vote he could now govern.

But in the convention no one wanted to remember, and no one seemed to care.

For years the Democratic Party talked and talked about bringing education to the masses, but federal aid to this educational advance always foundered and faltered and never happened. It was the Elementary and Secondary Education Act in the Johnson administration that burst the carapace of opposition and for the first time the poorest child in the bleakest ghetto or on the most remote rural farm now has a chance to get an adequate education. That Johnson legislative achievement was the beginning, the essential beginning, and all that now has taken place owes its life to that source-bed of educational aid. But in the convention, they all forgot.

To the aged and the sick, this blotting out of Johnson must have produced a peculiar torment. How long has the Democratic Party put Medicare in its platform? But that is where it always stayed, in the platform, words without substance, promises undelivered, pledges without redemption. Medicare and all that it has meant to those to whom lingering sickness was a family financial disaster didn't just happen. It was the result of the Johnson determination that help for the poor sick aged was a right that had to be fulfilled and it was. This was an achievement worthy of hall-bursting applause. But in the convention, there was only a shameless silence.

The list of advances in human justice is endless, almost a hundred landmark pieces of legislation that aimed at caring about those who had many partisans and shouters but few achievers.

It was all very strange, a dimly lit Orwellian adventure in which nonspeak and nonmemory paraded the telethon and the convention like some ravaged ghosts.

There is an old French maxim which declares that if we were without faults we would not take so much pleasure in finding them in others. Perhaps it is possible, for those who suddenly found hindsight a splendid luxury, to erase their Vietnam guilts by devouring their former leader. Perhaps.

It was written of Lord Burleigh, adviser to English monarchs, that "he never deserted his friends till it was very inconvenient to stand by them."

There was a lot of inconvenience on display over TV last week.

DISASTER RELIEF LEGISLATION, S. 3804 AND S. 3805

Mr. SCHWEIKER. Mr. President, I have introduced two bills related to disaster relief to provide additional assistance for victims of disasters, particularly those involved in Hurricane Agnes. These bills are S. 3804 and S. 3805.

Mr. President, I ask unanimous consent that an explanatory statement describing these bills be printed in the RECORD.

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

STATEMENT OF RICHARD S. SCHWEIKER

The Commonwealth of Pennsylvania, along with other states in the Middle-Atlantic and Northeastern region of the United States, was hard hit by devastating floods resulting from Hurricane and Tropical Storm Agnes. Regrettably, Pennsylvania suffered the most damage. This is the worst disaster in the history of the Commonwealth.

At least 50 people lost their lives. About 250,000 were made homeless. One hundred communities were without enough drinking water. Total damages will probably be well in excess of $1 billion.

The relief currently available under the Disaster Relief Act of 1970 is just not going to be sufficient to get Pennsylvania and the other affected states back on their feet again. We are going to need much more help than current law provides.

I am pleased to be a cosponsor of the President's new disaster relief proposals, S. 3795 and S. 3796. I strongly commend the President for these proposals, which would result in approximately $1.8 billion of relief for disaster victims. I am confident the Congress will act speedily on these important proposals.

The Disaster Relief Act of 1970 represents a significant improvement over previous law, and the President's proposals go even further in providing much-needed relief. I believe, however, that several major gaps still exist and I have introduced two new bills designed to fill those gaps.

S 3805 amends the Disaster Relief Act of 1970 as follows:

First, my legislation amended the "grant" amounts for Small Business Administration and Farmer's Home Administration loans. At the present time, the law permits cancellation or forgiveness of up to $2,500. That is, amounts loaned by the federal government under thsese programs between $500 and $3,000 may be cancelled. My amendment would increase the grant from $2,500 to $15,000 in the case of individuals, and $100,000 in the case of business concerns, including agricultural business concerns. However, the amount of the cancellation of any such loan to a business concern may not exceed 50 percent of the physical loss sustained.

Second, the bill provides that any loan made by SBA, Farmer's Home Administration or the Department of Housing and Urban Development under Section 236(d) of the Disaster Relief Act shall be made at an interest rate of 1 percent per year. This section makes it entirely clear that the 1 percent rate will apply to Section 237 loans for major business concerns, as well as to loans for smaller businesses and individuals made by SBA and the Farmer's Home Administration.

Third, my bill makes it entirely clear that loans may be made by the Small Business Administration and the Farmer's Home Administration to business concerns for working capital purposes. It appears under present law that these agencies now have authority to make loans for working capital purposes, but the Small Business Administration has advised me that as a practical matter they are not making such loans at present to disaster victims. I believe it is as important to give this kind of assistance to businesses as it is to permit them to reconstruct physical facilities. The purposes of the Disaster Relief Act is to permit disaster victims to get back on their feet again. This section would help business concerns to meet that goal.

Fourth, at present, in order for an area to be designated as a Federal Disaster Area, a state must provide the Office of Emergency Preparedness damage estimates on a county-by-county basis. It is extremely difficult to get this information while a major disaster is occurring.

We should not have to use trained people and much-needed equipment for the purpose of getting damage estimates when it is obvious a major disaster is occurring and when we need those people for search and rescue operations. Therefore, I have included provisions to make it clear that the President is authorized to declare an area a major disaster area without the necessity of the state providing detailed damage estimates where it is obvious that a disaster of major proportions is occurring. This is critically important. Because until the designation as a major disaster area is formally made, the full range of federal relief is not available. In other words, the formal designation as a major disaster area triggers the availability of a broad variety of federal relief programs. It is vitally important that federal relief be available as soon as possible, particularly where a disaster of such major proportions as the recent flooding occurs.

Fifth, the bill permits applicants for relief to receive installment or progress payments from the government. The purpose of this provision is to make it entirely clear that local governmental bodies need not wait until all the work has been completed before they are reimbursed by the federal government. Having to wait until the work has been completed can be a major burden on the local government which has only limited funds available. In addition, many local governments will suffer a loss of tax revenues because of the flooding. Therefore, this provision makes it clear that advances or installment payments can be given to disaster relief applicants.

Sixth, Section 241 of the Disaster Relief Act authorizes grants to local governments compensating for loss of real and personal property tax revenue. This is certainly appropriate for local governments in most states, where virtually all local revenues come from property taxes. However, in some states, and the Commonwealth of Pennsylvania is

one, there is a very heavy dependence on nonproperty taxes to finance local governments. In my state, almost half of all local taxes are from nonproperty sources. Therefore, my legislation includes an amendment to Section 241 to permit federal grants to local governments to compensate for the loss of all taxes due to a disaster, rather than property taxes alone.

The second bill, S. 3804, provides for disaster relief for private colleges and universities. Under the recently-enacted amendments to the Higher Education Act, a special disaster relief program is set up for public institutions of higher learning providing them with grants and loans to repair damages done by a disaster. Many private institutions of higher learning also suffered substantial damages, and my bill would extend this relief to them as well.

As a cosponsor of the President's legislation, and the author of these bills of my own, I respectfully urge the Senate to act quickly on this vitally-needed legislation. Many of the disaster victims are still out of their homes and are in desperate need of additional relief. They need, and deserve our help.

AWARD TO JAMES P. WESBERRY BY GOVERNMENT OF REPUBLIC OF PERU

Mr. TALMADGE. Mr. President, we all know there are many ways to serve one's country. A man can fight and die to protect his homeland. But he can also serve his country by contributing to the cause of good international relations.

To bear out this point, I invite the Senate's attention to a specific case. An outstanding citizen of Georgia and a former State Senator, Mr. James P. Wesberry, has been highly decorated by the Government of the Republic of Peru. Mr. Wesberry served as an advisor to that government's Office of the Comptroller General, aiding in a major reorganization. This reform has earned that office the reputation of "one of the most dynamic national audit agencies" in this hemisphere.

I personally congratulate Mr. Wesberry and call to the attention of the Senate a press release on the award, a speech of commendation given by his Peruvian counterpart, and Mr. Wesberry's acceptance remarks.

I ask unanimous consent that they be printed in the RECORD.

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

WESBERRY DECORATED BY PERUVIAN GOVERNMENT

(Press release from: the Office of the Comptroller General of the Republic of Peru, June 23, 1972)

Former Georgia State Senator, James P. Wesberry, Jr., C.P.A. was decorated by the Revolutionary Government of the Republic of Peru in a special ceremony held in Lima on Friday, June 23.

Representing the Peruvian Government, the Comptroller General of the Republic Brigadier General of the Peruvian Army, Oscar Vargas presented the decoration of the "Order of Merit for Distinguished Service" with the grade of "Official" to Wesberry who is an advisor to the Office of the Comptroller General and member of the mission of the Institute of Public Administration of New York.

The ceremony was held in the auditorium of the Office of the Comptroller General and was attended by over 200 persons including the personnel of that Office and high officials of the United States Embassy in Peru, the Institute of Public Administration of New York, the United States Agency for International Development, the United Nations, the Peruvian National Planning Institute and the Superior School of Public Administration of Peru. It was followed by a champagne toast and a luncheon given in Wesberry's honor by the members of the Senior Staff of the Comptroller General's Office.

After awarding the decoration, General Vargas spoke of the extraordinary merit of Mr. Wesberry, his identification, loyalty and a profound knowledge of his professional specialty and of the Peruvian environment in which he has worked. He described Wesberry as an advisor of a new type, completely dedicated to the labor assigned him by his mission at the service of an agency of the significance of the Office of the Comptroller General during the current profound transformation being carried out by the Peruvian Revolutionary Government. He said that Wesberry's naming as advisor constitutes an investment of high productivity for a developing country.

Mr. Wesberry accepted the high honor conferred by the Supreme Government in his name and that of his country saying: "I have been honored and I am honored to work in the Office of the Comptroller General as a member of its team to elevate its level of efficiency".

Wesberry, a native Atlantan served in the Georgia State Senate from 1963 to 1967 when he resigned to accept the assignment as advisor of the Peruvian Government. He was Chairman of the Fulton County Senate Delegation and active in community and civic affairs. In Peru he has served as advisor to commissions which have drafted basic legislation and regulations for Peru's National Audit Agency and in its complete reorganization implemented by General Vargas. He was instrumental in the founding of the School of Governmental Auditing of the Office of the Comptroller General in which he serves as professor having taught seven training courses in governmental auditing to a total of 396 auditors.

As a result of the reorganization of the Office of the Comptroller General of Peru in which Mr. Wesberry has been actively involved, the United States Agency for International Development recently described that office as "one of the most dynamic national audit agencies in the third world."

Wesberry will be in Atlanta for a brief vacation after which he will accompany General Vargas and eight key officials of the Peruvian Comptroller General's Office in a visit to the United States General Accounting Office, the Office of Management and Budget, the Treasury Department and other Federal agencies in Washington before returning to Peru to continue his advisory services.

The complete text of the statements made by General Vargas and Mr. Wesberry at the decoration follows.

REMARKS OF BRIG. GEN. OSCAR VARGAS PRIETO

Mr. George Bennsky, First Secretary of the Embassy of the United States of America; Mr. Emerson Melaven, Acting Director of the Agency for International Development; Mr. Ramiro Cabezas, Chief of Mission of the Institute of Public Administration of New York; members of the IPA Mission and the Agency for International Development; ladies, gentlemen, Mr. Jim Wesberry.

When I was placed in charge of this organization in January of 1971, I had heard that there existed in it a foreign Advisor. This knowledge did not particularly bring to my mind the conviction that I was going to have a valuable element for the future and arduous problem which I had on my hands and which the Government had confided in me which was the reorganization of the Office of the Comptroller General of the Republic. The reason for this was that in prior years when I had worked with foreign Advisors, in some cases I received very little collaboration or very little advice—first because of their failure to identify themselves with the environment in which they were working and second, due to an absence of conviction and loyalty regarding the Institution which supported them and the Institution in which they should lend their services.

A short time after being placed in charge of the Office of the Comptroller General I was able to ascertain that my previous concept about Advisors was totally in error. It had been overcome and in the person of Mr. Jim Wesberry, I had the Advisor of a new type or in other words the Advisor with very superior qualities and which showed those which I had known. This led the Comptroller General of the Republic, in September of 1971 to issue, by means of Resolution of the Office of the Comptroller General, a commendation and official recognition of Mr. Wesberry for the efficient services he had lent the Institution during the period of its reorganization and bringing it to an initial process of progress and development as encountered today.

You, the members of the Office of the Comptroller General, are witnesses that in Mr. Jim Wesberry we have not had only an Advisor, we have not had a man who only complied with the task of imparting knowledge or lending advice, we have had a laborer who indefatigably, without limits of time, of effort nor of any other type was not prevented from showing in his efforts a mystic form of development and a mystic devotion to a foreign Institution, as is the Peruvian Comptroller General's Office for him, which indisputably has brought about the decoration given by the Supreme Government for distinguished and efficient services not only to the Office of the Comptroller General but also to the Nation through this Institution which safeguards the money and efficiency of the public administration.

For this I congratulate the Mission of the Institute of Public Administration for having had the idea of obtaining the services of an efficient Advisor such as Mr. Wesberry. I congratulate and thank the Agency for International Development showing that what has been spent and what is spent on Advisors such as Mr. Wesberry is an investment of high productivity for those countries which need help and are in the process of accelerated development and desire to maintain it and continue forward.

I congratulate Mr. Jim Wesberry for the magnificent devotion which at this moment permits me the enormous satisfaction of being the carrier of the desire of the Government to award a decoration rarely given, I am sure, to Advisors in our country and to give to the two entities which I have mentioned and to Mr. Wesberry my recognition and my hopes that he will continue to be with us whether or not our process of reorganization as an Institution or that of the public administration has terminated. We need him in order to continue this dynamic process which permits not only giving his knowledge to the Institution but from here passing it on and the continued collaboration with the public administration until the productivity goals desired to be obtained by the Revolutionary Government are reached in the shortest possible time.

RESPONSE OF JAMES P. WESBERRY, JR.

General Oscar Vargas Prieto, Comptroller General of the Republic, distinguished public officials, General Daniel Vargas.

I accept this honor, this decoration, not only in my name and the name of my country but also in the name of you, my colleagues in the Office of the Comptroller General because as you know all that has been ac-

complished, which General Vargas has mentioned, has been done through teamwork in commissions, from the Organic Law to the Technical Standards of Control which were published yesterday in the official government newspaper. All these labors have not been mine, they have been the work of all of us.

The honor of this decoration is second only to the honor of having been able to work with each of you, of having been professor of some of you, of having been collaborator with you all. Many Thanks.

ADEQUATE HOUSING FOR THE ELDERLY

Mr. PEARSON. Mr. President, one of the most critical needs in our Nation is to provide adequate housing for our Nation's elderly at prices they can afford. The problem is especially acute in rural areas where two-thirds of our substandard housing is located, much of which is owned by older Americans.

Mr. President, during the recent recess, I had the opportunity to visit two federally financed projects which now provide 82 housing units for senior citizens in Phillipsburg and Beloit, Kans. The Federal Government spent $1.2 million on these new homes, and I want to report to the Senate that the people now living in the projects are satisfied with their new homes. I am convinced that our Federal funds were well spent.

But it is important to emphasize that we have only begun to meet the needs of tens of thousands of older Americans who must now spend their retirement years in substandard housing or pay a large proportion of their retirement incomes for decent homes. The situation in the Phillipsburg and Beloit area has been alleviated, but more help is needed in other parts of Kansas and across the Nation.

My visit to Beloit and Phillipsburg has given me a better "feel" for the problem we face and programs we propose than all the committee reports and debate we hear in Washington. I have returned to Washington with a renewed commitment to pursue legislation in the housing field which I have introduced and which has been offered by other Members of Congress. The programs we have now are not perfect—they are often cumbersome and full of redtape. But they seek to meet a clear and continuing need; the funds have been well spent and we must continue with these and other programs to provide adequate housing for our senior citizens.

THE SAD RECORD OF THE NIXON ADMINISTRATION IN THE FIELD OF AGING

Mr. CHURCH. Mr. President, recently I had the opportunity to address a large crowd of senior citizens in Miami Beach, Fla. The crowd was also addressed, I am proud to say, by Senator GEORGE MCGOVERN, the Democratic Party's nominee for the Presidency of the United States. In my speech, I pointed out the inaction of the Nixon administration with regard to the elderly. The dismal record of the Nixon administration in this area clearly points to the need for a change, which only a new President and a new administration can give us. If George McGovern were President, I am confident that we would replace complacency with action when dealing with the vital needs of America's elderly citizens.

I ask unanimous consent that the text of my speech be printed in the RECORD.

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

ADDRESS OF SENATOR CHURCH

Two political parties are meeting here in Florida this summer to name their Presidential candidates.

The only similarity that these two parties have is that they happen to be meeting in Miami Beach.

Already the issues are sharply drawn on many fronts. Nowhere is this more clear-cut than for older Americans.

You who are here tonight can remember back thru the years. You are aware that Democratic leadership brought the elderly Social Security, Medicare, an Older Americans Act, and a national hot meals program—just to name a few.

You remember, also that, in practically every instance, these people-serving programs were not only resisted, but in many cases, strongly opposed by the Republican Party.

With this consistent, longstanding negative record in the field of aging, I find it just a bit ironic that the Republicans have selected Florida for a convention site—a State with the highest percentage of older Americans in our entire Nation.

But, on the other hand, maybe it's an appropriate choice. After all, Florida has Disneyworld. And the Republican's program has certainly been "Mickey Mouse" when it comes to the elderly.

To a multitude of impoverished older Americans, however, it is not a laughing matter;

Not when you have to subsist on a monthly Social Security check of $100; or less.

Not when you have to choose between food for the table or medicine to maintain your health;

Not when you have to live in forced isolation because adequate transportation is simply not available.

NIXON ADMINISTRATION FAILINGS

And what has been the response of the Nixon Administration to these critical problems?

To put it bluntly, we have a President who says "yes" to privilege and "no" to human needs. Because of his indifference, older Americans have been hard put just to keep from falling farther behind.

You now pay almost as much in out-of pocket costs for health care as the year before Medicare began.

And for the first time in our history,—during these Nixon years—poverty among the elderly of America has actually increased, instead of declined.

Of course, the need for changing Administrations exists, not only for the elderly, but for Americans of all ages.

Americans who want an end to this senseless futile war in Vietnam.

Americans who want an equitable tax system that does not penalize the poor and protect the rich;

Americans who want full value for their money; and

Americans who insist that their Nation not only be powerful, but also just and humane.

Instead, we live under an Administration which somehow can always justify billions of dollars for more bombs and missiles but becomes tongue-tied when the talk turns to human needs.

We live under an Administration which presents us with an arms control pact on one day, and then tells us on the next that the military budget must go up even higher than before.

Furthermore, during this Administration a curious infestation has set in. You just never know when a "bug" is going to show up—in your telephone or under your desk—especially if you happen to be a Democrat!

Well, we Democrats know what to do about this kind of "bug." We don't need an exterminator; we just need votes.

By election day we shall have the votes because we have a compelling story to tell. And no part of that story is more important than the chapter that relates to the "Forgotten American" of the Nixon years—twenty million of them—the elderly citizens of this country!

It is a chapter that should never have been written, for the President—when he first took office—could easily have built upon the solid achievements of earlier Democratic Administrations.

But, the Nixon Administration closed its eyes to the everyday problems confronting the elderly. It became a silent partner in banishing millions of older Americans from the mainstream of society—a society which they worked most of their lives to build and improve.

All the elderly want, all they ask, is a fair hearing of their case in the highest councils of the government.

Yet, this Administration chooses to hear only the voices of the rich and powerful.

When the faceless contributors to the Republican multi-million dollar campaign chest want to be heard, they simply call on high level Administration officials.

When I.T.T. or Lockheed wants an answer, they go directly to the White House and get action.

But if the elderly want to be heard, the record is all too clear; they must help install a Democratic Administration in Washington.

INCOME STRATEGY

For the Democrats were listening—and then acted—when the elderly needed a 15 percent increase in Social Security benefits in 1970. But not the Republicans, not President Nixon. Instead, the Republicans were originally willing to settle for a mere 7 percent raise—an increase already outstripped by inflation.

The Democrats were listening—and acted again—when older Americans pleaded for a 10 percent Social Security raise in 1971. But not the Republicans, not President Nixon. His belated request for a 5 percent increase came only after it was readily apparent that a more substantial raise was needed to offset the diminished purchasing power of the dollar.

The Democrats were also listening—and again acted—to provide the elderly with a 20 percent Social Security increase a few days ago, that it was my privilege to sponsor. But not the Republicans, not President Nixon. He was willing to settle for a puny 5 percent, which again would not even have kept pace with rising prices.

And yet, the President's own Press Secretary cynically called my proposed 20 percent increase a purely "political" maneuver.

Now I ask you, here and now, is a 20 percent raise playing politics when Social Security benefits for widows amounted to only about $114 a month?

Is it playing politics when Social Security payments for the typical retired worker averaged just under $1,600 a year, almost $400 below the Government's own poverty line?

Is it playing politics when nearly 5 million persons 65 and older—a fourth of all the elderly in America live in abject poverty, in this, the richest Nation in history?

If that's playing politics, I say to the Republicans: "make the most of it!" Take your

case to the country. Remind the people that, because of Democratic leadership in Congress, older Americans will receive an additional $10 billion in Social Security benefits. But, if the Nixon Administration had prevailed, there would be nearly 1 million more persons 65 and older on the poverty rolls today.

REORDERING OF PRIORITIES

Still, a hopelessly insufficient income strategy is by no means the only failing of the Administration. The elderly have suffered in other ways—especially because of a distorted sense of spending priorities.

We could, for example, abolish poverty for all older Americans for what it costs to run the war in Southeast Asia for just three months.

We could broaden Medicare coverage to include out-of-hospital prescription drugs for what we now spend for a single aircraft carrier.

We could establish a comprehensive manpower retraining program for older workers for the cost of one submarine.

Yet, the elderly see a Nation which boasts a gross national product of more than $1 trillion, but in which millions of older persons are faced with conditions of stark privation and despair.

They see a Nation where the median family income is over $10,000, but in which nearly one-fourth of all aged couples have incomes below $3,000.

They also see an Administration which was willing to allocate the same amount of resources for the Older Americans Act as was assigned to the Pentagon solely to promote its own public-relations programs.

WHITE HOUSE CONFERENCE ON AGING

And I put this additional question to you: Why has this Administration ignored the major recommendations of the White House Conference on Aging which met late last year?

A major purpose of this Conference was to establish a clearcut challenge for action.

Ominous signs of the Administration's indifference were evident early during the year. The President and his Administration began, as you may remember, by slashing the meager budget of the agency charged with administering the Older Americans Act.

Later, in this White House Conference year, the President and his Administration also opposed:

Legislation to establish a national senior service corps;

A proposal to offer midcareer services for unemployed or underemployed persons 45 and older;

Continuation of a housing program for older Americans, even though it did not have a single failure during its entire existence;

Not one major initiative emerged from the President or his Executive Agencies. Instead, they were about to turn the White House Conference into a political circus.

Thanks to the concern expressed by Congress—and the outrage expressed by many in this audience and elsewhere—the Administration was prodded into action which helped to salvage the Conference.

But having been forced to hear from the delegates at the Conference, did the Administration then heed their unmistakable call for action?

No, I am afraid that the sorry record continues.

It has totally ignored the White House Conference recommendations for a reorganized and revitalized Federal agency on aging. Instead, it has proposed that the Administration on Aging should continue to be submerged in the vast bureaucracy within the Department of Health, Education, and Welfare.

The President and his Administration steadfastly opposed a meals for the elderly program—which was sponsored by Congressman Pepper—almost until the very moment that Congress passed it.

CONCLUSION

On aging, then, the President and his Administration have struck out.

Tonight we have begun to tell the story of their failure.

The candidates who follow me on this platform will give you their ideas for change.

One of them will be your nominee.

He will need your help and support to tell the story as it really is . . . the story of the Nixon Administration's consistent failure to attend to the urgent needs of the elderly of America.

That failure has been with us since January 1969, almost four long years. Believe me, it's time to elect a Democratic President this November!

EXCESS PROPERTY DISTRIBUTION PROGRAM OF OFFICE OF ECONOMIC OPPORTUNITY

Mr. MONDALE. Mr. President, tomorrow morning will be the first session of the conference committee on legislation renewing the authority of the Office of Economic Opportunity. I invite the attention of the conferees and my other colleagues to a provision of that legislation which I consider to be of crucial importance to vocational schools, colleges and universities, antipoverty agencies and many other public service programs throughout the Nation and to all taxpayers who believe in saving the Government money and staving off the need for tax increases.

I refer to the amendment I submitted and which the Senate adopted on June 29, authorizing the conduct of an excess property distribution program and of access to Federal supply sources, vehicles, and telecommunications for Federal grantees.

The purpose of that amendment was to stave off imminent action by the General Services Administration to kill the existing excess property and supply source privileges of grantees. I offered that amendment in response to GSA's announcement in the Federal Register that termination of the program was under consideration. At that time, the deadline for submission of comments to GSA on the proposed rule change was July 1. In the absence of a response from GSA to my inquiries about the potential impact of eliminating the program, I offered the amendment which was accepted by the Senate.

Since the amendment was adopted, GSA has agreed to extend the period for comments until July 31.

However, I am most unhappy to have to report, the Department of Health, Education, and Welfare has unilaterally gone ahead and terminated its own excess property program for grantees as of July 14. I ask unanimous consent to have printed in the RECORD the text of the circular sent by HEW announcing termination of the grantee program.

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

MANUAL CIRCULAR—MATERIEL MANAGEMENT: USE OF EXCESS PROPERTY ON GRANTS

1. *Purpose.*—This circular provides Department policy regarding the use of excess personal property by grantees.

2. *Background.*—It has been determined that the use of excess personal property by grantees will be discontinued inasmuch as the majority of HEW grantees are eligible for donation of personal property under the Department's surplus property donation program.

3. *Policy.*—It is the policy of HEW that the use of excess personal property by grantees not be authorized. Section 103-43.320 of the HEW Materiel Management Manual is in the process of being revised to reflect this policy.

4. *Accountability.*—Federally-owned personal property presently in the possession of grantees will continue to be accounted for in accordance with current regulations.

5. *Effective Date.*—This circular is effective immediately.

Mr. MONDALE. Mr. President, this decision by Secretary Richardson to end the program completely violates the spirit of the GSA decision to extend its period for comments on the proposed change; and of the Senate's June 29 approval of my amendment. At the very time that GSA has admitted the subject deserves further consideration, and at the very time that the legislation is pending before the Congress, we find that HEW has already made up its mind.

In my own State of Minnesota, the vocational and technical schools alone have received nearly $8 million worth of valuable property since the excess property program starter. The machinery and equipment acquired under the program have helped to provide graduates of the programs with the most up-to-date, sophisticated and salable job skills. The University of Minnesota received more than $6 million worth of excess property in 1971, and President Malcolm Moos has written to me that loss of access to this property "Would have a major impact upon our program, and, accordingly, on the taxpayer."

Warren W. Heisler, director of the community action program in White Earth, Minn., has told the GSA that—

The ability to purchase from GSA has saved the American taxpayer at least $38,917 from this one comparatively small agency, alone. . . . If we had been required to purchase (the goods) at retail they would have cost, at a very minimum, at least double that.

In an article in the edition of the Washington Sunday Star and News of July 16, Ralph Nader points out that—

Items purchased by federal grantees from GSA surplus are not frivolous. They include office supplies, school laboratory items, cleaning materials and other essentials. From spark plugs to garbage cans, some purchase prices have been as much as 50 to 65 percent lower.

Nader also offers a revealing analysis and history of the move to terminate the excess property and supply programs for grantees. I ask unanimous consent that Mr. Nader's article be printed in the RECORD.

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

GSA GRANT PLAN THREATENED

Should schools, colleges, hospitals and other recipients of federal grants be allowed to purchase or use needed equipment from the federal government's property supplies, or should they be required to buy these items on the market at much higher prices?

This is the question that has pitted the Nixon administration and a power coalition of wholesalers and distributors, with annual sales of $300 billion, against an unorganized group of federal grant recipients in the educational, health, research and local governmental fields.

It all started in 1967 when the Johnson administration initiated a policy permitting the General Services Administration, t government's buying agent, to open its supply sources in fulfillment of grant programs. Also, GSA excess property could be borrowed by these recipients, under the 1967 regulation. The idea was to stretch the federal grant dollar. Professor Fairfax Leary claims it is saving the taxpayers about $400 million a year.

There are other advantages tc the GSA policy, which the White House has now demanded be revoked. For example, a southern city's department of education says the policy saves on inventory tie-ups and paperwork and permits quicker purchases at about 25 percent savings. Another state department of education notes, not only savings of almost 44 percent, but more realistic, competitive bids from private suppliers.

Rigged bids, collusion, and outright monopolies have long been associated with state and local government procurement practices. Private hospitals and other research and educational institutions which have to purchase diagnostic, therapeutic and scientific instruments have had similar experiences. The comparatively tiny GSA regular and surplus supply outlet helps keep corporate price gougers less greedy and a little more competitive.

Items purchased by federal grantees from GSA surplus are not frivolous; they include office supplies, school laboratory items, cleaning materials and other essentials. From spark plugs to garbage cans some purchase prices have been as much as 50 to 65 percent lower.

The National Association of Wholesalers, and its allied trade groups, have been lobbying strenuously for the past five years to overturn government attempts to devise government procurement policies that save taxpayers' money. In 1969 they succeeded, also through the White House, in blocking GSA from coordinating purchases with state and local governments. GSA buys directly from the manufacturers. Most state and local governments buy from wholesalers, paying over $6 billion a year in markups and commissions. This inefficient procurement pattern often benefits campaign contributors and corrupts state and local politics.

So powerful was the lobbying effort of the NAW coalition on Congress and the White House that the GSA dropped its plan in 1969, just as it is now about to implement a White House directive to close its doors to federal grant recipients. In recent weeks, some of these recipients, such as junior colleges, are mounting a protest from all over the nation. They are demanding a public hearing so that all the facts can be considered openly and not in closed-door exchanges between budget director Caspar Weinberger and trade association representatives.

Financially hard-pressed local governments and vocational schools want to state their case and show how they have been able to purchase or use needed equipment that they otherwise could not have afforded. Their chief supporter in Congress has been Sen. Walter Mondale, D-Minn.

Weinberger likes to talk about economy in government, but he practices waste and distorts the GSA program with misleading alarums about minor abuses. Instead of seeing that abuses are stopped, he wants to throw out the entire program. In election year, a booming $300 billion wholesale and distribution lobby is obviously worth more to the White House than a paltry $400 million saving to the taxpayer and better equipped schools and hospitals.

Mr. MONDALE. Mr. President, I find it sad and ironic that at a time when the administration is concerned about inflation and is invoking price and wage controls, they are attempting to gut perhaps the most effective and most justifiable price control mechanism of the Federal Government.

In closing, I suggest that the issue underlying this legislation is whether the Government should be encouraged to do all it can to save money for the taxpayers; and whether vital and significant public service programs should be threatened or diluted simply because the suggestion has been made—although not documented—that some businessmen are not satisfied with their present level of profits.

I ask unanimous consent to have printed in the RECORD some of the letters and telegrams I have received in support of the amendment which is under consideration by the conference committee; and in addition, some letters received by the Retired Professional Action Group, which has taken an active interest in this problem.

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

MINNEAPOLIS PUBLIC SCHOOLS,
Minneapolis, Minn., June 22, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: I have been informed by the Assistant Commissioner of Vocational Education in the State of Minnesota that the Department of Health, Education and Welfare is going to amend the regulations that will declare State grant and aid programs in vocational-technical education ineligible for Federal Excess Property. I am completely unable to fathom the logic of this particular action. The detrimental effect on vocational and agricultural programs in the State of Minnesota would be overwhelming.

This particular program has allowed directors of vocational programs and instructors in vocational and industrial educational programs to initiate flexible, unique and individualized programs that serve all of the young people in our community. The acquisition of this property and its utility eliminates a tremendous financial burden on the individual school districts, and it also eliminates a tremendous purchasing burden on the part of the instructors who are actively working with our young people.

I do not see, under any conceivable fashion, that this action would benefit educational programs either in the State of Minnesota or in our entire country. I would like you to take any action necessary from your office to halt this particular amendment to the regulations.

Please advise me of any action that you are taking/or anything that I might do as Director of Vocational Education in the city of Minneapolis to halt this particular action.

Sincerely,

CHARLES F. NICHOLS,
Director, Vocational, Technical and Industrial Education.

MINNESOTA STATE ADVISORY COUNCIL FOR VOCATIONAL EDUCATION,
St. Paul, Minn., June 26, 1972.

Mr. M. S. MEEKER,
Commissioner, General Services Administration, Washington, D.C.

DEAR MR. MEEKER: This is to formally request on behalf of vocational education in Minnesota that the General Services Administration reconsider the change in rules and regulations as proposed by subpart 101–43.3, Utilization of Excess, as presented on pages 10959 and 10960, Federal Register, Vol. 37, No. 106, Thursday, June 1, 1972.

The availability of excess equipment has been of immeasurable benefit to the men and women of Minnesota who are looking to vocational education programs to prepare them for a productive life and career. It has resulted in making available to Minnesota some $13,226,559.17 worth of equipment and training materials since the inception of the program in October 1962 for Manpower Development and Training Programs. In addition, the eligibility of state vocational education programs for utilization of excess property in August of 1971 has resulted in the transfer of $7,861,241.70 worth of equipment and training materials as of May 5, 1972. That is the value of equipment if it were necessary for our institutions to purchase these materials now.

Since much of the equipment and materials available for excess property distribution is uniquely applicable to vocational education programs, we would suggest that the proposed change in regulations will have the ultimate effect of simply adding to the cost of educational services for the taxpayers of the United States. Obviously, private enterprise speculators purchasing such equipment will undoubtedly do so in anticipation of resale of such property to the educational market place. It goes without saying that such business activity cannot be pursued without a profit motivation and consequently a resulting unnecessary additional cost to the taxpayers.

For these reasons I strongly urge you on behalf of vocational education, the taxpayers and the State Advisory Council of Minnesota to urge a reconsideration and cancellation of the proposed changes in rules and regulations as suggested by the reference above.

Sincerely yours,

GEORGE DELONG,
Chairman.

UNIVERSITY OF MINNESOTA,
June 26, 1972.

Hon. WALTER S. MONDALE,
Old Senate Office Building,
Washington, D.C.

Reference: Proposed rule change published in the Federal Register, Vol. 57, No. 106.

DEAR SIR: We are disturbed to learn that it is proposed to discontinue the practice of allowing institutions with government grants the privilege of obtaining excess property through the General Services Administration.

It has been our experience that excess property given to institutions such as ours has been very effectively used. Some of it, such as standard instruments, machine tools, etc., finds direct use in enabling us to replace worn out or obsolete equipment. In many other cases, apparatus which would be considered as scrap material in the commercial world can be dismantled for components which find direct use in our teaching and research laboratories and shops.

I sincerely hope that the General Services Administration will not carry out the proposed change in rules. The taxpayer will be the loser if this change is made.

Sincerely yours,

ALFRED O. C. NIER,
Regents Professor of Physics.

GALVESTON, TEX.,
June 18, 1972.

Senator WALTER F. MONDALE,
Old Senate Office Building,
Washington, D.C.:

Am informed "HEW" suspended all excess property to Federal grantees as of July 17th. This action seems unduly pre-emptory in view of current conference committee consideration on S. 3010 and GSA's 30 day postponement. Most heartily object to apparent violation of due process.

M. M. PLEXCO,
President, Galveston College.

WADENA, MINN.,
June 18, 1972.

Senator WALTER F. MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR HONORABLE SENATOR MONDALE: I am a member of the Perham school board and the Lakes Vocational Center board Detroit lakes and as such are interested in high quality education. We heartily support the Mondale amendment on excess property and oppose H.E.W. termination of the program.

SHERMAN MANDT,
Member of Lakes Vocational Center Board.

ST. PAUL, MINN., *June 29, 1972.*

Senator WALTER M. MONDALE,
Senate Office Bldg.,
Washington, D.C.:

We have been notified that G.S.A. purchasing resource will no longer be available to federally funded programs. The purchase of G.S.A. supplies and equipment is substantially less costly than purchasing on the open market, while the administration continues to reduce funding for local federally funded programs and at the same time reduce their purchasing resources it shouldn't take long to bury our community action agency. The Ramsey action programs strongly recommends that everything possible be done to rescind this action. I believe I have pointed out that this action clearly points out that program will suffer greatly if this action is implemented.

Father CHARLES TRACK,
Chairman of the Board/Ramsey Action Program.

CITY OF ST. PAUL,
July 3, 1972

Mr. PHILIP SANCHEZ,
National OEO Director, Office of Economic Opportunity, Executive Office of the President, Washington, D.C.

DEAR MR. SANCHEZ: I found out recently that new federal regulations will prohibit federally funded programs such as Model Cities from purchasing surplus supplies and equipment through the General Service Administration as of July 1, 1972.

This will certainly damage the effectiveness of all Model Cities programs, including our program in Saint Paul. I would most strongly urge you to do whatever you can to rescind this regulation.

At a time like this, when the whole thrust of governmental activities is toward decentralization, enforcement of this regulation will deal a crippling blow to all of our efforts in this direction.

Sincerely,

LAWRENCE D. COHEN,
Mayor.

RED WING AREA VOCATIONAL TECHNICAL INSTITUTE,
Red Wing, Minn., June 23, 1972.

Hon. WALTER MONDALE,
Old Senate Building,
Washington, D.C.

Dear SENATOR MONDALE: It has come to our attention that a proposed revision of Federal procurement regulations, subpart 101–43–320, would severely limit or completely cut off the supply of excess property to vocational-technical education.

The excess property program has established an excellent cost benefit ratio when used in vocational-technical programs. In some cases, programs have been developed on the strength of being able to participate in the excess property program. In other cases, the excess property program is the only practical source for materials, equipment and supplies. Without these sources of supply, the training of our young people will have to be reduced or provided at increased costs.

Therefore, we feel very strongly that the present rules concerning the use of excess property in vocational education should not be made more restrictive.

Sincerely,

EDWARD R. DUNN,
Director.

CITY OF DULUTH,
Duluth, Minn., June 29, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: Last week this office received notice through the State Economic Opportunity Office that GSA "is considering the adoption of revised rules prohibiting the use of GSA and other Government sources of supply by recipients of Federal grants. The Office of Management and Budget has directed GSA to propose discontinuance of the authorization permitting Federal grantees to use Federal supply sources." This was published in the Federal Register, Vol. 37, June 1, 1972, and set to go into effect "within 30 days after the date of publication of this notice in the Federal Register."

We find this proposal highly objectionable in that it further limits activities such as the Duluth Community Action Program from performing its assigned mission. Much of the equipment we have in the Central Neighborhood Community Center, which is geared for the usage by staff and low-income community people, has come through GSA.

In addition, Region V, Chicago, cut back our program from $209,000 in 1971 to $205,000 for program year (PY) 1972. Now we have been verbally informed that Region V is cutting our program an additional three percent for PY 73 to $199,000. One direct result is that our community service staff will have to be reduced. Because of inflation, which has paid little heed to Congressional allocations, and other costs that are scheduled to go up, we will have to reduce other services.

I cannot believe that you or other members of the senate that agree there is poverty in this nation and that there is need to alleviate this condition can go along with GSA's actions. It is bad enough that the administration seems to care little for the poor, aged, young and other alienated people in this country. I would hope that you, as our representative in Congress, move to oppose this action by GSA and place the burden of proof for the action on GSA. If there is waste, then let the agency responsible pay, not the legitimate needful recipients of the services this nation is pledged to provide.

Sincerely,

JERRY SINGER,
Director.

CANBY AREA VOCATIONAL-TECHNICAL INSTITUTE,
Canby, Minn., June 19, 1972.

Hon. WALTER MONDALE,
U.S. Senator from Minnesota
Washington, D.C.

DEAR MR. MONDALE: I received in the mail this past week information regarding a possible proposal to amend HEW regulations that would declare State Grant and Aid Programs in the Vocational Technical Education ineligible for Federal Excess Property.

We in the Vocational Education in Minnesota, have utilized this program to a great extent and I would hate to see it fall by the wayside.

I would appreciate your contacting the below named person and check out this possible proposal.

Mr. Elliott L. Richardson, Secretary
Health, Education & Welfare Department
Washington, D.C.

Thank you for your cooperation in this matter.

Sincerely,

DEWAIN L. ENGLUND,
Director.

SOUTHWEST MINNESOTA STATE COLLEGE,
Marshall, Minn., June 28, 1972.

Hon. WALTER F. MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: The item in the Federal Register giving notice of intent to discontinue Excess Property privileges to recipients of Federal Grants is very serious and shocking news. This is a retrograde step that cannot be supported by the Division of Science and Mathematics at Southwest Minnesota State College.

In this period of rising costs and high taxes, we have been able to obtain educational and scientific equipment to supplement our reduced budget. Most of the items would not have otherwise been available to us simply because we could not have afforded to buy them. Without the excess property obtained from government agencies our educational programs would have been deficient to that degree.

Southwest Minnesota State College is a fairly new college, established in 1967. Through the Excess Property Program we have obtained items amounting to almost $750,000 in value. Much of this has been electronic gear and instrumentation. We also have been able to obtain a bus for the physically handicapped student program which is of great value.

It would be greatly appreciated if the General Services Administration would reconsider its proposed course of action and continue to permit institutions of higher learning to obtain needed educational and scientific equipment. Without the Excess Property Program our ability to serve our students adequately will be lessened.

Sincerely yours,

RALPH P. FRAZIER,
Chairman, Division of Science and Mathematics.

FARIBAULT AREA VOCATIONAL TECHNICAL SCHOOL,
Faribault, Minn., June 22, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: By now you have likely heard from a number of Minnesota vocational educators relative to a proposal to amend the Health, Education and Welfare Regulations to declare state grant and aids programs in vocational-technical education ineligible for Federal Excess Property.

This program has been a valuable source of equipment and supplies for the vocational-technical programs of Minnesota and the nation. It is very important that materials such as those we have received under the Federal Excess Property Program be available to vocational-technical institutes such as ours if we are to continue to provide an effective program of vocational-technical education. The only other option appears to be a greatly increased federal budget for vocational-technical education making it possible to purchase these materials, supplies and equipment on the open market. This would be wasteful of tax dollars since

the material is already under government ownership and where possible should be utilized by governmental agencies such as schools which can make fullest use of this property.

I would hope that you would call Mr. Elliott L. Richardson, Secretary of Health, Education, and Welfare, to learn what changes are being posed in the handling of Excess Property and whether or not vocational-technical education will continue to be eligible to receive federal excess property.

Any clarification you can give me or our board of education would be appreciated. To lose our Excess Property Program will mean we must immediately find ways to obtain additional tax dollars to operate our programs.

Sincerely yours,

RAY FREUND,
Director.

WILLMAR TECHNICAL INSTITUTE,
Willmar, Minn., June 8, 1972.

Senator WALTER F. MONDALE,
Old Senate Building,
Washington, D.C.

DEAR SENATOR MONDALE: It is my understanding that there is a proposal in HEW to amend regulations concerning the eligibility of vocational technical schools to receive federal excess property. As I understand it, if this were to come to pass, we would not only not be eligible to receive the property but would also have to return property that the vocational school is now using. It is difficult to estimate in terms of dollars, but I think it is safe to say that our school is benefiting from excess property to the extent of $100,000 at the present time in excess equipment. If these items of equipment were pulled out of the school system, it would mean that in some cases we would have to buy replacements at new cost. In other cases, we simply would have to get along without the equipment and as a result the students would be deprived of training opportunities. I am sure that if the equipment is removed it would be stored at a depot some place and not be used by anybody.

The type of equipment being used at our school is Mills and Lathes at machine shop, welding equipment, testing machines, diesel engines, as well as a sizable fleet of school vehicles. Removal of the vehicles would not only hamper our school but the school district as a whole.

Any information you can secure or any assistance you can give us protecting this valuable service to the vocational schools in Minnesota would be appreciated.

Sincerely,

MIKE CULLEN,
Director.

ALBERT LEA AREA VOCATIONAL TECHNICAL INSTITUTE,
Albert Lea, Minn., June 7, 1972.

Senator WALTER F. MONDALE,
443 *Old Senate Office Building,*
Washington, D.C.

DEAR SENATOR MONDALE: I have received a memorandum from Robert D. Anderson, our Executive Secretary of the State Directors of Vocational Education, stating that there is a proposal to make our vocational schools ineligible for Federal Excess Property.

As you know, our vocational schools have been privileged to grow and expand, utilizing Excess Federal Properties in our programs. There is a savings of millions of dollars to the taxpayers, but the real benefit is to the student, who has greater opportunities for skilled knowledge.

May I encourage you to continue to have the vocational-technical education be recipients of Federal Excess Property.

I understand that the proposal was reached in the U.S. Office of Education, not on the Division of Vocational-Technical Education. If this amendment is approved by the Secretary, then we will no longer be eligible.

We would appreciate anything that you might do regarding this matter.

Very truly yours,

WAYNE V. BROECKER,
Director.

ANOKA COUNTY COUNCIL OF ECONOMIC OPPORTUNITY, INC.,
Anoka, Minn., June 23, 1972.

Senator WALTER F. MONDALE,
443 *Old Senate Office Building,*
Washington, D.C.

DEAR SENATOR MONDALE: I have just learned that CAP agencies and other Federal grantees will no longer be able to make purchases at General Services Administration stores, nor will we be able to obtain federal excess property, due to a newly proposed rule from the General Services Administration.

The notification of this proposed rule making is on page 10959 of the Federal Register, Vol. 37, No. 106—Thursday, June 1, 1972. The notice of proposed rule making is signed by M. S. Meeker, Commissioner of the General Services Administration, and is to become effective July 1, 1972. This will render another hardship on all anti-poverty programs, and it will mean that an increased part of our budget will go to supplies and equipment, rather than to the services designed for people.

Any action that you can take to influence or change this ruling will be of great benefit to CAP agencies and low-income people throughout the country.

Very sincerely,

ROBERT L. MINTON,
Executive Director.

RURAL MINNESOTA CONCENTRATED EMPLOYMENT PROGRAM,
June 26, 1972.

Hon. WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: I read with some concern an article appearing in the Wall Street Journal indicating that the Government Service Administration (GSA) will no longer allow non-profit corporations, vocational schools, etc. to receive surplus equipment.

I believe it would be most unfortunate to these agencies in rural Minnesota that do utilize this equipment to no longer have access to these materials.

I would appreciate you following up as to whether or not GSA is intending in the near future to change its guidelines as to what agencies will or will not be able to receive these surplus materials.

Thank you very much.

Sincerely yours,

EMIL W. MAROTZKE,
Director, Central Office.

TECHNICAL EDUCATION CENTER,
Anoka, Minn., June 22, 1972.

Hon. WALTER MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR: I am supervisor at the Anoka Technical Education Center, one of 32 Area Vocational-Technical Institutes in Minnesota. I have learned that there is a proposal to amend HEW regulations that will declare state grant and aid programs in Vocational-Technical Education ineligible for Federal Excess Property. During the past years, Federal Excess Property has been an invaluable source for supplies and equipment for our programs. Just in my division alone, we have been able to save thousands of dollars to the taxpayers by having Federal Excess Property as a source for supplies and equipment. I would like to urge you to contact Mr. Elliot L. Richardson to determine whether or not such a proposal is in the making. If so, I urge that you raise objections to any changes that will make Vocational-Technical Education ineligible to receive Federal Excess Property.

Please respond, informing me about the proposal.

Sincerely,

EDGAR M. MEYER,
Supervisor, Technical Division.

HIBBING AREA TECHNICAL INSTITUTE,
Hibbing, Minn., June 14, 1972.

Hon. WALTER MONDALE,
The U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: All of us in vocational-technical education in the State of Minnesota were shocked to learn that there is a proposal to amend HEW regulations that will declare State Grant and Aid Programs in Vocational-Technical Education, ineligible for Federal Property. We understand that this move is being initiated in the U.S. Office of Education but not in the Division of Vocational-Technical Education. If this amendment is approved by the Secretary of HEW, all the gains obtained heretofore with the utilization of excess property will be wiped out.

Our requests for excess property have included equipment and materials for use in their original state as well as for materials to be used in cannibalization or secondary utilization. In the past we have obtained this kind of equipment through the Minnesota Surplus Property Division, but unfortunately, this puts us on a very low priority in obtaining some of the more usable equipment and supplies that are available under the excess property program. We have included a considerable amount of expendable or consumable property that would normally be used up in the ongoing vocational-technical programs. By utilizing equipment and supplies in this manner, we are realizing a tremendous tax savings to our tax paying public. The equipment and supplies which are obtainable through the excess property in such programs as the "Home Run" Extended Program, have enabled us to enhance our programs and cut down our costs appreciably since the equipment and supplies would be required and would have to be purchased on the open market.

There is much documenation that I could provide to you relative to the amount of excess property in terms of dollars, as well as tax savings to the citizens of Minnesota and the United States, since many federal dollars are invested in vocational-technical education, but I feel it would suffice to say that this is an excellent program and we are utilizing the equipment to train our young adults to become employable.

I would, therefore, urgently request that you use your influence with Mr. Elliott L. Richardson, Secretary of Health, Education, and Welfare, requesting that he act to prevent a change in the regulations regarding the utilization of excess property for vocational-technical instruction throughout the United States. Thank you for your help in this endeavor, as well as for the many past favors you have given to vocational-technical education.

Sincerely yours,

W. E. MAGAJNA,
Director.

MINNESOTA STATE COLLEGE SYSTEM,
St. Paul, Minn., June 19, 1972.

Mr. T. M. THAWLEY,
Commission of Property Management and Disposal Service, General Services Administration, Washington, D.C.

DEAR MR. THAWLEY: The Proposed rule making notice as given by the General Services Administration in the Federal Register Volume 37, No. 106—Thursday, June 1, 1970, to discontinue the authorization permitting

Federal grantees to use Federal supply sources, is one that cannot be supported by the Minnesota State College System.

There is no objection to discontinuing the procurement of supplies by grantees from the General Supply Fund as authorized by the Federal Property and Administrative Services Act of 1949 as amended. We do, however, voice strong objection to the elimination of authorized users of Excess Property as provided by the act and regulations developed and promulgated by GSA in the utilization of excess property to the fullest extent for the benefit of the public interest.

Procurement and effective utilization of government excess property has long been practiced by educational and other nonprofit organiaztions. This program has served the public interest and is one in which the General Services Administration can take justifiable pride.

In view of the ever increasing costs of education, high taxes, and austere budgets authorized by the State Legislatures, colleges such as ours simply cannot expect the taxpayer to purchase for the second time, laboratory and other educational equipment provided through the excess property program. Since these materials were originally purchased by federal tax dollars, it should not request additional state tax dollars to purchase available equipment that is excess to the needs of the Federal Government. To do otherwise, would in our judgment, constitute a grave error and indicate a lack of responsibility toward the public by federal agency administrators.

Thank you for your consideration.

Sincerely,

G. THEODORE MITAU,
Chancellor.

STAPLES PUBLIC SCHOOLS,
Staples Minn., June 8, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate Building,
Washington, D.C.

DEAR SENATOR MONDALE: Please review the attached memorandum which I received from the Executive Secretary of the National Association of Vocation Education, today. I am sure you will agree with me that action should be taken *at once* to stop this proposal. Your action on this is urgently needed, and Vocational Education will certainly gain by your support. The loss would be a terrific blow to us.

I will be waiting for your reply. Your assistance in this matter will be greatly appreciated.

Sincerely yours,

MICHAEL J. MATANICH,
Director.

MINNESOTA ASSOCIATION OF AREA VOCATIONAL-TECHNICAL SCHOOL DIRECTORS,
July 12, 1972.

Hon. WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SIR: It has been brought to my attention by Mr. R. D. Anderson, Executive Secretary of the National Association of State Directors for Vocational Education that the regulations governing federal excess property be changed so the Hutchinson AVTI would be ineligible for excess property. In the past the Area Vocational Technical Schools were unable to compete in getting excess property from the federal government because other agencies had a higher priority. Since the Area Vocational Schools have been able to compete at the same priority level as other agencies the vocational technical institutions of this state, and particularly Hutchinson, have benefited greatly.

I cannot comprehend why a regulation would be changed to make the AVTI ineligible when they are the one type of institution that is using excess property to train, retrain and upgrade individuals to meet the demands of the labor market.

I am greatly concerned that the local budgets for capital outlay for the AVTI would not be adequate to furnish the lab areas with the necessary equipment to train students.

I would appreciate your looking into the proposal of the Health, Education and Welfare Office as it relates to the regulations governing federal excess property and the eligibility of the AVTI in the state of Minnesota.

Sincerely,

WARREN E. MACEMON.

S.E.M.C.A.C., INC.,
Rushford, Minn., June 27, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: Will you please check into the order which denies SEMCAC the use of GSA property? We have been informed that this order goes into effect as of June 30, 1972.

I realize there is not much time left and I apologize for not writing you sooner. However, we just became informed about this ourselves.

The buses we have provide the only recreational transportation that senior citizen center members have in this three county area. Our station wagon, car and van save us many dollars in transportation costs in the Head Start Program.

There is no arbitrary act that can hurt us more. The equipment we get from GSA has all been discarded by other federal agencies or bureaus and in most cases would still be rotting on the lots or being robbed for parts. This equipment is certainly not in demand by other agencies and should continue to be made available to the poor.

Would you please help us as promptly as possible to put a stop to this order?

Sincerely yours,

HALVOR LACHER,
Executive Director.

JUNE 27, 1972.

COMMISSIONER,
Federal Supply Service,
General Services Administration,
Washington, D.C.

DEAR SIR: The Southeastern Minnesota Citizens' Action Council, Inc., has not been able to use many of the supplies available through GSA because of the 140 mi. distance that separates the SEMCAC office from the nearest GSA store.

However, the SEMCAC grants have been multiplied many times in their effectiveness by the surplus property which has been available to the agency. Over half of the office equipment has been surplus GSA property and we are presently using two buses, a van, a station wagon, a car and a truck. We also have two GSA buses for which we are trying to obtain parts. When we succeed in doing this, we will also be able to put them to good use for the agency. It is my opinion that the surplus equipment made available to SEMCAC has made the OEO, Head Start and NYC dollars go a lot farther toward helping the poor and disadvantaged. Because of these facts, the SEMCAC Board of Directors made this motion at the regular monthly Board meeting:

"We hereby request that the amendment which prohibited community action agencies from use of federal surplus property be made null and void. This community action funding and the inability to obtain federal excess property would make it all the more difficult for SEMCAC to help the poor and disadvantaged in this three county area."

I hope you will consider the serious concern expressed by my Board of Directors and act to rescind the order that denies the use of all federal excess property to community action agencies.

Sincerely yours,

HALVOR LACHER,
Executive Director.

AREA VOCATIONAL-TECHNICAL INSTITUTE,
Detroit Lakes, Minn., June 6, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR MR. MONDALE: I have just received a letter from Mr. Robert D. Anderson who is the Executive Secretary of the National Association of State Directors of Vocational Education. The information that was in the letter disturbed me immensely.

Mr. Anderson informs me that there is a proposal to amend HEW regulations that will declare state grant and aid programs in vocational technical education ineligible for federal excess property. We would be directly affected by any such amendment as we utilize property quite extensively in our training programs. In fact many of our programs would not have been able to have been developed without excess property equipment used for training purposes.

We have used approximately $500,000 of federal excess property for the operation of our Area Vocational Technical Institute.

I would urge you therefore to contact Mr. Elliot L. Richardson, Secretary of Health Education and Welfare on determining whether this information is correct and voice strong objection to any changes that would make vocational technical education ineligible to receive federal excess property.

We will be anxiously awaiting an early reply.

Respectfully yours,

DENNIS R. HOPMAN,
Director.

AUSTIN AREA VOCATIONAL-TECHNICAL INSTITUTE,
Austin, Minn., July 28, 1972.

Senator WALTER MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: It has been brought to our attention that there is a proposal to amend HEW regulations that will declare state grant and aid programs in Vocational-Technical Education ineligible for Federal Excess Property.

This kind of a regulation will have the effect of increasing the cost of vocational education to students and will increase the tax load to the taxpayers. If there are abuses taking place in the present program, then we would agree these should be corrected. We have participated for many years in the excess property program and this has enabled us to do a better job of training youth for jobs than we could otherwise do.

We strongly urge to do whatever you can to make it possible for Vocational Education Institutions to continue to obtain excess property.

Sincerely,

DONALD C. INGRAM,
Assistant Director.

SAINT CLOUD STATE COLLEGE,
Saint Cloud, Minn., June 27, 1972.

Mr. T. M. THAWLEY,
Commission of Property Management and Disposal Service, General Services Administration, Washington, D.C.

DEAR MR. THAWLEY: The proposed rule making notice as given by the General Services Administration in the Federal Register Volume 37, No. 106—Thursday, June 1, 1972, to discontinue the authorization permitting Federal grantees to use Federal supply sources, would eliminate for St. Cloud State College an excellent program.

More specifically, we strongly object to the elimination of authorized users of Excess Property as provided by the act and regulations developed and promulgated by GSA in the utilization of excess property to the fullest extent for the benefit of the public interest. Procurement and utilization of selected government excess property has contributed to the effectiveness of programs in the natural sciences, industrial arts, industrial technology and other departments of the college.

Recognizing the loss to educational institutions if this program is discontinued, we strongly urge the reconsideration of this change in policy.

Thank you for your consideration of this matter.

Sincerely,

PAUL E. INGWELL,
Coordinator, Federal Programs.

VO-TECH CENTER,
June 9, 1972.

Hon. WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR MR. MONDALE: I would like to commend you on the progress made on the passage of the Higher Education Amendments of 1972, particularly as it relates to placing occupational training on a par with academic training in HEW.

The need for this change is currently underscored by a proposal to amend HEW regulations that will declare state grant and aid programs in Vocational-Technical Education ineligible for Federal Excess Property. This move is apparently being initiated in the U.S. Office of Education but not in the Division of Vocational-Technical Education. If this amendment is approved by the Secretary, the ability of vocational-technical training institutions to upgrade and improve instructional programs at reasonable cost based on utilization of excess property from the far east and elsewhere will be minimized.

I would very much appreciate your office contracting Mr. Elliot L. Richardson, Secretary of Health, Education and Welfare and raise objections to any changes that would make Vocational-Technical Education ineligible to receive Federal Excess Property.

Thank you for your continued consideration for Vocational-Technical Education in Minnesota.

Sincerely,

W. C. KNAAK,
Superintendent.

UNIVERSITY OF MINNESOTA, SCHOOL OF PHYSICS AND ASTRONOMY,
Minneapolis, Minn., June 23, 1972.

Hon. WALTER S. MONDALE,
Old Senate Office Building,
Washington, D.C.

Reference: Proposed Rule Making published in the Federal Register, vol. 37, no. 106.

DEAR MR. MONDALE: I protest the proposal to discontinue the practice of allowing institutions with government grants the privilege of obtaining excess property through the General Services Administration.

We have been utilizing excess property for several years as an aid to general education as well as our research programs. The elimination of the opportunity to obtain the many teaching aids, machine tools, raw materials and general laboratory equipment would be a severe blow to our efforts to upgrade our labs and shops and provide for continuing improvements in education.

I strongly urge the reconsideration by General Services Administration of their proposed rule changes.

CARL H. POPPE.

MORRIS SENIOR HIGH SCHOOL,
June 21, 1972.

Senator WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: It has come to my attention that there is a proposed amendment to the Federal Register, Volume 37, No. 106, Thursday, June 1, 1972, page 10959, that would make schools offering Vocational-Technical Education ineligible to receive Federal Excess Property. I enlist your aid in actively opposing such an amendment.

I feel that such an amendment would be a great detriment to the people of Minnesota. With the expansion of our area vocational-technical institutes and the potential establishment of approximately 75 secondary vocational centers, the State of Minnesota would benefit from the continued utilization of Excess Property.

I oppose this amendment for the following reasons:

1. Because taxpayers are concerned about taxes, we must make our dollars stretch. By utilizing excess property, we can reduce our operational budgets; thereby easing the tax burden.

2. The curtailment of the use of excess property would greatly hamper the high quality of instruction present in our vocational education programs, as we would be limited to the amount of equipment on which our students would train.

3. We would be hampered in the expansion of existing programs and implementation of new programs needed to provide the trained manpower needed by business and industry.

4. The number of students that we could train would be reduced because of the lack of equipment.

I therefore urge you to work for the defeat of this amendment to the Federal Register so that vocational education in our state may have the benefits of using excess equipment as we have in the past.

Sincerely,

MELVIN O. SALBERG,
Local Program Director,
Chippewa River Vocational Center.

CECIL COMMUNITY COLLEGE,
North East, Md., July 18, 1972.

Mr. R. FRANK MANSEL,
American Assoc. of Community & Junior Colleges:

Our serious need for continued access to excess property is accentuated by the fact that we are just now moving into our first permanent facility. Prior to this date we have been in shared public school space and have been extremely limited in the equipment we could acquire. Now, at the time when we need such equipment desparately, we face the possibility of the unavailability of this equipment.

Additionally, Cecil Community College, is a poor institution located in a highly disadvantaged rural area. Excess property is one very important source for us to use in providing a level of higher education comparable to that furnished students in more affluent areas. We plan to use as much of our finances as possible to assist minority disadvantaged groups to get started on career programs. Failure to receive excess property simply means that we will have less operating funds available to subsidize education for this very important segment of our county's population.

We have received for the cost of $100 over $12,000 worth of photographic equipment through the excess property program that we would have otherwise never purchased. This $12,000 worth of property is nearly double the total amount of equipment expenditures for instructional purposes which we have been able to generate during this past year.

Sincerely,

Dr. ROBERT L. NASH,
President.

SOUTHWESTERN MINNESOTA OPPORTUNITY COUNCIL,
Worthington, Minn., June 28, 1972.

Senator WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: I am enclosing a copy of my letter to the Commissioner of Federal Supply Service, objecting to the rule change which will deny Community Action Agencies access to G.S.A. supplies.

Our Community Action budget was based on the opportunity to buy our supplies at G.S.A. prices. If we must buy at retail prices, the funds used for the poor in this area will be seriously curtailed.

Would you give us your support and oppose the proposal of Mr. M. S. Meeker, Commissioner of Federal Supply Service, that would deny G.S.A. availability to all Federal Grantees. Thanking you, I am

Sincerely yours,

DONALD E. SHANNON,
Executive Director.

SOUTHWESTERN MINNESOTA OPPORTUNITY COUNCIL,
Worthington, Minn., June 27, 1972.

Mr. M. S. MEEKER,
Commissioner, Federal Supply Service, General Services Administration, Washington, D.C.

DEAR COMMISSIONER MEEKER: As a Federal grantee agency, we strenuously object to the proposed new rule prohibiting the use of G.S.A. sources of supply by recipients of Federal grants.

In our grants from O.E.O. and other agencies, our approved budgets were required to use a cost factor based on G.S.A. prices. Thus without access to G.S.A. supply source, our grants will be inadequate to cover the actual cost of supplies needed in our programs.

We urge that this proposed rule be rescinded. If this rule is implemented as scheduled, the services and programs we are operating for the poor in our area will be adversely affected.

Sincerely yours,

DONALD E. SHANNON,
Executive Director.

SAINT CLOUD STATE COLLEGE,
St. Cloud, Minn., July 5, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: The purpose of this letter is to register opposition to the proposed rule-making notice as given by the General Services Administration in the Federal Register Volume 37, No. 106—Thursday, June 1, 1972, to discontinue the authorization permitting Federal grantees to use Federal supply sources.

Procurement and utilization of government excess property have long been practiced by educational organizations, including St. Cloud State College. This program has been a great benefit to this institution. It is particularly important now in view of the increasing costs of education and the generally tight budget situation.

We shall greatly appreciate any assistance you can provide on this matter.

Sincerely,

CHARLES J. GRAHAM,
President.

MANKATO STATE COLLEGE,
Mankato, Minn., June 27, 1972.

Mr. T. M. THAWLEY,
Commission of Property Management and Disposal Service, General Services Administration, Washington, D.C.

DEAR MR. THAWLEY: I protest discontinuance of authorization permitting Federal grantees to use Federal supply sources, particularly use of Excess Property as provided by the Federal Property and Administrative Services Act of 1949 (reference Federal Register, Volume 37, Number 106, June 1, 1972).

The public has already paid for these materials once and a second payment by the public when such materials are to be used to further the public interest seems highly questionable.

I urge reconsideration of any order to *remove* this authorization in the public interest.

Sincerely,

JAMES F. NICKERSON,
President.

UNIVERSITY OF MINNESOTA, SCHOOL OF PHYSICS AND ASTRONOMY,
Minneapolis, Minn., June 23, 1972.

Reference: Proposed Rule Making published in the Federal Register vol. 37, no 106.

Hon. WALTER S. MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR MR. MONDALE: I protest the proposal to discontinue the practice of allowing institutions with government grants the privilege of obtaining excess property through the General Services Administration.

We have been utilizing excess property for several years as an aid to general education as well as our research programs. The elimination of the opportunity to obtain the many teaching aids, machine tools, raw materials and general laboratory equipment would be a severe blow to our efforts to upgrade our labs and shops and provide for continuing improvements in education.

I strongly urge the reconsideration by General Services Administration of their proposed rule changes.

HANS COURANT.

DAKOTA COUNTY AREA VOCATIONAL-TECHNICAL SCHOOL,
Rosemount, Minn., June 23, 1972.

Hon. W. F. MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: This letter is written to obtain your support for an effort to prevent the implementation of a rule change regarding excess property eligibility for our Vocational Technical School and others. The proposed rule changes appear in the Federal Register, Volume 37, Number 106, Thursday, June 1, 1972, under General Services Administration Parts 101-26, 101-33, 101-43, U.S. Gov. supply resources by grantees.

The sequence of events leading to this is briefly: General Services Administration retail stores were selling directly to local offices of Federal Grant Agencies, such as OEO. This resulted in pressure from retail and wholesale organizations on the White House level to force termination of these sale activities. The Office of Management and the Budget directed GSA to terminate the direct sale activities and change regulations to achieve this. The section of GSA regulations covering excess property was apparently included by someone within GSA and eliminates not only vocational-technical education, but all other grant agencies such as the National Science Foundation, OEO, MDT, and others; but it preserves the right of contractors to receive excess property.

The probable effect of this rule change is to eliminate all or at least 40% of GSA's customers in one stroke. To pursue this, the steps in the process of disposal of federal personal property are: first, excess within the agency; second, excess to all other federal agencies; third, donation to surplus programs of HEW; fourth, cash sales by bid, auction, or negotiation. If all the grant recipients are eliminated, large volumes probably will move to the surplus donation level which will be unable to cope with it. It will necessarily then move to cash sale to private operators.

When I say that surplus property utilization department of HEW will be unable to cope with the volume, I must explain why. First of all, SPUD is organized to control, not encourage the flow of property. There is a regional office in control of all items in excess of $2500 in acquisition cost and the state controls all other items. The regional control extends to the ability to freeze and procure property in other regions of the country. This means that in order to screen for property in other regions of the country or States, SASP must receive HEW approval. In addition, they must get an invitation to screen from the state director of the surplus property agency in the state where the property is located.

It becomes obvious that "have-not" states, such as Minnesota, will wind up high and dry without access to much of the property that moves in the country.

Under the excess property program, our school is free to screen, freeze, and receive excess property in any state in the nation. We are free to travel to the location of any federal excess property we deem necessary to our program as long as we can pay the ticket.

If we are forced to move within the confines of SPUD control, we lost most of the advantage we gained last August when your efforts and those of others obtained eligibility for us.

A good illustration of the impact of excess property is to cite our experience. We have received excess property, which has resulted in a savings of $200,000 plus. Not only has it saved us many local dollars on items which are basic, but also items which are so costly as to be prohibitive. These items greatly enrich the learning process of our students by giving them direct experience on commonly used equipment in the jobs they aspire to obtain upon graduation.

We have also been able to provide equipment to vocationally eligible programs in our member high schools such as Burnsville, Rosemount, Lakeville, South Saint Paul, and Inver Grove Heights.

This has resulted in substantial savings to local taxpayers both from our levies and their own school districts.

Looking into the future, the most significant area of property utilization will be in consumable supplies for programs such as electronics, fluid power, graphic arts, data processing, and others. Wthout eligibility and the right to screen bases and other depots for these items, our programs would be severely reduced. Electronic supplies is one instance that comes to mind. Two weeks ago, we obtained a box of resistors. There were 300 of them in a box the size of a greeting card box, and they had a value in excess of $500. On the same screening trip, we secured nine metal working lathes for our machine shop.

This letter has gone on at greath length to try to inform you as fully as possible of the urgency of deleting the changes from the Federal Register in regard to excess property.

Respectfully,

HAROLD W. GRUDEM,
Superintendent.
HAROLD J. MURPHY,
Director-Adult Programs.

PRESTON, MINN., *June 14, 1972.*

Hon. WALTER F. MONDALE,
U.S. Senator,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: It has been requested of me that I check into the proposal to amend H.E.W. regulations to declare state grant-in-aid programs and vocational technical educational institutions ineligible for federal excess property.

I believe the eligibility of vocational technical educational institutions in Minnesota to have federal excess property is very vital.

Any support I could receive from you would be very much appreciated, and I look forward to an early reply to my request. Thank you for your cooperation in this matter.

Sincerely,

NEIL HAUGERUD,
State Representative.

MINNESOTA HIGHER EDUCATION COORDINATING COMMISSION,
St. Paul, Minn., June 23, 1972.

Hon. JOHN L. MCCLELLAN,
Chairman, Senate Committee on Government Operations, New Senate Office Building, Washington, D.C.

DEAR SENATOR MCCLELLAN: May I take this opportunity to express deep concern on the proposed rule—Use of Government Supply Sources by Grantees as published in the Federal Register, Volume 37, No. 106; pp. 10959-60, dated June 1, 1972.

I feel that federal grantees such as our post-secondary education institutions are making efficient and appropriate use of excess federal property, and the need for this continues. Many institutions enhance their capability to offer more effective instruction plus improvement of extension programs for students and the general public through use of excess federal property. In my judgment this represents a wise use of the taxpayers investment and prudent utilization of federal property.

I do not oppose the provision whereby small business enterprises in Minnesota and other states could be eligible for excess federal property. We realize the business community would like an opportunity to acquire excess federal property, and I do not object to this objective.

Thus, I would appreciate your consideration and support for whatever action is appropriate to continue enabling post-secondary education institutions, most of which are encountering growing economic difficulties, the use of excess federal property.

Respectfully yours,

RICHARD C. HAWK,
Executive Director.

CONCORDIA COLLEGE,
Moorhead, Minn., June 30, 1972.

Commissioner M. S. MEEKER,
Federal Supply Service,
General Services Administration,
Washington, D.C.

DEAR MR. MEEKER: In behalf of the 2400 students enrolled at Concordia College in Moorhead, Minnesota and our faculty of dedicated educators we request continuance of the program extending excess property and similar privileges to colleges receiving federal grants.

The program has been very helpful in improving the quality of instruction. It enables the college to have the excess property equipment now, for this generation of faculty and students, instead of ten years from now when we might otherwise afford to secure it.

The proposed rule published in the *Federal Register* of June 1, which would restrict the flow of excess property to the college caused

some consternation. The biology, chemistry, and physics departments have been especially aided by the program of excess property distribution. As an example of the significance of the program, I quote from one of our Physics faculty:

"The Physics Department has been able to use excess property in its program in the following manner.

"We have secured, through GSA, power supplies, electronics components (resistors, capacitors, diodes, transistors, wire), oscilloscopes, and multi-meters. These materials will be a tremendous help in giving students and faculty an opportunity to do research in basic electronics. Several new experiments in the introductory physics laboratories have relied on excess property. The velocity of sound experiments use frequency counters and signal generators; a viscosity experiment will use viscometer tubes; a simple analog computer will use galvanometers constructed from microammeters; all received through the excess property program. We have received several large magnets, pressure gages and thermometers that are used for research and lecture demonstration apparatus. Our laboratories have been strengthened by the addition of a gamma-ray detector salvaged from a scanning x-ray unit; several high quality large lenses are used in a schlieren optics set-up; a large spectroscope is used in the spectral analysis of gases. Student and faculty research projects have benefited by the addition of a temperature chamber for the study of solid state phase transitions; data processing equipment for recording the earth's electric field and telluric earth current; oscilloscopes, power supplies, chart recorders and electronics hardware are incorporated into experimental set-ups using the department's particle accelerator, nuclear magnetic resonance spectrometer and gamma-ray spectrometer."

While this testimony could be expanded upon from other members of our science faculty, I believe this statement is sufficient to illustrate the excellent and immediate benefits of the excess property acquisitions program. I sincerely hope it will be possible to continue aid to college and universities through this program.

Respectfully yours,

PAUL J. DOVRE,
Vice President for Academic Affairs.

BURNSVILLE SENIOR HIGH SCHOOL,
Burnsville, Minn., June 7, 1972.

Hon. WALTER MONDALE,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: I have learned that there is currently a move to disallow Vocational Technical Education to receive Federal Excess Property.

Currently we have been aided in the acquisition of excess property through the Dakota County Area Vocational Technical School. The property we are receiving is helping us expand our budget to purchase additional equipment for our needs.

I would encourage you to help defeat any move to disallow state grant and aide program in Vocational Education ineligible for Federal Excess Property.

May I suggest you contact Mr. Elliott L. Richardson, Secretary of Health Education and Welfare to determine if whether the information I have received is correct.

Sincerely,

JAMES W. GREEN.

GUSTAVUS ADOLPHUS COLLEGE,
Saint Peter, Minn., June 22, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SENATOR MONDALE: I am writing in reference to the proposed change in Federal Property Management Regulation support 101-26, 101-33 and 101-43.1 published as General Services Administration Notice of a Proposed Rulemaking in the Federal Register, Vol. 37, No. 106, Thursday, June 1, 1972.

Gustavus Adolphus College is a National Science Foundation grantee eligible for the Excess Property acquisition program of the General Services Administration. This has permitted the Chemistry Department to acquire several items which we could not have purchased on our capital items budget. We have been able to enrich our laboratory program with this equipment. New experiments have been introduced and more students have been given access to sophisticated apparatus.

We in the Chemistry Department are extremely concerned that this valuable program is in jeopardy. The Excess Property Program has been particularly valuable in obtaining equipment for us since the reduction of funding for equipment purchases by government and private agencies. The Excess Property Program is vitally important to many universities and colleges. Many of our plans in the Gustavus Chemistry Department for new programs and expanded services will be affected if the proposed revision goes into effect.

I am sending letters to my Congressmen and other persons concerning this proposed change. I strongly urge the reconsideration and defeat of the proposal.

Sincerely yours,

THOMAS A. GOVER,
Chairman, Department of Chemistry.

BAUDETTE, MINN.,
June 27, 1972.

To the Editor:

DEAR SIRS: It appears that one of the largest corruptions of Government is about to take place through the Vehicle of the Federal Register in revision of Section 101-43.320 to Section 101-13.320 "Use of Property on Contracts." For too long the Federal Register has been used as a method of governing this country whereas; we are supposed to be governed by our elected representatives.

This provision in effect disallows Federal Grant Agencies to use surplus property and supplies of other Federal Agencies. This leads to two evils in this manner. Evil #1. If a Federal Grant Agency needs surplus property or supplies formerly available from another Federal Agency, and cannot get such property it will be forced to buy new property. Evil #2. Surplus property of Federal Agencys will then be sold to the highest bidder and on a past performance basis of a few cents on the dollar because of a scarcity of bidders for the large quantities offered. These bidders will sell this acquired property at highly inflated prices. Who loses? The Federal Taxpayers.

Yours truly,

L. H. FURCHT.

GUSTAVUS ADOLPHUS COLLEGE,
Saint Peter, Minn., June 12, 1972.

Hon. WALTER F. MONDALE,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing in reference to the proposed change in Federal Property Management Regulation support 101-26. 101-33, and 101-43.1 published as General Services Administration Notice of a Proposed Rule Making in the Federal Register Vol. 37, No. 106, June 1, 1972.

As a National Science Foundation COSIP grantee, Gustavus Adolphus College departments have been participating in the Excess Property Acquisition Program. This acquisition of excess property has greatly multiplied the effectiveness of our environmental studies program, and our life science physics program that have been initiated under our COSIP grant. The proposed change would greatly handicap these programs. At this time the acquisition of instrumentation is crucial and only the excess property program can satisfy this need. The Excess Property Program has truly been invaluable to our COSIP programs.

We urge you to use the influence of your office to call for a reconsideration and a defeat of the proposal. If further information is required, please inform me.

Sincerely,

RICHARD M. FULLER,
Chairman, Physics Department.

CLINICA DE SALUBRIDAD DE CAMPESINOS,
Brawley, Calif., July 13, 1972.

Senator WALTER MONDALE,
Chairman of the Senate,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: This letter is in reference to the memorandum I have received this date, from the Director of Office of Procurement and Material Management, dated, June 22, 1972. This memo indicates that HSMHA Programs will be discontinued from procuring materials from GSA. I wish to express my deepest concern regarding this new regulation, as it will put this program under extreme pressure to find another source of supply.

As you are aware, we're in a very isolated area and much of the supplies and equipment that we purchase from GSA is not available in the valley, and when it is available it is considerably at a higher price. To mention a few examples, we purchased paper at 58c a ream from GSA while local suppliers offer the same paper at $2.50 a ream. We purchased a new automobile fully equipped for the hot desert climate at a price of $2,700, the same vehicle is available locally at a price of $4,200 plus tax and license. Another area of great concern is our overall purchasing power. Many companies offer their products in competition with GSA prices. An example of this is drugs and medical supplies. When these companies become aware that we no longer will be able to purchase from GSA there will be no reason for them to offer lower prices.

At a time when the migrant programs are greatly under-funded, this seems to be a totally untimely decision. I must protest this action and appeal for your support for some modification of this decision.

I realize that those programs which are located in large metropolitan areas may not be effected due to the large competitive source of supply available to them. It is the migrant program located in the rural areas that will be greatly effected, forcing them to divert large amounts of money for supplies that previously have been used to provide service.

Sincerely,

VENTURA HUERTA,
Project Director.

DISCONTINUANCE OF AUTHORITY TO PERMIT GRANTEES TO USE EXCESS PROPERTY AND FEDERAL SOURCES OF SUPPLY

The Office of Management and Budget (OMB) has directed the General Services Administration (GSA) to discontinue authorizing Federal grantees to use Federal supply sources, including excess property. Therefore, appropriate amendments to the Federal Property Management Regulations (FPMR) to accomplish this have been developed by GSA. However, cost-reimbursement type contractors will continue to be permitted to use GSA supply sources and excess property under the revised provisions of the Federal Procurement Regulations (FPR).

The revisions directed by OMB were published in the Federal Register under proposed rule-making on June 1, 1972. In addition, GSA was instructed to obtain comments from State and local governments in accordance with OMB Circular A-85.

Therefore, effective immediately all officials exercising control over HSMHA grant programs, shall not authorize use of either Federal Excess Property or other Federal Sources of Supply to any current or proposed grantees.

Please take all necessary steps to insure that all grants personnel and Property Management Officers under your control, are made aware of this prohibition.

JULIUS J. KESSLER.

MANPOWER TRAINING ASSOCIATION,
June 8, 1972.

Commissioner M. S. MEEKER,
Federal Supply Service, General Services Administration, Washington, D.C.

DEAR MR. MEEKER: As president of the National Manpower Training Association which is representative of the interests of approximately 155,000 MDTA trainees and potential unemployed. I was extremely shocked by the proposed changes in excess property availability to Manpower programs. The GSA regional offices and local Area Utilization Offices have been very helpful in providing excess property to MDTA training programs; and without this property, many programs could never have started. Excess property has not only improved training for the unemployed, returning veterans, disadvantaged, minorities, low income farmers, prison programs, but it has saved the expenditure of thousands of Federal dollars and expanded training.

The proposed rule changes as cited in the Federal Register of June 1, 1972 would discriminate against MDTA and Vocational Education programs. In a period of high unemployment, the rationale for this administrative decision is exasperating. Where MDTA skill centers are equipped with excess property, the loss of the equipment will result in the close of the training program.

For the interest of everyone concerned, this rule change PART-101-43 should not be made.

Sincerely,

ARTHUR E. VADNAIS,
President.

RICE UNIVERSITY,
Houston, Tex., June 21, 1972.

MRS. IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR MRS. KLOZE: I am enclosing a copy of my recent letter to Congresman Casey, which partially answers the questions in your letter to me dated June 15.

I hope this may be of some help to you.

Sincerely,

NORMAN HACKERMAN.

RICE UNIVERSITY,
Houston, Tex., June 14, 1972.

Congressman BOB CASEY,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN CASEY: We have learned just this week that proposed new rules concerning excess property acquisition by universities have been published in the Federal Register, Vol. 37, No. 106, Thursday, June 1, 1972.

It is our interpretation that these rules, if implemented on July 1, 1972, will prohibit federal grantees, including universities, from securing excess government property and other GSA privileges in the future. As you know, most research oriented universities are able to acquire excess property through grant programs from NSF, HEW, and NASA to list just a few agencies. This flexibility to provide essential equipment and supplies for research will be lost if these new rules are accepted by the Congress as published.

Loss of this flexibility now when many major federally sponsored research programs are being reduced or held constant will definitely affect our ability to accomplish research in many science and engineering areas. At present, our departments of Space Science, Electrical Engineering, Mechanical Engineering, Civil Engineering, Chemical Engineering, Chemistry, Biology, and Geology all acquire excess equipment. In Space Science alone, equipment and supplies with a *new government* cost in excess of $4,000,000 has been obtained in this fiscal year. Acquisition of this excess equipment by Rice results in a substantial saving to the government in performing research over new equipment acquisition by the University.

Your support of our position in regard to these proposed regulations to prevent use of government supplies by federal grantees would be greatly appreciated.

Sincerely yours,

———— ————.

BATTELLE MEMORIAL INSTITUTE,
Columbus, Ohio, June 22, 1972.

IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR MRS. KLOZE: Thank you for your letter of June 14 to our president, requesting data views or arguments on the proposed revision of rules regarding the use of GSA and other government sources to supply recipients of federal grants. Since Battelle does not have the privilege of purchasing from GSA under any of the grants it receives, we have no comments or views to offer. We do appreciate your thinking of us in this connection.

Sincerely,

CLYDE R. TIPTON, Jr.,
Coordinator, Corporate Communications.

SACRAMENTO STATE COLLEGE FOUNDATION,
Sacramento, Calif., June 26, 1972.

Commissioner,
Federal Supply Services Administration, Washington, D.C.

DEAR SIR: The Sacramento State University Foundation is a recipient of numerable research educational grants received in behalf of the California State University, Sacramento. The purpose of this organization is to maximize the effective utilization of the federal funds provided to the university for scientific research and educational projects. Effective utilization of these funds requires that we procure supplies and materials at the minimum possible cost. The budgets proposed for many of our grants are modified and reduced because of limited funding by governmental agencies and it would not seem appropriate to further curtail our capability in meeting the program objectives by removing the possibility of using GSA purchasing.

Undoubtedly your action in this area is being considered because of minor abuses of the program, however, the benefits to the government and the taxpayer far exceed the minor abuse. I can assure that this organization at no time has abused this privilege. It would not be in the best interest of the taxpayer, the U.S. government or the institutions receiving grants to remove them from GSA purchasing capability.

Many of the nation's educational institutions are in somewhat restricted marketing areas and the capability to purchase the required supplies at a reduced price on the open market are almost nill. Likewise, the non-federal supply systems often lack the timely response needed to meet the objectives of the program. We must, therefore, rely on the federal GSA syqstem for expedient procurement of quality merchandise at minimum price. We prevail upon you to forego any attempt to restrict this privilege.

Sincerely,

EUGENE E. MORRIS,
Executive Director.

ST. LUKES,
San Francisco, Calif., June 28, 1972.

IDA KLOZE,
Retired Professional Action Group, Washington, D.C.

DEAR MISS KLOZE: In answer to your letter, dated June 22, 1972, St. Luke's Hospital has never received Federal grant funds for the support of scientific and other research grants. Funds that we have received were Hill-Burton funds and Family Planning grants which are not considered to be for scientific research but for direct patient care.

Therefore, we cannot assist you in this matter. Wish we could.

Sincerely,

JOSEPH L. ZEM, *Director.*

CITY AND COUNTY OF SAN FRANCISCO,
DEPARTMENT OF PUBLIC HEALTH,
San Francisco, Calif., July 3, 1972.

IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR MS. KLOZE: Thank you for your letter of 19 June, 1972 regarding discounts on purchases from the General Services Administration in connection with our various Federal grants.

This is to inform you that this Department has been unable to take advantage of the GSA services, due to the excessive paper work and tight restrictions involved. In addition, further paper work is involved with the purchasing procedures of the City and County of San Francisco which have to be observed.

Yours very truly,

FRANCIS J. CURRY, M.D.,
Director of Public Health.

EDUCATION SERVICE CENTER,
Edinburg, Tex., June 27, 1972.

IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR IDA KLOZE: Thank you for your letter of June 19, 1972, advising me that GSA is considering revising its rules to prohibiting the use of GSA services by the recipients of federal grants.

At one time we were declared eligible to purchase supplies through GSA, but this permission was revoked.

Participation in GSA purchasing was a great advantage to us and the savings were 50% or better. We heartily support efforts to retain GSA purchasing privileges for federally funded agencies.

Sincerely yours,

HAROLD R. DOOLEY, *Executive Director.*

THE UNIVERSITY OF MISSISSIPPI,
THE GRADUATE SCHOOL,
University, Miss., June 16, 1972.

Hon. JOHN STENNIS,
U.S. Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR STENNIS: Reference is made to a notice published in the Federal Register, Vol. 37, number 106, Thursday, June 1, 1972, "that the General Service Administration is considering the adoption of revised rules prohibiting the use of GSA and other government sources of supply by recipients of Federal grants." The adoption of this policy would have serious adverse effects on the ability of our personnel to conduct effectively research and development on many projects.

The reduction in Federal support of grants, in general, and the difficulty in obtaining allocations for equipment, in particular, has reduced markedly the end product or benefits which otherwise would accrue. The availability of excess property through Federal grants has, in part, served to equalize the effects of the reduction in grant funds.

The utilization of excess property by recipients of Federal grants is serving a very

useful purpose by making it possible to conduct the work at an enhanced level at no additional cost. It appears inconceivable not to allow the use of such property, if the materials are available.

We urge you to oppose any action that would result in the elimination of excess property privileges to institutions with government grants.

Sincerely,

JOSEPH SAM, *Dean.*

THE UNIVERSITY OF MISSISSIPPI,
University, Miss., June 23, 1972.

IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR IDA KLOZE: I referred to our Coordinator of Research, Dean Joseph Sam, your inquiry regarding materials and products obtained through assistance from the General Services Administration. Dean Sam advises me that to obtain an inventory of items obtained from GSA would be a very time-consuming undertaking. However, I am sending you a copy of a letter which Dean Sam sent to Senator Stennis indicating how a change in policy (by which recipients of Federal Grants would be prohibited the use of GSA and other government sources of supply) would adversely affect our research efforts. We earnestly hope that we may continue to use GSA supply sources.

Sincerely,

PORTER L. FORTUNE, Jr., *Chancellor.*

MICHIGAN STATE UNIVERSITY,
East Lansing, Mich., June 27, 1972.

MS. IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR IDA KLOZE: Your recent letter to the President has been referred to this Office for reply.

We were aware of the proposed rule change and responded to the Commissioner, Federal Supply Service, General Service Administration on June 8, 1972. A copy of that letter is enclosed as per your request. As you will see from the individuals receiving carbon copies, we have advised our Senators and Congressman of our interest in having this program continued.

You will also find in the enclosed letter documentation concerning the amount of savings effected by acquiring excess government property on Federal grants and contracts.

I trust that these answers are responsive to your needs and will be helpful to you in the preparation of your position paper.

Sincerely,

MILTON E. MUELDER, *Vice President.*

MICHIGAN STATE UNIVERSITY,
East Lansing, Mich., June 8, 1972.

MR. M. S. MEEKER,
Commissioner, Federal Supply Service, General Services Administration, Washington, D.C.

DEAR MR. MEEKER: This letter is in response to a Notice of Proposed Rule Making (CFR Parts 101–26, 101–33, and 101–43) which appeared in the Federal Register, Volume 37, Number 106, dated Thursday, June 1, 1972. We wish to oppose this proposed rule change in the most vigorous terms possible.

One of the most urgent needs of universities today is the maintenance of an adequate scientific instrument and equipment inventory for research and instructional programs.

In the era immediately past the average university campus was typified by a sprinkling of well-funded research investigators with substantial equipment budgets in their government research grants, the presence of numerous training grants which contained funds which could be used for laboratory equipment, grants for the construction of new buildings and other facilities, which provided funds for not only fixed but movable equipment, and even more numerous predoctoral fellowships with allowances which could be used to assist in equipment acquisition. The severe reduction of funds in some of these programs and the outright demise of others has heightened the seriousness of meeting these university needs. Research project grants are frequently negotiated downward by eliminating equipment requests, which is reflected by the observation that the most frequent request for funds received by the Office for Research Development at Michigan State University is for equipment. Facilities grants are essentially a thing of the past. Some agencies have completely discontinued pre-doctoral fellowships, and training grants are being terminated in significant numbers. Some equipment grant programs still in existence require matching funds from grantee institutions, which also works a hardship on the institution. All of these factors combine to produce a situation wherein it is increasingly difficult to obtain scientific equipment and the acquisition of excess government property becomes an even more important means of attaining this objective.

One example of the increased pressures to obtain such equipment can be seen in this University's submission of proposals to the National Science Foundation's (NSF) Undergraduate Instructional Scientific Equipment Program. Based on a formula provided by the NSF, Michigan State University was entitled to apply for a maximum of six of these awards during 1971–72. The Office for Research Development received nine applications for various academic departments.

During this past year (July 14, 1971 through May 5, 1972) property having an original value of $2,892,088 was acquired by Michigan State University via the excess government property route. This equipment was distributed among 52 principal investigators in 28 different departments. Some measure of the increased activities in this area can be seen by comparing this total acquisition cost with the total for 1970–71 when $435,607 was transferred to 35 principal investigators.

It is immediately evident from the above data how vital the ability to acquire excess government property is to the research and training efforts of Michigan State University. We, therefore, respectfully request your most thoughtful consideration of this matter. We are confident that after your careful deliberations you will agree that the withdrawal of the ability of Federal grantees to use General Services Administration and other government sources of supply would have the most profound and disastrous effects on this Institution's efforts to maintain its viable research and teaching activities.

Sincerely,

MILTON E. MUELDER, *Vice President.*

FORTY NINE-NINETY NINE,
COOPERATIVE LIBERTY SYSTEM,
Stockton, Calif., June 30, 1972.

COMMISSIONER,
Federal Supply Services Administration, Washington, D.C.

DEAR SIR: It is our understanding that the General Services Agency is presently considering a revision of the GSA purchasing regulations in regards to recipients of Federal grants. We, the 49–99 Cooperative Library System, have been awarded such federal grants in the past and expect to receive similar grants in the future. The privilege of purchasing equipment and materials through GSA has enabled us to stretch our federal grant budgets and provide better services to the people we serve. If it were not for this discount privilege, we would have to curtail the scope of our services and programs.

The federal grants that we receive are meant to provide greater services than the local cities or counties are able to afford. This has been a great boon to the libraries of our five-county system. We have listed below a few of the items which we purchased through GSA within this past year for use on our federal outreach grant which provides library service to the disadvantaged areas of Stockton and Modesto. This is only a partial list, but it is easy to see what the GSA discount savings mean in terms of providing more and better service. I wish to register a request that the Federal sources for supplies and equipment be kept open to recipients of Federal grants. The savings in both areas is more than can be obtained locally and insures a wider use of federal funds.

Item	Retail	GSA
(2) M95 Instamatic 8mm. movie projectors	$359.00	$246.38
Draper V movie screen	21.00	12.60
V–25 Viewlex filmstrip projector	115.95	79.06
V–25 Viewlex slide carrier	6.95	4.86
V–25 Viewlex case	13.95	9.76
Wilson MC–42 Mobile cabinet	69.00	56.58
Wollensak 2520 AV cassette tape recorder	199.95	159.95
Bell & Howell 16mm. movie projector No. 1540	691.00	373.14
Dukane sound filmstrip projector	275.00	220.00
Total	1,751.80	1,162.33

Average discount of 34 percent.

Sincerely,

(MRS.) MARGARET K. TROKE,
Administrator, 49–99 Cooperative Library System.

ECONOMIC YOUTH OPPORTUNITIES
Los Angeles, Calif., July 11, 1972.
AGENCY OF GREATER LOS ANGELES,

MS. IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR MS. KLOZE: In answer to your letter of June 19, 1972 enclosed please find copy of letter sent to Mr. Thomas H. Mercer, Regional Director, OEO, San Francisco, pointing out the affect the discontinuation of the GSA services being provided to the recipients of federal grants would have on EYOA, its sub-contractors and other Community Action Agencies.

Sincerely,

ULYSSES S. GRIGGS, JR.,
Director of Business Services.

Enclosure.

RETIRED PROFESSIONAL ACTION GROUP,
Washington, D.C., June 23, 1972.

MR. THOMAS H. MERCER,
Regional Director, Office of Economic Opportunity, San Francisco, Calif.
(Attention of Mr. William Ehrlich).

Subject: Use of Government supply sources. by Grantees—Your letter June 12, 1972

DEAR MR. MERCER: In reference to the above subject, and the recommended proposal by the Office of Management & Budget, to discontinue all GSA services being provided to the recipients of federal grants, we would like to point out the extreme negative affect it would have on the EYOA, its sub-contractors and other Community Action Agencies:

1. *GSA Self-Service Store*—In the year 1971 this Agency and its sub-contractors spent $76,983.81 for supplies through GSA. The GSA cost is approximately 20% to 35% less than what we would have paid from private vendors. If we had to purchase the same items on the open market, adding a conservative 20% to the above figure, the same items would have cost us approximately $92,380.61, an increase of approximately $15,396.80.

2. *Excess Surplus Equipment*—We have issued approximately 2,270 various items of GSA excess surplus furniture and equipment to the EYOA and its sub-contractors. A sampling of 300 items showed the acquisition cost at GSA prices to be approximately $53,289.71 (the cost of this furniture and

equipment at its initial purchase). Because this equipment was GSA excess or surplus, we were able to obtain it at *no cost* other than that of transportation to pick up and deliver these items to the various sub-contractors. However, the $53,289.71 would have been our cost if we had purchased these items from GSA. If we were forced to purchase these items on the open market (not through GSA) at a conservative 20% more, our cost would have been approximately $63,948,000 or an increase of approximately $10,658.00 over Government prices.

3. *Federal Telecommunication System (FTS)*—Since the installation of this system we have placed 8,750 calls that range from a flat charge of 80c to 90c (80c original cost was increased to 90c). The total cost of these calls amounted to $7,621.80. (This covers the period from October, 1969 through March 31, 1972). We can only estimate what this cost would have been had the long distance calls been placed through Pacific or General Telephone. However, it is safe to assume that it would have been anywhere from two to three times the GSA cost of $7,621.80 or a total cost of approximately $15,243.60 to $22,865.40 for the same number of calls listed above.

4. *Warehouse Facility*—Our Warehouse, located in Bell, California, is being used for purposes of receiving, storing, and issuing furniture and equipment to the EYOA and its sub-contractors. It is also being used by our Resources Mobilization Division for the storing, disbursement of food, clothing, and other miscellaneous items. This Warehouse has given the EYOA the flexibility to provide a service to our sub-contractors that would not have been possible without the use of this facility.

5. *GSA Motor Pool*—In January, 1972, this agency was given the privilege of using the services of the GSA Motor Pool. This privilege allowed us to lease a vehicle that is used by our messenger to pick up furniture and equipment for delivery to sub-contractors and supplies from the GSA self-service store. Having this vehicle has allowed us to provide services to our programs at a very economical cost, that we have not been able to provide in the past. We lease our vehicle through the motor pool at a rate of $40.00 a month, plus 6c a mile. This cost includes gas, maintenance, tires, and other services needed for the vehicle. To lease this same vehicle from a private vendor would cost us two and a half times as much.

In summary, without the above services, allowed through GSA, the majority of our sub-contractors would not be able to function because of the lack of funds to purchase the services that are now being provided by GSA. The EYOA would not be able to come up with additional tax dollars to pay for services that we are now receiving from GSA at a 20% to 35% reduction, or purchase those items we are not getting free.

Where we are spending $86,225.61 through GSA for various services, the same services would cost us $171,775.72, which is an increase of $85,550.11. This $85,550.11 represents a total waste of taxpayers money which we as responsible citizens cannot do. We, therefore, urge you as a responsible taxpaying citizen not to allow the proposed denial of GSA services to the Community Action Agencies to materialize.

Your favorable approval and positive action on our request to save the GSA services for Community Action Agencies and to save the taxpayers additional expense will be greatly appreciated.

Sincerely,

ERNEST SPRINKLES,
Executive Director.

THE ALBANY MEDICAL COLLEGE OF UNION UNIVERSITY,
Albany, N.Y., June 30, 1972.

Re: OSA—Federal Register, Vol. 37, No. 106, pp. 10959–10960.

COMMISSIONER,
Federal Supply Service,
General Services Administration,
Washington, D.C.

DEAR SIR: In this notice in the Federal Register consideration is being given to revising the rules prohibiting the use of GSA and other government sources to supply the recipients of federal grants.

The imposition of such a prohibition will seriously and adversely affect the purchasing effectiveness of the Albany Medical College. It is estimated that the direct cost of the loss of the discounts will be more than $50,000 per year in federal grant money alone. The extent of this loss projected on a national basis, and its affect on the taxpayers' dollars and the cost-effective objectives of federal money on federally sponsored programs cannot be overestimated. This federal program should be extended rather than eliminated.

A by-product of the existing system is that vendors not required by rules and regulations to give GSA discounts on other than federal grant programs have decided competitively to meet these same prices. This effectively has resulted in multiplying the savings to taxpayers, to students and their families, and to other donors at the Albany Medical College and similar institutions.

For these very valid reasons, it is respectfully and urgently requested that the projected prohibition on the use of GSA and other government sources to supply recipients of federal grants be remanded.

Sincerely yours,

HAROLD C. WIGGERS, Ph. D., Sc. D.,
Executive Vice President and Dean.

LAW OFFICES FLEMING AND KREVOR,
Washington, D.C., June 30, 1972.

Mr. M. S. MEEKER,
Commissioner, Federal Supply Service,
General Services Administartion,
Washington, D.C.

DEAR MR. MEEKER: As attorney for Applachian Regional Hospitals, Inc., I am writing to comment on the Notices of Proposed Rule Making which appeared in the *Federal Register* June 1, 1972 regarding use of Government supply sources by recipients of Federal grants.

Appalachian Regional Hospitals, Inc. is a non-profit health care system, embracing nine non-profit community hospitals and related health care services. A tenth hospital is now under construction. These hospitals constitute the nuclei of community health care centers, which serve a region of 900,000 inhabitants in mountainous, coal-mining communities of Kentucky, Tennessee, Virginia and West Virginia.

Because of the nature of the Central Appalachian economy, the ARH system provides a great deal of free care to persons who are medically indigent. Approximately 75% of the revenues of the hospital system are derived from three third-party payment sources—Medicare, Medicaid and the United Mine Workers Welfare and Retirement Fund. Significant grant support, both for capital facilities and operations, has been provided to the system by the Economic Development Administration of the U.S. Department of Commerce, the Department of Health, Education and Welfare, the Office of Economic Opportunity, and the Appalachian Regional Commission. As a recipient of this support, Appalachian Regional Hospitals, Inc. has been qualified to use Federal supply sources. Should the proposed modification of your regulations be adopted, this privilege would be withdrawn.

An initial evaluation of the impact of this modification on the hospital system, as gauged by quick but we believe accurate review, is estimated at higher operating costs in the magnitude of $500,000 a year out of a total operating budget of slightly over $30 million. Since ARH a non-profit and unendowed institution, these increased costs would have to be covered largely through charges for services.

The effect would be to increase the cost of care borne by Medicare and Medicaid, since something over half of the system's income is derived from these programs. It is ironic that the Federal Government should be considering the regulations in question while the Social Security Administration and the Congress are seeking new means of reducing the cost of medical care. To the extent to which increased costs were not covered by Medicare, Medicaid, and other third-party insurors, they would reduce the capacity of the hospital system to provide care to indigent patients.

Accordingly, insofar as the ARH system is concerned, the proposed regulations would have the effect of increasing Federal expenditures through Medicare and Medicaid and reducing the capacity of the hospital system to respond to public need. For this reason, we oppose the proposed regulations and urge that they not be adopted.

Sincerely yours,

JOE W. FLEMING.

UNIVERSITY OF CALIFORNIA,
Berkeley, Calif., July 7, 1972.

RETIRED PROFESSIONAL ACTION GROUP,
Washington, D.C.

GENTLEMEN: In response to your letter of June 19, 1972, the attached letter to the Commissioner of the Federal Supply Service states the University's position in reference to the proposed bar to grantee use of the General Supply Administration supply channels. Any support you can give to this position will be appreciated.

Very truly yours,

JAMES D. HAHN,
University Materiel Manager.

JUNE 20, 1972.

THE COMMISSIONER,
Federal Supply Service,
General Services Administration,
Washington, D.C.

DEAR COMMISSIONER: It has been brought to our attention thru the June 1, 1972 Federal Register that there is a proposal under consideration to bar the use of GSA supply channels by grantees and contractors of the Federal Government. We accordingly wish to register a strong protest to such action as being detrimental to both Federal and State agencies.

As a large recipient of Federal contracts and grants (over 5000 for an annual value in excess of $250 million) the effect on the University of California will be to increase substantially the cost of supply and equipment acquisition and decrease the level of grant achievement available at present funding levels. We have, for a number of years used the GSA excess equipment sources to secure available research equipment for federal grants at a considerable savings to the government. The present proposal will deny this availability requiring new purchase even though acceptable excess equipment is available from government sources. This hardly appears to be an economical or efficient situation for governmental funded operation.

The Universtiy of California has only re-

cently utilized the GSA sources for supplies supporting federally funded grants because of the magnitude of the problem that previously existed in identifying common use supplies to specific grants. The granting agencies recently permitted blanket agency coverage which simplified the internal control required sufficiently to permit utilization on a limited basis (less than 1% of our purchase). The price savings realized however, where used, were significant (15–35%) in the specific supplies purchased. These savings in turn, are passed on to the government in increased effort for the same costs.

Still another consideration is the impact of the proposed action on the State Government support to the University. Any lessening of Federal support in actions such as this necessarily increases the burden on the State to meet the deficit. This does not appear to be in the spirit of the Intergovernmental Cooperation Act and certainly not desirable from any viewpoint.

It does not appear consistent with the announced goals of achieving maximum return for the government dollars expended not with the policy of governmental support of educational institutions to deny grantees access to a source of supply that will promote both at no additional cost to the government.

If it is absolutely necessary to change the Federal Property Management regulation, I sincerely hope this information will make exemption possible for the University of California and similar grantees.

Yours truly,

JOHN A. PERKINS.

NATIONAL MIGRANT WORKER COUNCIL,
June 27, 1972.

MS. IDA KLOZE,
Staff Associate, Retired Professional Action Group, Washington, D.C.

DEAR MS. KLOZE: Your letter of June 15 reached the ECMHP office today, June 27. The information requested is enclosed with the comment that the loss of GSA to any project utilizing their services would suffer considerably.

One example which affects ECMHP this year is the freeze put on grant users of vehicles from the Motor Pool. Denying us this privilege forced us into the rental of a car from an agency at a cost several times higher. There was no time to plan for a substitution. Who gained? Private business which didn't need the increase in business—does the company compensate by paying additional taxes? Very, very little.

The government dollar goes a lot farther when necessary materials and equipment are provided at a reduced cost. Unless a substitute method of charging—such as reduced costs to government projects, by private concerns—projects stand to lose.

Sincerely,

Sister CECILIA ABHOLD, S.P.,
Administrator.

OFFICE SUPPLIES

Item	GSA cost	Private office supplier
Smith Corona standard type typewriter ribbons (each)	$0.25	$1.55
Roladex (model 1024–X) 1,100 cards (each)	19.95	21.95
File folders, legal size 14½×9½ (box of 100)	1.25	4.25
3-ring notebook binders (30622–3) (each)	2.25	6.80
Mylar protective sheets 8½×11½ (50 sheets)	1.25	10.00

GSA MOTOR POOL DIVISION

Used GSA cars—139 days—cost approximately 60% of amount being paid on 2-year lease cars.

MIDWESTERN COLLEGES OFFICE,
Washington, D.C., July 19, 1972.

Hon. WALTER F. MONDALE,
Senate Annex,
Washington, D.C.
(Attention of Ellen Hoffman).

DEAR SENATOR MONDALE: The member colleges of The Associated Colleges of the Midwest and The Great Lakes Colleges Association are deeply concerned about the projected change in eligibility rules which would exclude Federal grantees from government excess property utilization programs.

We believe that the benefits of the present excess property programs provide an advantage to the taxpayer and to educational institutions without harming businesses. We urge your attention to the arguments in favor of continuing those programs as they have existed in the enclosed material from Robert Garrett of Beloit College, Beloit, Wisconsin (Appendix I, i-vii). Also enclosed are statements from two other of our colleges.

We are disturbed that The Secretary of Health, Education, and Welfare has just taken action to declare the ineligibility of Federal grantees for these programs without benefit of the hearings scheduled by the General Services Administration and before Congress has had an opportunity to examine the situation. As a conferee on S. 3010 and H.R. 12350, we hope these facts from our colleges will prove helpful to you.

We take the occasion now to thank you for all your past consideration and interest in matters that affect our colleges.

Sincerely yours,

IDA WALLACE,
Director.

Dr. Robert Garrett of Beloit College makes the following points concerning the proposed new regulations affecting government grantees' eligibility for government excess property programs:

1. The deletion of the words "and Grants" effectively cuts out colleges and universities from the excess property program because such institutions seldom hold government contracts. They often have grants of some sort. No good to the government results from such a change so why is it being made? (It clearly is not a good change for colleges and universities.)

2. The present program provides for efficient utilization of excess property by highly qualified persons who have proven themselves by the proposal that resulted in the grant. These persons know what they need to do a better job of teaching or research and can select those items most useful to their purpose. They will also know how to make maximum use of the material.

3. The present program is much better than the surplus property program for several reasons including (a) the fact that the *excess* material is received directly from the preivous user allows the recipient of the material to contact the former user to determine the condition of the material and how it was used by the former owner—information that is not available to a person noting an item in a *surplus* warehouse; (b) the material receives much better handling in the *excess* program in that it is sent directly to the new user using commercial shippers rather than being handled en mass and being dumped around by low paid help at any of several government warehouses; (c) the *excess* program has got to be less costly to taxpayers than the *surplus* program in that there is considerably less paperwork and handling of each item in the former program.

4. Further, there is no assurance that the material will ever get to the *surplus* warehouse. It is conceivable that it will be reassigned to other countries in A.I.D. programs or the like and thus not be available to colleges ever. If it does arrive, it will be much later than is the case at present. Equipment often gets less useful with time as newer techniques are developed.

5. The present *Excess* program is a valuable one to a small college in a day of cut-backs in Federal programs for equipment purchases for education. Beloit College will have made use of about $600,000 in excess property over a 14-month period during 1971–72. The program is the cheapest way the government can provide significant assistance to colleges without having to begin new programs of direct financial assistance requiring new tax dollars. In many cases, the material is old and the taxpayer has already gotten nearly full value from his dollar by the original user agency. Any re-use that a college can put the equipment to is a bonus. The bonus cost the taxpayer nothing extra in that all shipping costs are paid by the recipient institution.

6. Much of the material received from government excess is in need of repairs or of modification. The original user may have assembled several items into a console unit for some highly specific application such as a missile check-out and that needs disassembly by a new user. Persons in colleges and universities have both the knowledge and the time to perform repairs or modifications and thus can re-use the excess material far more economically than can another Federal agency or contractor paying technical persons many dollars per hour.

7. Oftentimes, the excess equipment is superceded by newer, more reliable equipment which is why it was in the excess category in the first place. High reliability is essential for most government applications such as in the space or defense programs but is not so vital for a college laboratory. An equipment failure in a college lab is an annoyance but does no real damage. A college can often use something that doesn't quite meet the more stringent specifications that the original user needs—an old piece of equipment often is below specs. Thus, a college is the most logical institution to be a re-user of excess property.

8. The economy is enhanced by the present excess program. Beloit College, for example continues to purchase the same amount of new material from vendors as it would have without the excess property program. Equipment budgets today are the same or higher than two years ago before Beloit began to use the excess property program. Thus vendors continue to receive our business and in addition we are using additional sums to pay for the services of commercial shippers. This amounts to several thousands of dollars of additional business. It is true that Beloit has obtained certain pieces of equipment that it would have spent college funds for but this served to release the funds to allow the purchase of an item that the College could not and would not have purchased otherwise.

9. Finally, the present excess program is a good one in that it has allowed the creation of new programs or the enhancement of existing programs on the college campus that would not have been possible otherwise. At Beloit College, for example, excess property has provided for a well-equipped machine shop for the sciences, for an expanded biology-physiology laboratory, for a photography program, for an up-dated advanced laboratory in physics, for a greatly improved geology field program and for new research opportunities in psychology. It has also opened up a large number of special project capabilities for diverse departments ranging from the above to art, chemistry, and music.

KNOX COLLEGE,
Galesburg, Ill., June 23, 1972.

DEAR PRESIDENT UMBECK: It has been brought to my attention that the Government Services Administration is considering terminating its surplus property program for federal grantee institutions. I believe this

is a mistake since the evidence for the effectiveness of the surplus program is right here at Knox. Under this program, we have been able to acquire a machine shop that will immeasurably aid the research and instructional programs in the sciences. I have had several opportunities to use the facilities for the construction and repair of research equipment. In addition to the shop, we have been able to acquire electronic parts and instruments and it would be impossible for me to pursue my work without these items.

I would urge you, on behalf of the college and higher education, to ask the G.S.A. to reconsider their decision to terminate this valuable program.

Sincerely,

ROBERT G. KOOSER,
Assistant Professor, Chemistry.

JUNE 20, 1972.

To: President Umbeck.

I was shocked to hear of the move within the government to curtail the acquisition of surplus government laboratory equipment by colleges. During the last year we have obtained the following surplus equipment:

Four incubators for cultivating bacteria and viruses.

Two waterbaths for controlled temperature work in microbiology, physiology, and biochemistry.

One micromanipulator for delicate dissection and manipulation in embryology studies.

One Coulter counter for the estimation of numbers of particles in solution, such as red blood cells, yeast cells, etc.

The cost of new equipment of this type would have been in the neighborhood of $6,000.

The waterbaths and incubators were used in our introductory biology courses, Biology 202 and 203, that stress microbiology and physiology. With the increase in enrollment in these courses the used equipment was most essential. Since we have had no equipment acquisition budget for more than a year, we could not have taught adequate laboratories in these courses without the surplus equipment.

The micromanipulator and Coulter counter have been used primarily in independent studies and added greatly to our potential in that area.

I hope that you and the other ACM Presidents will exert your influence to salvage this program.

B. W. GEER,
Chairman, Biology Department.

DEPAUW UNIVERSITY,
Greencastle, Ind., June 28, 1972.

Miss IDA WALLACE,
Director, ACM Washington Office,
The Associated Colleges of the Midwest,
Washington, D.C.

DEAR MISS WALLACE: In reference to your memorandum of June 20, I can report that the equipment noted on the attached listing has been received by DePauw University from the General Services Administration. Of course we feel that the NSF Excess Equipment Program and the GSA Surplus Program are of great value, and we would favor strongly their continuation.

Sincerely,

ROBERT H. FARBER,
Dean of the University.

Earth science department

Motor-Generator	$721.00
Field Desks	197.50
Crystal Unit	337.50
Protractor	554.40
Oscilloscope	350.00
Field Desks	118.50
Storage Cabinet	144.40
Storage Cabinet	126.38
Metal Band Saw	400.00
Press	510.00
Case, Drawing Bd. & Plane Table	$76.80
Woodworking Saw w/bench	175.00
Transformer	159.00
Rotary Pump	74.20
Ammeter	40.99
Mine Detecting Set	124.00
Total	4,109.67

Mathematics department

Power supply	$100,000.00
Motor	1,720.00
Motor	665.00
Transformer	786.00
Power supply	4,800.00
Capacitor	208.00
Amplifier	1,511.00
Test set	610.00
Capacitor	110.00
Capacitor	62.00
Capacitor	240.50
Resistor	110.00
Resistor	80.00
Resistor	70.00
Radar test set	4,800.00
Oscillator	1,559.00
Calibrator	1,944.00
Power supply	834.90
Capacitor	485.00
Capacitor	1,064.00
Capacitor	330.00
Transformer pulse	650.00
Switch, radio freq	1,370.00
Modulator-power supp	375.00
Amplifier-detector	752.00
Resistor	78.00
Headset, electrical	102.00
Resistor	100.00
Motor	262.00
Tower	4,804.00
Tuning unit	2,925.00
Filter band pass	2,080.00
Transformer	3,997,00
Antenna assembly	36,000.00
Signal generator	580.00
Preselector	1,161.00
Capacitor	782.80
Capacitor	60.00
Resistor	30.00
Resistor	100.00
Total	178,198.20

PHYSICS DEPARTMENT MEMO—KNOX COLLEGE

I wish to present my personal views as to what our involvement in the GSA excess property program has meant to the physics department and may mean in the future to all of the sciences here at Knox. I believe quite emphatically that one cannot effectively teach science without "doing" science. It is in this area that the science departments in the large universities have their main advantage over those in the small colleges.

I will describe what I have attempted to accomplish and what has actually been done at present. When I first came to Knox, it was extremely frustrating because I could think of many solutions to some of the problems that arose but had no means to carry them out. Our shop consisted of a jigsaw, a drill press, and a few hand tools. Unfortunately this situation is all too common at the small college. One of my first goals then was to build up a shop which had to be fairly complete. That is, it had to have the capability of working with most common materials, metal, wood, and plastics and be capable of most of the common operations on them. Without such a shop it is impractical to consider making ones own experimental apparatus.

There is a second and very important purpose for such a shop. If one looks at the incoming students these days, few have any significant manual skills. This is particularly unfortunate for the experimental physicist as he must be a combination electrician, plumber, machinist, carpenter and physicist all in one. Present students have little opportunity for learning these skills at home though and virtually none at school.

The next problem which arose when I arrived at Knox was that there simply was not any source for most electronic supplies locally. At the present time most advanced physics experiments involve extensive amounts of electronic equipment. If one is to build such equipment or even maintain that already available, then an extensive stockroom must be available nearby. With academic terms being as short as they are, one simply cannot wait weeks for common items and it is presently financially unfeasible to stock too much oneself if it has to be obtained commercially. My second goal then was to utilize the available sources to fit out a stockroom that would supply most of the commonly needed components. It was desired that it also contain a broad selection of the less commonly needed items so that in an emergency one could make do until the correct item could be obtained.

Finally one further goal was to obtain as much modern instrumentation and laboratory equipment as possible so that interested students could become familiar with it. It was hoped that after the acquisition program was well under way much of this equipment could be utilized to build up several major experimental stations to augment the laboratory program and to provide a selection of advanced projects for interested students to work with. It is amazing sometimes how useful a piece of equipment can be (if one has the proper shop facilities) even though some other laboratory may have discarded it. With such discarded equipment one can put together quite elaborate equipment that would otherwise be completely out of our reach financially. Furthermore with research support being what it is now and likely to remain in the near future, the ability to make do with what one can find will be a useful skill.

So much for my goals. Where do we now stand? The eligibility of Knox College to utilize the GSA excess property program has allowed us to proceed substantially toward these goals. We have benefited tremendously from this program.

Knox has received material which had a total stated acquisition value of $1,090,359.56 which breaks down in the following fashion. In the category of instrumentation we have received equipment costing $447,789.89. In the area of electronic components we have received material with an original cost of $479,795.86. It should be noted here that in this category, well over 90% of the material was new, unused and in perfect condition. Finally in the area of shop equipment, we have received material having a stated acquisition value of $162,773.81.

These figures by themselves do not begin to portray an adequate picture of the help the excess property program has been to us. They do, however, correctly express the fact that the contribution has been substantial.

In the area of the shop, the progress has been the greatest. At the present time we have a functioning carpenter shop and machine shop. The machine shop has tools for our machinist, tools for staff members who have had the training to use them and others for beginners. It now has most of the major pieces of equipment required. In addition we are rapidly assembling the vast assortment of peripheral equipment required. The machinist has already turned out several jobs for people in all of the sciences. This summer we have two talented students working on advanced projects and doing an extensive amount of work in the shops. In addition staff members in several departments are making use of the shops for their summer research projects. Without the GSA excess property program we would have very little in the way of shop facilities.

In the area of the electronics shop, again

the excess property received has had a very large effect. We are not as far along on this area but still in the last year the effects are becoming clearly observable. At least two students worked on honors projects which would have been impossible to have finished without components received under the program. Again, people in other departments have also been aided by the shop in larger amounts in the last year. Fortunately, we were able to obtain cabinets through the excess property program and are now in the process of finishing up the cataloging and filing of the components received so far. Again, without the excess property program, we could not hope to have obtained a fraction of the inventory we now have.

In the area of instruments and laboratory equipment, the full potential of the material received will not be achieved for some time to come. I will mention several areas though where progress has been made. In the sophomore lab we are using some fairly sophisticated oscilloscopes which we were fortunate to receive. In the electronics lab there are several instruments being used which we obtained through this program. The advanced lab program though will ultimately be the biggest beneficiary of the program. At the moment only special projects that recent seniors have taken on as Honors projects or comprehensive projects have been made useable. So far three individual student labs have been outfitted for advanced study. They have been supplied with basic instruments, supplies and tools.

In summary then I think that it is clear that the availability of excess property has had a very strong impact on laboratory education in our department. These effects are expected to be felt more in the coming years. Most important, this program has had a strong effect down at the level of the student allowing him access to experiences otherwise unobtainable to him.

RETIRED PROFESSIONAL ACTION GROUP,
Washington, D.C., July 18, 1972.

Senator WALTER MONDALE,
Senate Office Building, Washington, D.C.:

Defying intent S. 3010, HEW arbitrarily terminated grantee excess program. Twelve grantees your State. Restoration urgent.

IDA KLOZE,
Staff Associate.

AMERICAN VOCATIONAL ASSOCIATION,
July 16, 1972.

Senator WALTER F. MONDALE,
Old Senate Office Building, Washington, D.C.:

We support the Mondale amendment on the excess property program. We are dismayed to learn that the Department of Health, Education, and Welfare has terminated this worthwhile program. Please continue your efforts in the conference to restore the HEW program for excess property so that there is adequate time for consideration and analysis of the impact that will be created on education agencies by termination of the excess program.

LOWELL A. BURKETT,
Executive Director.

STATE UNIVERSITY OF NEW YORK,
Washington, D.C., July 17, 1972.

To: Senator Walter Mondale.
From: William F. Claire, Director of the Washington Office.

The language of S. 3010 which allows federal grantees and contractors access to federal excess property and supplies would be extremely helpful to the State University of New York.

Without it, the funds available for direct cost purposes would be reduced and the conduct of research hampered. The project director or principal investigator anticipates these savings and so budgets his project. Without the benefits of excess property he would be short of money and would have to re-budget to the detriment of the project.

Although the Research Foundation of State University of New York is comparably new in this area, we have nevertheless expended the following amounts on items that would be included in the GSA catalog, for the eleven months ending May 31, 1972:

Equipment—research	$2,925,909.84
Equipment—other	170,900.87
Supplies—all types	3,007,129.22
Total	6,103,939.93

Of course, everything would not be purchased through GSA, but at a reduction of between 20–40%, a substantial savings can accrue to the advantage of the researcher.

Enclosed, for your information, are sample copies of correspondence from State University of New York campuses opposing a proposed General Services Administration rule that would eliminate these savings. They speak to the need for your Amendment and the excess property program. Senators and Representatives, as well as Commissioner Meeker, have received many letters from people in the State University of New York system.

In closing, let me point out that excess property helps the small businessman. Our grantees use the money that they would otherwise spend on equipment to purchase material from small businesses.

We most wholeheartedly support the language in S. 3010.

JUNE 26, 1972.

Hon. JAMES BUCKLEY,
U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SIR: Enclosed is a copy of a letter which I am sending to the Commissioner of Federal Supply Services in regard to the Excess Federal Property Program, (*Federal Register*, Thursday, June 1, 1972, Vol. 37, No. 106, pp. 10907–11045, part 101–43, Utilization of Personal Property, subpart 101–43–3, Utilization of Excess).

This program has been of great value to our NSF funded project, and the equipment, the title to which will be vested in the State University of New York at Binghamton, will continue for years to benefit the University, relieving the State and the taxpayers of a considerable part of the purchase costs of the essential equipment which would otherwise have to be purchased at State expense. Similarly and equally important, the excess equipment will enrich the programs of the University because it will provide a larger amount of apparatus for the development of additional programs which would not have otherwise been possible since funds are not available for the purchase of any but essential instruments.

Therefore, I would like to ask your assistance in strongly supporting the position that the National Science Foundation be retained in the Federal Excess Personal Property Program at least on a secondary basis. We would be most appreciative of any assistance which you could provide.

I must apologize for my delay in writing, but my other duties have left me no time until now.

Thank you very much for any help which you can provide.

Sincerely,

C. R. STANNARD,
Associate Professor of Physics Project Director NSF GY–9320.

STATE UNIVERSITY OF NEW YORK
AT ALBANY,
Albany, N.Y., June 22, 1972.

M. S. MEEKER,
Commissioner, Federal Supply Service, General Services Administration, Washington, D.C.

DEAR COMMISSIONER MEEKER: Reference is hereby made to the notice in the Federal Register dated 1 June 1972 concerning the utilization of GSA excess property (Volume 37, No. 106, pages 10959–10960). As indicated, consideration is being given to prohibiting the use of such property by recipients of Federal grants.

We strongly urge that this change in policy *not* be enacted. University grantees and nonprofit research organizations have long relied on occasional and necessary allocations of GSA excess property to perform effectively their research. Without this support, it is safe to say that many research and development programs of benefit to society could not have been undertaken. Those that might have been funded would have incurred substantially greater costs to the Government.

Contractors apparently would be exempt from this restriction, and several substantiating reasons are given (page 10960). We believe these arguments hold equally well for recipients of Federal grants. In the best interests of the Government, and the general public, we respectfully recommend that no changes be made to a policy that has proven so effective in the past.

Sincerely,

J. J. ZUCKERMAN,
Professor of Chemistry and Director for Research.

STATE UNIVERSITY OF NEW YORK AT
BINGHAMTON,
Binghamton, N.Y., June 26, 1972.

Re: Federal Register, Thursday June 1, 1972, Vol. 37, #106, pg. #10907—11045, part 101–43; Utilization of Personal Property; Subpart 101–43–3, Utilization of Excess.

COMMISSIONER OF FEDERAL SUPPLY SERVICES,
General Services Administration
Washington, D.C.

DEAR SIR: As the Project Director of NSF Project GY–9320, which has as its goal the production of modules of instruction in physics for technicians, may I very strongly recommend for your consideration that the National Science Foundation be retained in the Federal Excess Personal Property Program at least on a secondary basis?

Our project has been utilizing Excess Federal Personal Property for only about six months and already the instruments and supplies which we have acquired have been of great value to us, even though they have been found to be of no further value to the Armed Services or defense contractors. In effect, the excess property serves to augment the funds provided to the project by the NSF without the expenditure of any additional monies. We feel that this procedure helps to obtain maximum utilization of federal resources by using it to provide projects such as ours with valuable additional federal support at no additional cost to the government.

The added support is especially important to our project because it has several unusually expensive demands placed on it by the wide geographic distribution of our personnel. We are especially able to take advantage of the Federal Excess Property in that we can produce proto-type and field-test versions of the classroom experimental apparatus which are superior to what we could have done without the added support, because the supplies we have acquired are frequently greater in quality and quantity to what we could have afforded to purchase. As an added benefit, because most of the apparatus which we have acquired has come from technical laboratories, much of it is extremely valuable to us in providing educational materials to technicians even if it has been declared to have no value except as salvage. An instrument which is no longer repairable can be given to the students to take apart and examine. The future technician can thoroughly examine an instrument like one which he knows he may one day have to use and maybe fix, but with no fear that he may do damage.

Our experience with excess federal scien-

tific instruments has convinced us that even projects directed toward physical research can make good use of excess property. Our physics department technicians and electronic specialists have already repaired several instruments classed as "R4" for us.

These instruments could not have been profitably repaired by the Armed Services or defense contractors, because of the fact that our people are able to work on several instruments at once in their spare time since there is no pressure to return them to service immediately. Similarly, we have been able to combine two or more R4 instruments to make one working instrument.

The Physics Department of the State University of New York at Binghamton has given assistance in providing much of the manpower and transportation. No part of these costs are borne by the Federal Government. The department is glad to provide its assistance in the acquisition of Excess Property because of the fact that title in the property is vested in the institution at the termination of the grant. Thus, even after our project has benefited from the Federal Excess Program, the University will be able to continue to make good use of much of the property.

It is clear that the Federal Excess Program has many ramifications which go far beyond the simple disposal of property unusable to the Federal System. The program conserves the resources and the costs which have gone into the manufacture of the instruments and greatly extends the productive life of them. The extended life in turn conserves the financial resources of federally funded projects, and at the termination of the grant the colleges and universities, all of which are having increasing extreme difficulties in financing the rising costs of education, can use the federal excess instruments to further conserve their own dwindling funds. Even when the instruments become obsolete for research purposes, they are still excellent for use in undergraduate laboratories. It would represent a shameful waste to discontinue the Excess Federal Property Program, and would be a reversion to the wasteful "throw-away" economy which many of us had hoped had been renounced by the present administration.

Because the Armed Services and their contractors are given first notification and a priority in acquiring the excess property, before it is offered to Federal Grantees, we, as grantees of the NSF are already effectively participating in the program on a secondary basis. The property is truly of no further use to any agency of the Federal Government other than ourselves as grantees.

I, therefore, urgently and respectfully request as strongly as I can that the National Science Foundation be retained in the Federal Excess Property Program on a secondary basis.

Thank you for your consideration.

Sincerely,

C. R. STANNARD,
Associate Professor of Physics Project Director NSF GY-9320.

Subject: General Services Administration Excess Property.

JULY 10, 1972.

Mr. M. S. MEEKER,
Federal Supply Service, General Service Administration, Washington, D.C.

DEAR MR. MEEKER: It is with great consternation that I discover the General Services Administration's intent to discontinue the accessability of excess equipment and material to institutions holding government grants.

The State University of New York at Stony Brook has a distinguished compliment of researchers in many academic fields, who in the past have relied upon the acquisition of such property in order to supplement their projects. In view of recent cutbacks in financial support, the availability of excess property will be increasingly important in the future.

Our research projects are not only applicable to the sciences but also further the advancement of technological aid in varied aspects of commercial enterprises of great value to the country and the world. If excess property is no longer available, such projects will be curtailed unfortunately.

Excess equipment and materials have enabled many research projects at this University to extend the scope of existing instrumentation, often acquired previously through regular grants. Thus the program has increased the effectiveness of our work for the Federal Government under various contracts.

Recent acquisitions of excess property indicate that our Physics, Earth & Space Sciences, Chemistry, Engineering and Marine Sciences departments have acquired in excess of approximately $750,000 worth of equipment and material which normally would have been unavailable to us without the General Services Administration's assistance. In addition, some of our departments are waiting for formal approval of pending requests.

I strongly and respectfully urge that the General Services Administration's intent to eliminate the contribution of excess property be reconsidered and reversed. Continuance of the previous policy will be beneficial to all segments of our society.

Sincerely,

JOHN S. TOLL,
President.

STATE UNIVERSITY OF NEW YORK AT STONY BROOK,
Stony Brook, N.Y., July 10, 1972.

Mr. WILLIAM F. CLAIRE,
Director, State University of New York Office, Washington, D.C.

DEAR BILL: Attached is a self-explantory letter to the General Services Administration. I am sending several extra copies to you so that you can distribute them as you think most effective to Legislators.

If there is anything else I should do in this matter, please let me know.

Cordially,

JOHN S. TOLL,
President.

AMERICAN COUNCIL ON EDUCATION,
Washington, D.C., July 19, 1972.

Hon. WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: In behalf of higher education we wish to commend you for sponsoring the amendment in H.R. 12350 that deals with the use of excess property by Federal grantees.

As you know, the General Services Administration on June 1, 1972, issued a notice of proposed rule making that would discontinue the authorization for Federal grantees to use excess Federal property. The usual thirty-day period was permitted for comment from those affected. So strong has been the reaction against the proposed change, not only from institutions of higher education, but also from many levels of state government, that the period of time for comment has been extended by an additional month.

We have learned with dismay, however, that despite this extension, the Department of Health, Education and Welfare has already put into effect a policy denying to grantees access to excess property. We believe such a policy is in the interest of neither the grantees affected nor the Federal government. That fact that at least $100 million in such property has been made available annually to grantees has enhanced the quality of research and training the Federal agencies wished performed. Moreover, the use of such property has in many cases reduced the cost to the taxpayer of funding these research and training projects.

We earnestly hope that your amendment may prevail in conference and that an unwise decision to terminate a program that has been of such benefit to all concerned may be reversed.

Sincerely yours,

JOHN F. MORSE,
Director.

AMERICAN COUNCIL ON EDUCATION,
Washington, D.C., July 19, 1972.

Hon. WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: In behalf of higher education we wish to commend you for sponsoring the amendment in H.R. 12350 that deals with the use of excess property by Federal grantees.

As you know, the General Services Administration on June 1, 1972, issued a notice of proposed rule making that would discontinue the authorization for Federal grantees to use excess Federal property. The usual thirty-day period was permitted for comment from those affected. So strong has been the reaction against the proposed change, not only from institutions of higher education, but also from many levels of state government, that the period of time for comment has been extended by an additional month.

We have learned with dismay, however, that despite this extension, the Department of Health, Education and Welfare has already put into effect a policy denying to grantees access to excess property. We believe such a policy is in the interest of neither the grantees affected nor the Federal government. The fact that at least $100 million in such property has been made available annually to grantees has enhanced the quality of research and training the Federal agencies wished performed. Moreover, the use of such property has in many cases reduced the cost to the taxpayer of funding these research and training projects.

We earnestly hope that your amendment may prevail in conference and that an unwise decision to terminate a program that has been of such benefit to all concerned may be reversed.

Sincerely yours,

JOHN F. MORSE,
Director.

CAPTIVE NATIONS WEEK

Mr. HRUSKA. Mr. President, once again it is time for us to attempt to focus the world's attention upon the plight of the captive nations of the world.

The President has designated this week of July 16 as Captive Nations Week. It is incumbent upon all of us in this body to renew our expression of brotherhood and concern for the millions of people who have fallen under the yoke of Communist oppression.

Those of us who are fortunate to be citizens of a free nation tend to be much too complacent about our freedom. We are inclined to take freedom for granted because we have always had it.

We must remember that a large share of the earth's people have not known freedom for many years. We must rededicate ourselves to the task of helping the captive peoples regain their God-given right.

We must further recognize what too many of us are inclined sometimes to forget. That is the fact there can be no real peace in the world until all the people of the world are truly free.

This year marks the 13th in which we

have observed Captive Nations Week in an unfortunate but necessary gesture to remind us of the plight of more than 100 million Europeans.

While the Soviet Union continues to stamp out the flame of revolt wherever it occurs—in Hungary, Czechoslovakia, Poland, and elsewhere—we find gratification in the fact that these oppressed millions, while they may despair, never falter in their quest for freedom.

The list of martyrs is long. Fearless patriots have been eliminated by the hundreds of thousands in the Soviet quest for more and more power.

In the short span of 8 years, between 1940 and 1948, no less than nine independent nations of East and Central Europe fell to Communist aggressors.

The democratic leaders of these countries who were able to avoid imprisonment or death have taken refuge in the free world where they continue to lead the fight for freedom for all their countrymen.

These people know what freedom means. This Senator knows many of them personally. I can certify that anyone who wants a true understanding of our precious American heritage of individual freedom can learn much by conversing with those who have seen and experienced the other way of life.

To these valiant leaders whose sole overriding purpose is to free their countrymen, and to the countrymen themselves who still work and hope and pray for freedom, we owe our support, our allegiance, our prayers, and our continuing efforts also.

This is the week in which we must rededicate ourselves to the cause of freedom for all people.

CONSUMER PROTECTION AGENCY

Mr. GURNEY. Mr. President, last Monday, the distinguished Senator from Alabama (Mr. ALLEN) placed in the RECORD a most informative statement on the proposed Consumer Protection Agency. Appended to that statement is a summary of letters from various agencies listing no less than 554 types of Federal proceedings that would become subject to intervention by the Agency.

For the benefit of Senators who would like more detail on these letters, I am submitting, for their consideration, a letter from the Department of Agriculture listing the 156 departmental programs that would be affected if we pass this consumer protection legislation in its present form. I am also including a letter from the Federal Power Commission giving an overview of the ways in which their powers would be affected.

Certainly, the information brought forth by the Senator from Alabama (Mr. ALLEN) is worthy of the most serious consideration. So, too, is a column published in Tuesday's Florida Times-Union, in which the author, John Chamberlain, makes some interesting points about how the rights of consumers might be affected by the presently proposed Consumer Protection Agency.

I therefore ask unanimous consent to have printed in the RECORD the above-mentioned letters and newspaper article.

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

[From the Florida Times-Union, July 18, 1972]

"NADER'S RAIDERS" DON'T REALLY PROTECT CONSUMERS

(By John Chamberlain)

The first opportunity to vote in Congress on a Democratic platform item will come when Senators Muskie, Humphrey, Jackson, and Chiles, all of them members of the Government Operations Committee, meet to consider that most sacred of all convention-year sacred cows, the American consumer.

They will be asked to endorse or reject the platform's language that supports the so-called *amicus curiae* approach to creating a new watchdog body to oversee the work of the Federal Trade Commission, the Department of Agriculture and other agencies now charged with consumer protection.

Believe it or not, the Democratic platform wording rejects Ralph Nader's tough-guy theory of what a super-watchdog agency should be entitled to do to override the lesser watchdogs.

The *amicus curiae*, or "friend of the court" approach, which is middle of the road, would entitle a newly created consumer protection agency to criticize and offer friendly advice to such bodies as the Department of Agriculture and the Federal Trade Commission without having the power to appeal decisions to the courts and to subpena witnesses on its own.

As an American consumer (aren't we all?) I would reject the idea of any need of a super-watchdog to protect my interests. But if I have to choose between super-watchdogs, the *amicus curiae* approach is clearly preferable to a consumer protection agency, which would give punitive advocacy power to the Ralph Nader clique.

Nader's idea of the consumer is a categorized picture of a little man who is too stupid to exercise choice on his own behalf. This whole idea of categoriz'ng people offends me anyway. I am a very individual consumer who wants to use my money as I choose, not as Nader chooses.

In "defending" me against the motor barons of Detroit, Mr. Nader has added at least $200 to the price of a car. He seems oblivious to the fact that no two consumers are alike. Some want total safety; some want a blend of safety and cheapness; some would be willing to take cars as they used to be, trusting to their own common sense to drive defensively without having to pay through the nose for all those safety devices that may or may not work.

Because of Nader's cost-overrun approach I am still getting by on my 1965 automobile. Since it has a reliable engine that doesn't break down in traffic, it's still a better car than any that has been improved by Nader's ukases.

Prices have doubled in this country without any particular concern on the part of the self-constituted consumer protectors.

That means that most of us poor slobs have to buy inferior cheap products. The Washington air is full of clamor for protection against the Japanese and the West Europeans, who offer good blends of cheapness and quality.

Do you see Ralph Nader mounting the barricades to protest against the growth of a protectionism that would mulct the consumer? Does he lobby against the taxes that take money from me that I might use to buy safe radial tires made in France?

So give me an *amicus curiae* consumer protection agency as advocated by the Democratic platform.

It would at least be preferable to a Nader-dominated agency armed with the powers of a latter-day Spanish Inquisition.

FEDERAL POWER COMMISSION,
Washington, D.C., July 5, 1972.

Hon. JAMES B. ALLEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ALLEN: This is in response to your letter of June 9, 1972, enclosing a copy of S. 1177, a bill to establish a Council of Consumer Advisers and an independent Consumer Protection Agency (CPA). You request information regarding the impact on the Federal Power Commission of the provisions of such bill, if it is enacted into law, for use by the Government Operations Committee which is expected to consider the bill later this month.

Directing this response to the provisions regarding the authority proposed to be conferred on the CPA, its principal function would be the advocacy of the consumer interest before Federal departments, agencies and courts. In general, such authority would be exercised by way of intervention as of right, or by entry of an appearance or other participation in agency hearings subject to the provisions of the Administrative Procedure Act or upon judicial review of an action of the Commission deemed adverse to the consumer interest.

Section 203 would authorize the Director of the CPA to request the commencement of any proceeding within the authority of the Federal agency concerning any substantive or procedural matter which substantially affects the interests of consumers and to intervene in any such pending matter to represent such interests and to participate, within the limits specified, in matters pending on judicial review.

Section 204 would authorize the CPA to refer complaints or other information relating to the violation of any law, regulation or judicial order concerning consumer interests to the appropriate Federal agency for disposition.

Under the Administrative Procedure Act intervention by the CPA is permissible at all stages of proceedings before the Commission. The predominant concern of the Federal Power Commission is the protection of the consumer. Congress enacted the Federal Power Act and the Natural Gas Act to provide Federal regulation in the public interest of those aspects of the electric utility and natural gas industries beyond the reach of State regulatory control.* Among Congress' chief concerns was the provision of meaningful protection of the interests of the consumer.

In accordance with the mandate of Congress, the Supreme Court has repeatedly stated that the Commission is under a legal obligation to protect consumers, *F.P.C.* v. *Hope Natural Gas Co.*, 320 U.S. 591 at 610 (1944); *F.P.C.* v. *Tennessee Gas Co.*, 371 U.S. 145, at 154 (1932); and see *Louisville Gas & Electric Co.* v. *Federal Power Commission*, 129 F. 2d 126 at 133 (6th Cir. 1942), cert. den. 318 U.S. 761. Thus, in *Pennsylvania Water & Power Co.* v. *Federal Power Commission*, 343 U.S. 414 at 418 (1952), the Court said:

"A major purpose of the whole Act is to

* See, e.g., House Report No. 61, June 25, 1919, 61st Congress, 1st Session, to accompany H.R. 3184, which became the Federal Water Power Act, at p. 5. Senate Report No. 621, May 13, 1935, 74th Congress, 1st Session, to accompany S. 2796, which became the Federal Power Act of 1935, at pp. 3, 17–18, 22. House Report No. 709, August 28, 1937, 75th Congress, 1st Session, to accompany H.R. 6586 which became the Natural Gas Act, at pp. 1–3. Accord: *Interstate Natural Gas Co., Inc.* v. *Federal Power Commission*, 331 U.S. 682 at 689–691, 692–693 (1947); *Federal Power Commission* v. *Interstate Natural Gas Co.*, 336 U.S. 577 at 581, and separate opinion of Mr. Justice Black at 597 (1949).

protect power consumers against excessive prices . . . ."

In *Atlantic Refining Co., et al.* v. *Public Service Commission of New York, et al.*, 360 U.S. 378 at 388 (1959), the Court observed:

"The [Natural Gas] Act was so framed as to afford consumers a complete, permanent and effective bond of protection from excessive rates and charges"

and again in *Federal Power Commission* v. *Transcontinental Gas Pipe Line Corp., et al.*, 365 U.S. 1 at 17 (1961):

"When Congress enacted the Natural Gas Act, it was motivated by a desire 'to protect consumers against exploitation at the hands of natural gas companies.' *Sunray Mid-Continent Oil Co.* v. *Federal Power Commission*, 364 U.S. 137, 147. To that end, Congress 'meant to create a comprehensive and effective regulatory scheme.' *Panhandle Eastern Pipe Line Co.* v. *Public Service Commission*. 332 U.S. 507, 520."

In *F.P.C.* v. *Louisiana Power & Light Co.*, decided June 7. 1972, slip op. p. 19, 40 U.S. Law Week 4636, 4642, the United States Supreme Court observed:

"Congress created 'a comprehensive and effective regulatory scheme,' *Panhandle Eastern Pipe Line Co.* v. *Public Service Commission*, 332 U.S. 507, 520 (1947), to 'afford consumers a complete, permanent and effective bond of protection . . .' *Atlantic Refining Co.* v. *Public Service Commission*, 360 U.S. 378, 388 (1959)."

All Commission proceedings under both the Federal Power Act and Natural Gas Act are conducted pursuant to the requirements of the Administrative Procedure Act. Therefore your question 1.b. is not applicable to this Commission. In litigated matters, its staff is authorized to act independently in the public interest. In addition, public interest representation is provided for under Section 1.8 of the Commission's Rules of Practice and Procedure, which permits State commissions (including any regulatory body of the State or municipality having jurisdiction to regulate rates and charges for the sale of electric energy or natural gas to consumers within such State or municipality) to intervene as of right in any proceeding, and any person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate to the administration of the statute involved may petition to do so. In the past, the Commission has acted liberally in granting such applications.

Section 1.6 of the said Rules also permits any person complaining of anything done or omitted to be done by any licensee, public utility or natural gas company in contravention of any act, rule, regulation or order administered or issued by the Commission to file a complaint with the Commission. If the Commission finds that the complaint merits a hearing it will set the matter for formal hearing. In that event the complainant automatically becomes a party thereto. The term "person" is defined in Section 1.1(f)(1) of the Rules to include, *inter alia*, "organized groups of persons, whether incorporated or not. . . ."

Under Section 1.10 of the Rules, any person, including any State or local commission, objecting to the approval of an application, petition, motion, or other matter which is or will be under consideration by the Commission may file a protest which serves to alert the Commission and parties to a proceeding as to the nature of the objection. Protestants do not become parties to such proceedings but may become such by following the route provided for intervention under Section 1.8.

Under the Commission's rulemaking activities, the Commission as required by the Administrative Procedure Act gives published notice of proposed rulemaking and considers all comments and suggestions received including those from individuals and groups representing consumer interests.

The authority which this bill would confer upon the Consumer Protection Agency, if improvidently exercised, could substantially hamper effective regulation by this Commission under both the Federal Power and Natural Gas Acts by postponing finality of decision in matters of pressing public concern The power to seek judicial review even in the absence of such intervention or participation could impose another layer of regulation upon this Commission and impair its effectivenes to the detriment of the public.

If you desire further information, we shall be pleased to supply it.

Sincerely,

JOHN N. NASSIKAS,
Chairman.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., June 16, 1972.

Hon. JAMES B. ALLEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ALLEN: The attached list of programs and actions of this Department is submitted pursuant to your request of May 23, 1972, concerning S. 1177, 92nd Cong 2d Sess.

We have prepared the list based upon as extensive a review of the Department's numerous activities as could be made within the time limits of your request. A more thorough review may reveal some other activities which should be included in the various categories. The list does not necessarily indicate our view as to whether all of the activities listed would come within the scope of operations of the proposed "Consumer Protection Agency," since in view of the definitions of "consumer" and "interests of consumers," we are not certain as to the breadth of the intended activities of the new agency. We are also not certain as to the intended scope of the third class mentioned in your letter (informal activities). For example, it is not clear whether that class is intended to include such actions as administrative decisions whether to recommend the institution of criminal prosecutions or civil or administrative proceedings under 7 U.S.C. 1595, 1596, 1598, 1599–1602, or 21 U.S.C. 671, 673–676, or whether to intervene in administrative proceedings of other agencies with respect to transportation rates or services under 7 U.S.C. 1291 or 1622; inspection of records under 7 U.S.C. 1572; inspections to identify noncomplying articles under 7 U.S.C. 150ff or 21 U.S.C. 134d; requirement of reports under 21 U.S.C. 677 and 15 U.S.C. 46; collection of fees under 7 U.S.C. 2371; and appointment of the Plant Variety Protection Board under 7 U.S.C. 2327 or the Meat Inspection Advisory Committee under 21 U.S.C. 661. Such actions are not included in the attached list.

Sincerely,

RICHARD LYNG,
Assistant Secretary.

ATTACHMENT

(List of programs and actions of the United States Department of Agriculture, prepared pursuant to letter of May 23, 1972 from Senator Allen concerning S. 1177)

I. FORMALIZED PROCEEDINGS

A. Proceedings subject to the formal procedure requirements of 5 U.S.C. 553–557 (except to the extent exceptions thereunder apply in specific cases).

1. Rule-making under the following statutory provisions:

a. *Agricultural Marketing Act of 1937*, (7 U.S.C. 601–674). Issuance of Marketing Agreements and Orders after notice and public hearing (7 U.S.C. 608c (3) (4)).

b. *Cotton Research and Promotion Act* (7 U.S.C. 2101 *et seq.*) Notice and Public Hearing (7 U.S.C. 2103).

c. *Potato Research and Promotion Act* (7 U.S.C. 2611–2627) Notice and Public Hearing (7 U.S.C. 2614).

d. *Milk Research and Promotion Act* (7 U.S.C. 608c (5) (1)) Notice and Hearing (7 U.S.C. 608c (3) (4)),

e. *Anti-Hog-Cholera Serum and Hog Cholera Virus Marketing Agreement Act* (7 U.S.C. 851–855) Notice and Public Hearing (7 U.S.C. 852).

f. *Packers and Stockyards Act* (prescription of rates, charges, regulations and practices under 7 U.S.C. 207(e), 211, 212, 217a(b), 218c).

2. Adjudications under the following statutory provisions:

a. *Commodity Exchange Act*

(1) Proceedings before the Commodity Exchange Commission to suspend or revoke the designation of a board of trade as a contract market (7 U.S.C. 7b, 8).

(2) Proceedings before the Secretary of Agriculture to deny trading privileges on contract markets and to revoke or suspend registration of futures commission merchants and floor brokers (7 U.S.C. 9).

(3) Proceedings before the Secretary of Agriculture for cease and desist orders against persons other than contract markets (7 U.S.C. 13b).

(4) Proceedings before the Commodity Exchange Commission for cease and desist orders against contract markets (7 U.S.C. 13a).

(5) Proceedings before the Commodity Exchange Commission to review a refusal of the Secretary of Agriculture to designate a board of trade as a contract market (7 U.S.C. 8).

(6) Proceedings before the Commodity Exchange Commission to exclude cooperative associations from membership and trading on contract markets (7 U.S.C. 10a).

(7) Proceedings before the Secretary of Agriculture to refuse to register applicants because of failure to meet financial requirements of the Act and regulations (7 U.S.C. 12a).

(8) Proceedings before the Secretary of Agriculture to refuse to register applicants because of unfitness (7 U.S.C. 12a).

(9) Proceedings before the Secretary of Agriculture to suspend or revoke registrations of futures commission merchants for failure to meet financial requirements and of futures commission merchants and floor brokers for unfitness (7 U.S.C. 12a).

b. *Packers and Stockyards Act*

(1) Proceedings before the Secretary of Agriculture to issue cease and desist orders against packers for violation of Title II of the Act (7 U.S.C. 192, 193).

(2) Proceedings before the Secretary of Agriculture to suspend registrations of market agencies and dealers for insolvency or violations of the Act (7 U.S.C. 204) or revoke registrations of State weighing agencies (7 U.S.C. 205).

(3) Proceedings before the Secretary of Agriculture to issue cease and desist orders against licensees under Title V, stockyard owners, and market agencies with respect to rates, charges, regulations or practices (7 U.S.C. 211, 212, 218c).

(4) Proceedings concerning revocation of a brand inspection authorization (7 U.S.C. 217a (d)).

(5) Proceedings before the Secretary of Agriculture to issue cease and desist orders against licensees under Title V, stockyard owners, market agencies and dealers who engage in unfair, unjustly discriminatory or deceptive practices or devices (7 U.S.C. 213, 218c).

(6) Proceedings before the Secretary of Agriculture to refuse, suspend, or revoke licensees and publish the facts under Title V (7 U.S.C. 218a, 218d).

c. *Agricultural Marketing Agreement Act* of 1937 (7 U.S.C. 608c (15) (A))

d. *Perishable Agricultural Commodities Act* of 1930 (7 U.S.C. 499c (e), 499f (c), 499h)

e. *Federal Seed Act*

Proceeding to determine whether cease and desist orders should be issued (7 U.S.C. 1599).

f. *Animal Welfare Act*

(1) Proceeding regarding the issuance of a cease and desist order or the suspension or revocation of a license issued to any dealer, exhibitor, or operator of an auction sale subject to the Act (7 U.S.C. 2149).

(2) Proceeding regarding the issuance of a cease desist order to any research facility subject to the Act (7 U.S.C. 2150).

g. *Plant Variety Protection Act*

(1) Proceeding to suspend or exclude any person from practicing before the Plant Variety Protection Office (7 U.S.C. 2356).

(2) Proceeding to hear and decide questions of improper labeling of seed with regard to protected varieties or varieties for which application is pending and to issue cease and desist orders in relation thereto (7 U.S.C. 2568).

h. *Federal Meat Inspection Act*

(1) Hearing on order to withhold label or container from use (21 U.S.C. 607).

(2) Proceeding for refusal or withdrawal of mandatory inspection service because of unfitness to engage in business requiring inspection (21 U.S.C. 671).

i. *Poultry Products Inspection Act*

(1) Hearing on order to withhold labeling or container from use (21 U.S.C. 457).

(2) Proceeding for refusal or withdrawal of mandatory inspection service because of unfitness to engage in business requiring inspection (21 U.S.C. 467(a)).

(3) Hearing following withdrawal of mandatory inspection service for failure to destroy condemned articles or to meet sanitary or other requirements or refusal of such inspection for failure to meet such requirements (21 U.S.C. 467(b), 455, 456).

j. *Virus-Serum-Toxin Provisions*

Proceeding for suspension or revocation of license or import permit (21 U.S.C. 156).

k. *United States Grain Standards Act*

(1) Suspension, revocation, or refusal to renew license of official grain inspection personnel when formal procedure requested (7 U.S.C. 85, 87e).

(2) Refusal of official grain inspection service when formal procedure requested or inspection required (7 U.S.C. 86, 87e).

l. *United States Warehouse Act*

(1) Suspension or revocation of federal warehouse license or license of inspector, sampler, classifier, or weigher (7 U.S.C. 246, 248, 253).

(2) Publication of findings of non-compliance by licensed warehouseman (7 U.S.C. 265).

B. Proceedings other than those under A, but conducted on the record after opportunity for hearing

1. Rule-making:

a. none.

2. Adjudications:

a. *Packers and Stockyards Act*

(1) Proceedings for reparations (7 U.S.C. 209, 210, 218c).

(2) Proceeding to determine adequacy of accounts, records and memoranda of packers, live poultry dealers and handlers, stockyard owners, market agencies and dealers, and to prescribe manner and form thereof (7 U.S.C. 221).

(3) Proceeding to determine whether applicants for registration under Title III are unfit for registration (7 U.S.C. 203, and 9 CFR 201.10 (b)).

(4) Proceeding to determine which of two or more applicants should receive brand inspection authorization (7 U.S.C. 217a).

b. *Federal Meat Inspection Act*

(1) Proceeding in connection with withdrawal of mandatory inspection service for failure to destroy condemned articles or to meet sanitary and other requirements, or refusal of such inspection for failure to meet such requirements (21 U.S.C. 604, 606, 608).

(2) Proceeding in connection with refusal, withdrawal, or modification of exemption of operations in unorganized territory (21 U.S.C. 623 (b)).

(3) Refusal or withdrawal of inspection, under Section 21 (b) of Federal Water Pollution Control Act (33 U.S.C. 1171 (b)).

c. *Poultry Products Inspection Act*

(1) Proceeding in connection with suspension or termination of certain exemptions from inspection (21 U.S.C. 464 (e)).

(2) Proceeding in connection with refusal, withdrawal or modification of exemption of operations in unorganized territory (21 U.S.C. 464 (b)).

(3) Refusal or withdrawal of inspection, under section 21 (b) of Federal Water Pollution Control Act (33 U.S.C. 1171 (b)).

d. *Section 203, Agricultural Marketing Act of 1946, as amended*

(1) Proceeding to consider refusal or withdrawal of voluntary inspection or grading service for meat, poultry products, and other agricultural products under procedures prescribed by rules of practice (e.g. 7 CFR Part 50).

(2) Proceeding to consider suspension or revocation of inspector's or grader's license under various regulations (e.g. 7 CFR 68.41).

e. *Agricultural Adjustment Act of 1938, as amended*

Procedure for review of producer's complaint about his farm marketing quota (7 U.S.C. 1361–1368).

f. *Sugar Act*

Proceeding to establish marketing allotments within area quotas (7. U.S.C. 1115) or to determine whether any specific lot of sugar is direct-consumption sugar or raw sugar.

g. *Soil Conservation Service legislation*

Hearing on demand for refund of payments, made under conservation contract in Great Plains Conservation Program, based on alleged violation of the contract.

h. *Forest Service legislation*

Proceedings on appeals under regulations in 36 CFR 211.20 *et seq.*) from administrative decisions involving such matters as timber sales contracts, grazing permits and summer home site permits.

i. *Plant Variety Protection Act*

(1) Hearing of an appeal with respect to refusal of an application for plant variety protection (7 U.S.C. 2443).

(2) Proceeding to hear and decide questions raised in protest proceedings in reexamination of previously issued certificates (7 U.S.C. 2501).

(3) Proceeding to hear and decide questions raised in Priority Contests where two applications have been received on the same variety (7. U.S.C. 2502).

(4) Hearing of an appeal regarding release of information in abandoned applications, allowed by rules and regulations under the Act.

j. *Egg Products Inspection Act*

(1) Proceedings for:

(a) Disapproval of labeling (21 U.S.C. 1036); or

(b) withdrawal of inspection from official plants (21 U.S.C. 1047).

k. *Export Apple and Pear Act*

(1) Proceeding for refusal of certificates for export (7 U.S.C. 586).

l. *Export Grape and Plum Act*

(1) Proceeding for refusal of certificates for export (7 U.S.C. 596).

m. *Cotton Standards Act*

(1) Proceeding for suspension or revocation of license (7 U.S.C. 53).

n. Proceedings under regulations in 7 CFR Part 780 to consider requests by producers for review or reconsideration of determinations made by county ASCS Committees, State ASCS Committees, or the Deputy Administrator, ASCS.

o. *U.S. Grain Standards Act*

(1) Refusal to renew, or suspension or revocation, of licenses of official grain inspection personnel when formal procedure is not requested (7 U.S.C. 85, 87e).

(2) Refusal of voluntary grain inspection service when formal procedure is not requested (7 U.S.C. 86, 87e).

p. *Animal Quarantine Laws*

Proceedings for suspension or revocation of accreditation of veterinarians under various Animal Quarantine laws and regulations and rules of practice (9 CFR Parts 161 and 162).

II. INFORMAL ACTIVITIES

(All activities not under I which may contribute to the formulation or implementation of a position or action)

A. Informal rule-making proceedings for the promulgation of various determinations, standards and other rules and regulations under the statutory provisions listed below (i.e. proceedings not subject to the formal procedure requirements of 5 U.S.C. 553–557).

1. Commodity Exchange Act (7 U.S.C. 1–17b)

2. Packers and Stockyards Act and related legislation (7 U.S.C. 181–229)

3. Federal Seed Act (7 U.S.C. 1551–1611)

4. Naval Stores Act (7 U.S.C. 91–99)

5. Plant Variety Protection Act (7 U.S.C. 2321–2583)

6. Animal Welfare Act (7 U.S.C. 2131–2155)

7. Federal Meat Inspection Act (21 U.S.C. 601 *et seq.*)

8. Poultry Products Inspection Act (21 U.S.C. 451 *et seq.*)

9. Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1622, 1624)

10. Cotton Futures Provisions (27 U.S.C. 4854, 4862, 4863)

11. Cotton Statistics and Estimates Act (7 U.S.C. 471–476)

12. Cotton Standards Act (7 U.S.C. 51–65)

13. Egg Products Inspection Act (21 U.S.C. 1031–1056)

14. Export Apple and Pear Act (7 U.S.C. 581–590)

15. Export Grape and Plum Act (7 U.S.C. 591–599)

16. Honeybee Act (7 U.S.C. 281–283)

17. Produce Agency Act (7 U.S.C. 491, 493–497)

18. Renovated Butter Act (26 U.S.C. 4817, 4826)

19. Tobacco Seed and Plant Exportation Act (7 U.S.C. 516–517).

20. Tobacco Statistics (7 U.S.C. 501–508).

21. Peanut Statistics Act (7 U.S.C. 951–957).

22. Virus-Serum-Toxin Act (21 U.S.C. 151–158).

23. Section 22, Agricultural Adjustment Act, as amended (7 U.S.C. 624), and Presidential Proclamations issued thereunder (7 CFR Part 6)—with respect to regulations governing the issuance of licenses for implementation of quantitative limits on imports.

24. Provisions in 7 U.S.C. 1379d (b) to 1379j with respect to processor wheat marketing certificate regulations (7 CFR Part 777).

25. Provisions in 7 U.S.C. 1444(e), 7 U.S.C. 1379a to 1379c and 7 U.S.C. 1441 note—with respect to the upland cotton, wheat, and feed grain set-aside programs for the 1971 to 1973 crop years.

26. Provisions in 16 U.S.C. 590g to 590o, 590p (a), and 590q with respect to the rural environmental assistance program and the naval stores conservation programs.

27. Informal rule-making and related activities concerning—

a. Commodity Credit Corporation programs to support prices of agricultural commodities to producers through loans, purchases, payments, and other means, under the Commodity Credit Corporation Charter Act (15 U.S.C. 714 *et seq.*) and the Agricultural Act of 1949, as amended by the Agricultural Act of 1970 (7 U.S.C. 1421 *et seq.*); and the National Wool Act of 1954 (7 U.S.C. 1781–1787).

b. Commodity export programs of Commodity Credit Corporation, including the following:

(1) Sales for export under the Commodity Credit Corporation Charter Act (15 U.S.C. 714

et seq.) and section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427).

(2) Disposition abroad of agricultural commodities and products (either from Corporation inventories or from private stocks) under barter contracts, under the Commodity Credit Corporation Charter Act, particularly section 5 (d) and (f) (15 U.S.C. 714c) and other specific statutes where applicable.

(3) The Export Credit Sales program under which the Corporation finances commercial credit sales by U.S. exporters of agricultural commodities, under the Commodity Credit Corporation Charter Act, particularly section 5 (d) and (f) (15 U.S.C. 714c) and section 4 of the Food for Peace Act (7 U.S.C. 1707a).

(4) Export payments on certain commodities exported by commercial exporters. under the Commodity Credit Corporation Charter Act, particularly section 5 (d) and (f) (15 U.S.C. 714c).

c. Program conducted by the Commodity Credit Corporation to provide storage adequate to fulfill its program needs, pursuant to sections 4 (h) and (m) and 5 (a) and (b) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714 *et seq.*) (The program includes the purchase of storage bins and equipment for the care and storage of commodities owned by or under the control of the Corporation; loans to producers for the purchase, building, or expansion of facilities for storage and care of agricultural commodities on the farm; and sales to producers and others of bins needed for the storage of agricultural commodities.)

d. Procurement by the Commodity Credit Corporation from domestic and foreign sources of food, agricultural commodities and products, and related materials: to supply the needs of Federal agencies, foreign governments, and private and international relief agencies; and for sales to meet domestic requirements during periods of short supply or during such other times as will stabilize prices or facilitate distribution. The Corporation also makes available material or facilities needed for the production and marketing of agricultural commodities. This program is conducted under section 5 (b) and (c) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714 *et seq.*)

e. A Commodity Credit Corporation program under section 610 of the Agricultural Act of 1970 (7 U.S.C. 2119), for cotton research and promotion.

f. Donations by Commodity Credit Corporation of certain food commodities for domestic use in child nutrition programs, the assistance of needy persons, and charitable institutions, under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) and to Federal penal and correctional institutions and State correctional institutions for minors under section 210 of the Agricultural Act of 1956 (7 U.S.C. 1859). (There are several other statutes relating to domestic donations).

g. The furnishing by Commodity Credit Corporation of agricultural commodities and products for disposition under Title II of the Agricultural Trade Development and Assistance Act of 1954, commonly called "Public Law 480" (7 U.S.C. 1721–25), to meet famine or urgent relief requirements, to combat malnutrition, to promote economic and community development in friendly developing areas, and for needy persons and nonprofit school lunch and preschool feeding programs outside the United States.

h. The use of the facilities, services, authorities, and funds of Commodity Credit Corporation, upon the declaration of a national emergency, pursuant to the Defense Production Act of 1950, the Civil Defense Act, and such other defense legislation as may be enacted.

i. Programs for the removal of surplus agricultural commodities and products, principally perishable, nonbasic agricultural commodities and products, under section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c). These programs include the following types:

(1) Direct purchases of food commodities and donations to schools, summer camps, child care centers, needy persons, charitable institutions, and disaster victims.

(2) The special feeding program to provide additional foods to needy children and adults who are determined to be suffering from general and continued hunger and also special food packages for infants and expectant and new mothers.

(3) Diversion payments to processors who divert surplus commodities to byproducts and new uses.

(4) Export payments to commercial exporters of surplus commodities.

(5) Production payments to help reestablish farmers' purchasing power.

j. Child nutrition programs, which are of the following types:

(1) Cash and food assistance to States and schools for serving lunches to school children under the National School Lunch Act (42 U.S.C. 1751 *et seq.*).

(2) Cash assistance to States and schools for serving breakfasts to needy children and to supply schools in low income areas with food, storage, preparation, and service equipment, under the Child Nutrition Act of 1966 (42 U.S.C. 1771 *et seq.*).

(3) Special food service program for children in service institutions where children are not maintained in residence, under section 13 of the National School Lunch Act (42 U.S.C. 1761).

(4) Special milk program designed to increase the consumption of fluid milk by children in schools, child care centers, summer camps, and similar nonprofit institutions under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772).

k. The Food Stamp Program, under which increased nutrition is provided to households with limited resources under the Food Stamp Act of 1964 (7 U.S.C. 2011 *et seq.*).

28. United States Grain Standards Act (7 U.S.C. 76, 87e).

29. United States Warehouse Act (7 U.S.C. 268).

30. "Animal Quarantine Laws" (19 U.S.C. 1306, 21 U.S.C. 102–105, 111–135b).

31. "Plant Quarantine Laws" (7 U.S.C. 145–167).

32. Horse Protection Act (7 U.S.C. 1821–1831).

33. 28 Hour Law (45 U.S.C. 71–74) (Policy Statements).

34. "Export Animal Accommodation" Act (46 U.S.C. 466a–466b).

35. Regulations concerning assignment of priorities and allocations under the Defense Production Act of 1950 (50 U.S.C. 2061 *et seq*) and implementing actions.

B. Other informal activities, including some reflected in regulations.

1. *Commodity Exchange Act*

a. Designating the form and manner of keeping of books and records by registrants (7 U.S.C. 6g).

b. Setting trading and position quantities at which traders are in reporting status and specifying the reports which they must file and the records which they must keep while in such status (7 U.S.C. 61).

c. Registering applicants for registration as floor brokers and futures commission merchants (7 U.S.C. 6e, 6f).

d. Requiring such information from applicants for registration and from registrants as to their business as the Secretary deems necessary (7 U.S.C. 6f).

e. Designating boards of trade as contract markets (7 U.S.C. 8).

f. Prescribing the reports that warehousemen must make and the records they must keep (7 U.S.C. 7a).

g. Vacating contract market designations at the request of the contract markets (7 U.S.C. 11).

h. Investigating the operations of contract markets and other persons subject to the Act and publishing the results of such investigations and such statistical information gathered therefrom as the Secretary may deem of interest to the public (7 U.S.C. 12, 12–1).

i. Investigating marketing conditions for commodities and commodity products and distributing information with respect thereto (7 U.S.C. 12).

j. Establishment of trading and position limits and fixing delivery periods and time for notices of delivery (7 U.S.C. 6a, 7a).

k. Communicating to contract markets and publishing the facts concerning certain transactions or market operations (7 U.S.C. 12a).

l. Disapproving violative bylaws, rules, regulations, or resolutions made or proposed by a contract market that relate to terms and conditions in sales contracts (7 U.S.C. 12a).

2. *Packers and Stockyards Act*

a. Posting and depositing of stockyards (7 U.S.C. 202).

b. Registering and approving bonds of market agencies and dealers (7 U.S.C. 203, 204).

c. Prescribing the form and manner in which the schedules of rates and charges of licensees under Title V and of market agencies and stockyard owners shall be prepared, arranged and posted (7 U.S.C. 207).

d. Authorizing the charging and collection of fees for brand inspection services and registering as market agencies the parties so authorized; and suspending such authorizations (7 U.S.C. 217a).

e. Designating areas in which certain persons must be licensed by the Secretary of Agriculture in order to provide services or facilities in connection with receiving, buying, selling, marketing or otherwise handling live poultry; and licensing such operators (7 U.S.C. 218a).

3. *Naval Stores Act*

a. Establishing or modifying standards for naval stores (7 U.S.C. 93).

b. Analyzing and certifying class or grade of naval stores (7 U.S.C. 94).

c. Publishing results of analyses (7 U.S.C. 97).

4. *Agricultural Marketing Act of 1946, as amended, § 203, 205*

a. Determinations of class, quality, quantity or condition of agricultural products.

5. *Federal Seed Act*

a. Approving code designations for purchasers of seed for resale (7 U.S.C. 1571 (a) (9) and (b) (3)).

b. Approving seed treatment descriptions (7 U.S.C. 1571 (i) (4) and 1581 (a) (5)).

c. Requesting information from advertising media and other persons concerning seed advertisements (7 U.S.C. 1575).

d. Procedures for determining eligibility of seed and screenings for admittance into the United States (7 U.S.C. 1582).

e. Determination whether foreign alfalfa or red clover is not adapted for general agricultural use in the United States (7 U.S.C. 1585).

f. Publication of notices of judgment (7 U.S.C. 1604).

6. *Plant Variety Protection Act*

a. Issuing certificates of plant variety protection (7 U.S.C. 2481).

b. Provisionally accepting defective applications for certification (7 U.S.C. 2355).

c. Proceeding to declare protected variety open to public use (7 U.S.C. 2404).

d. Issuance of notice of refusal of application for certification, or objection or requirement made by the examiner; and reconsideration of action (7 U.S.C. 2442).

7. *Federal Meat Inspection Act*

a. Issuance of standards for carcasses, parts thereof, meat and meat food products (21 U.S.C. 607).

b. Approval of products or condemnation

of adulterated products (21 U.S.C. 604, 606).

c. Refusal or approval of entry of imported meat products (21 U.S.C. 620).

d. Designation of States and specific establishments for application of Federal requirements to intrastate activities (21 U.S.C. 661).

e. Detention of apparently violative articles (21 U.S.C. 672).

f. Issuance of export certificates (21 U.S.C 612–618).

g. Grants of inspection (21 U.S.C. 621).

8. *Poultry Products Inspection Act*

Actions concerning poultry and poultry products corresponding to items under 7 (21 U.S.C. 457; 455; 466; 454; 467a; 463).

9. *Cotton Statistics and Estimates Act*

Compiling statistics from reports from industry (7 U.S.C. 473).

10. *Egg Products Inspection Act*

a. Detention and condemnation of adulterated eggs and egg products (21 U.S.C. 1034).

b. Approval of entry of imported eggs and egg products (21 U.S.C. 1046).

11. *Honeybee Act*

Control of importation of honey bees (7 U.S.C. 281).

12. *Tobacco Statistics Act*

Requiring handlers to report quantities of tobacco on hand (7 U.S.C. 503).

13. *Tobacco Seed and Plant Exportation Act*

Action on applications for authorization to export (7 U.S.C. 516).

14. *Virus-Serum-Toxin Provisions*

Licensing establishments (21 U.S.C. 151).

15. *Cotton Standards Act*

Licensing inspectors (21 U.S.C. 51b).

16. *Section 22, Agricultural Adjustment Act of 1933, as amended* (7 U.S.C. 624)

Advising the President when there is reason to believe imports of any articles interfere with Department of Agriculture programs with respect to agricultural commodities or products, with a view to consideration of import controls.

17. Forest Service activities relating to the management and sale of forest products, the use of national forest land for grazing, commercial recreation facilities, and other commercial enterprises where authorized, and recreation services or other land uses available to the public directly from the Forest Service—e.g. timber sales, issuance or denial of grazing permits, and regulation of public use of recreational facilities.

18. Various loan programs and regulations relating thereto

a. Community development and farm loans under the Consolidated Farmers Home Administration Act of 1961, as amended, P.L. 87–128;

b. Individual and group housing loans under title V of the Housing Act of 1949, as amended, P.L. 83–438;

c. Watershed and flood prevention and water supply storage loans under the Watershed Protection and Flood Prevention Act, as amended, P.L. 83–566;

d. Land conservation and utilization loans under title III, Bankhead-Jones Farm Tenant Act, as amended, 50 Stat. 525;

e. Emergency loans under the Disaster Relief Act of 1970, P.L. 91–606;

f. Loans made under delegated authority under the Economic Opportunity Act of 1964, as amended, P.L. 88–452; and

g. Land acquisition loans to Indians under P.L. 91–229.

h. Loans and related activities pursuant to the Rural Electrification Act of 1936, as amended (7 U.S.C. 901) for rural electrification and rural telephone service.

19. Cooperative Extension Service, including instructions and demonstrations in agriculture and home economics and related subjects, under the Smith-Lever Act (7 U.S.C. 341–348)

20. Cooperative research and experiments bearing on establishment and maintenance of a permanent and effective agricultural industry of the United States, under the Hatch Act (7 U.S.C. 361a–361l).

21. Research and marketing activities under the Research and Marketing Act of 1946 (7 U.S.C. 427, 1621–1627) and various other authorities.

22. All proceedings relating to crop insurance programs under the Federal Crop Insurance Act (7 U.S.C. 1501–1510)

23. Proclamation of national marketing quotas, and determination of national, State, county and farm acreage allotments and farm marketing quotas under the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301 *et seq.*).

24. Provisions in 16 U.S.C. 1301 to 1311—with respect to the water bank program.

25. Provisions in 7 U.S.C. 1702—with respect to the financing of commercial sales of agricultural commodities under Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended.

26. Provisions in 15 U.S.C. 714c (d) and (f)—with respect to the wheat export program terms and conditions and the flour export program terms and conditions.

27. Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301 *et seq.*)

28. Rule-making and other actions under the Sugar Act of 1948 (7 U.S.C. 100–1161) including actions in connection with the following:

a. Determination of sugar requirements of consumers in mainland area of the United States, in Hawaii and in Puerto Rico; and proration of such requirements among mainland, off-shore and foreign producing areas (7 U.S.C. 1111, 1113; 1112.

b. Determination of farm acreage allotments (7 U.S.C. 1132(a) (1)).

c. Determination of fair and reasonable rates for payment for sugar purchased by producer-processors from other producers (7 U.S.C. 1131(c) (2)).

d. Determination of fair and reasonable rates of pay for workers employed in production, cultivation or harvesting sugar beets for sugar cane (7 U.S.C. 1131(c) (1)).

29. Actions in connection with programs administered by the Soil Conservation Service in the conservation, flood prevention, watershed protection, Resource Conservation programs, including the recreational, fish and wildlife aspects of the programs and conservation and irrigation benefits, e.g. snow survey reports.

30. Tobacco Inspection Act (7 U.S.C. 511) Hearing with respect to granting additional inspection services to designated markets (7 U.S.C. 511m).

31. *United States Grain Standards Act*

a. Designation of official inspection agencies (7 U.S.C. 75(m)).

b. Waiving inspection requirements (7 U.S.C. 77).

c. Inspection of grain in Canadian ports; reinspection and appeal inspection of grain in United States; supervising inspection by licensees; cancellation of superseded inspection certificates (7 U.S.C. 79).

d. Licensing of official inspection personnel (7 U.S.C. 84).

e. Temporary (summary) suspension of such licenses (7 U.S.C. 85).

32. *United States Warehouse Act*

a. Investigation of warehousing and classifying of agricultural products; inspection of licensed warehouses and warehouses of applicants for license; determination of suitability of applicants' warehouses for proper storage (7 U.S.C. 243, 265, 266).

b. Licensing warehouses; and inspectors, samplers, classifiers and weighers (7 U.S.C. 244, 248, 252).

c. Temporary (summary) suspension of warehouse licenses and licenses of inspectors, samplers, classifiers and weighers (7 U.S.C. 246, 253).

d. Determining adequacy of bond; requiring additional bond coverage (7 U.S.C. 247).

33. *"Animal Quarantine Laws"*

a. Determining eligibility of animals, animal products and other regulated articles for movement in interstate commerce or exportation (e.g. inspections, tests, and review of documents) prior to such movement, and determining eligibility of animals, animal products and other regulated articles for importation (e.g. by inspections, tests and review of documents) prior to shipment from foreign country or at U.S. port, under regulations (9 CFR Ch. I Subchapters C and D) issued pursuant to various animal quarantine laws (19 U.S.C. 1306, 21 U.S.C. 102–105, 111–135 b).

b. Issuance of orders for disposal of animals involved in interstate of foreign commerce and affected with or exposed to communicable disease of livestock or poultry or illegally moved; or orders for disposal of animals, carcasses, products and articles affected with or exposed to dangerous diseases of livestock or poultry on any premises in extraordinary emergency declared by the Secretary of Agriculture (21 U.S.C. 134a).

c. Seizure and disposal of animals, carcasses, products and articles if disposal orders under b are not obeyed (21 U.S.C. 134a).

d. Seizure and disposal of hay, straw, forage and similar material, and meats, hides or other animal products coming from infected foreign country or in transit in interstate commerce. (21 U.S.C. 111).

e. Conduct of programs for control or eradication of livestock or poultry diseases and pests, including payment of certain claims (21 U.S.C. 114a, 114b–114f, 114g–114h).

f. Issuing notices to carriers and publish newspaper notices regarding the existence of contagion of livestock or poultry diseases and the establishment of quarantines and regulations to prevent their interstate spread (21 U.S.C. 115, 123, 126).

g. Accreditation of veterinarians under regulations in 9 CFR Part 161

4. *"Plant Quarantine Laws."*

a. Determining eligibility of plants, plant products and other articles for movement in interstate commerce, or importation (e.g. by inspections and certifications) prior to such movement or importation, under various regulations (7 CFR Ch. III, Parts 301–352), issued pursuant to the Plant Quarantine Act (7 U.S.C. 151 *et seq.*) and the Federal Plant Pest Act (7 U.S.C. 150 aa *et seq.*)

b. Issuance of orders for disposal of products, articles and means of conveyance moved into or through the United States or interstate and moved in violation of the Federal Plant Pest Act (7 U.S.C. 150aa *et seq.*) or regulations thereunder or reasonably believed to be infested by a plant pest (7 U.S.C. 150 dd).

c. Disposal of products, articles and means of conveyance if orders under b are not obeyed (7 U.S.C. 150 dd).

d. Disposal of plants, plant products and other articles moved in interstate commerce or into the United States in violation of the Plant Quarantine Act (7 U.S.C. 151 *et seq.*) or regulations thereunder.

e. Certification as to freedom from insect pests and plant diseases of plants and plant products for export (7 U.S.C. 147 a (b)).

f. Programs for control or eradication of insect pests and plant diseases, including payment of claims for certain destroyed property (7 U.S.C. 147a, 148–148e, 150–150g).

g. Issuing notices to carriers and publish newspaper notices in re establishment of quarantines and regulations to prevent the interstate spread of dangerous plant diseases or insect infestations (7 U.S.C. 161).

TRIBUTE TO PRESIDENT NIXON

Mr. HATFIELD. Mr. President, a fortnight ago in Oregon the chief executive of our State delivered an eloquent tribute to the President of the United States. Gov. Tom McCall's career has been

one in which he has excelled in the communication of deep compassion, of motivation for action, for he has been a man of words in print journalism, in business, and electronic journalism. Here is a man who blends his Massachusetts native tongue with the consonance of an Oregon rancher, who became a sports writer, then a Navy combat correspondent before joining twin careers as a journalist and public servant in Indian Affairs, youth work, the Urban League, prison reform, senior citizenry, family counseling, crippled children, Christians and Jews, the Salvation Army, United Appeal, and the list goes on.

I am happy to share his thoughts which were composed and delivered in Oregon with this wider audience and as I ask unanimous consent to have the tribute printed in the RECORD, I only regret it is not possible to put the beautiful delivery in the RECORD with them.

There being no objection, the address by Governor McCall was ordered to be printed in the RECORD, as follows:

Only one among us—United States Senator Mark Hatfield—has had the rare privilege of placing in nomination for the Presidency the name of a great American.

I do not expect a similar high honor to fall to me.

If that singular opportunity were mine this year, however, then I would nominate the man so accurately described by Senator Hatfield in that 1960 address as "a fighter for freedom and a pilgrim for peace."

This is the man fit for the times—then as well as now.

I would nominate the man who stands as the master of statecraft in the world today.

No leader of any nation exercises foreign policy initiatives so skillfully and so full of promise for mankind.

This is the man who is quieting the clamor for conquest, the man who is leading us from the battlefield to the plain of enduring peace.

This is the man who has the grace to propose a reversal of the flow of power and responsibility and money from Washington to the States and the people.

This is a man who shuns philosophical fixations. He perceives change, welcomes and achieves change. His resolve is to be inflexible only in the pursuit of human dignity.

I have heard the discordant demands for a new order of priorities—and have seen little recognition that this nation already has new priorities because of its new leadership.

Revenue sharing—proposed by the President—is almost a reality.

Welfare reform—proposed by the President—finally has obtained a fair hearing.

Heightened efforts to curb drug abuse through greater financing of law enforcement and treatment programs—proposed by the President—are at hand.

The President has pledged to make a stranger of crime, and the fresh statistical evidence proves he is as good as his word.

The President has pledged to provide for every American a decent place in which to live and the proof is here—a tripling of low-income housing units in the last three years.

The President has pledged himself to rescue our natural world—and, no matter how anyone charts the race, the fact is that he has done more in the interest of environmental quality than any occupant of the White House in two decades.

The President has pledged that domestic needs will rise above the financial strain for the national defense. In the last four years the military's share of the budget has shrunk by 13 per cent—the exact amount that the budget for human resources has risen.

Fewer numbers are drawn for the draft; a half-million Americans are home from Vietnam.

This is a man firmly committed to the delivery of our agricultural bounty to Pacific Rim neighbors, a man who has joined with United States Senator Bob Packwood to provide reasonable men with a way to make reasonable settlements of transportation disputes.

I hear from those who closed their minds to this man two decades ago. Must Americans—regardless of party—only probe, bludgeon, chastise and second-guess? Where is gratefulness, belief, participation? Won't America let itself be loved?

The Presidency is neither patrician nor proletariat. It is history's most successful grasp for moderation in government, and the world's greatest opportunity for man to serve man. Our President has served so well, so many.

Our political system demands certain fealties; but the command of a concerned people is for responsive, faith-building leadership. We have it; let us be steadfast in it. Let us not see the new spirit of America dissolved in the sea of political platitudes on which our antagonists are adrift.

Our candidate is not finished. His work—which is our work—is not yet all done.

Four years ago this man volunteered to bear the cross of this nation's discontent. He who now offers himself again on behalf of our country is the man I would nominate—if I had that humbling chance—my President and yours, Richard M. Nixon.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

RECESS UNTIL 12 O'CLOCK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 12 o'clock noon today.

The motion was agreed to; and at 10:53 a.m. the Senate took a recess until 12 o'clock noon; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. RIBICOFF).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1860. An act for the relief of David Capps, formerly a corporal in the U.S. Marine Corps;

H.R. 10363. An act for the relief of Herbert Improte;

H.R. 10635. An act for the relief of William E. Baker; and

H.R. 14424. An act to amend the Public Health Service Act to provide for the establishment of a National Institute of Aging, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 2359. An act for the relief of Willard O. Brown;

H.R. 1997. An act for the relief of Joseph F. Sullivan;

H.R. 3751. An act for the relief of Albert W. Reiser, Jr.;

H.R. 5237. An act to carry into effect a provision of the Convention of Paris for the Protection of Industrial Property, as revised at Stockholm, Sweden, July 14, 1967;

H.R. 6739. An act for the relief of Cpl. Michael T. Kent, U.S. Marine Corps Reserve; and

H.R. 7829. An act for the relief of Stephen H. Clarkson.

The ACTING PRESIDENT pro tempore (Mr. RANDOLPH) subsequently signed the enrolled bills.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H.R. 1860. An act for the relief of David Capps, formerly a corporal in the U.S. Marine Corps;

H.R. 10363. An act for the relief of Herbert Improte; and

H.R. 10635. An act for the relief of William E. Baker.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. RIBICOFF). Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with a time limitation attached thereto.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant 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.

ORDER FOR TIME LIMITATION ON S. 1991—NATIONAL HOUSING GOALS

Mr. ROBERT C. BYRD. Mr. President, with the approval of the distinguished majority leader, I ask unanimous con-

sent that, at such time as Calendar No. 904 is called up and made the pending business before the Senate, time on the bill be limited to 1 hour, to be equally divided between and controlled by the manager of the bill and the ranking minority member of the committee.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time on an amendment to be offered by the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN), be limited to 1 hour, to be equally divided between and controlled by the distinguished author of the amendment and the manager of the bill; that time on any other amendment, debatable motion, or appeal be limited to 30 minutes to be equally divided between and controlled by the author of such and the manager of the bill, except in any instance in which the manager of the bill is in support of such, in which instance the time in opposition thereto be under the control of the distinguished Republican leader or his designee.

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

Mr. ROBERT C. BYRD. Mr. President, I modify the request to provide for the control of time on the bill to be divided between the manager of the bill and the distinguished assistant Republican leader, rather than the distinguished ranking minority Member. And I make this request at the suggestion of the distinguished ranking minority Member (Mr. COTTON).

Mr. GRIFFIN. Mr. President, reserving the right to object, I just want to comment briefly. The distinguished majority whip corrected the statement he has proposed. This is legislation that I am very much in favor of, although I do have an amendment which I would urge the Senate to approve.

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

Mr. HARTKE. Mr. President, may I ask what the parliamentary situation is?

The PRESIDING OFFICER. The Senate is now in the period for the conduct of routine morning business.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be concluded.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

FOREIGN ASSISTANCE ACT OF 1972

The Senate continued with the consideration of the bill (S. 3390) to amend the Foreign Assistance Act of 1961, and for other purposes.

The PRESIDING OFFICER. The question recurs on the Mansfield amendment.

The Senator from Indiana is recognized.

Mr. HARTKE. Mr. President, I support the Mansfield amendment. I have indicated that I oppose the Cannon amendment as originaly drafted. As I understand the situation at the present time, if the amendment is agreed to, the effect would be to change the date which is proposed in the Cannon amendment and to eliminate that portion of the Cannon amendment which would provide for a prolongation of the war.

I thoroughly support the position of the majority leader, the distinguished Senator from Montana (Mr. MANSFIELD) in amending the Cannon amendment because, in effect, it changes the date that the United States would be engaged in Southeast Asia.

At this time I would like to ask a question of the distinguished majority leader.

Mr. ROBERT C. BYRD. Will the Senator withhold his question pending the suggestion of the absence of a quorum?

Mr. HARTKE. Yes. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. HARTKE. Mr. President, if I would like to ask the majority leader if the effect of the Mansfield amendment would be to change the effective date on which American troops would be disengaged from military activities in Vietnam.

Mr. MANSFIELD. It would change the effective date for complete withdrawal of all U.S. troops, combat and noncombat, from South Vietnam.

Mr. HARTKE. Would the amendment eliminate that portion of the Cannon amendment which provides for other conditions to be imposed on the ultimate withdrawal of those troops?

Mr. MANSFIELD. The Senator is correct.

Mr. HARTKE. I fully support this proposition. Hopefully, the amendment of the Senator from Montana will be agreeable to the Senate.

However, in the bill there is a second provision which deals with Indochina. Of course, I have always been of the opinion that there is no question that Vietnam, both North and South Vietnam, are part of Indochina. In that provision there are certain conditions which the United States would adhere to before there would be a complete withdrawal of our military activities in Indochina. Is that correct?

Mr. MANSFIELD. That is correct. There would be a cease-fire; there would be an agreement, supervised, and that agreement would have to do with the release of POW's and recoverable MIA's; it would be supervised by the International Red Cross, or some organization of like character. When all those conditions were met the hostilities would cease completely.

Mr. HARTKE. Yesterday I expressed briefly my concern on the pending matter and I would like to pursue it further.

My concern is that Vietnam is a part of Indochina, and in view of the fact that these conditions are imposed in the second portion of the bill, the net effect would be that the provisions which are being amended by the Senator from Montana would be null and void and would be conditioned on the second portion of the bill.

Mr. MANSFIELD. That would not be the intent of the Senator from Montana, the author of the amendment, because if we continue our present activity, it would be confined primarily to the area of Indochina, outside of South Vietnam.

Mr. HARTKE. I think I understand correctly the intent of the Senator from Montana. It may be I am addressing my question to the Senator from Montana when it should be addressed to the chairman of the Committee on Foreign Relations. If that is the proper place, then I would be willing to wait until the opportunity for that to be done.

However, subsection (b) states:

> The involvement of United States military forces, land, sea, or air for the purpose of maintaining, supporting, or engaging in hostilities in or over Indochina shall terminate after—

Then, the conditions are set forth.

Mr. MANSFIELD. That is right, but if anything happened in the way of continuing hostilities it would have to be initiated outside of Indochina—either Thailand or the South China Sea, where the 7th Fleet is located, but it might encompass South Vietnam.

Mr. HARTKE. What the Senator is saying is that there could be a continuation of the bombing of either South Vietnam or North Vietnam if that bombing did not originate in South Vietnam itself.

Mr. MANSFIELD. That is correct because if subsection (a) were agreed to it would mean a complete withdrawal from South Vietnam, but South Vietnam, Cambodia, Laos, and North Vietnam are all a part of Indochina.

Mr. HARTKE. But we presently have a provision prohibiting ground forces in Cambodia.

Mr. MANSFIELD. Yes; that is the Cooper-Church amendment that is a part of the law of the land.

Mr. HARTKE. If the Mansfield amendment were agreed to and if the bill were passed with subsection (b) in the bill, would the effect be that military activities would be precluded on the ground in Laos, Cambodia, and Vietnam by American forces?

Mr. MANSFIELD. That is correct.

Mr. HARTKE. But it would permit military activities to continue on the high seas, and in the air if they originate from some other source?

Mr. MANSFIELD. Unfortunately, yes.

Mr. HARTKE. With that I could not agree, although I am in accord with the Senator from Montana to change section 12(a).

I would hope that by adopting the Senator's amendment at this time we would not thereby approve of section (b).

I would like to make inquiry at this time as to whether or not voting for the Mansfield amendment to the Cannon amendment and the subsequent adoption of the Cannon amendment, as amended by the Mansfield amendment would be an endorsement of subsection (b).

Mr. MANSFIELD. Yes, unless there are other amendments offered, because if

someone does not like subsection (b) he could offer an amendment to strike it.

Mr. HARTKE. Would subsection (b) be subject to further action by the Senate?

Mr. MANSFIELD. It would.

Mr. HARTKE. I want to make it perfectly clear that I am not in favor of section 12(b) and my support of the amendment of the Senator from Montana does not in any way endorse 17(b).

Mr. MANSFIELD. The Senator has the right to express his opinion.

Mr. HARTKE. Would the distinguished majority leader explain to me how we justify the fact that we say we will withdraw from South Vietnam, but permit the war to continue on the high seas, and in the air if those activities originate from some other source.

Mr. MANSFIELD. The Senator raises a question which plagues me and disturbs me. My only answer is that we have an obligation, duty, and responsibility toward our prisoners of war and recoverable missing in action. While I deplore the method used because it entails disruption of human life, additional cost, and further ecological damage, as well as industrial damage, nevertheless we are in a position where we have to and must, in my opinion, consider the welfare of the POW's and recoverable missing in action.

Mr. HARTKE. I want to make it clear that I fail to see how we can endorse a positon of continued military activity in Southeast Asia and still at the same time hope to have the recovery of those prisoners of war.

In fact, I view our action as a prolonging of the war. As I indicated yesterday, I think prisoners of war have been used as pawns by individuals who want to continue the war.

Mr. MANSFIELD. The Senator may be correct, but I know of no other means of achieving this objective than the one which I am endeavoring to undertake at this time.

The Senator may not be aware of it, but the distinguished Senator from Kentucky (Mr. COOPER) today proposed an amendment, which is at the desk, in which he calls for a complete withdrawal, within 4 months, with no quid pro quos if negotiations fail. There is no reference made to the prisoners of war or the recoverable missing in actions, but the distinguished Senator, in his explanation, indicated that at the end of all wars the POW's are invariably released. And he has a point there. So the Senator from Kentucky goes beyond what I am contemplating, but this is the best I can think of at this time to face up to this iniquitous situation.

Mr. HARTKE. The Senator indicated the same yesterday when he asked a rhetorical question in his statement, "Are we creating another Vietnam?"

Mr. MANSFIELD. That is a good paraphrase, because we now have, or will have shortly, more troops in Thailand than we have in South Vietnam. But I would point out also that subsection (b) of section 12 has to do with the matter of negotiations as well as a cease-fire and an international agreement, and those negotiations would be between the United States and North Vietnam and solely on the question of the return of the POW's and MIA's.

I would once again call to the attention of the Senate a statement made by Dr. Henry Kissinger on this subject on returning from his latest trip from China which reads as follows:

> We expect that when the war is finally settled, it will be through direct negotiations between the North Vietnamese and American negotiators.

Evidently that is taking place at the present time.

Mr. HARTKE. The Senator is speaking of knowledge which I do not have.

Mr. MANSFIELD. I am reading from the news ticker.

Mr. HARTKE. I have the utmost hope that President Nixon and Mr. Kissinger will end the war in Vietnam, but I do know that too many times my hopes have been fruitless.

Mr. MANSFIELD. May I say that I wish nothing but success for Dr. Kissinger, who is in Paris at the present time, and I would like nothing better than to have the rug pulled out from under me.

Mr. HARTKE. I share the feeling of the Senator, if there is a settlement of the war on August 15—I choose that date with some justification—I will be satisfied. My sole purpose is to bring to an end that terrible conflict.

Mr. MANSFIELD. I think that is the purpose of every Member of this body. I say that without exception, although there are different ways and means through which we seek to achieve that objective.

Mr. HARTKE. At this point I would like to refer to my meeting with the parties working for a "verified cease-fire between U.S. forces and the National Liberation Front and those allied with the National Liberation Front." As I indicated at that time, I pressed the point with them to determine how long it would take to effectuate the cease-fire. The word they used was "immediate." The common talk among those who questioned the motives of the other side was that the word "immediate" could mean perhaps 4, 5, or 6 years. I explored that point with both the North Vietnamese and Madam Binh. Madam Binh stated that the term "immediate cease-fire" meant that such could be accomplished within the time limits of communication, which she said at that time certainly would not exceed 48 hours.

In other words, a cease-fire between the North Vietnamese, National Liberation Front, and U.S. forces could be effectuated within a period of 48 hours if there were a date certain for a complete withdrawal of U.S. forces from Vietnam—which is the intention of the Senator from Montana.

Mr. MANSFIELD. I would hope that would be true, but, of course, if an agreement is reached, we would see then just what would happen. But "the sooner the better" would please all of us, I know.

I recall that the Geneva Accords of 1954 also called for a cease-fire. While there seems to be some discrepancy as to whether all the POW's were released at that time, it is my recollection, based on a French source—a letter from French Ambasador Lucet—contained in the CONGRESSIONAL RECORD, that, in the opinion of the French Government, all the POW's had been released.

Mr. HARTKE. While I was in Paris, I talked to the French Foreign Minister concerning that matter. I was advised that not only were all the prisoners of war released but, moreover, the release of the prisoners of war commenced before the actual accords were signed and agreed to in Geneva.

Mr. MANSFIELD. That may well be.

Mr. HARTKE. The fact of the matter is that the beginning of the release of the prisoners of war began in advance of the actual signing of the accords. So those who contend that that was not so have to contend with the contrary statement of the French Government that it did occur. I see no reason for them to make a statement that they did—the prisoners were returned—if such were not the case.

Mr. MANSFIELD. And I think they would be the ones who know best.

Mr. HARTKE. That is right.

In regard to subsection (b) which refers to the release of all U.S. prisoners of war held by the Government of North Vietnam, and forces allied with the United States, I think those forces would act promptly to return U.S. prisoners of war. In my meeting in Paris I was advised such could be accomplished within a period not in excess of 3 weeks.

Because I do not feel section 12(b) contributes to the resolution of the conflict as I have described above, I am considering the possibility of offering an amendment addressed to that provision.

I want to say at this time that I fully endorse the actions of the majority leader. My only regret is that he does not at this time eliminate the possibility of continued military activity which is permitted by subsection (b).

I am of the opinion that adoption of subsection (b) will be an implied reason for continuation of military activities such as bombing, with which I thoroughly disagree, and other military activities by naval forces which are off the coast of Vietnam.

Mr. MANSFIELD. Mr. President, I have not had any access to any of the North Vietnamese negotiators or any of the NLF negotiators. As a matter of fact, when I have been in Paris, I have deliberately avoided all contact with American and Vietnamese, North and South, negotiators, because I felt that they had their responsibilities and that I as a Senator had mine; but I am encouraged by the remarks made by the distinguished Senator from Indiana.

I would hope that what he anticipates on the basis of his conversations with these intermediaries would come to pass. I would point out, just to keep the record clear, that, as far as the French POW's are concerned, a statement was made by the French to the effect that "the French Government is satisfied we obtained the return of all the metropolitan French." That, of course, leaves open the question of the Indochinese French, so-called—and there were many of them—and as to what their future was. But as far as the metropolitan French, who could

be compared with the American POW's, were concerned, they were apparently returned in full.

May I say also that in view of the knowledge which has just come to me by means of the news ticker that Dr. Kissinger is evidently in contact with Le Duc Tho and other members of the North Vietnamese delegation, I would be willing to wait a couple of days before pushing this amendment or any aspect of it, in an attempt to give Dr. Kissinger enough latitude and flexibility, if it is at all possible, to work out a mutually satisfactory agreement.

I say this because I feel very deeply about the situation in Indochina, and I am hopeful that if it would be possible to negotiate between the North Vietnamese and the Americans, as Dr. Kissinger indicated on his return from China, and bring this tragic war to a close, that would be the most satisfactory solution.

However, I would not be willing to prolong the wait forever. A couple of days, fine, to give them a chance to work out what they can, and if nothing fruitful is forthcoming, then of course we still have it as the pending business. But I think, speaking as a Senator from the State of Montana and as an American, we ought to give Dr. Kissinger all possible flexibility and latitude at this time, in the hope that something tangible and satisfactory will be forthcoming shortly.

Mr. HARTKE. That is typical of the majority leader's magnanimous actions.

Mr. MANSFIELD. I think every Senator would feel the same way.

Mr. HARTKE. In other words, as I understand what the Senator from Montana is saying, he is not pushing for immediate passage of this amendment at this time, but that the bill itself would be held until such time as would permit a reasonable period for the negotiations to have been accomplished.

Mr. MANSFIELD. Yes.

Mr. HARTKE. I hope the Senator from Montana is not indicating that this bill would be passed without a vote on such an amendment.

Mr. MANSFIELD. Oh, no. But I do think it is time to take a second look, and as long as these negotiations, I assume, are going on at the present time, to give Dr. Kissinger, as the President's representative, all the flexibility, latitude, and support we possibly can during this particular period of time.

Mr. HARTKE. I would hope that the President would take the majority leader into his confidence as to what he hopes to accomplish there. I think there would certainly be nothing wrong with that. I feel that the business of ending wars as well as declaring wars is not the sole prerogative of the President.

Mr. MANSFIELD. Under the Constitution there is a mutuality of responsibility.

Mr. HARTKE. Yes, but there is not a mutuality of communication, I am disappointed to say. I do not ask the majority leader to share that view, but he knows full well that I expressed that viewpoint in caucus at the time of the mining of Haiphong Harbor.

Mr. MANSFIELD. The Senator is correct. He has never been backward in expressing his opinions, so the Senate and the world always know where he stands.

Mr. HARTKE. I thank the Senator.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. Yes, indeed.

Mr. TOWER. The distinguished majority leader has indicated that he is prepared to give Mr. Kissinger and our other negotiators in Paris I suppose to the end of this week——

Mr. MANSFIELD. I am not laying down a deadline. I just found out these negotiations are going on, so I would not like to have the Senator designate the end of the week. I am not setting a deadline, although I think the Senator understands what I mean.

Mr. TOWER. Yes. The Senator said, then, he would be willing to withhold for a certain period of time on pressing for his amendment, pending some kind of conclusive results. Would the Senator explain what he envisions by conclusive results?

Mr. MANSFIELD. Well, the Senator is asking me a leading question which I cannot answer definitely, except on the basis of what I have thought personally down through the years would be a satisfactory, not conclusive necessarily, but a satisfactory result. I would like to see a cease-fire. I would like to see an agreement bringing about the release as quickly as possible of the POW's and the recoverable MIA's, and I would like to see us withdraw lock, stock, and barrel once our POW's have been released and our recoverable MIA's set free, from all of Indochina. I have never felt that we had any vital interests in that part of the world. I still feel that way. As a matter of fact, Indochina has been, not a comedy of errors, but a tragedy of errors for this Nation, with 55,000 dead, with 355,000 casualties; with something on the order of $130 billion spent so far; with three times as many bombs being used, in tonnage, as was the case in all of the Second World War and Korea; with the tactics of defoliation and craterization of Indochina; with the difficulties it has caused us at home; with the difficulties it has caused us within the Army especially. All these factors, I think, should be taken into consideration, and if possible we should put Indochina behind us, wipe the slate clean, and start out and try to bind up some of the wounds and take care of some of our own concerns.

Mr. TOWER. Mr. President, may I hasten to say to the Senator from Montana that I share his fervent desire to end the war in Indochina. I have been there many times. I have visited our troops, and I have seen the horrible destruction that has been wrought there. To my mind, war is a detestable way for men and nations to resolve their differences. I would like to see us out of there as quickly as possible.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I think he and I have the honor, if I may use that term, of being the only former enlisted men who are Members of the Senate. The distinguished Senator from Texas is still, I think, a second-class boatswain's mate in the Naval Reserve.

Mr. TOWER. That is correct.

Mr. MANSFIELD. I never reached that high estate. I happened to be a seaman second class when I was in the Navy. But at least we have the enlisted status in common.

I am sorry to interrupt.

Mr. TOWER. I would like to ask the Senator, since he used the term "conclusive" a moment ago, would he say that perhaps "measurable progress" might cover his decision on pushing this legislation? In other words, if it appears that we are getting somewhere?

Mr. MANSFIELD. Oh, yes. But the Senator would have to allow me to determine what "measurable progress" entailed.

Mr. TOWER. In other words, the Senator is not rigid and inflexible on that particular.

Mr. MANSFIELD. No; I am only rigid and inflexible on getting the hell out of Indochina, and staying out.

Mr. TOWER. I thank the Senator.

Mr. MANSFIELD. Mr. President, if the distinguished Senator from Texas will permit, I think we have to add another Member of the Senate to that select category of enlisted men in the person of the Senator from Iowa (Mr. HUGHES), who was a Browning automatic rifleman during the Second World War.

Mr. TOWER. A BAR man, I understand.

The PRESIDING OFFICER. What is the will of the Senate?

MANSFIELD AMENDMENT

Mr. BROCK. Mr. President, as we continue debate of the Foreign Assistance Act and the pending substitute to the Mansfield amendment, I would urge my colleagues to reexamine the effects of passage of section 12 as presently written. If this section were to be adopted, it would require the withdrawal of all U.S. military forces stationed in South Vietnam by August 31, 1972. Such a withdrawal would be carried out without regard to peace negotiations now in progress as well as any possible reciprocal action on the part of the enemy.

In a recent speech in San Diego, Mr. Richard Capen, former Assistant to the Secretary of Defense, referred to supporters of this amendment as defeatists. A review of Mr. Capen's talk is particularly apropos in light of renewed debate on the Mansfield proposal.

Mr. President, I ask unanimous consent that the text of Mr. Capen's speech, explaining why he feels the proponents of unilateral and total withdrawal are defeatists, be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. BROCK. Mr. President, how long will it take for the political pundits to recognize the dramatic steps President Nixon has taken to end our involvement in Southeast Asia? When will they accept that there is a difference between 550,000 combat troops and the 42,000 noncombat support forces still remaining in Vietnam? The President has followed a strict program of force reduction in Vietnam consistent with the entire Nixon doctrine of realinement of U.S. foreign mili-

tary commitment. If he were forced to end U.S. involvement in the manner prescribed in the amendment, he would be backing out of our national and international responsibilities and jeopardizing his efforts to prevent future conflicts.

If the President had not ordered the mining of North Vietnamese harbors in addition to heavier bombing activity in reaction to the violations by, and increased military actions of, the enemy, and instead withdrew all troops, the United States would be shirking its responsibilities to the world, taking away the support crucially needed by South Vietnam, weakening U.S. leverage at the peace table, and imperiling the political future of South Vietnam—a future we have fought these long years to insure.

President Nixon's decisions in Indochina were made, not to instigate further devastation on the Vietnamese battlefield as the defeatists believe, but to stop North Vietnam's overt invasion. The critics, however, have misconstrued the basis for the mining and bombing; unwittingly, passage of section 12 would bring about the defeat of all past and present U.S. efforts in Southeast Asia.

If Mr. Nixon withdrew from South Vietnam according to the conditions prescribed by the proposed amendment, worldwide credibility of the United States and its position in the international constellation of power would be weakened. Instead, we must hold steadfast. This war will be ended, but to end it with the date-certain prescription of the Mansfield proposal would only be a postponement of war. What we would be taking if we accept this ticket is a raincheck to yet another armed conflict.

EXHIBIT 1

THE DEFEATISTS ARE AT IT AGAIN

(An address by Richard G. Capen, Jr.)

Events of the past few days have moved the world's two great powers a few steps closer to President Nixon's goal of building a generation of peace. The President's statesmanlike leadership during the substantive talks in Moscow can be a source of pride for all Americans.

We now have a major understanding to halt the arms race. We have treaties with the Soviets on conquering pollution and disease. A joint Soviet-United States space effort is planned by 1975. An agreement has been reached to reduce incidents at sea.

Through the spirit of negotiations, an outbreak of war has been averted in the Middle East. The access to Berlin has been reestablished. A treaty involving the use of the world's seabeds has been developed and we have renewed a dialogue with the more than 800 million people of Mainland China.

Regrettably, our desire to negotiate differences has not led to an end of the war in South Viet Nam. But that has not been due to any lack of effort or reasonableness on the part of the Nixon Administration. Rather, our initiatives toward an honorable settlement have been met with only obstinate, negative response from the enemy.

Today it's a new ball game in Viet Nam. It's a new game because the North Vietnamese have made it so, not the United States. The enemy has violated the demilitarized zone. They have rocketed population areas. They have killed more than 20,000 civilians in the past two months alone.

To invade South Viet Nam, the enemy has committed virtually all of its combat forces—12 of 13 divisions. Their goal has been to choke off South Viet Nam's freedom at all cost. The North Vietnamese have undertaken this massive effort in clear violation of international accords and understandings which they themselves agreed to follow.

Despite these facts, the American defeatist are at it again.

They have called The President's decision reckless, foolish and irresponsible. They were convinced that the Moscow talks would be sabotaged, that the Red Chinese would be forced to intercede. To hear these defeatists talk, one would think that the North Vietnamese invasion was our fault instead of the other way around.

Some of these critics, I am convinced, would rather see America defeated than support any responsible means for extricating this country from a long and frustrating war.

In the frantic search for expedient solutions, they have openly supported resolutions which would tie The President's hands as he withdraws from Viet Nam. Yet, several years ago they were giving full approval to decisions that got us into Viet Nam.

Today, they favor resolutions to condemn President Nixon for seeking to stop the enemy's aggression, but they direct not one single word of criticism against the enemy that started that aggression. Some have gone so far as to believe enemy propaganda while deliberately refusing to accept statements by our own government.

Now these defeatists are seeking to cover up their own errors, and the mistakes of earlier administrations, by labeling this battle "Nixon's War." It's a simple matter for them to criticize their country's current military initiatives. After all, they have no responsibility for the consequences of such casual words. Nor would they be accountable for the loss of credibility in our nation's commitments around the globe should we desert South Viet Nam at this, their most critical, moment.

Some critics have built their entire political career on platforms of obstructionism. They have placed their political interest first and their country's interest last. They have expressed moral indignation when it was convenient to do so.

They have generated the impression that there would be no war in the world if the United States were not in Viet Nam. They have naively convinced others that once the last American soldier was out of Viet Nam, that there would be peace in the world. Do they really believe that settling the war in Viet Nam will settle the war in Ireland? Or the war in the Middle East? Or the confrontation in India and Pakistan? Or the dispute along the Chinese-Russian borders?

No, Catholics and Protestants, Arabs and Jews, Hindus and Moslems and Russians and Chinese have battled for hundreds of years. It's not likely to stop soon. This, of course, is regrettable, but, I cannot really believe that restoring peace in Southeast Asia will restore peace in the world.

Because it's a new ball game today in Viet Nam, I believe it is essential to place recent developments in proper perspective. One cannot do so without taking stock of what has occurred in the past three and one-half years.

In my opinion, President Nixon has shown incredible restraint in the face of irresponsible criticism by those who run away from their responsibility for past actions by seeking to saddle others with the consequences of these actions.

Today, from the privacy of Washington law offices, a former Defense Secretary and a former U.S. negotiator in Paris have all the answers for getting America out of Viet Nam—now. But, where were those ready solutions when these former officials were in positions to act? These were the people who got our country into a war they could neither win nor end. That, in a sentence, is the sad legacy President Nixon inherited when he assumed office.

Since January 1969, conditions have changed substantially through President Nixon's leadership and through his Vietnamization program. It was not President Nixon who sent 550,000 Americans to Viet Nam. He has brought 500,000 home.

It was not President Nixon who was in office when as many as 500 Americans were being killed each week. Under his administration, combat deaths have been reduced by more than 95%. And I might add that those low levels have been maintained despite the current intensity of ground combat in South Viet Nam.

When the Nixon Administration took office, American troops were handling ground combat. In fact, there was no authorized plan whatsoever for turning that combat role over to our allies. Today, the South Vietnamese have that responsibility and they are doing amazingly well. Sure, they are not winning every battle, but no one ever predicted they would.

In short, Vietnamization is working. We have provided the equipment. We have helped to train South Vietnamese forces, and we have assisted with air and naval support as necessary. As a result, substantial numbers of Americans have been withdrawn. Do you realize that there are fewer Americans in Viet Nam today than there were Americans in Korea when President Nixon took office in 1969. It took 10 to 15 years for the Koreans to take over their own internal security responsibilities. But the South Vietnamese have been forced to assume that responsibility in less than three years. I think they have come a long way.

Three and one-half years ago, there was no comprehensive peace plan for ending the war in Viet Nam. That, too, has all changed. Through secret initiatives and public talks in Paris, the President has sought every reasonable avenue for ending the conflict through negotiations. But the enemy has balked every step of the way, greeting each peace offer with insult and escalation of the war.

I don't see how anyone can possibly criticize the President for failing to do all that was humanly possible to end the conflict. He has offered every reasonable alternative to Hanoi. Even while negotiating—as frustrating as that was—he proceeded to withdraw thousands and thousands of Americans despite any visible progress in Paris.

Today, not only has the President decided to stand up against the enemy's blatant aggression, but he also has made it clear that the North Vietnamese will have to prove their sincerity to negotiate before such talks are resumed. In the meantime, their war-making capacity is being destroyed. It is being destroyed rapidly and effectively.

Overlooked in the dramatic announcement to mine the harbors of North Viet Nam and to step up our bombing of military and strategic targets has been the significant negotiating move made by this country.

That involves our proposal to withdraw all U.S. forces from Viet Nam within four months after American prisoners of war are released and after an internationally supervised cease fire has begun. There are no commitments for linking our withdrawal to the progress of Vietnamization. There are no commitments linking our agreement to the stability of the South Vietnamese government. In short, it is about the most liberal peace plan anyone—most of all the enemy—could hope to expect.

Fortunately, I feel that most Americans understand what has been accomplished to date and realize what is now at stake. They respect the President's efforts. They recognize that he has taken every possible public and private step to end our involvement.

And they know that it is the enemy—not the United States—that is responsible for the current actions in Viet Nam.

Public support from a majority of Americans has come through clearly. It has been seen in the thousands of letters and telegrams to the White House and Congress. It has been seen in the Gallup poll indicating that 74% of the American public supports the President's efforts toward building peace. It has been seen in the Harris poll showing that 59% endorse the President's decision to mine the enemy's harbors.

It has also been seen in the low level of protest around the country. Sure, there have been riots and demonstrations, but there always will be regardless of the issue. Those who carry the Viet Cong flag today will carry another banner tomorrow. But you can be sure that their banners will urge the destruction of America, not the improvement of it!

If there is to be a negotiated settlement, the time is now. In the meantime, the President has asked for the support of a unified nation. I believe he deserves that support and I believe, for the most part, he is receiving it.

Today this nation has a new direction. The Peking trip has dramatized that fact. The substantive agreements in Moscow have dramatized that fact.

Hopefully, the world can arrive at a point when its leaders can safely discuss and resolve mutual problems. If so, we will truly be moving toward our nation's goal of a generation of peace.

MODIFICATION OF UNANIMOUS-CONSENT AGREEMENT ON S. 1991

Mr. ROBERT C. BYRD. Mr. President, I have an addendum to the agreement previously entered with respect to Calendar Order No. 904, S. 1991. I have cleared this request with the distinguished assistant Republican leader.

I ask unanimous consent that time on the bill be limited to 1½ hours instead of 1 hour as previously ordered, and that the additional half hour be under the control of the distinguished Senator from Montana (Mr. METCALF), with the original hour controlled as previously ordered.

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

RECESS

Mr. MANSFIELD. Mr. President, I again ask unanimous consent that the Senate stand in recess until the hour of 1:30, and that at 1:30 p.m. the second track business, the minimum wage bill be laid before the Senate and made the pending business.

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

Thereupon, at 12:50 p.m., the Senate took a recess until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. STEVENSON).

ORDER TO HOLD H.R. 14424 AT DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 14424, to amend the Public Health Service Act to provide for the establishment of a National Institute of Aging, and for other purposes, be held at the desk until the Committee on Labor and Public Welfare reports its companion bill on the subject, which should occur within the next few days.

The House bill (H.R. 14424) would then be placed on the calendar.

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

FAIR LABOR STANDARDS AMENDMENTS OF 1972

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the minimum wage bill, which the clerk will read by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 1861) to amend the Fair Labor Standards Act of 1938, as amended, to extend its protection to additional employees, to raise the minimum wage to $2.25 an hour, to provide for an 8-hour workday, and for other purposes.

Mr. MOSS. Mr. President, I send to the desk a perfecting amendment to the Taft-Dominick amendment, which I understand is the pending business, and ask that it be stated.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk proceeded to read the amendment.

Mr. MOSS. Mr. President, I ask unanimous consent that the full reading of the amendment be dispensed with. I will explain it. It is technical, because it amends a statute, and therefore can better be explained.

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

Mr. Moss' amendment to the Taft-Dominick amendment is as follows:

On page 1, before line 1, insert the following:

DEFINITIONS AND APPLICABILITY TO PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 2. (a) Section 3(d) of the Fair Labor Standards Act of 1938, as amended, is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee, including the United States and any State or political subdivision of a State, but shall not include any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization."

(b) Section 3(e) of such Act is amended to read as follows:

"(e) 'Employee' means any individual employed by an employer, including any individual employed in domestic service (other than a babysitter), and in the case of any individual employed by the United States means any individual employed (1) as a civilian in the military departments as defined in section 102 of title 5, United States Code, (2) in executive agencies (other than the General Accounting Office) as defined in section 105 of title 5, United States Code (including employees who are paid from nonappropriated funds), (3) in the United States Postal Service and the Postal Rate Commission, (4) in those units of the government of the District of Columbia having positions in the competitive service, (5) in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and (6) in the Library of Congress, and in the case of any individual employed by any State or a political subdivision of any State means any employee holding a position comparable to one of the positions enumerated for individuals employed by the United States, except that such term shall not, for the purposes of section 3(u) include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family.".

(c) Section 3(h) of such Act is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed.".

(d)(1) The first sentence of section 3(r) of such Act is amended by inserting after the word "whether", the words "public or private or conducted for profit or not for profit, or whether".

(2) The second sentence of such subsection is amended to read as follows: "For purposes of this subsection, the activities performed by any person or persons in connection with the activities of the Government of the United States or any State or political subdivision shall be deemed to be activities performed for a business purpose.".

(e) The first sentence of section 3(s) of such Act is amended (A) by inserting after the words "means an enterprise", the parenthetical clause "(whether public or private or operated for profit or not for profit and including activities of the Government of the United States or of any State or political subdivision of any State)", (B) by striking the word "employees" the first two times it appears in such sentence, and inserting in lieu thereof the words "any employee".

(f) Section 5 of such Act is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section and section 8 shall not apply with respect to the minimum wage rate of any employee in Puerto Rico or the Virgin Islands employed by any employer which is a State or a political subdivision of any State. The minimum wage rate of such an employee shall be determined in accordance with sections 6, 13, and 14 of this Act."

On page 1, line 3, strike out "2" and insert in lieu thereof "3".

On page 1, lines 5 and 6, strike out, "the first year" and insert in lieu thereof "the first six months".

On page 2, beginning with line 3, strike out through line 8, and insert in lieu thereof the following:

"(1) not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standard Amendments of 1972; and

"(2) not less than $2.00 an hour thereafter."

On page 2, between lines 8 and 9, insert the following:

(b) Section 6 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) Every employer who in any workweek employs any employee in domestic service in a household shall pay such employee wages at a rate not less than the wage rate in effect under subsection (b) of this section, unless such employee's compensation for such service would not, as determined by the Secretary, constitute 'wages' under section 209 of the Social Security Act.".

On page 2, line 10, strike out "3" and insert in lieu thereof "4".

On page 2, line 18, strike out "4" and insert in lieu thereof "5".

On page 3, line 21, strike out "5" and insert in lieu thereof "6".

Beginning on page 4, line 1, strike out all through page 5, line 15, and insert in lieu thereof the following:

LEARNERS, APPRENTICES, STUDENTS, AND HANDICAPPED WORKERS

SEC. 7. Section 14(b) of the Fair Labor Standards Act of 1938, as amended, is amended (1) by inserting following the word

"establishments" each time it appears, the words "or educational institutions" and by inserting following the word "establishment" each time it appears, the words "or an educational institution", (2) by inserting following the words "Fair Labor Standards Amendments of 1966,", the words "and the Fair Labor Standards Amendments of 1972", and (3) by inserting following the words "prior to such", the word "applicable".

On page 5, line 19, strike out "7" and insert in lieu thereof "8".

On page 5, line 24, strike out "8" and insert in lieu thereof "9".

On page 6, line 17, strike out "9" and insert in lieu thereof "10'.

On page 7, line 4, strike out "10" and insert in lieu thereof "11".

On page 7, immediately after line 23, insert the following:

AUTOMATIC INCREASE IN MINIMUM WAGE

SEC. 12. Section 6 of such Act (as amended by sections 2 and 3 of this Act) is further amended by adding at the end thereof the following new subsection:

(g) (1) For purposes of this subsection—

(A) the term "base quarter" means (i) the calendar quarter ending on June 30 in every second year after 1972, or (ii) any other calendar quarter in which occurs the effective month a general increase in the minimum wage payable under subsections (a) and (b) of this section;

(B) the term "cost-of-living/national productivity computation quarter" means a base quarter, as defined in subparagraph (a) (i), in which the Consumer Price Index and the index established by the Bureau of Labor Statistics to measure the total private output per man-hour (hereinafter referred to as the "Productivity Index") exceed, by not less than 3 percent, such indices in the later of (i) the last prior cost-of-living/national productivity computation quarter which was established under this subparagraph, or (ii) the most recent calendar quarter in which occurred the effective month of a general increase in the minimum wage payable under this Act; except that there shall be no cost-of-living/national productivity computation quarter in any calendar year in which a law has been enacted providing a general increase in the minimum wage payable under this Act or in which such an increase becomes effective; and

(C) the Consumer Price Index and the Productivity Index for a base quarter, a cost-of-living/national productivity computation quarter, or any other calendar quarter shall be the arithmetical mean of such indices for the 3 months in such quarter.

(2) (A) The Secretary shall determine in every second year after 1972 (subject to the limitation in paragraph (1) (B) and to subparagraph (D) of this paragraph) whether the base quarter (as defined in paragraph (1) (A) (i)) in such year is a cost-of-living/national productivity computation quarter.

(B) If the Secretary determines that such base quarter is a cost-of-living computation quarter, he shall, effective with the month of January of the next calendar year (subject to subparagraph (D)) as provided in subparagraph (C), increase the amount of the minimum wage payable under this Act by an amount derived by multiplying each such amount by the same percentage (rounded to the nearest one-tenth of 1 percent) as the percentage by which the Consumer Price Index and the Productivity Index for such cost-of-living/national productivity computation quarter exceed such indices for the most recent prior calendar quarter which was a base quarter under paragraph (1) (A) (ii) or, if later, the most recent cost-of-living computation quarter under paragraph (1) (B). Any such increased amount which is not a multiple of $0.10 shall be increased to the next higher multiple of $0.10.

(C) If the Secretary determines that a base quarter in a calendar year is also a cost-of-living/national productivity computation quarter, he shall publish in the Federal Register on or before November 1 of such calendar year a determination that an increase in the minimum wage payable under this Act is required and the percentage thereof. He shall also publish in the Federal Register at that time a revision of the amount of the minimum wage contained in subsections (a) and (b) of this section (as it may have been most recently revised by another law or pursuant to this paragraph); and such revised amount shall be deemed to be the amount appearing in such subsections.

(D) Notwithstanding a determination by the Secretary under subparagraph (A) that a base quarter in any calendar year is a cost-of-living computation quarter (and notwithstanding any publication thereof under subparagraph (C), no increase in the amount of the minimum wage shall take effect pursuant thereto, and such quarter shall be deemed not to be a cost-of-living/national productivity computation quarter, if during the calendar year in which such determination is made a law providing a general increase in the minimum wage under this Act is enacted or becomes effective.

(3) As used in this subsection, the term "general increase in the minimum wage under this Act" means an increase (other than an increase under this subsection) in the amount of the minimum wage payable under subsections (a) and (b) of this section.

On page 8, line 2, strike out "11" and insert in lieu thereof "13".

On page 8, line 15, strike out "12" and insert in lieu thereof "14".

On page 8, line 21, add the following new section:

Sec. 13. Section 13(b) of such Act is amended by adding at the end thereof the following new paragraph:

"and employee who is any workweek is employed in domestic service in a household."

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a quorum call, with the understanding that he be recognized upon the calling off of the quorum call and that the time not be charged against either side?

Mr. MOSS. I am glad to yield for that purpose.

Mr. ROBERT C. BYRD. I thank the distinguished Senator. Senators on both sides will now be alerted to the fact that an amendment to the Taft-Dominick amendment has now been offered.

Mr. President, with the understanding that the Senator from Utah not be deprived of his right to the floor, and with the further understanding that the time for the quorum call not be charged against either side, I suggest the absence of a quorum.

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

Mr. MOSS. Mr. President, I request the yeas and nays on my perfecting amendment.

The yeas and nays were ordered.

Mr. MOSS. Mr. President, I ask unanimous consent that my assistants, Mr. Chris Matthews and Mr. Karl Braithwaite, be given the privilege of the floor during the debate on the amendment now pending.

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

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

Mr. MOSS. I yield.

Mr. DOMINICK. Mr. President, I make the same request for a committee staff member to have the privilege of the floor during the pending debate, Mr. Chuck Woodruff.

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

Mr. MOSS. Mr. President, I understand the time is now limited and that I have 30 minutes and the Senator from Colorado has 30 minutes.

The PRESIDING OFFICER. There is a limitation of 1 hour on the amendment, 30 minutes to each side.

Mr. MOSS. Mr. President, my amendment seeks a middle path between the committee bill, S. 1861, and the Taft-Dominick amendment, No. 1204.

I have supported increases in the minimum wage, but I clearly understand the need to be careful about increases during our present economic situation. The Taft-Dominick amendment, however, goes further in changing the committee bill than I am prepared to go at this time.

My amendment would provide for the following changes:

First. For nonagricultural employees covered prior to 1966: $1.80 60 days after enactment; $2 6 months later.

Second. For nonagricultural employees covered by 1966 and 1972 amendments: $1.80 60 days after enactment; $2 1 year later.

Third. For agricultural employees: $1.50 60 days after enactment; $1.70 1 year later.

Fourth. The Moss amendment extends coverage under the act to 1.7 million Federal employees, 3.2 State and local government employees, and 2.1 employees in domestic service not now covered.

Fifth. Changes no existing exemptions.

Sixth. Like S. 1861 as reported, retains the existing 85 percent certification system which applies to full-time students employed in retail and service firms and agriculture, and it includes students employed part time by educational institutions and those employed full time during school vacations by such institutions.

Seventh. Provides for future changes in the minimum wage to be automatically adjusted every 2 years for changes in national productivity and cost-of-living as determined by the Department of Labor and the Cost of Living Index.

The Moss amendment represents a compromise. According to the committee's report—No. 92-842, page 6:

Witnesses before this Committee differed as to how much of an increase should be legislated, but the testimony was overwhelmingly in favor of an increase now.

Why was this testimony in favor of an increase? Let me quote the committee report:

Between 1966, when Congress amended the FLSA to increase the Federal minimum wage from $1.25 to $1.60 an hour and April 1972, the consumer price index rose 27%. Between February 1, 1968, the date the $1.60 rate actually became effective for most workers, and

May 1972, the consumer price index rose 21.4%. Thus a substantial increase in the minimum wage is necessary merely to restore the purchasing power of low wage workers to the levels established by Congress in 1966. In addition, average hourly earnings have increased by 34 percent over the same period. Of great significance is the fact that the number of people living in poverty increased between 1969 and 1970, the first increase since such records have been kept.

These facts and figures alone explain the necessity for a minimum wage increase now. Inflation and an increase in the cost of living have eroded the low wage earner's purchasing power. Today's $1.60 buys less than the $1.25 minimum wage in 1966. This fact exists in the face of our Nation's increasing productivity. American low-wage workers have traditionally shared, and rightfully so, in the Nation's rising productivity. These are not second-class citizens—they carry the full responsibilities of good citizenship in this Nation. Their taxes support it, they serve in its armies, and vote in its elections. No single element in America is responsible for our rising productivity. In some way all Americans contribute to it. All Americans, therefore, should benefit from it.

Between 1966 and 1972, productivity rose 10 percent and experts from the Government and business community have projected an average yearly increase of about 3 percent for the decade ahead.

Other workers in the Nation share in this rising productivity through increased wages and fringe benefits.

Their wages have been attuned to the increase in cost of living. This is substantiated by the 34 percent average hourly increase in earnings since 1966. Low wage earners ought rightfully share similar increases.

They ought to share similar increases, but have they?

In the 1971 report on minimum wages by the Secretary of Labor we note that the relationship between average hourly wage and the minimum wage is worse today than it was in 1950.

As the report states:

Minimum wages have been traditionally compared to gross average hourly earnings of production workers in manufacturing for purposes of evaluating the efficacy or desirability of changes in the level of the FLSA minimum or of assessing the effects of legislative changes.

With respect to this comparison, the report concluded that:

The relationship between the minimum wage and average hourly earnings or average hourly compensation varies, depending upon whether account is taken of changes in coverage. Although the minimum wage has been increased substantially, its ratio to earnings has been largely eroded by gains in average hourly earnings between the periods of increases in the minimum wage. Consequently, the ratio of the minimum wage to average hourly earnings or to average hourly compensation per man hour is now lower than it was in 1950, when the 1949 amendments went into effect.

When the 1966 amendments—increasing the minimum wage rate to $1.60 an hour—were enacted, they represented a promise that a full-time worker compensated at the minimum wage rate could at least earn what was considered to be poverty level of income; which at that time was about $3,200 annually for a family of four—$1.60 an hour times 40 hours per week times 50 weeks per year equal $3,200 annually. Since then, increases in the price level as reflected in the Consumer Price Index have reflected the bankruptcy of that promise.

Therefore, in light of the rising cost of living and productivity, it is clear to all, including those members of the committee who did not support the majority report, that an increase in the minimum wage is in order.

The question, then, is how much should the minimum wage be increased? The Moss amendment recognizes a need to increase minimum wage and yet guard against inflation and unemployment through a too rapid increase.

The wage increases provided by the amendment were attuned to considerations of correcting and as rapidly as practicable eliminating labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers without substantially curtailing employment or earning power. It is firmly believed that these gradual and belated increases, approximately equivalent to productivity and cost-of-living increases in recent years, can be absorbed by the national economy as easily as all previous increases in the minimum wage rate.

The Moss amendment recognizes the need for compromise between the minority reports. The increase proposed by my colleagues from Ohio and Colorado represents a partial catchup solution to the problem of increase in minimum wage.

Yet they would implement this increase over a period of years. Meanwhile, increases in the cost of living will eat away any gains made in real wages as a result of this bill.

The Moss amendment recognizes the need for a rational increase and the need to implement that increase with all dispatch to bring relief to the low-wage worker who has struggled under the crushing burden of inflation.

Accordingly, I ask the Senate to adopt the following changes in the rate of implementation of the wage increases—

For nonagricultural employees covered prior to 1966: $1.80 an hour 60 days after enactment; $2, 6 months later.

For nonagricultural employees covered in 1966 and 1972 amendments: $1.80, 60 days after enactment; $2, 1 year later.

For agricultural employees: $1.50 60 days after enactment; $1.70 1 year later.

It seems that every 5 years when Congress is asked to review the minimum wage we have to expend much time and a terrific amount of needless energy determining how great an increase in the minimum wage is justified to "catch up." Catchup is a policy which always keeps us with one foot mired in the past and an unsure foot trying to determine how far to stride in the future.

In the present Fair Labor Standards Act, section 4-D, we read the following:

(d) The Secretary shall submit annually in January a report to the Congress covering his activities for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this Act, as he may find advisable. Such report shall contain an evaluation and appraisal by the Secretary of the minimum wages established by this Act, together with his recommendations to the Congress. In making such evaluation and appraisal, the Secretary shall take into consideration any changes which may have occurred in the cost of living and in productivity and the level of wages in manufacturing, the ability of employers to absorb wage increases, and such other factors as he may deem pertinent.

I am happy that since 1938, when the Fair Labor Standards Act was passed we have had section 4-D so that Congress could increase the minimum wage. The time has come I believe, when we can modify this section. I am proposing as an amendment to amendment No. 1204 providing that the minimum wage be automatically determined every 2 years by a cost-of-living and productivity factor. This would be determined by changes in the cost-of-living index and the productivity index of the Department of Labor.

My feelings for this have been expressed in my earlier comments, but in further support, I wish to read the comment of Marten Estey in his article "Wages and Wage Policy 1962–1971." In discussing wage guideposts, Mr. Estey notes:

One solution to this problem would be some form of cost-of-living clause that would provide for wage adjustments related or tied to the rise in the Consumer Price Index and thus protect the worker against the erosion of his real wage.

Equally important from the policy standpoint is that cost-of-living adjustments make it possible to avoid, or to minimize, the tendency to try to compensate for past inflation by the use of "catchup" wage increases when contracts are renewed. So long as wage decisions reflect past problems, they are less responsive to current economic conditions than they might be.

With some form of cost-of-living clause, workers would be compensated—more or less fully—for price rises on a current basis and, therefore, would have less need to "catch up" at contract renewal time. Perhaps most significant of all, when inflation does begin to recede, wages determined by collective bargaining might respond more quickly, there being less need either to correct for previous errors or to try to anticipate future price changes."[1]

The cost of living index is used successfully in evaluating civil service increases, and it is time that we applied it to minimum wage increases as well.

Mr. President, in hopes that we might find a compromise solution in the area of extension of coverage, I offer the following suggestions.

While the Taft-Dominick amendment has recognized the need to increase the minimum wage, it does not extend the coverage of the bill. When the Fair Labor Standards Act was enacted in 1938, its objective was clearly seen—the elimination of "labor conditions detrimental

[1] Estey, Marten, "Wages and Wage Policy, 1962–1971," in Economic Policy and Inflation in the Sixties, p. 193.

to the maintenance of the minimum standard of living necessary for the health, efficiency, and general well-being of workers." Congress has consistently seen that the minimum wage is imposed to protect fairminded employers from the undercutting competition of those employers who would exploit the Nation's poor, young, or ill trained, by hiring at substandard rates.

In spite of this recognition, Congress has consented to leave some employees without coverage—to open the door to those who would exploit these workers. As a consequence, these low-wage workers who are without bargaining power have been impeded from working their way out of poverty.

Who are these workers who are uncovered? Let me quote from the committee report:

At the present time, about 40 percent of the Nation's wage and salary workers in the civilian labor force are outside the coverage of the Act. The law presently covers only 45.5 million of the 75 million wage and salary workers in the United States. A substantial number of these 75 million are beyond the scope of the Act's practical, possible, or needed coverage. Almost 13 million, for instance, are executive, administrative, or professional personnel, for whom the minimum wage provisions of the Act would have little relevance. But of the remainder—some 62 million—who might be brought within the wage and hour guarantees, over 16 million are not in fact covered.

In extending coverage of the Fair Labor Standards Act, to individuals employed in domestic service, Congress will correct a glaring inequity which has existed well over three decades since the act was passed in 1938.

Workers in this industry are paid very low wages. Of these 2.1 million workers, 1,101,000 earn less than $1.80 an hour, and 1,119,000 earn less than $2 an hour. In 1969, 80 percent had total cash incomes less than $2,000 while 57 percent had less than $1,000.

One might say that these low wages are due to the part-time nature of much domestic employment. As the Census Bureau has pointed out, however, in 1969 approximately 340,000 women employed full time, year round, as private household workers had average earnings of only $1,926 for the year. Many of these women are heads of households, and yet we expect them to support their families at a salary which is $2,000 below the poverty level.

These people have no centralized body to bargain for them. They do not enjoy the benefits of regular work, have no fringe benefits, no unions to protect them or Federal Government laws to guard them. After 34 years, it is time they were extended the coverage of the Fair Labor Standards Act.

In the last 10 years, Congress has been asked to review minimum wage legislation twice. In both instances, in 1961 and again in 1966, Congress felt compelled to extend coverage of the act to employees not previously protected by the Fair Labor Standards Act. Today 16 million employees still remain unprotected by this vitally important legislation. Of that number, 1,726,000 are Federal employees and over 3 million are employed by State and local governments across the Nation.

That Congress should so long deny these workers the protection of the Fair Labor Standards Act seems incredible. Workers who make our governments run have not yet been accorded the same benefits and protections as workers in private industry.

The most compelling argument for extending coverage to public servants is a moral one. Government should be willing to abide by the same rules it dictates to private industry.

And yet some individuals maintain that this extension of coverage will break the budgets from the town hall to Capitol Hill. This is not so. According to the estimates supplied the comittee, this increase in the minimum wage would increase the total wage bill for the affected governments by only one-half of 1 percent.

TREND OF MINIMUM WAGE INCREASES 1949–66

Minimum wage increases enacted by Congress since 1949 have matched increases in the productivity and the cost of living almost identically.

In 1949, Congress legislated a 75 cents an hour minimum. Seventeen years later, in 1966, we passed a $1.60 minimum. This 1966 hike constituted a 113-percent increase over the 1949 level, a percentage which was justified by a 77 percent in productivity and 36-percent increase in the cost of living during that period.

	Increase in productivity (index of output per man hour)	Increase in cost-of-living (consumer price)	Combined increase in productivity and cost of living	Increase in minimum wage
1949	$55.3	$71.4	.....	$0.75
1955	69.9	80.5	.....	1.00
1961	80.9	89.6	.....	1.25
1966	98.10	97.2	.....	1.60
Total percent	77	36	113	113

The Moss perfecting amendment would simply continue this trend. Since the last minimum wage increase became fully effective, the cost of living has risen by over 20 percent and productivity by over 9 percent. There is no justification for delaying implementation of the $2 minimum, which constitutes a 25-percent increase, for the 14 months provided in the Taft-Dominick proposal.

My perfecting amendment would make the increase effective 8 months after enactment.

In addition, I have provided for an automatic adjustment, every 2 years, in the minimum wage. This adjustment would be based upon cost of living and productivity, the same standard which has justified previous minimum wage hikes.

I believe, therefore, that the modifications of the Taft-Dominick amendment would provide these benefits, would extend the coverage, and, by first boosting the minimum wage to where we have caught up with inflation and productivity, would place it in a position where automatically hereafter changes in productivity and the cost of living would be reflected in an automatic change in the minimum wage.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. I yield myself 10 minutes in opposition to the proposed amendment.

Mr. President, I have just done some computations, and I am talking without a prepared text, just off the top of my head, because I did not know that this matter was coming up.

So far as I know, the amendment proposed by the Senator from Utah has not been checked out with the manager of the bill or the ranking member of the committee, Senator JAVITS, nor with Senator TAFT, or myself. So it comes somewhat as a surprise to us.

I will say, however, that it varies very substantially from our substitute. Among other things, it extends coverage, which we do not seek to do in our substitute, to Federal employees, State and local employees, and domestics.

I spoke about the subject of the coverage of domestics before this time, when the Senator from Utah was not in the Chamber. I cannot think of a more guaranteed way to enmesh every housewife in the country in Federal bureaucracy than by trying to cover domestics. Enforcement would be difficult. I recall sitting in committee when we were talking about this matter once before, and many members of the committee on both sides of the aisle commented on the fact that they felt that few housewives, including their own would hire domestics if they had to file the extensive records required by the wage and hour law.

If we have the domestic employee under the minimum wage criteria, we immediately are going to have every housewife in the country, every time she has a cleaning woman, subjected to questions by the Labor Department as to whether or not she is meeting the requirements, as to what is the added value of whatever services are provided by the housewife in supplying a room and meals, or various pieces of equipment to the cleaning woman or laundress, or whoever it may be. In my opinion, it is going to be a bureaucratic mess and will require another whole corps of Federal employees just to determine whether a housewife can have someone in either to cook dinner on an occasional night or to do a week's cleaning. So I have great difficulty on that particular phase of it.

Going beyond that, to the merits, once again the Senator from Utah is apparently trying to accelerate the rather extraordinary inflationary push which would be given by the committee bill. It is of interest to me that, although he retains our figures with respect to nonagricultural employees covered prior to 1966, he accelerates the raise to $2 by 6 months, so that it would be effective 6 months after the raise to $1.80.

Second, he accelerates, in like manner, those who were first covered by the 1966 amendments, and those who will be covered under this proposal, beyond what we did, by saying that it will be $1.80 and $2 instead of our $1.70, $1.80, and $2. The only thing he does not accelerate is the figure for agricultural workers. I find this quite significant. I am not quite sure why he would accelerate everyone else under his proposal and not

the agricultural workers. I presume this is because he is in agreement with us that there are now enough problems on the farms in finding labor to be able to take care of the crops at almost any price, and that the proposals put in by the committee bill are unrealistic insofar as keeping small farms alive is concerned.

Going beyond that, the extension of coverage, it seems to me, is one of the more significant things in this amendment. It is very similar to the committee bill, the only difference being that it does not cover the committee provision which refers to the size of an enterprise and the employees that would be covered therein. Other than that, he incorporates most of the Federal employees, the State and local government employees, and the domestics, whom the committee bill also covers. At a time when the chairman of the Cost of Living Council and the chairman of the Price Control Council have stated that the proposed committee bill, with its extension of coverage and its very sharply accelerated rates, would not seem a very difficult situation insofar as their role is concerned in trying to stabilize prices, I cannot see how adding this enormous number of additional people to the coverage and accelerating it is going to change the situation.

From a very brief conversation I have had with the distinguished chairman of our committee, Senator WILLIAMS, I gather that, also, is not very happy with this proposal. I am strictly against it, and among other things I point out item No. 7. This provides for an automatic change in the minimum wage every 2 years, based on national productivity and cost of living.

I ask this question of the Senator from Utah: Let us suppose the cost of living should go down—a very interesting kind of concept. Do I correctly understand that the Senator would then reduce the minimum wage, under those circumstances, or is this applicable only when it goes up?

Mr. MOSS. I am happy to respond to the Senator from Colorado.

Of course, it works both ways. If the cost of living should drop drastically, there would be a reduction in the minimum wage requirement.

Mr. DOMINICK. I am happy to hear the Senator from Utah say that. Almost all the proposals I have heard to date have been strictly an upward push. Very few times have I seen it work in reverse—that when the cost of living goes down, the minimum wage goes down. I am not sure, really, that if the cost of living goes down, there is a need for reducing the minimum wage. It is interesting to me that the Senator puts it both ways. I am happy to see that he is flexible on this.

But it seems quite clear to me that it is going to be difficult to compute. No one is going to know what his minimum wage standards are going to be, except that every 2 years there will have to be a recomputation.

Furthermore, as I understand the thrust of the amendment—although I have not seen the full amendment—it would be, substantially, to take out of the jurisdiction of our committee the opportunity to review the Fair Labor Standards Act to see what coverage should or should not be included as time goes by and to determine whether or not an increase is in order.

The question of productivity is a particularly good one, it is very difficult, however, under all the indices we have now to determine what national productivity actually is. I have some figures from the speech I made yesterday indicating that national productivity has only gone up 10 percent since 1966, while the cost of living has increased 28 percent. I am not convinced that the national productvity test has ever been tied down sufficiently so that we can find an index on which we could rely. It reminds me of the situation when we were trying to provide aid for universities in the higher educational field. We kept trying to find out which ones were actually in financial trouble as opposed to others and we could not find any common accounting ground in any university anywhere in the country on which we could rely. The net result was, we put a study and research program into the higher education bill, which was passed, providing for a system and a study to be made to be able to determine that.

I should like to get a comment from the Senator from Utah on that point. He has a very good productivity factor in here. My question is, How does he arrive at that factor?

Mr. MOSS. I will be happy to answer that. The President has guidelines which he is using for this very purpose, exactly the same cost-of-living figures in the index. It is published in the Federal Register. The average is 3.1 percent per year since 1948.

Mr. DOMINICK. I understand those figures, but it seems unlikely that they are accurate when we take into account that the Labor Department at the present time has declared it an unfair labor practice for a worker on piecework of any kind of exceeding a quota which has been established by a union. Consequently, we do not have that worker's productivity in any way shown by the national figure. I understand that the Senator is using the index as an arbitrary matter. What I am saying is that I am not sure it is accurate and I never will be sure it is accurate as long as it is considered to be an unfair labor practice to be able to earn as much money as one can. This is a settled case in the National Labor Relations Board. I think it is wrong. I have been protesting it.

Moreover, I think to tie the minimum wage inflexibly to the Consumer Price Index would lock us into an inflationary spiral, because I think it has been demonstrated that minimum wage increases exert strong inflationary pressure.

Mr. TAFT. Mr. President, will the Senator from Colorado yield at that point?

Mr. DOMINICK. I yield.

Mr. TAFT. I would like to comment on the productivity question. Andrew Biemiller of the AFL–CIO testified before the Labor and Public Welfare Committee regarding productivity and stated that productivity in many instances, basically is subject to the control of the employer and not up to the employee at all. Particular work practices which are involved or contracted for under a labor-management agreement. Often the assignment of work in relationship to productivity is something that is determined solely by the individuals in the industry involved. As the Senator from Colorado has pointed out we have rather specific figures for factory production, but in the matter of service figures, we have very few figures on which to rely.

Mr. DOMINICK. The Senator is totally correct. I have got to apologize to him. I believe that under our agreement, he had charge of the time. What I did was just to take it over and I apologize to him. I appreciate his comments.

Mr. President, in connection with this discussion it is worthwhile to point out, however, that on the index, whether right or wrong, on the national productivity, over the last decade, the national productivity is considered to have increased 10 percent. The consumer price index, however, increased 28 percent. This is a much more reliable figure. The committee bill has recommended a 37.5 percent increase in the minimum wage. I do not think it is difficult to determine, under item 7 of the proposed amendment, with those figures in front of us, on the productivity index, right or wrong, as to what percent increase there should be in the minimum wage under the concept as developed by the Senator from Utah.

Mr. President, I reserve the remainder of my time, such as I have. I am strongly opposed to the amendment.

Mr. MOSS. Mr. President, the Senator from Colorado is concerned about the extension to cover domestic employees, saying that this would burden the housewives in keeping records. I suggest that it would be no more of a requirement to keep records than is done now by housewives who employ domestics, in order to arrive at the correct social security contribution on the wages they pay domestics. There is no reason to believe that anything further would be required by way of recordkeeping. If there is a violation, they may be called in, just as any person would be who violates the law, to explain what their practice was. I emphasize that there is no great recordkeeping that would be necessary.

The Senator also objected to my amendment, saying that it would push inflation by shortening the effective time of the increased minimum. But I would point out that we already have experienced an increase in the cost of living, which is over 20 percent since last we dealt with the minimum wage, and productivity in that same time has jumped 9 percent. So this constitutes about a 29-percent increase in the period of time we are dealing with.

We are really just catching up. Then we would move on to the automatic adjustment based on the productivity and the cost of living. Since we can do this for adjusting civil service pensions, I do not see why we cannot do it for adjusting the minimum wage.

One thing being said is that domestics really do not need a minimum wage. I

have pointed out by the figures I cited that many of these domestics are drawing an incredibly small annual salary in this field. That means that these people are living in poverty and they must therefore try to get help somewhere else, from part of the welfare system. So, if we are bent on reforming the welfare system, as we say we are, then one of the best ways we can do it is to make sure that those who work for a living at least draw a wage which will keep them above the poverty level. If they drop into the poverty level then they are going to have to have some supplemental income in order to exist. I do not think the time will come when we will allow our people to go hungry or not be properly clothed or housed in this country.

I think, therefore, that this amendment offers a reasonable compromise with the committee bill and that proposed by the Senators from Ohio and Colorado. I suggest that it answers the principal objectives that we need; First, to extend the coverage; second, to catch up on the minimum wage now with productivity and cost of living; and, third, put it into a regularized basis so that automatically it can be adjusted hereafter, based on the figures published and utilized elsewhere in fixing salaries in this country.

I reserve the remainder of my time.

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

The PRESIDING OFFICER (Mr. COTTON). The Senator from Ohio is recognized for 5 minutes.

Mr. TAFT. Mr. President, with regard to the productivity point, I have the information distributed by the Senator from Utah, and I have a lot of questions about its applicability to the actual situation involved here.

I invite the attention of the Senator from Utah to the statement in the minority views on page 129, along this line:

> Proponents of the Committee approach argue that inflation can be avoided and profits maintained if productivity is increased. This euphoric view, i.e., that minimum wage increases accelerate productivity gains, is at variance with past trends in low-wage industries. The gain in productivity, output per manhour in the private nonfarm economy, was only 3.8 percent between 1967 and 1970, far below the long term trend. Low productivity has been particularly true of low-wage trade and services, whose productivity gains lag substantially behind those of the economy as a whole although these are the industries most directly affected and therefore the most stimulated by wage increases.

I would like to comment on a couple of other aspects of the amendment offered by the Senator from Utah. He puts back the provision relating to students and youth, the 85 percent provision. The estimate is that this system has not worked. There have not been applications for certificates for youth in any number indicating any real or substantial impact in this area. Meanwhile our youth employment problem has increased drastically.

The attempt which we are making in the substitute bill which the amendment of the Senator from Utah would change is to encourage the employment of youth. That would be completely negated by the amendment of the Senator from Utah.

I would also like to comment on the domestics issue, because the Senator from Utah indicates that he does not think there is much recordkeeping involved.

I have in my hand three separate bulletins under the Fair Labor Standards Act. One is 52 pages long. Another is not quite as long. It only covers 13 pages. Another one is about six or seven pages. I can see every housewife in the country getting out that bulletin and deciding what she has to do or what she does not have to do under these circumstances.

The Senator has not mentioned the principal argument against the domestic provision which I discussed yesterday. The committee position purports to be based upon the commerce clause. I believe it completely violates the Constitution. I cannot conceive of any activity of any sort in American life today that would be covered by the commerce clause, and subject to Federal regulation if the committee's interpretation were adopted. I do not believe it would receive such support. However, even beyond the constitutional question, we also have personal experience with respect to social security coverage. We have the record which indicates that social security coverage of domestics has been accomplished in a very sporadic manner and is characterized by its evasion as much as by its observance.

Mr. President, to compound that by putting in overtime requirements and minimum wage requirements covering every housewife in America would be a great tragedy.

The committee bill also attempts to cover Federal employees. This amendment would attempt to put the Federal employees back under the bill again.

The PRESIDING OFFICER (Mr. COTTON). The time of the Senator has expired.

Mr. TAFT. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for an additional 2 minutes.

Mr. TAFT. Mr. President, the coverage of Federal employees, it seems to me, is about the most self-defeating aspect that we could imagine.

I cannot think of any Federal employees who are not paid more than the minimum wage except for military and prisoners working in prison industries. As to the practice of paying overtime, overtime payment procedures for Federal employees in many cases have been worked out. In this connection, we would have to search through a whole gamut of laws to realize what the effect of putting this provision in the bill would be.

It is foolish to say that without reviewing the other laws that exist, all of a sudden we will come in and blanket this whole area.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MOSS. Mr. President, how much time remains to me?

The PRESIDING OFFICER. The Senator from Utah has 16 minutes remaining.

Mr. MOSS. Mr. President, I thank the Chair.

Mr. President, it seems that what we are doing here—and I am surprised to hear some of the arguments being made by those in opposition—is saying that the figures are not reliable and we could not say for sure what the productivity amounts to.

Surely the drafters of the Taft-Dominick amendment must have relied on some figures or some reports. I do not think that discussing the figures published by the Department of Labor and other Federal departments and saying that they are not letter-perfect is an answer to trying to gear the minimum wage to the amount of productivity and cost-of-living increases.

The purpose of the minimum wage is simply to say that any citizen who works for a living is entitled to be paid an amount of money which will enable him to support himself under the present cost of living existing in this country.

My amendment has a second provision to it, that if productivity in general goes up so that labor is more productive, then he shares in the benefit that comes to all of us in our society as a whole because of the higher productivity.

The matter of student and youth differential has also been referred to. They say that students have been denied jobs because the minimum wage was getting too high. That matter has always concerned me. I wondered just how effective it was. I have had inquiries from my constituents and elsewhere expressing the fear that if the minimum wage went up for students, they would not be employed.

I wrote to the Department of Labor. I was sent a report which was published in 1970. The report was entitled, "Youth Employment and Minimum Wages."

That report concludes that while the minimum wage has been increased and coverage extended during the period that has witnessed unemployment of teenagers, no direct relationship has been proved.

Thus the report finds that there has been no decrease in employment or lack of employment by reason of the minimum wage set for young people. That is the reason I thought we should return to the 85 percent and not drop to the 80 percent as proposed in the amendment to which my amendment is a clarification or a modification.

I think the case is rather clear here. We are talking about an extension of coverage to those who have been denied the protection of the minimum wage law. We are talking about catching up so that those who are being paid only the minimum wage now may be brought up to compensate for the rise in the cost of living and the rise in the productivity to the point where they were in 1966 when we last acted on the matter.

The third thing is of great importance. It seems to me that we can get on a regularized basis and apply the cost of living and the productivity to the minimum wage as an automatic factor so that the Congress every 4 years or every 6 years

will not have to fight about this, but will be in a position once again to work this matter out and try to catch up to the appropriate amount.

I think we ought to catch up in a reasonably short time and not make a long delay between action by Congress and the time when the increase will finally take effect. These people are in need of this kind of protection now and it should be extended to them now. If we can do that and then go to the automatic system we will have solved one of the very difficult problems presented now in this matter of wages and prices.

I point out again that using the productivity index and the cost-of-living index is what the President did in phase 2 in determining the kinds of regulations to be placed on the wages of employees. He used this very formula we are called upon to use in this amendment.

Mr. President, I reserve the remainder of my time. If my colleagues are prepared to yield back the remainder of their time I am prepared to yield back the remainder of my time.

Mr. DOMINICK. Mr. President, will the Senator from Ohio yield to me for 4 minutes?

Mr. TAFT. I am glad to yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I wish to go back for a moment and talk about this proposed extension of coverage to domestics. It sounds great. Here, we have low-paid people and they are going to be paid more and everyone is going to be in glory and feel good about it because they are doing something for them. However, the fact of the matter is we have yet to find that raising the minimum wage for low income people has any effect whatever in being of assistance to them. It in fact has the opposite effect—unemployment and welfare, because there are people who cannot find other jobs.

Mr. President, I hold in my hand a study entitled "The Employment Effect of Minimum Wage Rates," written by Professor John M. Peterson and Charles T. Stewart, Jr.

They come to this conclusion: and obviously domestic workers would be included.

Both theory and fact suggest that minimum rates produce gains for some groups of workers at the expense of those that are the least favorably situated in terms of marketable skills or location.

Within low-wage industries, higher-wage plants gain at the expense of the lowest-wage plants. Small firms tend to experience serious profit losses and a greater share of plant closures than large firms. Teenagers, non-whites, and women (who suffer greater unemployment rates than workers in general) tend to lose their jobs, to be crowded into less remunerative noncovered industries, and to experience more adverse changes in employment than other workers. Depressed rural areas, and the South especially, tend to be blocked from opportunities for employment growth that might relieve their distress. Given these findings, the unqualified claim that statutory minimums aid the poor must be denied. The evidence provides more basis for the claim that while they help some workers they harm those who are the least well off.

I think this is extremely pertinent in connection with the extended coverage which the Senator from Utah proposes. The only alternative for these people, if their jobs are eliminated, is welfare. In addition, the only possible basis for the Federal Government extending minimum wage coverage to this group is that they are in interstate commerce.

The basis upon which the committee said that these particular workers, the domestic workers, are in interstate commerce is that vacuum cleaners and laundry equipment are made in only a few States, and move in interstate commerce. So, they argue, if anyone is using a vacuum cleaner, regardless of what he is doing, he is in interstate commerce. All I can say is, if we extend the commerce clause of the Constitution to that extent we are really vitiating any restrictions on the Federal Government at all. We are saying that the Federal Government has power whenever it wants to do something, to do it without regard to the rights of others, and whether something is actually in commerce or not. I cannot think of anything less likely to affect interstate commerce than someone coming in to do some laundering for a housewife.

With that plus the recordkeeping involved my guess is that Congress will have every housewife in the country on its neck saying, "What are you trying to do to us?" In addition, it will not be helping the domestic workers because they will not be able to get jobs and they will have to go elsewhere.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator from Ohio has 5 minutes remaining and the Senator from Utah has 10 minutes remaining.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Utah yield to me for 1 minute?

Mr. MOSS. I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the principal parties. It is an addendum to the agreement with respect to the program for tomorrow.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

ADDENDUM TO UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 9:40 a.m. tomorrow, the Senate proceed to the consideration of S. 1861, the so-called Minimum Wage bill; that the distinguished junior Senator from Florida (Mr. CHILES) be recognized at that time for the purpose of calling up an amendment to the Taft-Dominick substitute; that time on the amendment by Mr. CHILES be limited to 20 minutes, to be equally divided between the distinguished author of the amendment, the Senator from Florida (Mr. CHILES), and the distinguished authors of the substitute, the Senator from Ohio (Mr. TAFT) and the Senator from Colorado (Mr. DOMINICK), whichever is the case; and that the vote on that amendment occur, if it is a yea and nay rollcall vote, at 11 o'clock a.m., just immediately preceding the vote which under the order of yesterday was to have occurred at 11 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears no objection, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for 30 seconds further?

Mr. MOSS. I yield.

Mr. ROBERT C. BYRD. I want to be sure I have the proper understanding of my own request, and that is that at the hour of 10 o'clock tomorrow morning the amendment by Mr. CHILES will be temporarily laid aside and time will then begin running on the substitute by Senators TAFT and DOMINICK, as previously agreed to.

The PRESIDING OFFICER. It is so understood and, without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Presiding Officer, and I thank the Senator from Utah for yielding.

The unanimous consent agreement reads as follows:

Ordered, That, during the further consideration of S. 1861, a bill to amend the Fair Labor Standards Act of 1938, as amended, on Thursday, July 20, 1972, at 9:40 a.m. the Senate proceed to consider an amendment by the Senator from Florida, Mr. Chiles, with debate thereon limited to 20 minutes, to be equally divided and controlled by the Senator from Florida, Mr. Chiles, and the Senator from Colorado, Mr. Dominick: *Provided further*, That at 10:00 a.m. the Senate will proceed to the consideration of the Taft-Dominick substitute amendment, No. 1204, with a vote on the Chiles amendment coming at 11:00 a.m., to be followed by a vote on the Taft-Dominick substitute amendment. The time on the Taft-Dominick substitute amendment will be equally divided and controlled by the Senator from Ohio, Mr. Taft, and the manager of the bill, Mr. Williams, and no further amendments to the Taft-Dominick substitute amendment be in order on Thursday, July 20, 1972, but a tabling motion, however, would be in order.

Ordered further, That after the vote on the Taft-Dominick substitute amendment, No. 1204, if defeated, the Senator from Vermont, Mr. Stafford, be recognized to call up an amendment.

Ordered further, That after the vote on the Taft-Dominick substitute amendment, debate on the bill be limited to 4 hours, to be equally divided and controlled by the Senator from New York, Mr. Javits, and the manager of the bill, Mr. Williams, and that the Senators in charge of the time on debate on the bill may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

Ordered further, That debate on any amendment to the bill on Thursday, July 20, 1972, be limited to 1 hour, to be equally divided and controlled by the proponent of the amendment and the manager of the bill, Mr. Williams, if he is in opposition to the amendment, otherwise that time will be under the control of the Minority Leader or his designee: *Provided further*, That time on any amendment to an amendment, debatable motion or appeal be limited to ½ hour, to be equally divided and controlled by the

mover of any such amendment and the manager of the bill, Mr. Williams.

Ordered further, That final vote on passage of the bill come no later than 10:00 p.m. on Thursday, July 20, 1972.

Mr. MOSS. Mr. President, as I indicated, I am willing to yield back the remainder of my time if Senators on the other side are willing to yield back the remainder of their time.

Mr. TAFT. Mr. President, we would be willing to yield back the remainder of our time and we do so.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Utah to the Taft-Dominick substitute. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Florida (Mr. CHILES), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. MAGNUSON), the Senator from Oklahoma (Mr. HARRIS), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Rhode Island (Mr. PELL), and the Senator from Maine (Mr. MUSKIE), are necessarily absent.

I further announce that the Senator from North Carolina (Mr. JORDAN), is absent on official business.

I further announce that if present and voting, the Senator from Louisiana (Mr. ELLENDER), and the Senator from Washington (Mr. MAGNUSON), would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) is necessarily absent.

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

The Senator from Delaware (Mr. ROTH) is detained on official business, and, if present and voting, would vote "nay."

The result was announced—yeas 4, nays 81, as follows:

[No. 276 Leg.]

YEAS—4

Bible	McIntyre	Moss
Burdick		

NAYS—81

Aiken	Fannin	Packwood
Allen	Fong	Pastore
Allott	Gambrell	Pearson
Bayh	Goldwater	Percy
Beall	Griffin	Proxmire
Bellmon	Gurney	Randolph
Bennett	Hansen	Ribicoff
Bentsen	Hart	Saxbe
Boggs	Hartke	Schweiker
Brock	Hatfield	Scott
Brooke	Hollings	Smith
Buckley	Hruska	Sparkman
Byrd, Harry F., Jr.	Hughes	Spong
Byrd, Robert C.	Humphrey	Stafford
Cannon	Inouye	Stennis
Case	Jackson	Stevens
Church	Javits	Stevenson
Cook	Jordan, Idaho	Symington
Cooper	Kennedy	Taft
Cotton	Long	Talmadge
Cranston	Mansfield	Thurmond
Curtis	Mathias	Tower
Dole	McClellan	Tunney
Dominick	McGee	Weicker
Eagleton	Miller	Williams
Eastland	Mondale	Young
Ervin	Montoya	
	Nelson	

NOT VOTING—15

Anderson	Gravel	Metcalf
Baker	Harris	Mundt
Chiles	Jordan, N.C.	Muskie
Ellender	Magnuson	Pell
Fulbright	McGovern	Roth

So Mr. Moss' amendment to the Taft-Dominick amendment was rejected.

The PRESIDING OFFICER. The Taft-Dominick amendment in the nature of a substitute is still before the Senate, and is open to further amendment.

Mr. BENTSEN. Mr. President, I send to the desk a perfecting amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of my amendment be dispensed with.

The PRESIDING OFFICER (Mr. HANSEN). Without objection, it is so ordered. The amendment will be printed in the RECORD.

Mr. BENTSEN's amendment is as follows:

On page 8 between lines 13 and 14 insert the following new sections:

NONDISCRIMINATION ON ACCOUNT OF AGE IN GOVERNMENT EMPLOYMENT

SEC. 12. (a) (1) The second sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, but such term does not include the United States, or a corporation wholly owned by the Government of the United States."

(2) Section 11(c) of such Act is amended by striking out "or any agency of a State or political subdivision of a State, except that such terms shall include the United States Employment Service and the systems of State and local employment services receiving Federal assistance."

(3) Section 16 of such Act is amended by striking the figure "$3,000,000," and inserting in lieu thereof "$5,000,000."

(b) (1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

"NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 13. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies (other than the General Accounting Office) as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, of the Government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each such department, agency, or unit; and

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions which shall include a provision that an employee or applicant for employment shall be notified of any final action taken or any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law."

Redesignate section 12 as section 14.

Mr. BENTSEN. Mr. President, the amendment I offer to the substitute would incorporate the amendments to age discrimination in Employment Act which passed the committee unanimously, bringing Federal, State, and local employees within the scope of that act.

It would also make one change in those amendments, raising the yearly authorization level from $3 million to $5 million, still a very modest and minimal amount to implement this legislation.

I am advised by the Labor Department that an equivalent of only 69 staff positions can be provided to administer the legislation in all of the States of the Union. If the full $3 million were authorized, that would allow for less than 200 staff positions.

Moreover, with additional Federal, State, and local government employees to receive the protection of age discrimination laws under this new bill, we shall require more funds to make this legislation do what it purports to do, namely

to make it unlawful "to discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individuals age."

On March 9 of this year, I introduced S. 3318, a bill to subject Federal, State, and local employees to the present age discrimination law. At that time, I said:

> Government is the Nation's largest employer with over 10 million employees in State and local governments and millions more at the Federal level. Moreover, government has the greatest growth rate of any other sector of our society and is the source for much of the growth of private industry. I believe that the Federal, State and local governments should be model employers. And I do not believe that these units of government are justified in asking private employers to do what government would not do for itself.

On May 5, I reintroduced my bill with amendments as an amendment to the Fair Labor Standards Amendment of of 1972. I was joined by the distinguished chairman of the Labor and Public Welfare Committee (Mr. WILLIAMS), the Senator from Missouri (Mr. EAGLETON), chairman of the Subcommittee on Aging, and the Senator from New York (Mr. JAVITS), the ranking minority members of the Senate Labor and Public Welfare Committee.

Mr. President, the Congress and three presidents have taken note of the problems of age discrimination in government employment.

In 1957, the Congress passed section 302 of the Independent Offices Appropriation Act of 1957, which said, in effect, that no part of any appropriation under any bill could be used to compensate officers or employees of the Government who establish maximum age for entrance into the Federal Civil Service. This was subsequently codified in section 3307, title V of the United States Code.

On March 14, 1963, President Kennedy, in a memorandum to the heads of agencies, affirmed the policy of the executive branch barring discrimination on the basis of age for employment and advancement.

On February 12, 1964, President Johnson issued Executive Order 11141, which declared that:

> It is the policy of the executive branch of the Government that (1) contractors and subcontractors engaged in the performance of Federal contracts shall not, in connection with employment, advancement, or discharge of employees . . . discriminate against persons because of their age . . .

The Senate version of the Civil Rights Act of 1964 provided that discrimination on the basis of age would be prohibited along with discrimination on other grounds such as race, religion, and national origin, but that provision was knocked out in conference for lack of hard evidence on the subject of age discrimination. Instead a compromise was adopted directing the Secretary of Labor to make a report to the Congress on the subject. The report, which was filed in 1965, did find a substantial age discrimination in employment, almost all of it completely arbitrary.

In 1967, the Age Discrimination in Employment Act passed the Senate without a dissenting vote; the vote in the House was 344 to 13. The law made it unlawful for an employer having more than 25 employees "to discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment because of such individual's age." Certain exceptions were made where age is a bona fide occupational consideration or where there is a bona fide seniority system or bona fide employee benefit plan.

Mr. President, government employees were excluded from coverage under the 1967 act. In my view, that exclusion is unsupportable.

The Nixon administration seems to agree with that view, for on March 23, two weeks after I introduced my bill, the President sent the Congress his message on aging, which said, in part, "especially in the employment field, discrimination based on age is cruel and self-defeating; it destroys the spirit of those who want to work and it denies the Nation the contribution they could make if they were working." The President goes on to say:

> I will soon propose to the Congress that the Age Discrimination in Employment Act be broadened to include what is perhaps the fastest growing area of employment in our economy—the State and local governments.

Mr. President, there is ample evidence that age discrimination is broadly practiced in government employment.

Elliot Carlson, writing in the Wall Street Journal on January 20, quotes a number of elderly Federal employees who have been subject to pressures as the result of recent "reduction-in-force" orders issued by Federal agencies. The employees may be transferred repeatedly, be denied their right to "bump" employees with less experience, or be subject to veiled hints that their usefulness is at an end.

President Nixon has ordered a 5-percent cut in Federal manpower by July of this year, and indications are that older workers are being asked to bear the brunt of the burden. Mike Causey, writing in the Washington Post on February 11, notes that the Pentagon is alerting older and long-service workers to volunteer for "involuntary separation" that would qualify them for immediate pensions. Joseph Young, in a recent article in the Washington Star, notes that:

> In seeking initial appointments, transfers and promotions, older applicants and employees find that regardless of their ability, experience and qualifications, their age is an insurmountable barrier.

And the Carlson article, which appeared in the Wall Street Journal on January 20, notes that HUD and the Interior Department are subjecting some older employees to extensive grilling about their jobs and engaging in a series of subtle or direct pressures encouraging them to retire.

Mr. President, age discrimination practices, whether they relate to the age of hiring, restrictions on promotion, or direct and indirect "encouragements" to retire, are not to be condoned. Many of our citizens are productive at 60 as they were at 25, and measures taken to remove them from the work force are both callous and unrealistic.

A recent report of the Senate Special Committee on Aging declares:

> If we are really concerned about some of the long-term and institutionalized forces of inflation, why aren't we making every effort to maintain a high level of labor force participation of "older workers"?

The report goes on to say:

> The price the Nation pays for failure to maximize employment opportunities for older workers is increased dependency. We do not see an increase in dependency as a good tool with which to fight inflation. We all have much more to gain through a national effort to raise our productive capacity and simultaneously provide meaningful job opportunities for older people.

Mr. President, some 31 States have some form of age discrimination law but they differ in scope and effectiveness. The Labor Department does not have clear evidence on how various State laws are implemented, but it does concede that some States have only a handful of employees to enforce what is admittedly a very sensitive and complex problem. I am afraid that Senator JAVITS' words spoken during the 1967 debate are still true. At that time, the Senator from New York said,

> The experience under State laws has been varied. Unfortunately, most States have not made available sufficient funds or manpower to really make a dent in the problem.

Mr. President, age discrimination is deeply ingrained in the American system. Somehow, in our youth-oriented culture, we have developed the idea that a man or woman over 40 is no longer a good employment risk.

I have no prejudice toward younger workers, but I believe our attitude toward middle-aged and older workers is nothing short of a national scandal.

Indeed, the problem has been magnified during the last 2 or 3 years. From January 1969 to September 1971, unemployment for persons 45 and older jumped 77 percent. Many of these people find themselves in a no-man's land—too young to retire, too old to hire—and they usually remain unemployed for longer periods than their younger counterparts.

Mr. President, I agree with President Nixon that it is time to make the Age Discrimination in Employment Act more comprehensive in its coverage. The committee bill, which incorporates my amendment, would bring Federal employees under the coverage of a law specifically directed at the overall problem and give some focus to other remedies which simply have not done the job. The measures used to protect Federal employees would be substantially similar to those incorporated in the bill which expanded the authority of the Equal Employment Opportunities Commission.

At this time I want to express my appreciation to the distinguished floor manager of the bill (Senator WILLIAMS), and to Senators EAGLETON and JAVITS, all of whom were instrumental in placing the age discrimination amendment in the final draft of Fair Labor Standards Amendments of 1972.

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

Mr. BENTSEN. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, the Sena-

tor from Texas made me a cosponsor of S. 3318, and I am very proud to have been a cosponsor, and I think it is fair to say that I did my very best to see that there were incorporated in this bill provisions against age discrimination. I believe that I speak also for the manager of the bill, the Senator from New Jersey (Mr. WILLIAMS), when I say that we have no desire to be parochial about this substitute, though we are opposed to it for substantive reasons. If any Senator wishes to seek to incorporate this proposal as an amendment to the committee substitute, we feel that it would be acceptable and desirable in any minimum wage bill.

If the amendment is acceptable to the authors of the Taft-Dominick substitute, it is acceptable to me, and I hope the Senate will approve it.

Mr. BENTSEN. I appreciate the Senator's statement in that regard.

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

Mr. BENTSEN. I yield to the distinguished Senator from Ohio for a question.

Mr. TAFT. I believe that this proposal is a perfectly proper one to add to the pending amendment, and so far as I am concerned, I believe I speak for the coauthor of the proposed substitute, we will be willing to accept it. If there is no objection or request for further time, I am prepared to yield back the time for this side at this time.

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

Mr. BENTSEN. I yield to the distinguished Senator from Colorado.

Mr. DOMINICK. This proposal, I believe, incorporates some of the provisions already in the law prohibiting discrimination on account of age, and I see no objection to adding it here. I think it is fair to point out that we have had an administration proposal along this line. It has been sent to the Congress this week, I believe. I do not think it goes quite as far as that of the Senator from Texas, in that it affects only State and local governments. But his proposal is not antagonistic to anyone as far as I can see, and as far as I am concerned, I would be glad to incorporate it as a part of the substitute and take it to conference if the substitute prevails.

Mr. BENTSEN. I appreciate the support of the distinguished Senator from Colorado, the author of the substitute amendment.

The PRESIDING OFFICER. Do all Senators yield back their time?

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

Mr. BENTSEN. I yield to the distinguished Senator from New Jersey.

Mr. WILLIAMS. Mr. President, this expression of dealing with discrimination because of age is certainly a principle we all support. We take every opportunity to strike at any possible discrimination. Here is another opportunity. I certainly support the Senator from Texas.

Mr. BENTSEN. I thank the distinguished Senator from New Jersey.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BENTSEN. Mr. President, if there is no further request for time, I yield back the remainder of my time.

Mr. TAFT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Texas to the Taft-Dominick substitute amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Florida (Mr. CHILES), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from Rhode Island (Mr. PELL), are necessarily absent.

I further announce that the Senator from North Carolina (Mr. JORDAN), is absent.

I further announce that, if present and voting, the Senator from Louisiana (Mr. ELLENDER), the Senator from Alaska (Mr. GRAVEL), the Senator from Washington (Mr. MAGNUSON), and the Senator from Arkansas (Mr. FULBRIGHT), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) is necessarily absent.

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

The Senator from Nebraska (Mr. CURTIS) is detained on official business, and if present and voting, would vote "yea."

The result was announced—yeas 86, nays 0, as follows:

[No 277 Leg.]

YEAS—86

Aiken	Fannin	Moss
Allen	Fong	Nelson
Allott	Gambrell	Packwood
Bayh	Goldwater	Pastore
Beall	Griffin	Pearson
Bellmon	Gurney	Percy
Bennett	Hansen	Proxmire
Bentsen	Hart	Randolph
Bible	Hartke	Ribicoff
Boggs	Hatfield	Roth
Brock	Hollings	Saxbe
Brooke	Hruska	Schweiker
Buckley	Hughes	Scott
Burdick	Humphrey	Smith
Byrd, Harry F., Jr.	Inouye	Sparkman
Byrd, Robert C.	Jackson	Spong
Cannon	Javits	Stafford
Case	Jordan, Idaho	Stennis
Church	Kennedy	Stevens
Cook	Long	Stevenson
Cooper	Mansfield	Symington
Cotton	Mathias	Taft
Cranston	McClellan	Talmadge
Dole	McGee	Thurmond
Dominick	McIntyre	Tower
Eagleton	Metcalf	Tunney
Eastland	Miller	Weicker
Ervin	Mondale	Williams
	Montoya	Young

NAYS—0

NOT VOTING—14

Anderson	Fulbright	McGovern
Baker	Gravel	Mundt
Chiles	Harris	Muskie
Curtis	Jordan, N.C.	Pell
Ellender	Magnuson	

So Mr. BENTSEN's amendment to the Taft-Dominick substitute amendment was agreed to.

Mr. SPONG. Mr. President, I send a perfecting amendment to the desk to amendment No. 1204 proposed by the Senator from Colorado (Mr. DOMINICK) to S. 1861, and ask that it be stated.

The PRESIDING OFFICER (Mr. ROTH). The amendment will be stated.

The assistant legislative clerk read as follows:

S. 1861

On page 4, line 9, after the word "employee" insert the following: "in retail or service establishments or seasonal recreational establishments or education institutions".

On page 4, line 14, strike out "80" and insert in lieu thereof "85".

On page 4, line 16, beginning with the word "or" strike out through the word "higher".

On page 4, line 25, strike out "80" and insert in lieu thereof "85".

On page 5, line 2, beginning with the word "or" strike out through the word "higher".

On page 5, line 5, strike out "80" and insert in lieu thereof "85".

On page 5, line 15, before the period, insert a colon and the following: *"Provided*, That such regulations shall not restrict full-time student employment by any employer to a level below that provided for under this section prior to the effective date of the Fair Labor Standards Amendments of 1972".

Mr. SPONG. Mr. President, I ask unanimous consent that the name of the Senator from South Carolina (Mr. HOLLINGS) be added as a cosponsor of this amendment.

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

Mr. SPONG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SPONG. Mr. President, the purpose of the amendment is to modify the provisions concerning the youth differential wage which appear in the proposed substitute bill. That substitute would change existing law in three ways:

First, it would reduce the differential rate from the present 80 percent of the prevailing minimum wage to 85 percent.

Second, it would extend coverage to all employers of young people in place of the present restriction to retail and service establishments, educational institutions, and seasonal recreational businesses.

Third, the substitute would eliminate the requirement that employers have Labor Department certification before making use of the youth differential provision.

By contrast, my amendment would retain existing law with respect to both the wage differential itself and the scope of coverage. The differential would remain at 85 percent and its application would be limited to retail and service establishments, educational institutions, and seasonal recreational businesses, just as it is now.

The only change in existing law under my amendment would be to eliminate the cumbersome Labor Department certification requirement that was intended to guard against abuses of the youth differential but which has actually worked to discourage full-time student

employment. It is clear that unlimited use of youth employment is not desirable, but it is equally clear that bureaucratic redtape should not undermine the program itself.

My amendment attempts to simplify matters by eliminating the precertification requirement and substituting for it authority on the part of the Labor Department to issue such regulations and standards as it feels necessary to prevent abuses. For example, I would think the Labor Department would require some kind of notification procedure. This would promote enforcement by providing for the identification of youth employers but would not stifle the employment opportunities themselves as the present certification procedure does.

In short, my amendment proposes to go to a general standards approach to enforcement instead of the present case-by-case review.

Mr. President, there is a good basis for having a youth differential and that is to create more job opportunities for young people who are without work experience and job skills or who are full-time students. Unemployment among young people today is more than three times that of the overall labor force. Young blacks are especially hard hit with an average unemployment rate over the past 5 years of about 27 percent.

The youth differential, which is now part of the law and which by implication is fully endorsed by the committee, serves a useful purpose. But it serves no purpose to entangle the program in bureaucratic redtape and procedures. All my amendment seeks to do is to allow employers to make maximum use of this worthwhile incentive program while guarding against abuses.

Mr. President, I have discussed this amendment with a wide range of individuals and I have found a surprising consensus on the part of businessmen and young people alike that it is a worthwhile approach to the issue.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 3 minutes.

Mr. TAFT. Mr. President, while I certainly feel that the Senator from Virginia has the same motives that the sponsors of the substitute have, I have some difficulty in accepting the amendment. On balance, I feel I might have to oppose it.

Mr. President, the difficulty, it seems to me, with the measure is that it perpetuates the discrimination between youths seeking employment who are in school or in a student status and youths who are not in that status.

One of the advantages of the youth differential provision which we included in the substitute amendment is that it applies to all youth under the age of 18 and full-time students under the age of 21.

It seems to me that while the purposes of the pending amendment are meritorious, the fact that it has a limited effect would mean that it probably would not go as far as the current provision of the substitute. It leads me to the conclusion that the amendment has no merits over and above those of the substitute. While there are some provisions in it that I think are desirable, on balance I do not feel that I can support it.

Mr. DOMINICK. Mr. President, will the Senator yield me 4 minutes?

Mr. TAFT. Mr. President, I yield 4 minutes to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I totally agree with the Senator from Ohio. I think that the amendment, if agreed to, will complicate rather than ease the ability of young people to find jobs.

I would say to my friend, the distinguished Senator from Virginia, that there is one other technical problem with the amendment which I think creates really quite a serious difficulty. The Senator has stricken on pages 4 and 5 of our proposed substitute the words "or whichever is higher," leaving the minimum at a flat 85 percent or whatever the minimum happens to be.

The net result of striking the "or whichever is higher" is that some students who might be hired under this provision could not get less than the present amount they are entitled to get under the minimum wage law.

Our youth differential provision, by requiring that a student under 21 or a youth under 18 be paid 80 percent of the new rates established by this bill, or the present rate, whichever is higher, makes it clear that no youth could receive less than he is making now.

That is why we had the $1.60 as a floor and 80 percent of whatever the minimum might be, and similarly $1.30 as a floor on agricultural labor. For example, the substitute would increase the minimum for nonfarm workers covered prior to 1966 to $1.80 per hour. Eighty-five percent of that comes to $1.53—less than the current $1.60 minimum. And we get into the same problem with agricultural work. So I would say to the Senator from Virginia that I think this is a serious problem.

The basic problem that I see with it—which forces me, reluctantly, to feel that I must oppose it—is exactly as the Senator from Ohio has described. The highest unemployment rates in this country are among our youth. And to the extent that we narrow the areas in which they can be hired at less than the increased minimum wage rates, to that extent we decrease their viability in the labor market.

They cannot get the work experience necessary to move up the ladder. For that reason, I feel the application of the youth differential in our substitute should apply to all types of employment.

I realize that many of the labor unions do not like the youth opportunity provision and they have very strongly opposed the youth opportunity provision that we have tried to include in the substitute. However, the fact of the matter is that it is not those people who are working within the labor unions who are largely the unemployed. It is the youth and particularly the ethnic or minority groups since they have less skills than most union members who have gone through apprenticeship schools and other institutions in the union. They are not going to be hired at the same rate.

It is for that very reason that we adopted an 80 percent, rather than 85-percent differential. For the very reason of trying to simplify the administration of it, we broadened its present application beyond retail service and agriculture, and left it open to whatever fields they might seek jobs.

Because I have high respect for the Senator from Virginia, it is with considerable reluctance I must oppose the amendment because I feel that he has made a technical mistake and has decreased rather than increased the opportunity for youth employment.

Mr. SPONG. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 3 minutes.

Mr. SPONG. Mr. President, I want to say that the substitute measure retains most of what is my understanding of the present law.

I think that we want to encourage youth to find employment in many fields of endeavor. And those fields are spelled out in my amendment retail, service establishments, educational institutions, and seasonal recreation jobs. However, I think that if a young person is employed in certain other types of endeavor, in construction work, for example, they are entitled to the full minimum wage and not 80 percent of that wage.

I want to point out to the Senate that we now have a differential of 85 percent and that the substitute being offered by the Senator from Colorado and the Senator from Ohio reduces that to 80 percent. So on the one hand we would be reducing the differential that could be paid, and on the other, extending it to certain other areas of employment which I think represents discrimination against young people, because these other types of work generally involve full time, and not seasonal, student employment.

I share with the Senator from Colorado his concern about students who need work. In my remarks I pointed out we have a 27 percent unemployment rate among young people in the black community. I also would point out to the committee chairman that if the substitute prevails in its present form we will be reducing the differential rate from 85 percent to 80 percent, and second, in my judgment, we will be encouraging employers in other fields to hire youth in place of adult employees because they can pay them a lower wage for full-time employment.

I think what we want to encourage is seasonal and part-time employment for youth.

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

Mr. SPONG. I yield myself 1 additional minute.

I gather that the sponsors of the substitute and the Senator from Virginia are in agreement that certification is a cumbersome procedure. It is one that I believe the Labor Department itself in past years considered doing away with.

What my amendment seeks to do is

keep the applicable areas of employment what they are today to keep the differential percentage what it is today, and not to discriminate further against young people. We want to encourage employment of the young people in retail, in franchise operations, in seasonal employment, but not to discriminate against them in other types of employment that are full time.

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

Mr. SPONG I am pleased to yield to the Senator from New Jersey.

Mr. WILLIAMS. I wonder if the Senator will explain to me just what the differences are in his amendment or where it differs from what is in the bill, S 1861?

Mr. SPONG. I think the principal difference is the certification procedure which is in both the substitute and in my perfecting amendment to the substitute. I think the certification procedure is cumbersome. I believe there are many job opportunities for young people that have been thwarted as a result.

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

Mr. SPONG. Are we speaking on the time of the Senator from New Jersey or my time?

Mr. WILLIAMS. I wish to ask a couple of questions.

Mr. SPONG. Go ahead. We have plenty of time.

Mr. WILLIAMS. Is that the only difference, the precertification before employment?

Mr. SPONG. I beg the Senator's pardon?

Mr. WILLIAMS. Is that the only difference between the Senator's amendment and the other provision as it appears in the bill?

Mr. SPONG. That is my understanding.

Mr. WILLIAMS. The precertification. Frankly, I do not have a copy of the amendment.

Mr. SPONG. I will be glad to send the Senator a copy if he will stand by.

Mr. WILLIAMS. How many young people are involved? Does it go across the board or deal only with employment in defined areas?

Mr. SPONG. It deals only with employment in defined areas and they are retail or service establishments or seasonal recreational establishments or education institutions. It is my understanding that is what the law presently is. In addition, the amendment preserves the youth differential in agriculture.

I would point out to the distinguished chairman of the committee and to his distinguished colleague on the committee, the Senator from New York, that the Senate is today working its will on the substitute which is before us. My amendment is a perfecting amendment to that substitute. I would point out to the chairman and to the ranking minority member of the committee that should the substitute prevail two things would take place in this field. I am speaking only of the youth differential field. Those two things are that we would reduce the differential from the present 85 percent to 80 percent, and we would expand without limitation the areas of employment which the Senator from New Jersey just inquired about. In other words, the differential would apply to everything and not just certain industries as it presently does.

The Senator from Virginia is seeking in his own way, contrary to the judgment of my friends from Ohio and Colorado, to improve their substitute which is before us.

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

Mr. WILLIAMS. Mr. President, before yielding to the Senator from New York, I wish to add that the provision in the bill deals with young people who are students. The Senator's amendment deals with all of youth. The categories of employment are the same as in the bill, but the amendment would broaden it to all young people employed in those areas. Is that correct?

Mr. SPONG. Those who are under 18, and full-time students under the age of 21.

Mr. WILLIAMS. But those under 18 do not have to be—qualified for the lower age students. Is that correct?

Mr. SPONG. That is correct.

Mr. JAVITS. Mr. President, we have time on the bill. Will the Senator yield to me 2 minutes on the bill?

Mr. WILLIAMS. I yield.

Mr. JAVITS. Mr. President, it is true, as I said before, that we are not going to be parochial about this substitute. We are against it, and we believe in the final form it is going to be we will be very strongly against it, but if any Member wishes to pick up something from the bill and put it in the substtiute, that makes sense to the manager of the bill and me, we will not stand in the way.

However, two restrictions must be added. One, where fundamental structural changes are made and adopted in the substitute, even if the substitute fails, the argument will be made that the Senate has approved that language so let us put it in the bill. We do not agree with this amendment because it eliminates certification and opens the door to nonstudents, and this makes a material change, so far as we are concerned in respect of the differential. I am against it and so we must oppose it now as then. We cannot stand by and say that the Senate has expressed its view and when you come to the bill if the substitute is defeated you have to take this.

Mr. President, I would like to add substantively that our experience in New York, where we have a State law which permits a youth differential under a certificate program, is that the certificate is very material; it is a method of control that is extremely valuable and also our people say—and I quote from a letter from the New York State industrial commissioner, Louis L. Levine, which I ask unanimous consent to put in the RECORD:

> There does not appear to be any evidence that a lower rate creates any substantial number of new job opportunities. One of the problems under a dual minimum wage system which is being discussed on the Federal level may encourage marginal employers to replace adult workers with less costly youth labor.

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

STATE OF NEW YORK,
DEPARTMENT OF LABOR,
Albany, N.Y., May 6, 1972.

Mr. EUGENE MITTLEMAN,
c/o Senator Jacob K. Javits,
U.S. Senate,
Washington, D.C.

DEAR GENE: The following analysis is in response to your inquiry concerning minimum wage enforcement in the logging industry and also the question you raised concerning minimum wage differential for youth.

With reference to the logging industry, our Division of Labor Standards has no minimum wage enforcement experience with logging operations. The industry is not included under New York State's selected inspection program which is directed to low wage paying service industries.

Recently our Division of Employment was involved in a survey of occupational earnings in the logging industry and sent out questionnaires to the 31 firms on record in New York State with four or more workers asking for prevailing rates for the month of August 1971. We have been told that based on the 15 valid replies the average wage for skilled occupations is $5 an hour. The lowest wage reported for other workers—specifically a cook was $2.10 an hour. It is doubtful, therefore, that there is any special situation in the State of New York relative to the State Minimum Wage Law.

With reference to minimum wage differential for youth under New York State minimum wage order regulations, a differential of 30¢ an hour (approximately 20%) is permitted for youth under 18 years. This certification is valid only for two employees or 10% of the total number of employees in the establishment, whichever number is greater. The youth rate provision was first promulgated with our 1967 wage orders. For the five-year period, January 1, 1967 to December 31, 1971, a total of 11,465 establishments in New York State have been issued youth rate certificates. In 1967—3,823; 1968—1,607; 1969—841; 1970—3,656; 1971—1,538. We have no current data as to the extent these establishments are utilizing the certificates. A limited survey conducted by the Division in 1968 involving a sampling of 156 establishments in different parts of the State in which youth rates had been issued during the year disclosed that 37% of the establishments had not paid eligible youths less than the statutory wage; 8% had not employed minors under 18 years; and of the 55% utilizing certificates, 20% had paid the lower rate to only some of the eligible youths.

Since our youth differential has been applied on a limited basis under controlled conditions—e.g. a youth certificate is required; employment must meet legal standards of child labor employment such as a valid employment certificate, legal hours of work, no prohibited occupation, etc.—we have not encountered the strong opposition from organized labor that exists where there is a dual minimum wage.

There does not appear to be any evidence that a lower rate creates any substantial number of new job opportunities. One of the problems under a dual minimum wage system which is being discussed on the Federal level may encourage marginal employers to replace adult workers with less costly youth labor. If the Secretary of Labor is to be given authority to prescribe standards and requirements and to issue certificates, the enforcement problems will be one of great concern to all of the Regional representatives of the Department of Labor. Our own experience has been that while the onus for one of the employer inspections are complicated, generally more than one visit is required to allow the

employer to obtain the necessary substantiation. Different State and Federal standards also create problems in enforcement. When the State rate goes to $2, our youth rate will be $1.70—10c higher than the proposed Federal youth rate. Further, the State youth rate is applicable only on a limited basis. Accordingly, the higher State standards will prevail in New York State but not without misunderstanding and confusion on the part of some employers and a more difficult enforcement job for our Division of Labor Standards in New York State.

There is a need, however, to face the problem that a youth differential rate would offset some of the hurdles that young people face in finding employment. I am not sure that the certificating program we have in the State of New York and the one which is being discussed in Congress is necessarily the right approach. However, I believe that a trial period is called for if, in fact, we can apply the necessary controls.

I hope that this information is useful to you. Please advise me if there is anything further I can add.

Sincerely,

LOUIS L. LEVINE,
Industrial Commissioner.

Mr. JAVITS. This is the important thing to me. One problem is that the dual minimum wage which is being discussed at the Federal level may encourage marginal employers to replace adult workers with youth at lesser wage rates.

So we have to be careful. We may be between Scylla and Charybdis.

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

Mr. JAVITS. I yield myself 2 minutes on the bill.

That is one peril. We are dealing with youth in the Neighborhood Youth Corps, the poverty programs, and many other programs, of which this is only one factor, and perhaps a small factor. On the other side we have adult workers, and we do not want displaced Americans who have regular jobs, especially if we improve those jobs and get them above the poverty syndrome.

So we get up against that peril. Although the Senator from Virginia is acting in the utmost good faith and what he believes to be in the public interest, that is the direction in which his amendment moves us. We run into that peril much more than we do with the bill as it stands.

For those reasons, for myself, I shall vote against the amendment.

Mr. DOMINICK. Mr. President, I yield myself an additional 4 minutes.

As I said before, I have great respect for the Senator from Virginia and I understand what he is trying to do. I think basically he wants youth employment promoted as much as possible, but he would like to restrict it to certain industries on the theory, apparently, that if we get into construction industries, for example, they should not be hiring youth, or, I will put it, should not be hiring youth at the minimum wage.

This is the same comment, to some extent, that was made by the Senator from New York.

But I say to my colleagues that what we are talking about is nonstudent, a fellow between 18 and 21 who is out of high school, who is probably going into a trade, and if so, he is going to be paid a lot more than on the minimum wage basis. We are talking only about those who do not have the skills to fulfill a full-time worker's job. Under those circumstances, it seems to me we ought to have a minimum and that person ought to be given the chance to gain those skills, even though it happens to be from on-the-job training, which many of us have been promoting for a long time.

The difficulty with this amendment is that it prevents on-the-job training; it gives it in very isolated industries and we cannot move into job opportunity in other areas.

The other defect in the amendment is that it would not permit a minimum which is below what the existing minimum is for students. There is no existing statutory reduction in minimums for those who are nonstudents at the present. This is one of the things the substitute would create. Also, under his amendment, some youth could be paid less than the present minimum which seems unfair.

That is the very reason why we put it in the substitute, because although we reduced it to 80 percent from 85 percent, we put a restriction in so that one cannot get anything lower than what the existing minimum is. That is the reason for it.

Although the Senator changes it to 85 percent, the fact of the matter is that under certain circumstances, on the first raise we cannot always pay them what they are getting now.

For those reasons I am afraid I am going to have to oppose this amendment. It looks to me as though the Senator from Virginia is in the unenviable spot where both sides are against the amendment. That is a very difficult position to be in, and I apologize.

Mr. SPONG. I will say to the Senator from Colorado that was not unanticipated when the amendment was offered, but the Senator from Virginia believes he is trying to improve the substitute, and he is perfectly willing to yield back the balance of his time.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. DOMINICK. I yield.

Mr. JAVITS. Mr. President, just for the sake of all of us, I think the RECORD should show that this is not the only youth provision of the Fair Labor Standards Act. There is in section 14 a provision for learners, apprentices, students, and handicapped workers, so that learners, apprentices, and handicapped workers, quite apart from the categories of people we are talking about, are also subject to participation in lower wage rates. I think that should be made a part of the debate we have here so that it is clear we are not dealing with the only part of the Fair Labor Standards Act which relates to the possibility of the youth getting special consideration.

Mr. DOMINICK. The Senator is correct, except under those circumstances certification is needed. It does not necessarily also apply to youth, to handicapped, regardless of age, and so on. What the Senator is saying is that it is inclusive enough to include youth. That is totally correct. But it is not specifically designed to deal with it as the provision in the substitute and as the provisions of the Senator from Virginia.

Mr. WILLIAMS. Mr. President, I am constrained to oppose this amendment. It impresses me that, in broadening the youth differential, which is one way of stating a subminimum wage, it will have the effect that in these times of high adult unemployment, marginal workers, just on the borderline of the minimum wage, would be potentially most seriously affected when those marginal adult workers are really in competition with youth at a subminimum rate. The harm could be less employment opportunity for adult marginal workers.

I appreciate the fact that from where I sit it is, in some degree, an improvement over the substitute, but I also fear the direction that it goes, that it would have an adverse effect on adult workers.

The PRESIDING OFFICER. Who yields time? Is all time yielded back?

Mr. SPONG. Mr. President, I yield back the balance of my time.

Mr. TAFT. Mr. President, I yield back the balance of my time.

The PRESIDING OFFICER. All time has been yielded back. The yeas and nays have been ordered.

The question is on agreeing to the amendment of the Senator from Virginia to the Taft-Dominick amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Florida (Mr. CHILES), the Senator from Louisiana (Mr. ELLENDER), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from North Carolina (Mr. JORDAN), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) and the Senator from Louisiana (Mr. ELLENDER) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) is necessarily absent.

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

The result was announced—yeas 27, nays 59, as follows:

[No. 278 Leg.]

YEAS—27

Aiken	Gambrell	Mondale
Beall	Griffin	Moss
Bellmon	Hollings	Packwood
Burdick	Humphrey	Percy
Byrd, Robert C.	Inouye	Randolph
Cannon	Mansfield	Spong
Dole	Mathias	Stevens
Eastland	McClellan	Stevenson
Ervin	Metcalf	Symington

NAYS—59

Allen	Brooke	Cotton
Allott	Buckley	Cranston
Bayh	Byrd, Harry F., Jr.	Curtis
Bennett	Case	Dominick
Bentsen	Church	Eagleton
Bible	Cook	Fannin
Boggs	Cooper	Fong
Brock		Goldwater

Gurney	McGee	Scott
Hansen	McIntyre	Smith
Hart	Miller	Sparkman
Hartke	Montoya	Stafford
Hatfield	Nelson	Taft
Hruska	Pastore	Talmadge
Hughes	Pearson	Thurmond
Jackson	Proxmire	Tower
Javits	Ribicoff	Tunney
Jordan, Idaho	Roth	Weicker
Kennedy	Saxbe	Williams
Long	Schweiker	Young

NOT VOTING—14

Anderson	Gravel	Mundt
Baker	Harris	Muskie
Chiles	Jordan, N.C.	Pell
Ellender	Magnuson	Stennis
Fulbright	McGovern	

So Mr. SPONG's amendment was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BEALL. Mr. President, I rise in support of amendment No. 1204 which I cosponsored with Senators DOMINICK, TAFT, and PACKWOOD. S. 1861, the bill reported to the full Senate, in my judgment, is unwise in view of the present economic conditions and may very well endanger the economic recovery by rekindling inflationary pressures.

Our Nation has had a tough fight against inflation over the past years—inflation that erodes the purchasing power of all Americans; inflation that hits hardest those citizens living on fixed incomes, such as social security recipients; inflation that aggravates the already critical fiscal problem facing State and local governments, as well as educational and health institutions which generally have more difficulty absorbing such increases by increasing productivity; and inflation which harms our competitive position in world markets and contributes to our trade difficulties. In short, every American family and each citizen of this country has a stake in the outcome of our battle against inflation. I believe our economy is at a critical juncture. I believe that success in our battle against inflation is within our reach, and that we can look forward in the immediate years ahead for general prosperity without inflation. Yet, there are developments that threaten this promising economic upturn and may create more inflation. Real growth, not inflated growth must be our goal.

Foremost among these concerns is the growing size of the deficit. I am convinced that we in the Congress must better discipline ourselves and better control Federal spending. We cannot enact program after program without regard to its cost and without raising the revenue to support such programs.

More specifically to the issue at hand, I wish to make it clear that I favor an increase in the minimum wage, but I favor an increase that is reasonable and realistic in line of the current economic conditions and immediate future prospects. We cannot consider minimum wage increases in a vacuum. We must take into account the rate of unemployment, the rate of inflation and the balance of payments difficulties. In considering these and other conditions of our economy, I believe the situation calls for restraint and moderation and for a reasonable increase in minimum wage as provided in amendment No. 1204, as the Baltimore Sun in a May 12 editorial commented:

It says something about the temper and wisdom of majority forces in the Congress that they pick a time of stubborn and painfully high unemployment-cum-inflation to push a 25 percent boost in mandated minimum wage. Neither on the liberal nor the conservative side of the permanent economic debate can they find much doctrinal comfort. Lord Keynes warned that employers wouldn't employ unless they saw a fair chance of getting value back—as they figured value—from the wage money they put out. And he assumed, without thinking it necessary to explicate, the primordial fact of economic life never more persuasively put than by Calvin Coolidge: "For a man to have a job, some one has to hire him".

I ask unanimous consent that the entire editorial be printed at the conclusion of my remarks.

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

(See exhibit 1).

Mr. BEALL. Under the bill as reported to the full Senate, the minimum wage for workers covered by the Fair Labor Standards Act prior to 1966 would increase from $1.60 an hour to $2 an hour 60 days after enactment. A year later these wages would rise to $2.20 an hour. Thus, the committee's recommendations would result in a 25-percent increase within 60 days and 37.5-percent increase within 14 months.

The minimum wage rate for farm employees will rise from $2.00 an hour to $2.20 in a little over a 3-year period for a 69.2-percent increase.

The wage increase coupled with expansion coverage to 8.4 million additional employees will increase the Nation's wage bill to $7.2 billion.

This figure does not include the ripple effect as employers move to maintain wage differentials for those employees earning above the minimum. On the other hand, the substitute which I support provides for a realistic and reasonable approach. The substitute increases the minimum wage for those employees covered prior to 1966 to $1.80 an hour 60 days after enactment and $2 an hour a year later. For nonagriculture workers covered by the 1966 amendments, the minimum wage would move to $1.70 an hour on enactment, a $1.80 an hour a year later, and $2 an hour the following year. For agriculture workers the minimum wage would be increased to $1.50 an hour 60 days after enactment and $1.70 an hour thereafter.

When the minimum wage is increased, additional costs to those affected industries follow. This is elementary. Inflationary impacts are minimized to the extent that minimum wage increases are absorbed by profits.

Also, the impact of minimum wage tends to be concentrated in low-wage manufacturing industries, trading services, and farming. These industries typically have lower profits rates, and are highly competitive. The failure rate of businesses in trade services is very high, particularly among those which are excluded under the so-called small business enterprises test which would be subsequently lower under the bill reported by the committee. Dun & Bradstreet statistics indicate that 43 percent of small businesses and industrial failures in 1971 occurred in retail trade. One of the primary reasons was the increased costs of doing business, including wages.

In this connection it is worth noting that the retail trade is one of the largest employers of the youth. Thus, extension of the minimum wage could further aggravate an already intolerable youth unemployment rate.

The small business community is already having enough difficulties. Federal safety and other regulations are making it increasingly difficult for the small businessman to continue. It also should be pointed out that inflation since the last minimum wage increase in 1966 has in effect expanded coverage of additional small business concerns, for the $250,000 enterprises volume test of 1966 has been reduced by inflation to $190,000.

Therefore, it could be that the committee's best of intentions in raising the minimum wage will be counterproductive in that it will result in higher prices on the one hand, and the loss of jobs on the other.

The committee bill would also extend minimum wage coverage to 3.2 million additional State and local government employees and overtime coverage to an additional 3.3 million such employees. This minimum wage extension would cost these governmental units $1 billion.

While Congress may not have to pay much attention to where the money will come from to pay for such increased costs, State and local governments must. I feel certain that State and local governments want to have an equitable and fair salary structure and most employees are paid substantially more than the minimum wage. Yet, the fiscal plight of State and local governments is serious. We should respond to this problem by taking action on the revenue-sharing proposal which has been lingering in Congress for too long and not add to the fiscal difficulties of State and local governments by adding $1 billion to their costs.

Also, there has been legitimate concern voiced that an increase in minimum wage would necessitate the elimination of job opportunities or the reduction of services, or both. Either course of action would be particularly harmful to lower income citizens, young people, and the individuals served by these programs. Such an increase may be particularly harmful on summer employment. My point here is that if we require an increase in minimum wage, the money paid for such an increase in our cities, where personnel costs often account for 70 percent of the total must come from somewhere. The city, of course, could raise taxes. With taxes already high and taxpayers already revolting, this seems unlikely. The only real alternative is to reduce the number of job slots or to cut back in services.

In addition, there are unique problems with the extension of overtime to State

and local employees, particularly with respect to those employees involved in public safety work. While the committee would phase out the overtime exemption, I still am uncertain as to its actual impact on the Nation's fire and police forces.

I also support the youth differential provisions of the pending substitute. It should be pointed out that a wage differential for youth is not a new concept. Many countries of the world provide for a wage differential for youth and 18 States either exempt minors from minimum wage coverage or provide lower rates. The statistics for the first quarter of 1971 indicate that nonwhite teenage unemployment rate was 31.8 percent and white teenage unemployment rate was 15.7 percent. For black youths the unemployment rate is an exceedingly high 41 percent.

The youth differential has the support of many prominent economists. One of the better known studies in support of a youth differential was completed last year by Finis Welch, now a member of the National Board of Economic Research, and Marvin Kosters, an assistant director of the Cost of Living Council. Their study advocated a youth differential even greater than the one proposed in the pending substitute. Their study concluded:

Minimum wage legislation has apparently played an important role in increasing the cyclical sensitivity of teenage unemployment.

They found that—

As the minimum wage rises, teenagers are able to obtain fewer jobs, and their jobs are less secure over the business cycle. A disproportionate share of these unfavorable employment effects accrues to nonwhite teenagers.

Economist Paul Samuelson put the issue this way:

What good does it do a black youth to know that an employer must pay him a $1.60 an hour if the fact that he must be paid that amount is what keeps him from getting a job?

Similarily, Prof. James Coleman of Johns Hopkins University, the author of the so-called Coleman Report, sees minimum wage laws as an obstacle to youth employment and urges their relaxation. In a February 1972 article in "Psychology Today" he writes:

The new goal must be to integrate the youth into functional community roles that move them into adulthood. To accomplish this goal requires fundamental changes in the relationship of the youth to the community. Practices currently barring youth from productive activity in many areas—such as minimum wage laws and union-membership barriers against the youth—must be relaxed.

In fact, Professor Coleman has indicated, and I am paraphrasing his comments, that one of the traditional means of upward mobility in this Nation has been the step-by-step advance up the job ladder. Professor Coleman views increasing the minimum wage as, in effect, removing some of the lower rungs and thus making it more difficult for youth and others on the labor market fringes to start in the job market.

In addition to the appalling high rate of unemployment, I believe the unrest and discontent of our youth could partially be answered by a meaningful experience and contact with the real world of work. I believe that the young people could profit from this productive activity and society as a whole could profit from their idealisms, enthusiasm, and energy.

The Congress itself, in 1966, recognized the need to do something about youth employment when it authorized special certification under which fulltime students were permitted to be employed at 85 percent of the applicable minimum wage in retail and service establishments and farms. However, the system just has not worked due to all of the red tape involved.

The substitute amendment would establish differential rates for all youths over 18 and full-time students under 21 with no restrictions on the type of employment. The differential rate for nonagriculture would be $1.60 or 80 percent of the applicable minimum, which is even higher. The agriculture employment rate would be 80 percent of the applicable minimum wage or $1.30 whichever is higher.

It should be pointed out that no youth could be paid less than the present minimum rates in effect now. The red tape would be eliminated and the Secretary of Labor would promulgate regulations to insure that no adult employment would be displaced.

Mr. President, the present youth unemployment trend cannot be continued. While no one can say for certain that this program will work, many economists and a number of studies indicate that it is worth a try. A lower minimum wage should encourage employers to hire teenagers. A lower minimum wage should induce the creation of jobs which at present are not worth the standard wage but may be worth a somewhat lower wage. The benefits of work experience may be even greater than the job and the income for the youth. In addition, such early employment will not only acquaint students early with the world of work and the occupations that they might wish to pursue in their adulthood, but will also likely lead to higher incomes in their future careers. The alternative is to maintain the status quo and the intolerably high unemployment rate among youth.

Mr. President, the House of Representatives passed, in effect, the substitute proposal; the administration supports the substitute proposal; many of the Nation's leading newspapers, such as the Baltimore Sun, have urged congressional restraint and the reasonableness of the substitute's approach at this critical time. For all of these reasons, I believe that the substitute proposal is superior and should be adopted.

EXHIBIT 1

[From the Baltimore Sun, May 12, 1972]

A POOR TIME TO INFLATE WAGES

It says something about the temper and wisdom of majority forces in the Congress that they pick a time of stubborn and painfully high unemployment-cum-inflation to push a 25 per cent boost in mandated minimum wage. Neither on the liberal nor the conservative side of the permanent economic debate can they find much doctrinal comfort. Lord Keynes warned that employers wouldn't employ unless they saw a fair chance of getting value back—as they figured value—from the wage money they put out. And he assumed, without thinking it necessary to explicate, the primordial fact of economic life never more persuasively put than by Calvin Coolidge: "For a man to have a job, some one has to hire him."

Now let us consider the effect of a 40-cent-an-hour jump in mandated minimum wage—upward from the present $1.60—on a man unemployed whenever in future such an act went into effect. The Congress would be making it 25 per cent less likely than before that such a man would find a job; this it would do by commanding the employer to pay 40 cents more than he had already concluded he could not pay. The impact on that part of the labor force where unemployment is, and may remain, highest, would be particularly marked. Right now 17 per cent of teen-agers in the labor market are out of work. The figure for black teen-agers is nearer 30 per cent.

On the broad economic advisability of raising wages by law across the whole economy, other questions arise. Right now Phase II policy holds increases to 5.5 per cent, which the Congress is asked to exceed by several times. No doubt adjustments to emergency policy could be worked into new permanent legislation. Perhaps there could be special rules and rates for teen-agers, if not to promote, at least not to discourage their employment. But short of a parallel guarantee of matching productivity boosts, statutory wage increases pump inflation into price levels at any time, and more so when inflation is already rife. Wiser legislators realize it is rife now.

Mr. DOMINICK. Mr. President, I do not know whether the whip is here, but I think it would be helpful, while we have the membership on the floor, if we got the yeas and nays on the substitute very shortly. I do not want to ask for the yeas and nays now, because I want to modify the amendment before I do.

The amendment with which I want to modify my substitute is printed as No. 1321. It is at the desk. I gather that I have to get unanimous consent to do this once a time interval agreement has been reached on amendments.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMINICK. I ask unanimous consent at this point to modify the Dominick-Taft substitute by amendment No. 1321.

In order to let everyone know what it is, to make sure there is no misunderstanding——

Mr. PASTORE. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOMINICK. It does four things. It conforms the committee substitute to the child labor and agriculture provisions that are now in the committee bill.

Mr. JAVITS. Mr. President, will the Senator correct that? This is not the committee substitute. The Senator said it conforms the committee substitute.

Mr. PASTORE. Mr. President, I cannot hear the Senator.

Mr. JAVITS. I asked the Senator from Colorado to correct the statement that this is the committee substitute. It is not the committee substitute.

Mr. DOMINICK. I said it conforms the substitute——

Mr. JAVITS. The Senator said it conforms the committee substitute.

Mr. DOMINICK. I beg the Senator's pardon.

It conforms our substitute to what is in the committee bill with regard to child labor in agriculture law.

Second, it conforms our substitute to what is in the committee bill in connection with child labor exemptions for newsboys who are delivering not only newspapers but also circulars and other advertising material for weekly and semiweekly newspapers. This also was adopted in committee.

Third, it conforms our substitute with the committee bill in connection with civil penalties for child labor violations.

Fourth, it conforms our substitute with the committee bill on giving authority to the Secretary of Labor—it does not require it—to require employers to obtain proof of age in order to carry out the child labor provision.

I do not think there is anything very controversial about any of these provisions. There are people, including myself, who are not quite sure that the child labor and agriculture provisions are really good. Nevertheless, to avoid an argument, we are going that way.

I had a discussion on this issue with the Senator from New York yesterday.

So I renew my unanimous consent request at this point, on behalf of myself and Senator TAFT, that this be adopted as a modification of our substitute.

Mr. JAVITS. Mr. President, reserving the right to object—and I do not intend to object—perhaps my colleague managing the bill may have other ideas.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. I think I have time on the substitute.

The PRESIDING OFFICER. There is no time on the bill today.

Mr. JAVITS. On the substitute.

The PRESIDING OFFICER. The time is controlled by the Senator from New Jersey.

Mr. TAFT. I yield the Senator such time as he needs.

Mr. JAVITS. I thought it was important to make clear in this connection exactly what is going on in this unanimous-consent request and in other amendments. There is no question about the fact that the effort is being made to sweeten up the substitute to make it more attractive to the Senate.

As I said before, Mr. President, our disposition is not to be parochial about that. At the same time, it is very important to note what is still left out. Large coverage is left out. The immediate $2 minimum is left out. Many other provisions respecting overtime, which are changed from existing law in many occupations, are left out. We want to be very clear that extremely substantial difference still remains between the substitute and the committee bill. We shall detail those tomorrow, when we have the final argument on the substitute.

I did not wish to let go unnoticed exactly what is going on here and that that, too, has some parameters which are very important to define.

Having said that, Mr. President, I withdraw my reservation.

The PRESIDING OFFICER. Is there objection?

Mr. DOMINICK. Mr. President, just commenting, before I renew the request, I say to the Senator from New York that the other provisions, other than the child labor and agriculture provisions, were adopted by the committee after we had introduced the substitute. As a result, we had very little chance. I could have modified it before we got to this point, but I thought, in all fairness, that I should not do so until now.

So, on behalf of myself and the distinguished Senator from Ohio (Mr. TAFT), I renew my unanimous-consent request.

The PRESIDING OFFICER (Mr. ROTH). Is there objection to the request of the Senator from Colorado? The Chair hears none, and it is so ordered. The substitute amendment as amended is so modified.

The modified amendment reads as follows:

AMENDMENT NO. 1204—AS AMENDED AND MODIFIED

Strike all material after the enacting clause, and in lieu thereof, insert the following: That this Act may be cited as the "Fair Labor Standards Amendments of 1972."

INCREASE IN MINIMUM WAGE

Nonagricultural Employees

SEC. 2. (a) Section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended, is amended to read as follows:

"(1) not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1972, and not less than $2.00 an hour thereafter, except as otherwise provided in this section;".

(b) Section 6(b) of such Act is amended by striking out paragraphs (1) through (5) thereof and inserting in lieu thereof the following:

"(1) not less than $1.70 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1972;

"(2) not less than $1.80 an hour during the second year from such effective date; and

"(3) not less than $2.00 an hour thereafter."

AGRICULTURAL EMPLOYEES

SEC. 3. Paragraph (5) of section 6(a) is amended to read as follows:

"(5) If such employee is employed in agriculture, not less than $1.50 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1972 and not less than $1.70 an hour thereafter."

EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 4. Section 6(c) of such Act is amended by substituting the following new paragraphs 2(A) and 2(B):

"(A) The rate or rates applicable under the most recent wage order issued by the Secretary prior to the effective date of the Fair Labor Standards Amendments of 1972 increased by 12.5 per centum unless such rate or rates are susperseded by the rate or rates prescribed in a wage order issued by the Secretary pursuant to the recommendations of a review committee appointed under paragraph (C). Such rate or rates shall become effective sixty days after the effective date of the Fair Labor Standards Amendments of 1972, or one year from the effective date of the most recent wage order applicable to such employee theretofore issued by the Secretary pursuant to the recommendations of a special industry committee appointed under section 5, whichever is later.

"(B) Effective one year after the applicable effective date under paragraph (A), the rate or rates prescribed by paragraph (A), increased by an amount equal to 12.5 per centum of the rate or rates applicable under the most recent wage order issued by the Secretary prior to the effective date of the Fair Labor Standards Amendments of 1972 unless such rate or rates are superseded by the rate or rates prescribed in a wage order issued by the Secretary pursuant to the recommendation of a review committee appointed under paragraph (C)."

EMPLOYEES IN THE CANAL ZONE

SEC. 5. Section 6(a) of such Act is amended by adding the following new paragraph:

"(6) if such employee is employed in the Canal Zone not less than $1.60 an hour."

EXPANDING EMPLOYMENT OPPORTUNITIES FOR YOUTHS

Special Minimum Wages for Employees Under 18 and Students

SEC. 6. Section 14(b) of the Fair Labor Standards Act of 1938, as amended, is amended to read as follows:

"(b) (1) Notwithstanding the minimum wage rates required by section 6(a) (1) or 6(b), any employer may, in compliance with applicable child labor laws, employ any employee—

"(A) to whom such rates would apply but for this subsection, and

"(B) who is (i) under the age of 18 or (ii) a full-time student under the age of 21, at a wage rate which is not less than 80 per centum of the otherwise applicable minimum wage rate prescribed by such section or $1.60 per hour, whichever is higher.

"(2) Notwithstanding the minimum wage rates required by section 6(a) (5), any employer may, in compliance with applicable child labor laws, employ in agriculture any employee—

"(A) to whom such rates would apply but for this subsection, and

"(B) who is (i) under the age of 18 or (ii) a full-time student under the age of 21

at a wage rate which is not less than 80 per centum of the otherwise applicable minimum wage rate prescribed by such section or $1.30 per hour, whichever is higher.

"(3) The special minimum wage for such employees in Puerto Rico, the Virgin Islands, and American Samoa shall be 80 per centum of the industry wage order rate otherwise applicable to them: *Provided*, That in no case shall such special minimum wage be less than that provided for under a wage order issued prior to the effective date of the Fair Labor Standards Amendments of 1972.

"(4) The Secretary shall by regulation prescribe standards and requirements to insure that this subsection will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this subsection is applicable."

MISCELLANEOUS

Equal Pay for Executive, Administrative or Professional Employees

SEC. 7. Section 13(a) of the Fair Labor Standards Act of 1938, as amended, is amended by inserting after "section 6" the following: "(other than section 6(d) in the case of paragraph (1) of this subsection)."

Child Labor In Agriculture

SEC. 8.(a) Section 13(c)(1) of such Act is amended to read as follows:

"(c)(1) Except as provided in paragraph (2) the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person; or

"(B) is fourteen years of age or older, or

"(C) is twelve years of age or older, and

(i) such employment is with the written consent of his parent or person standing in place of his parent, or (ii) his parent is employed on the same farm.

"(b) Section 13(d) of such Act is amended to read as follows:

"'(d) (1) (A) The provisions of sections 6, 7, and 12 shall not apply with respect to any employee engaged in the delivery of newspapers to the consumer, and (B) the provisions of section 12 shall not apply with respect to any such employee when engaged in the delivery to households or consumers of shopping news (including shopping guides, handbills, or other type of advertising material) published by any weekly, semiweekly, or daily newspaper.'".

Resident Employees at Apartment Buildings

SEC. 9. Section 3(s) of such Act is amended by adding at the end thereof the following new paragraph:

"In determining whether an apartment building, the gross annual rentals of which are less than $250,000, is part of an 'enterprise engaged in commerce or in the production of goods for commerce' within the meaning of this subsection, the fact that the owner of such building has retained a management agent to perform management services in connection with the operation of such building shall be disregarded."

INJUNCTIVE AND OTHER EQUITABLE RELIEF

SEC. 10. Section 17 of such Act is amended to read as follows:

"INJUNCTIVE AND OTHER EQUITABLE RELIEF

"SEC. 17. The district courts, together with the United States Court for the District of the Canal Zone, the District Court of the Virgin Islands, and the District Court of Guam shall have jurisdiction, for cause shown, to restrain violations of section 15, including in the case of violations of section 15(a) (2) the restraint of any withholding of payment of minimum wages or overtime compensation found by the court to be due to employees under this Act (except sums which employees are barred from recovering, at the time of the commencement of the action to restrain the violations, by virtue of the provisions of section 6 of the Portal-to-Portal Act of 1947). In any claim under this section arising out of willful violation of the Act, the district courts may, in addition to restraining the withholding of payments as authorized above, award as further equitable relief an amount not to exceed the minimum wages or overtime compensation found to be due."

"CIVIL PENALTY FOR CERTAIN LABOR VIOLATIONS

"SEC. 11. Section 16 of the Fair Labor Standards Act of 1938, as amended, is amended by adding at the end thereof the following new subsection:

"'(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. Any such civil penalty may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be:

"'(1) deducted from any sums owing by the United States to the person charged; or

"'(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"'(3) ordered by the court, in an action brought under section 17 to restrain violations of section 15(a) (4), to be paid to the Secretary.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 9a of title 29, United States Code.'.

"PROOF OF AGE REQUIREMENT

"SEC. 12. Section 12 of the Fair Labor Standards Act of 1938, as amended, is amended by adding at the end thereof the following new subsection:

"'(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age.'".

TECHNICAL AMENDMENTS

SEC. 11. (a) Section 6(c) (2) (C) of such Act is amended by substituting "1972" for "1966".

(b) Section 6(c) (3) of such Act is repealed and section 6(c) (4) is renumbered 6(c) (3).

(c) Section 7(a) (2) of such Act is repealed and section 7(a) (1) is renumbered 7(a).

(d) Section 14(c) of such Act is repealed and section 14(d) is renumbered 14(c).

(e) Section 18(b) is amended by striking out "section 6(b)", and inserting in lieu thereof "section 6(a)(6)", and by striking out "section 7(a)(1)" and inserting in lieu thereof "section 7(a)."

NONDISCRIMINATION ON ACCOUNT OF AGE IN GOVERNMENT EMPLOYMENT

SEC. 12. (a)(1) The second sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, but such term does not include the United States, or a corporation wholly owned by the Government of the United States."

(2) Section 11(c) of such Act is amended by striking out "or any agency of a State or political subdivision of a State, except that such terms shall include the United States Employment Service and the systems of State and local employment services receiving Federal assistance."

(3) Section 16 of such Act is amended by striking the figure "$3,000,000," and inserting in lieu thereof "$5,000,000."

(b)(1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

"NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 13. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies (other than the General Accounting Office) as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, of the Government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each such department, agency, or unit; and

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age. The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions which shall include a provision that an employee or applicant for employment shall be notified of any final action taken or any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law.".

EFFECTIVE DATE

SEC. 14. Except as otherwise provided in this Act, the amendments made by this Act shall take effect sixty days after enactment. On and after the date of enactment of this Act, the Secretary is authorized to promulgate necessary rules, regulations, or orders with regard to the amendments made by this Act.

Mr. TAFT. Mr. President, at this point I would ask for the yeas and nays on the Dominick-Taft substitute.

The yeas and nays were ordered.

Mr. TAFT. At this time, Mr. President,

I yield 10 minutes to the distinguished Senator from Arizona (Mr. FANNIN).

The PRESIDING OFFICER. The Senator from Arizona is recognized for 10 minutes.

Mr. FANNIN. Mr. President, I speak in favor of the Dominick-Taft substitute over the committee bill. I feel that consideration of amendments to the Fair Labor Standards Act is brought up by the majority at an unfortunate time. We are confronted by a committee bill which would extend minimum wage coverage to about 8.4 million employees. I have seen various estimates as to the increases in the annual wage bill. A conservative estimate seems to be that it would increase annual wages by $4.2 billion the first year, $5 billion the second year, and $3.6 billion the third year, or a total of $12.8 billion. Frankly, I do not know the cost and do not believe anyone does. The minority views estimate that the direct total wage cost would be $7.2 billion. The rippling effect upon the wages of higher paid employees can only be a guess.

Just before the recess for the Democratic Convention, Congress rushed through a 20-percent increase in social security benefits with increased taxes for such to be paid later. Now, just prior to the Republican Convention we are considering a mammoth increase in minimum wages. I do not like to suggest political motivation for votes on these measures, but it is a fact of our political lives.

It is my sincere opinion that there would be more objective consideration of the pending legislation if it were delayed until after the November elections.

Personally, I oppose any increase in minimum wages and extension of coverage at this time. Our principal foreign competitors have no minimum wage laws comparable to those in this Nation, the balance of trade with those countries is alarming.

While I am no longer a member of the Senate Labor Committee, I have taken the time and effort to study not only the committee's majority and minority reports, but also the testimony presented at the hearings.

I find myself in agreement with the views of Senators DOMINICK, PACKWOOD, and TAFT. However, their arguments would apply equally to support the position of continuing the act as is. I will vote for the "Dominick substitute" which substantially conforms to the House-passed bill, but I am left with the feeling that I am voting for the lesser of two evils.

In reading the testimony, I have been concerned with two primary goals. I believe we have to broaden the economic opportunities for the young, the disadvantaged, the impoverished and the marginal worker. I believe we want to reduce unemployment and bring inflation under control. We must attempt to relieve our cities of their financial problems caused in part by high welfare costs and relief rolls. We must attempt to accelerate development in our rural areas and restore farming to its rightful place in our economy.

The committee bill works contrary to those goals.

I now turn to the specific industries upon which the bill will have the greatest effect.

FARM LABOR

The American Farm Bureau Federation testified that no group would be more adversely affected by the enactment of the committee bill than the farmworkers. The committee report states that the bill would bring an estimated 75,000 to 150,000 additional farmworkers under the act. The minority views to that report states that under their amendment the rate for farmworkers would increase from $1.30 to $1.60 60 days after enactment, and to $1.70 a year later. The additional wage cost over 2 years would be about $1.2 billion, compared with $7.2 billion for the committee bill.

I have some personal knowledge about farming. I have great sympathy for the farm laborer, he performs a lot of back-breaking work. I do not want to see the employment of these people with minimum marketable skills drastically reduced if not eliminated.

Let us look at one example—the results of rising comparative costs in the United States in the case of competition with Mexican producers of fruits and vegetables. U.S. imports of fruits and vegetables from Mexico have increased more than 10 times since 1956 and are continuing to increase at an escalating rate. The committee bill would further accelerate this trend resulting in a reduction of employment in agriculture of hired workers.

We are all concerned about the depopulation of many rural areas and the concentration of our population in urban areas. We want to reverse these trends.

We are all concerned about the inadequate number of jobs available for teenagers during the summer months. An inevitable consequence of an increase in the minimum wage would be to reduce jobs for teenagers and would accelerate the movement from farms to cities.

Employment in agriculture is elastic because of the availability of new labor-saving equipment, machinery, and practices which have been adopted by many farmers. I do not know how farmers may find the large amounts of capital needed to adopt new technology but a sharp increase in costs would create a strong incentive for them to do so and would hasten the disemployment of hired workers in agriculture.

The committee bill also amends the premium pay for overtime (section 7) to eliminate certain provisions of present law particularly in agricultural processing industries. The costs to farmers and the processing of their products is substantial. There is no way to avoid fluctuation in work per day or week on farms. Crops do not grow on an 8-hour day or a 40-hour week basis. If the processor chooses to work only 8 hours per day or 40 hours per week his ability to handle farmer's products is reduced. If the processor chooses to pay the overtime the additional costs will be passed on to farmers and consumers.

The Vegetable Growers' Association summarizes the effect of increased minimums and overtime pay on farmers:

First, forcing smaller, marginal producers out of business; second, forcing some producers to shift to other less labor intensive crops at a possible reduction in income to them thus aggravating the surplus; third, undermining incentive methods of payment which will require growers to pay some workers more than their productivity warrants; increasing farmers record-keeping requirements; fifth, increasing competition from foreign produced agricultural commodities.

The Secretary of Labor testified:

There are two reasons why loss of employment would be particularly severe in agriculture. The current agricultural minimum is $1.30. The proposed $2.20 rate represents an increase of 73 percent.

According to the Small Business Administration the 5,400,000 small businesses of this country provide 40 percent of national employment. In January 1971, the National Federation of Independent Business conducted two nationwide surveys of its membership to determine their views upon any increase in the Federal minimum wage. Eighty-four percent voiced opposition to any increase in the minimum. A minimum wage increase does not add to the national wealth, but rather only redistributes its flow or placement. The question is just how it will be funded. Addressing themselves to this question, responsible economists point out several alternative approaches which might be followed. Businesses may absorb the increased costs out of profits, lay off less productive workers or cutback on their hours of work, increase prices or elect to close down. With request to the first alternative—absorb the increased cost out of profits—the answer is extremely doubtful. According to the survey small firms are only now beginning to make a slow or uncertain recovery from the painful and protracted squeeze to which they have been subjected over the past several years.

The Secretary of Labor testified:

The increases proposed in S1861 could have serious harmful effects for the economy, in our judgment. In order to mitigate the effects of this increase, many employers affected could well adopt ways to reduce the number of their employees. Some small businesses might give up altogether. Others might be deterred from starting up.

RETAILING

The committee bill has a tremendous effect upon the small retailer. Present law does not cover retail enterprises with annual gross sales of less than $250,000. The committee bill extends coverage to enterprises with annual sales of $150,000. This amendment would add to coverage an estimated 2 million workers. The committee rejected a proposal that FLSA be amended by repealing the special student certification program and replace it with a blanket subminimum wage of $1.60 or 80 percent of the statutory rate for young people below the age of 18 and for full-time students up to the age of 21.

Mr. President, I realize that some changes have been made in this respect. However, this problem still exists.

Retailing can and does provide decent job opportunities for our young people, the age group which is suffering serious and increasing unemployment. The un-

employment rate for 16- and 17-year-olds is about 18 percent.

The American Retail Federation testified:

Retailing, one of the last large industries to be covered by FLSA, believes that the payment of wages according to what an employee produces is a valid basis of remuneration. As an employee's productivity increases, then his wages should be raised.

The reduction in the dollar volume test brings under coverage those small stores which because of their size, location, and customer traffic, sufficient sales per employee hours are not produced to meet minimum wage standards. These employers are already pressed to provide additional employee benefits such as the large increase in social security payments, unemployment taxes, and others. These employers costs are now such that the additional cost of minimum wage coverage could only force them to either reduce the number of employees or go out of business. Small Business Administration statistics show that in 1969, a total of 9,154 business failures, 4,070 were in retailing—almost 50 percent. In 1971, there were 10,321 small business failures, 4,428 or 43 percent were retail firms. One of the major reasons for these failures was the increased costs of doing business, including wages.

Retailing, as we all know, is in many respects a unique industry. Its success or failure depends upon the genius of the owner in scheduling work to meet the whims of the buying public. Each of us patronize the retail store—we sometimes go in to buy and find a surplus of sales clerks sitting idly by waiting for customers. At other times we cannot get waited upon and we leave with the thought that the store provides lousy service and vow never to return.

The retail and service industries, which encompass most small businesses, have large labor costs. Labor costs average more than 60 percent of operating costs in the retail industry. A large proportion of their labor force consists of the unskilled, the marginal workers, and, in summer vacation periods, the youth. About 50 percent of employees of retail firms now earn less than $2 an hour.

The giant chains may be able to absorb the cost of the committee bill, but the small businesses cannot.

This is another already depressed industry, the majority of its employees falling into the category of marginal workers. Hotel occupancies were 55 percent in 1970 with monthly statistics showing an additional 7-percent drop during 1971. The hotel industry has experienced very low return on investment ratios. Payroll expenses average nearly 40 percent. It has increased productivity to some extent by decreasing the number of maids, housekeepers, bellmen, and maintenance, but some essential services must be maintained. A large increase in Federal minimum wage could only further increase the number of unemployed who because of their lack of skills have nowhere to go but to the welfare rolls.

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

Mr. TAFT. Mr. President, I yield the Senator from Arizona an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Arizona is recognized for an additional 3 minutes.

RESTAURANTS

Mr. FANNIN. The restaurant industry is the third largest industry in the retail field employing about 3½ million persons in more than 390,000 commercial food service units. It is also an industry with a high amount of bankruptcy with 940 going through such in 1970. The general public sees only the waiters and bus employees who because of tips receive incomes above the Federal minimums. However, over 50 percent of their employees work in the kitchens where the largest group are the dish and pot washers. These employees generally have no skills, often speak little English, and can be replaced by mechanization. When large increases in minimum wage are imposed, these employees are thrown into the welfare rolls.

The committee bill would extend coverage but not overtime to an estimated 1,200,000 domestic service employees—excluding babysitters. The committee majority finds constitutional basis for coverage in the commerce clause, on grounds that cleaning product sales affect commerce and domestic employment releases other persons to work in commerce. I had thought that the commerce clause had been extended to its outermost limits, but this breaks all bounds.

I just cannot imagine the housewife struggling with the paperwork which would be required by the Labor Department if domestics are brought under the act. I can imagine that housewife giving her husband the alternative of either filling out the forms or dispensing with the domestic and his performing half the housework. It has also been my impression that the domestic is in so short supply and so great demand that they can ordinarily set their own wages.

Secretary of Labor Hodgson makes it quite evident that his department does not desire coverage of domestics. He testified:

First, enforcement would be unusually troublesome. It would not be possible to enforce a minimum for such domestic employees in the same way such enforcement is carried out in other industries. Such enforcement would be difficult and expensive and in fact most such investigations would involve only a single worker. Second, the impact of this extension of coverage on their employment opportunities whom such an extension is designed to benefit is an unexplored area. Such an extension very well could adversely affect the employment opportunities of domestic workers.

To put it more bluntly, it is my judgment that most domestics would be released to go on the welfare rolls.

While I find it almost impossible to imagine that the Senate would accept coverage of domestic workers it does illustrate the lengths to which the committee bill goes to an intent to establish a high minimum wage and eliminate all possible exemptions.

STATE AND LOCAL GOVERNMENT EMPLOYEES

The extension of coverage to some 5 million State and local government employees is particularly offensive to me. This is a massive intrusion of the Federal Government into State and local governmental affairs. State and local officials can better appreciate the differences in the cost of living which vary widely between States.

I have searched the hearings to find any responsible testimony with respect to the inclusion of State and local government employees. Other than in the comments of the Secretary of Labor, I have found none. The Secretary says,

We cannot support this proposal.

He testified further that—

It would certainly involve the Federal Government in the regulation of the function of State and local governments. To extend such coverage would impinge unduly upon the federal system of our nation. The administration is concerned about the vitality and viability of State and local governments. We want to reinforce their responsibility and responsiveness. Federal government regulation of wages of state and local government employees would be at cross-purposes with those goals and would tend to weaken our system of federalism.

Yet the committee majority would extend coverage to almost 5 million employees in the public sector. It devotes most of its attention to proving its action to be constitutional rather than to need an effect of such coverage.

The minority cites many examples of the ridiculous effect upon specific occupations. It also sets forth tables showing occupations with entrance level rates of less than $1.60 per hour in the various regions and States. I recommend to all Senators that they look at these tables before voting on minimum wage legislation.

CONCLUSION

Economists have consistently warned that minimum-wage regulations have harmful effects—employment opportunities are restricted by pricing the least productive and needed workers out of the market.

Dr. Milton Friedman of the University of Chicago has referred to the Fair Labor Standards Act of 1938 as the "most antiblack law on our statute books—in its effect—not its intent."

Prof. Paul A. Samuelson of MIT has asked "what good does it do a black youth to know that an employer must pay him $1.60 per hour if the fact that he must be paid that amount is what keeps him from getting a job."

The same statement is equally applicable to domestic workers, to farmworkers, to youth in general, to retail and service workers, State and local employees, and to older workers who wish to supplement their social security benefits and small pensions. The disillusionment is now multiplied as we consider a bill which raises minimums to $2.20 per hour.

I am particularly concerned with the effect of the committee bill on employment among youth. The Secretary of Labor testified:

Unemployment among youth has been one of the most persistent and growing manpower problems of this Nation. The youth unemployment rate has grown alarmingly in the past decade. Before the early sixties the unemployment rate for these young people was already at two or three times the level of that for adults. Since 1963, however, the rate has consistently been four and even five times greater. In March 1971 there were

516,000 16 and 17 year olds who were unemployed. This was 19 percent of this age group's labor force as compared with 5.1 percent unemployed among adult workers.

Traditionally youth finds employment in small business, retailing, restaurants, hotels, and the farms. Yet the committee bill by raising minimums, and extending coverage has effectively cut off opportunities for youth in these industries.

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

Mr. TAFT. Mr. President, I yield an additional minute to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for an additional minute.

Mr. FANNIN. Mr. President, minimum wage legislation began in the depression era. If there ever was a sound basis for such legislation, the principles certainly would not apply in today's inflation economy. I know that some will argue that unemployment is high today at 5½ percent, but it is evident that unemployment would be much lower if it were not for the minimum wage law which has eliminated many jobs which able-bodied persons would be willing to take.

The bill as it came out of the committee is a classic in political and economic deception.

It is advantageous to big business, big labor, and big agriculture because it will drive out competition.

It is detrimental to the poor, to the average consumer, to the small farmer, and to the small businessman.

It is a further extension of the tentacles of big brother government into the affairs of States and municipalities.

This proposal is another of those ploys which raise the hopes of the poor, but which only hurt the very people we are told it will help.

This bill will increase unemployment, it will accelerate inflation, it will further damage our efforts to compete in world trade, and it will do damage to our system of government.

In short, the results will be that the poor will become poorer, and the Nation certainly will be no richer.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 473) to amend the Automobile Information Disclosure Act to make its provisions applicable to the possessions of the United States.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 9092) to provide an equitable system for fixing and adjusting the rates of pay for prevailing rate employees of the Government, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DULSKI, Mr. HENDERSON, Mr. WHITE, Mr. GROSS, and Mr. JOHNSON of Pennsylvania were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 12202) to increase the contribution of the Federal Government to the costs of health benefits, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DULSKI, Mr. HENDERSON, Mr. WALDIE, Mr. GROSS, and Mr. HILLIS were appointed managers on the part of the House at the conference.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 19, 1972, he presented to the President of the United States the enrolled bill (S. 2359) for the relief of Willard O. Brown.

FAIR LABOR STANDARDS AMENDMENTS OF 1972

The Senate continued with the consideration of the bill (S. 1861) to amend the Fair Labor Standards Act of 1938, as amended, to extend its protection to additional employees, to raise the minimum wage to $2.25 an hour, to provide for an 8-hour workday, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I yield 10 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 10 minutes.

Mr. STAFFORD. Mr. President, I voted for S. 1861 in the Committee on Labor and Public Welfare only after carefully weighing all the arguments for and against the proposed increase in the minimum wage and the extended coverage.

I support the decision to raise the basic minimum wage to $2 and then to $2.20 because I have come to the conclusion that, on balance, that increase is in the best interest of our Nation.

President Nixon's proposal for reform of our welfare system, as passed by the House of Representatives, provides that the breadwinner in a family of four would have to be fully employed in a job that pays at least $2.08 an hour before his family would become ineligible for supplemental welfare assistance. In substance, the administration has determined that a worker, employed full time, would have to earn more than $2 an hour to bring his family of four above the poverty level. I feel our economy will be strengthened if we are able to help more persons to become taxpayers instead of welfare recipients.

In addition, the Department of Labor has provided figures that demonstrate that the minimum wage of $1.60 set in 1966 has risen to a 1972 equivalent of $2.07 because of the increase in the cost of living during that period. That figure can be expected to increase to about $2.20 in a year from now, even if we are successful in slowing the rate of inflaton. Thus, it could be argued that the measure before us simply is making an adjustment to the cost-of-living increase, rather than actually increasing the minimum wage.

Another provision of importance in the committee bill is the maintenance of the existing youth student differential. The present law provides for the issuance of certificates that permit the employment of full-time students on a part-time or full-time basis during vacation periods in retail and service establishments and in agricultural activities at 85 percent of the minimum wage.

A recent study has disclosed that only 42 percent of the student hours certified by the Department of Labor to be paid at the subminimum rate were actually being used. Our students and other young people should be released from the status of second-class citizenship that is established by second-class wages.

I reject the argument that a lower differential applied to all young people will create more jobs in this time of high unemployment. Studies completed by the Bureau of Labor Statistics show there is a correlation between the general state of the economy and the unemployment profile of adult workers—BLS Bulletins, 1957 and 1970.

On June 29 of this year, I submitted for the RECORD a letter I received from leaders of three organizations that represent young Americans. The leaders of the three organizations felt their views on the matter of the youth differential had not been aired adequately, and they asserted their opposition to a youth differential. I hope my colleagues will again take the time to read that letter, which appears on page 23151 of the CONGRESSIONAL RECORD of June 29, 1972.

I do have one reservation with the committee bill, and on Monday I introduced in behalf of myself and Senators RANDOLPH, PEARSON, and BURDICK, Amendment No. 1318 to S. 1861. Since that time, Senators MCINTYRE and MCGEE have asked to join as cosponsors, and several other Senators have assured me of their support for the amendment.

The amendment would preserve the $250,000 gross sales test exemption for the small businesses of this country. That is the level contained in the present law. The committee bill proposes to reduce that level to $150,000 in four stages over a 3-year period.

I had intended to call up my amendment for action on Monday, but as you know, I was unable to win recognition from the chair before the Taft-Dominick substitute was placed before the Senate.

Although the Taft-Dominick substitute contains language that would also preserve the present small business exemption, it contains other proposals that go far beyond the relief I feel is needed for the small businesses of America.

In short, my amendment will give Members of the Senate the opportunity to continue the present small business exemption to the minimum wage law without having to accept the other proposals contained in the Taft-Dominick substitute.

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

Mr. STAFFORD. I yield.

Mr. JAVITS. I would like to recall to the Senator that the Senator from New Jersey (Mr. WILLIAMS) and I—and I

have since discussed the matter with the Senator from Nevada (Mr. BIBLE), the chairman of the Small Business Committee, and I am its ranking minority member—propose to accept that amendment and hope it will be part of the bill. We appreciate the situation and are prepared to go forward with it.

Mr. STAFFORD. I appreciate the statement of the Senator from New York.

The amendment I have offered to the committee bill is a clear way of protecting important and necessary features of the committee bill, while still maintaining relief for small businesses.

For that reason, I want to remind my colleagues that I plan to offer my amendment tomorrow, as provided by the unanimous-consent agreement we reached yesterday, immediately after the Taft-Dominick substitute is defeated, as I hope it will be.

Mr. President, I yield back such time as I have not used, and I yield the floor.

Mr. WILLIAMS. Mr. President, with great reluctance, I am going to vote for the Stafford-Randolph amendment which would retain an exemption for independently owned small businesses from the provisions of the Fair Labor Standards Act.

When I introduced S. 1861 originally, the bill would have eliminated the exemption entirely. As I said at that time, the bill was drafted to require all exempt employers to come forward to justify the continuation of their exemptions.

Although I can conceive of few better services we could perform for the working poor of this Nation than to legislate full coverage for all American workers under the act, I appreciate the concerns and fears expressed in behalf of the independently owned small businesses, many of whom are struggling themselves, to make ends meet.

Mr. President, in all candor, I will vote for this amendment because it is a much more responsible approach to the legitimate conflicting needs of two important segments of society—the low-wage worker, and the small, independent businessman—than the provisions of the House-passed bill which would also exempt smaller units of multimillion-dollar chain operations. It is an honest approach to the issues raised by this legislation and offers my colleagues in this body an alternative to the shotgun, regressive type of approach, as embodied in the bill passed by the other body.

I know that many of my colleagues agree with the principles embodied in S. 1861 and would be inclined to vote against this amendment. I ask them to consider the alternatives, however, and to consider the reasons that I, as sponsor and floor manager of the bill, am prepared to support this amendment.

Mr. PEARSON. Mr. President, as a cosponsor of the amendment to preserve the present annual receipts test as outlined in the Fair Labor Standards Act, I want to encourage my colleagues to support its adoption.

The need to provide a decent working wage for all Americans has been well documented by the distinguished Senator from New Jersey, chairman of the Senate Labor Subcommittee and the manager of this bill, I would agree there is a need to raise the minimum wage above the level generally acknowledged as poverty subsistence. Yet, Mr. President, I believe it is equally important to insure that the small employer, one who hires an average of eight or less workers, can continue to maintain his present level of employment without reducing his profit margin, raising his prices, or closing his doors.

Mr. President, the supporters of the bill argue that if the annual receipts test is lowered to $150,000 from the present $250,000, there will still be over 1 million small businesses who will not be required to pay the minimum wage. But with adoption of the reduced test, which would become fully effective at the end of 4 years, there will be nearly 345,000 small businessmen paying the minimum wage for the first time.

These employers pay the wages of over 11 million workers in this country, and their labor costs amount to nearly two-thirds of their total operating expenses. While these small businesses are among the most competitive in our economy, their profit margins are among the lowest. So tenuous is the financial security of these concerns that in 1971, over 10,000 were forced to close their doors, an alarmingly high rate of failure.

Mr. President, if the receipts test is lowered, it would be most difficult to determine what the economic impact on these employers would be. I am not aware of any testimony submitted during consideration of this bill which discusses what I believe to be major factors in helping to form a position on this aspect of the committee bill. We do not know how many workers would lose their jobs with enactment of this provision. Nor do we know how many businesses, grossing under $250,000 each year, would have to close their doors.

Finally, we do not know how many consumers, living in small, rural towns across the Nation, depending on the small businessman for vital goods and services, would be affected.

Mr. President, passage of this amendment will not result in price increases, employee displacement, or any of the other conditions we find all too prevalent in an economy struggling to halt spiraling inflation and unemployment. Neither will it result in placing yet another obstacle in the path of our Nation's small business concerns.

However, our proposal insures that the small businessman, hard hit by adverse economic conditions, will continue to have the protection under the Fair Labor Standards Act he has enjoyed for 34 years. Its enactment will insure that millions of consumers and workers in the small towns of this Nation can continue to work and buy locally, without having to join the migration to urban centers.

Mr. President, we must retain the $250,000 minimum exemption for small business, and I urge the adoption of this amendment.

Mr. DOMINICK. Mr. President, will the Senator from New York yield to me for 2 minutes on the substitute?

Mr. JAVITS. I yield 2 minutes to the Senator on the substitute.

Mr. DOMINICK. Mr. President, I assure the Senator from Vermont that what he refers to as the small business amendment is in our substitute. Second, I tried and I did introduce, and we had a rollcall vote on that very same amendment in committee, and it was rejected. I got only four votes for it, one of which was the vote of the Senator from Vermont, as I recall.

Mr. STAFFORD. The Senator's recollection is correct.

Mr. DOMINICK. I can well understand the Senator's desire to do that, and since it is in the substitute I hope he changes his mind and supports it. That is what we have tried to do in the substitute.

I will take a little time later to speak on the substitute and give an analysis of it, but at this time I ask unanimous consent that the substitute as amended, and as modified, be printed so it will be available for all Senators tomorrow. If there are further amendments I would include those, but at least the ones completed already.

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

Mr. JAVITS. Mr. President, I yield myself 2 minutes on the substitute.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I would like to call these facts specifically to the attention of the Senator from Ohio (Mr. TAFT).

During the debate yesterday the Senator from Ohio made reference to a study made by the New York State Department of Labor on the effects of an increase in the New York State minimum wage applicable to retail stores in 1957. It was contended that this study proved that increases in the minimum wage, such as proposed in S. 1861, would have adverse effects on employment. Since this is really the crux of the difference of view between those who support the committee bill and those who support the substitute, I think the facts with respect to the New York State study ought to be made clear in the record.

On February 1, 1957, the New York State minimum wage applicable to retail stores was raised as follows: The rate for stores in New York City, which previously was 75 cents an hour, was raised to $1. The upstate rate, which previously was 65 cents or 70 cents an hour, depending on location, was raised to 90 cents an hour, effective February 1, 1957, and $1 per hour effective February 1, 1958.

Several points should be made about these figures. In the first place, at the time involved, the Federal minimum wage did not apply to any retail or service stores. Thus New York stores located near State lines were competing against stores in other States which were not subject to any Federal minimum wage. In the second place, the New York rate was applicable to all retail stores, regardless of gross volume. There was no exception, as there is in the present Federal law, for stores doing less than $250,000 gross volume.

The importance of this difference needs to be emphasized because about 80 percent of all retail stores in the State had fewer than eight employees and,

generally speaking, stores with fewer than eight employees would probably not meet the $250,000 gross volume test.

Third, depending on the location of the store, the increase involved amounted to between 33⅓ percent and 40 percent in 1 year. That is considerably higher than the increase which would be required under S. 1861.

The study which has been referred to examined the effects of this increase on employment in retail stores during 1957. It showed that, as could be expected, employers did make some adjustments to compensate for increased minimum wage costs. But looked at in perspective, the adjustments were clearly minimal. Thus, out of 625,000 potentially affected employees, the study found that 951 had been laid off and that 517 who voluntarily quit were not replaced. That works out to a percentage of 0.24 percent of all jobs affected. All the other adjustments were primarily in the number of hours worked per week, and much of this represented a reduction in overtime.

Even this small change does not take into account other compensating changes in employment which may have been made but were wholly unrelated to the minimum wage factor. In that connection it is interesting to note that during 1957 overall employment in the retail industry actually increased from 813,800 to 827,100.

Under the circumstances, Mr. President, I don't think the study of the New York experience in 1957 furnishes any support for those who contend that the committee bill would have adverse employment effects. Indeed, the fact that the committee bill will not affect very small stores—when the Stafford amendment is voted on, the present $250,000 test will remain—makes the New York study practically irrevelant, since so many of the stores covered by New York State would be exempt from Federal law. Another difference which precludes using the New York study as a basis for projecting any adverse employment effects on S. 1861 is that the increases proposed under S. 1861 are much less drastic than those which became effective on February 1, 1957 in New York. Thus, instead of a 33⅓- to 40-percent increase during 1 year, under S. 1861 for retail stores with gross volume of less than $1 million the increase would be 12.5 percent during the first year, with further like increases during the next 2 years.

We are making a very modest increase. By virtue of all those facts, which I felt should be spread upon the RECORD, we do not feel the New York study made 15 years ago is a germane consideration in respect to the likely effect of what we are trying to do under this bill.

Mr. TAFT. Mr. President, I yield myself such time as I may require.

I have no desire to carry on further debate with the Senator from New York. It does appear from the Senator's statement that there was some effect on the employment situation, although there may be situations in New York to nullify the effect somewhat.

The fact of the matter really is that we are dealing here in an area which is very difficult unless we have before us a very comprehensive study, and I know of none that has been made that would lead one to the conclusion that there is no effect. It seems to me various economic factors are involved, such as the motivation that comes to every small businessman and every small employer, especially as to saving money and keeping prices down to be competitive. This, it seems to me, would indicate that there must be an effect.

I yield 5 minutes to the Senator from Wyoming.

Mr. HANSEN. I thank the distinguished Senator from Ohio.

Mr. President, I would like to ask, if I may, since the distinguished senior Senator from New York is on the floor, as an advocate of freer trade and lowering of tariff barriers, would it not be his opinion that the situation to which he refers in his own State of New York, whereby he says the raises there brought about a disparity between that State and adjoining States, would be the effect internationally if we raised the minimum wage, recognizing the fact that multinational corporations have been going abroad?

As a member of the Finance Committee, I have listened to more than one chairman of a board say they were forced to go abroad to take advantage of the productivity of foreign workers who were paid far less than American workers were paid.

This situation happens just south of the border. Two or three electronic companies that I know of have left the State of Arizona, where the Federal minimum wage law of $1.60 had applied, and went down to Mexico, where they could hire nearly equally competent workers at 30 cents an hour. They closed up shop and moved south of the border.

Presidents of several electronic corporations testified before the Finance Committee that they, too, had taken their activities out of this country. As I recall, the chairman of Zenith Corp. said that they had gone abroad to the Far East and were able to manufacture a radio or television set that cost between $80 and $110, and bring it back to warehouse it in their Chicago building for $8 to $9 less per set than they were able to manufacture the whole set in this country.

It is my contention that if we raise the minimum wage as it is proposed, it would have this effect. As I said yesterday, as Governor of Wyoming, I proposed such a law. I approached it with an open mind. But I cannot help but believe that as we seek to lower tariffs and make more exchange possible, simply as a matter of economics we are going to force more American workers out of jobs.

My question to the distinguished senior Senator from New York is, Would not these same facts of life apply internationally as the Senator noted applied 15 years ago in his State of New York?

Mr. JAVITS. Mr. President, my reply to that is that we get down to a situation where it is absolutely impossible to estimate the impact in export and import terms. Exports and imports will be only 8 percent of the American economy, and the wage scales which are effected are not effected in a major way, in terms of aggregate numbers, by an increase in the minimum wage, considering the total number of people working, even though the numbers are large in absolute terms when we come to those receiving the minimum wage. I do not believe it will have any material effect, one way or the other, on the basic question of competitiveness of American business.

I could argue with the Senator at great length the basic question of fairness involved. We have done that many times on trade legislation. But I cannot subscribe to the proposition that whatever we do on this minimum wage, if we go the way of the Senator from Ohio and the Senator from Colorado, or if we go the way of the Senator from New Jersey and myself, it will make a material difference respecting the competitive position of the United States in terms of international trade.

Mr. HANSEN. I take it what the distinguished Senator is saying is that what I am saying is true, but since it affects only 8 percent of our gross national product, it is of relatively little importance. But to those out of jobs, it is of very real importance. We have lost in the last few years more than 100,000 jobs in the textile industry. We have lost jobs in other industries, to the point where one of the unions in Chicago complained, not because they were not receiving enough pay for their work, but because they were becoming only assemblers. Their ranks were being diminished as imported parts were being shipped into Chicago, and they had to take over the assembly operations. Rather than being a big union, they were witnessing a state of attrition of workers in that plant and they were becoming more and more assemblers of parts made by foreign workers.

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

Mr. HANSEN. I yield.

Mr. JAVITS. The Senator may have wished to have me say what he interpreted my statement to mean, but that is not what I meant.

Mr. HANSEN. I was trying to conclude what the Senator's statement was.

Mr. JAVITS. No. I was trying——

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

Mr. JAVITS. I yield myself 2 minutes on the substitute.

I was trying to compute the aggregate impact upon the competitiveness of American business by the increase in the minimum wage, which would be composed in part of the 8 percent, to which I referred. We have to consider the size of it in comparison with the total wage bill, and by the cost-wage ingredient in the total of products.

Taking the totality of all those factors into consideration, I did not feel that there was any appreciable difference in the competitive position which would be made by this particular measure. I did not take only the 8 percent. There are other factors, and I have given those factors which are involved respecting competitiveness.

I would say to the Senator that perhaps one of the most important changes in our national society has been the espousing by the trade unions of a protec-

tionist position allegedly on the ground the Senator states. On the other hand, unions like the Amalgamated Clothing Workers and Amalgamated Garment Workers are very urgently for the $2 minimum, and they are out in the lobby urging us not to take any amendments. That indicates the vehemence with which they are urging this. But they are the people whose ox is supposedly being gored. So I do not think that my statement that it does not have any material effect would be changed.

Mr. HANSEN. I think a lot of unions would like to have it both ways.

The PRESIDING OFFICER. The time has expired.

Mr. JAVITS. Mr. President, I yield myself 2 more minutes.

Mr. HANSEN. I think a lot of unions would like to have it both ways. Of course, the fact is that one cannot have it both ways. One cannot pay high wages on the one hand and permit the free or practically unrestricted imports of products from foreign countries produced by lower paid workers on the other hand and expect to sustain American jobs. Most of the unions have recognized this fact of life and most of the unions have reversed their positions and have become protectionists, with the single exception of the UMW. The reason why it does not take a position similar to the other unions is that it represents a membership not restricted to American workers but workers in Europe and Canada as well. Having to speak for all its workers, it cannot take a position to protect American jobholders. But I think the facts are pretty clear. The facts are clear that competition is a factor. We cannot be expected to sell to the average American a product that is made in America if alongside that product is one made in a foreign country selling for substantially less.

All you have got to do in order to see how very true this is is to drive down the street in Washington today. It is obvious. There are a lot of workingmen out of jobs—a lot of UAW members out of jobs.

Henry Ford says that for each 1 percent of the domestic car market that is seized by foreign manufactured automobiles, we have put out of jobs 20,000 full-time year-round UAW automobile workers.

I think these are significant factors. My concern for the American worker urges me to vote against the bill that comes with the stamp and the endorsement of the full committee, because I cannot believe that it is in the best interests of the American worker. I am conscious of the fact that this bill particularly militates against those with the fewest merchantable skills. It militates against the people that we want to put to work today: the young, the returning veterans, minority groups, and black people.

I thank my distinguished colleague from Ohio.

Mr. TAFT. Mr. President, I commend the Senator from Wyoming for his very thoughtful remarks on this subject, and will just comment a little further along the same line myself.

I have been very familiar with migration of labor in the shoe business in my own State. In that business, almost all of the manufacturing occurred, until a few years ago, entirely within this country. Then we saw the situation where it was possible to move a plant to Puerto Rico and, with the lower minimum wage there and other advantages, a considerable portion of the production of a certain company was moved to Puerto Rico.

Further such movements would occur under the committee bill. But now, with the increase in wages in Puerto Rico, I am informed that a considerable amount of the production of this type of shoes of this particular manufacturer has moved to Spain, and a large portion of a slightly different type of shoe has moved to Italy. This has occurred and is occurring, and reflects economic circumstances.

The fact that the Senator from New York speaks of various unions taking positions in favor of this bill despite the fact that there may be some danger of removal of jobs to other areas seems to me to bring up something else we ought to talk about in connection with this bill. It proves that there is a very direct relationship between minimum wage laws and wages negotiated under labor contracts. I do not blame the unions for taking this position, but it is the increase in wages right up and down the line that has the inflationary impact and the impact on our international competitive position.

So I think the Senator's remarks are extremely well taken. The minority views, in regard to another matter brought up by the Senator from New York State, state as follows:

> Additionally, it is interesting to note a recent article appearing in the *Southern Economic Journal* entitled "State Minimum Wage Laws as a Cause of Unemployment". The authors, Mr. William J. Shkurti and Mr. Belton M. Fleisher, found unemployment rates higher in states with minimum wage laws than in states without them, and found an increase in the differential whenever states raised their minimum wages.

I think that is exactly what the Senator from Wyoming has been referring to with regard to his own State, and also the statement of the Senator from New York with regard to minimum wages in his State.

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

Mr. TAFT. I yield.

Mr. DOMINICK. Mr. President, I am happy that the Senator from Wyoming and the Senator from Ohio have emphasized these points. Two days ago, I put into the RECORD a letter from a distinguished gentleman from Baltimore, Mr. Harvey Meyerhoff, who wrote to me on May 16, enclosing a copy of an editorial from the Baltimore Sun. He starts his opening paragraph by saying:

> DEAR SENATOR DOMINICK: The enclosed editorial which appeared in the Baltimore Sun clearly spells out the danger in enactment of new minimum wage legislation. However, it does not go far enough in my judgment, in presenting the basic objections to legislating wage levels of any kind at this time and place in our country's history.

In paragraph 2, he deals with what the Senator from Wyoming is talking about:

> 2. As a result of the wage increase progression described above, a wage-price push occurs because the wage increase was not related to productivity, technology, or any other market factor. Consequently, our posture, both in the domestic and foreign markets, has worsened. On the domestic side imports obtain an immediate price edge which can only be offset by restrictive tariffs, restriction on imports or devaluation of the dollar. On the export side, our products become immediately overpriced in the foreign market and this disparity can be changed again only by devaluation or favored legislation of one kind or another.

This is exactly the point, as I understood, that the Senator from Wyoming was making. I think it is very legitimate. It is extraordinary to me that these points have not been looked at, I think, from the point of view of the labor unions, because they are the ones who are losing the opportunity to get their membership employed; and the longer they continue that way, the more difficult it is going to be insofar as they are concerned to be able to achieve the goal which we all have of full employment.

So again I congratulate the Senator from Wyoming and the Senator from Ohio for a very valuable contribution to this colloquy.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I yield to the Senator from New York (Mr. BUCKLEY).

Mr. BUCKLEY. Mr. President, I believe, as I am calling up an amendment, that I will have time on the amendment itself.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 1323

Mr. BUCKLEY. I call up my amendment No. 1323.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BUCKLEY. I ask unanimous consent that further reading of the amendment be dispensed with.

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

Mr. BUCKLEY's amendment (No. 1323) is as follows:

> On page 7, immediately after line 23, insert the following:
>
> "AUTOMATIC INCREASE IN MINIMUM WAGE
>
> "SEC. 11. Section 6 of such Act (as amended by sections 2 and 3 of this Act) is further amended by adding at the end thereof the following new subsection:
>
> "'(g) (1) For purposes of this subsection—
>
> "'(A) the term "base quarter" means (i) the calendar quarter ending on June 30 in every second year after 1972, or (ii) any other calendar quarter in which occurs the effective month a general increase in the minimum wage payable under subsections (a) and (b) of this section;
>
> "'(B) the term "cost-of-living computation quarter" means a base quarter, as defined in subparagraph (A) (i), in which the Consumer Price Index exceeds, by not less than 3 percent, such index in the later of (i) the last prior cost-of-living computation quarter which was established under this subparagraph or (ii) the most recent calendar quarter in which occurred the effective month of a general increase in the minimum wage payable under this Act; and

"'(C) the Consumer Price Index for a base quarter, a cost-of-living computation quarter, or any other calendar quarter shall be the arithmetical mean of such index for the 3 months in such quarter.

"'(2) (A) The Secretary shall determine each year beginning with 1974 whether the base quarter (as defined in paragraph (1)(A)(i)) in such year is a cost-of-living computation quarter.

"'(B) If the Secretary determines that such base quarter is a cost-of-living computation quarter, he shall, effective with the month of January of the next calendar year as provided in subparagraph (C), increase the amount of the minimum wage payable under this Act by an amount derived by multiplying each such amount by the same percentage (rounded to the nearest one-tenth of 1 percent) as the percentage by which the Consumer Price Index for such cost-of-living computation quarter exceeds such index for the most recent prior calendar quarter which was a base quarter under paragraph (1)(A)(ii) or, if later, the most recent cost-of-living computation quarter under paragraph (1)(B). Any such increased amount which is not a multiple of $0.05 shall be increased to the next higher multiple of $0.05.

"'(C) If the Secretary determines that a base quarter in a calendar year is also a cost-of-living computation quarter, he shall publish in the Federal Register on or before November 1 of such calendar year a determination that an increase in the minimum wage payable under this Act is required and the percentage thereof. He shall also publish in the Federal Register at that time a revision of the amount of the minimum wage contained in subsections (a) and (b) of this section (as it may have been most recently revised by another law or pursuant to this paragraph); and such revised amount shall be deemed to be the amount appearing in such subsections.

"'(3) As used in this subsection, the term "general increase in the minimum wage under this Act" means an increase (other than an increase under this subsection) in the amount of the minimum wage payable under subsections (a) and (b) of this section.'."

On page 8, line 2, strike out "11" and insert in lieu thereof "12".

On page 8, line 15, strike out "12" and insert in lieu thereof "13".

Mr. BUCKLEY. The effect of this amendment is very easy to explain. What it would do, would be to provide an automatic increase in the minimum wage rate to reflect increases in the cost-of-living index.

I will say at this point, Mr. President, that I do not intend to ask that this amendment be voted upon, as the sponsors of the Dominick amendment have asked me not to with the feeling that to utilize their amendment as a Christmas tree may impede its chances for success. I believe, on balance, that it has so many features far superior to the Williams' substitute amendment that I shall do nothing to jeopardize the chances for its passage. I wish to say, though, that should it fail of passage, I shall offer my amendment as an amendment to the Williams measure.

The problem, as I see it, is one alluded to earlier in this debate, that, no doubt by sheer coincidence, we have almost a capricious increase in some types of legislation in election years. We saw this in the case of the 20-percent increase in social security benefits voted upon shortly before our recess. We see in the Williams amendment what I believe is clearly an excessive increase in the minimum wage levels, which would have, I think, a cruel effect on precisely those groups within our population whom we need most to help move into the ranks of the employed. Late yesterday afternoon I introduced evidence that points out the impact of arbitrary increases in the minimum wage rates on the employability of teenagers, most particularly our nonwhite teenagers.

The objective of my amendment would be to try to get this out of politics, so that when we have arrived at a level for minimum wages which Congress, in its wisdom or innocence, believes to be desirable, we then make the mechanism for adjusting that level to reflect increases in the cost of living automatic. We can then get away from the capricious adjustments which occur periodically, which are so disturbing to the economy, and which have such an unpredictable impact on employment, particularly among those least able to be productive, because of their lack of skills and other factors.

As I say, I shall not ask for a vote on this amendment. I do want, however, to point out that should we fail to adopt the Dominick substitute, I will offer it as an amendment to the committee bill.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, will the Senator from Ohio yield me 5 minutes?

Mr. TAFT. I yield 5 minutes to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I want to express my thanks to the distinguished junior Senator from New York. I think this is going to make the issue clearer when we get to the vote on it tomorrow.

For the purpose of the RECORD tonight, I shall take just a few minutes to recite once again some of the problems with the committee bill, as I see it.

First of all, I would say that the so-called Fair Labor Standards Amendments of 1972 might more accurately be called the "Unfair Labor Standards Amendments of 1972." They would be unfair to marginal workers—the young, the handicapped, the elderly, the poor—who would be priced out of the job market; unfair to the farmers, who are going to be forced to absorb a 69.2-percent increase in their labor costs, whenever with the assistance of numerous Federal programs they are able to maintain only a marginal standard of living, and small farms are rapidly disappearing from the American scene; unfair to small businessmen who, unlike their large corporate competitors, do not have sufficient profit margins or diversification to absorb radical increases in labor costs; unfair to consumers, who would be forced to pay higher prices for goods and services in all segments of the economy as the labor costs for products continue to go up; and unfair to the poor people of this country, to whom false and undeliverable promises would be made.

So, Mr. President, I sincerely believe that the substitute we are proposing has a more reasonable approach in trying to catch up with the cost-of-living increases since 1966 than would the committee bill, which will accelerate future cost-of-living increases.

The substitute sponsored by myself, Senator TAFT, Senator PACKWOOD, Senator BEALL, and Senator BUCKLEY, is similar to the minimum wage bill passed by the House. It would minimize inflationary and unemployment effects by providing for what we believe are reasonable increases in the minimum wage rate. It provides for a youth differential—and this seems to be one of the key points with respect to the proponents of the committee bill as opposed to our substitute—which would avoid worsening the high teenage unemployment rate, about 14½ percent on the average and 23 to 27 percent among ethnic groups, by increasing employment opportunities for our youth.

What the substitute would not do is almost as important. It would not extend minimum wage or overtime coverage. and it would not eliminate any of the exemptions recognized in the present law. All these, in my opinion, are extremely important points.

The full statement I made on this matter appears in yesterday's RECORD. I am not going to try to add to it today in the same manner.

I do think, however, that "Employment Effects of Minimum Wage Rates," prepared by Mr. Peterson and Mr. Stewart, to which I referred earlier, is extremely interesting along these lines. I recommend it to my colleagues who are interested in examining these issues critically. I think it really ought to be required reading, not only by supporters of the substitute, but also among many of the people who are supporting the committee bill. I quote from the frontispiece:

> The authors find convincing evidence to support the view that statutory wage minimums have adverse employment effects: They note that higher minimum wage rates have slowed employment growth in low-wage industries in the South relative to employment growth in the same industries in the rest of the nation. Within particular low-wage industries, furthermore, the effect on employment is clearly related to the degree of the minimum wage impact, with the lowest-wage plants experiencing the most adverse employment effects.

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

Mr. DOMINICK. Mr. President, will the Senator from Ohio yield me 5 additional minutes?

Mr. TAFT. I yield the Senator 5 additional minutes.

Mr. DOMINICK. All these measures were carefully analyzed in this study, which is carefully annotated and goes through about 170 pages. At the back of it is a summary of two or three pages. It is extremely good.

If I felt for 1 second that, under the substitute we are offering, we were trying to hold people down from advancement or that we are trying to do something detrimental to the American system, obviously, neither Senator TAFT nor I nor any of the other sponsors would have offered it.

I am absolutely convinced, however, that what it will do, if we can get it through, is not only to continue the employment opportunities which we are trying to make available to young and old alike, but also, to maintain a degree

of balance between what we are doing on the minimum wage and the cost of living.

I have heard the opponents on the other side say over and over again that the only problem with the President's economic policy is that he should have done it 2 years earlier. Yet, here they come around again and again—and in this bill out of the committee—and try to bust that wide open by a 37½-percent increase in wages over 14 months. You cannot hold the wages down in ordinary industries and continue a minimum wage increase of that velocity. There is no way to do it. It is a method, in my opinion, to sabotage continuously what we are trying to do in stabilizing inflation and in trying to maintain at the same time the ability of the marginal worker to stay on the job and off of welfare.

Mr. President, I ask unanimous consent that a section-by-section analysis of our substitute amendment, together with a brief summary of the major differences between S. 1861 as reported and our substitute, be printed in the RECORD.

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

SECTION ANALYSIS OF DOMINICK-TAFT SUBSTITUTE (AMENDMENT NO. 1204 AS MODIFIED)

SECTION 2

Amends section 6(a)(1) and 6(b) of the Fair Labor Standards Act to raise the minimum wage for previously covered employees to $1.80 an hour during the first year after the effective date of the Act and $2.00 an hours thereafter. The minimum wage for newly covered employees would be raised to $1.70 an hour during the first year after enactment, $1.80 an hour during the second year, and $2.00 an hour thereafter.

SECTION 3

Amends section 6(a)(5) to raise the minimum wage for agricultural employees to $1.50 an hour during the first year, and $1.70 an hour thereafter.

SECTION 4

Amends section 6(c) to raise the minimum wage in Puerto Rico by two 12½ percent increases over the most recent wage order rate, the first increase to be effective either 60 days after enactment of the bill or one year after the effective date of the most recent wage order, whichever is later. The second increase would be effective one year after the first.

SECTION 5

Amends section 6(a) to set the minimum wage for employees in the Canal Zone to $1.60 an hour.

SECTION 6

Amends section 14(b) to establish a special minimum wage rate for youths under 18 and fulltime students under 21 of 80 percent of the applicable minimum wage or $1.60 an hour, whichever is higher.

For youths in agriculture under 18 or fulltime students in agriculture under 21, the special minimum wage rate would be 80 percent of the agricultural minimum wage or $1.30 an hour whichever is higher.

The special minimum wage for the same employees in Puerto Rico and the Virgin Islands and American Samoa would be 80 percent of the industry wage order rate applicable to them, but not less than the rate in effect immediately prior to the effective date of the Fair Labor Standards Amendments of 1972.

The requirement that employers receive Labor Department certification prior to employment of youth at the special minimum rate would be eliminated. The Secretary of Labor would be required to issue regulations insuring against displacement of adult workers.

SECTION 7

Amends section 13(a) to extend coverage of the Equal Pay Act to executive, administrative and professional employees. (Identical to S. 1861 as reported.)

SECTION 8

Amends section 13(c)(1) provisions relating to child labor in agriculture to prohibit employment of children under 12 except on farms owned or operated by parents; and to prohibit employment of children aged 12 and 13 except with written consent of parents, or on farms where parents are employed. (Identical to S. 1861 as reported.)

Amends section 13(d) to extend the existing child labor exemption for newsboys delivering daily newspapers to newsboys delivering advertising materials published by weekly and semi-weekly newspapers. (Identical to S. 1861 as reported.)

SECTION 9

Amends section 3(s) to provide that an apartment building with gross annual rentals less than the gross annual sales specified in section 3(s) ($250,000 under present law) would not be considered part of an "enterprise" solely because the owner of such building had retained a management agent to manage the building. Where two or more apartment buildings are in common ownership, and the aggregate annual rentals exceed the gross annual sales specified in section 3(s), each building would continue to be considered part of an "enterprise", providing other elements of the "enterprise" test are satisfied.

SECTION 10

Amends section 17 to give federal courts jurisdiction, where an employer has withheld wages in willful violation of the Fair Labor Standards Act, to award, in addition to back wages, liquidated damages up to the amount of back wages due.

SECTION 11

Amends section 16 to provide for a civil penalty of up to $1000 per violation of the section 12 child labor provisions. (Identical to S. 1861 as reported, except adds language establishing Labor Department enforcement procedure).

SECTION 12

Amends section 12 to give the Secretary of Labor authority to require employers to obtain proof of age from any employee in order to carry out the child labor provisions of the Act. (Identical to S. 1861 as reported).

SECTION 13

Technical amendments.

SECTION 14

Effective date of Fair Labor Standards Amendments of 1972 would be 60 days after enactment.

MAJOR DIFFERENCES BETWEEN S. 1861 AS REPORTED AND DOMINICK-TAFT SUBSTITUTE

MINIMUM WAGE INCREASES

S. 1861 as reported

Non agricultural employees covered prior to 1966 (present minimum—$1.60)—$2.00 sixty days after enactment; $2.20 a year later.

Non agricultural employees covered by 1966 and 1972 amendments (present minimum—$1.60)—$1.80 sixty days after enactment; $2.00 a year later; $2.20 thereafter.

Agricultural employees (present minimum—$1.30)—$1.60 sixty days after enactment; $1.80 a year later; $2.00 the following year; and $2.20 thereafter.

Substitute

Non agricultural employees covered prior to 1966—$1.80 sixty days after enactment; $2.00 a year later.

Non agricultural employees covered in 1966—$1.70 sixty days after enactment; $1.80 a year later; $2.00 thereafter.

Agricultural employees—$1.50 sixty days after enactment; $1.70 a year later.

EXTENSIONS OF COVERAGE

S. 1861 as reported

Coverage extended to following new categories of employees:

Federal employees (1.7 million).

State and local government employees (3.2 million).

Domestic employees (2.1 million).

Small businesses of all types (1.3 million employees)—"enterprise" sales test reduced from $250,000 to $150,000 gross annual sales.

Small retail and service stores (730,000 employees)—retail and service "establishment" exemption eliminated, extending coverage to stores grossing less than $150,000 if they are part of an "enterprise" which grosses $150,000 annually.

Agricultural employees (150,000–175,000 employees)—coverage extended to "local seasonal hand-harvest laborers", and such employees included for purposes of the 500 man-day test.

Substitute

No extensions of coverage; existing coverage retained.

REVISION OF EXEMPTIONS

S. 1861 as reported

Repeals or partially eliminates exemptions for following categories of employees:

Agricultural processing.
Seafood processing.
Cotton ginning.
Sugar processing.
Local transit.
Hotels, motels and restaurants.
Nursing homes.
Auto, aircraft and truck and trailer dealerships.
Catering and food service.
Bowling establishments.
Motion picture theaters.
Small loggers and sawmills.
Shade grown tobacco.
Oil pipelines.

Administrative and executive employees in retail—service industries—40% allowance for non-supervisory work eliminated.

Substitute

Changes no existing exemptions and creates no new ones.

YOUTH DIFFERENTIAL

S. 1861 as reported

Retains existing 85% certification system which applies only to full-time students employed in retail and service firms and agriculture, but extends to full-time students employed part-time at educational institutions they are attending.

This system has not been effective in reducing youth unemployment, primarily because it is too narrow and because of the red tape involved in getting certificates from the Department of Labor.

Substitute

Would replace existing certification system with new system designed to reduce youth unemployment The new system would contain the following features:

1 Applicable to all youths under 18 and full-time students under 21.

2. Differential rates—

Non agricultural work—$1.60 or 80% of applicable minimum rate, whichever higher;

Agricultural work—$1.30 or 80% of applicable minimum rate, whichever higher.

3. No restrictions on type of employment.

4. No certificates necessary.

5. Secretary of Labor authorized to promulgate regulations insuring that no adult employment would be displaced.

Mr. DOMINICK. I thank the Senator from Ohio for yielding.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SPONG). Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield myself 1 minute on the bill.

We have compiled a table which may be of interest to Members which shows the income to the low-income individual from different brackets of the minimum wage starting with $1.60.

It is so revealing as to what this really means in terms of living and working as an American and shows how close it is, even if we accept the committee bill, to marginal existence, that I ask unanimous consent to have the table printed in the RECORD.

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

TAKE-HOME PAY OF WORKERS AT DIFFERENT MINIMUM WAGE LEVELS

$1.60 an hour ($64 per week).	
Gross annual income	$3,328
Social security	173
Federal income tax	0
Net	3,155
Per week	60.67
$1.70 an hour ($68 per week).	
Gross annual income	$3,536
Social security	184
Federal income tax	0
Net	3,352
Per week	64.46
$1.80 an hour ($72 per week).	
Gross annual income	$3,744
Social security	195
Federal income tax	0
Net	$3,549
Per week	68.25
$2 an hour ($80 per week).	
Gross annual income	$4,160
Social security	216
Federal income tax	0
Net	3,944
Per week	75.85
$2.20 an hour ($88 per week).	
Gross annual income	$4,576
Social security	238
Federal income tax	39
Net	4,299
Per week	82.65

Mr. JAVITS. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

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

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

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the following tabulations be printed in the RECORD:

A comparison of the principal provisions of S. 1861, the bill as reported by the committee, together with Senate Amendment No. 1204, which is an amendment in the nature of a substitute, and H.R. 7130 as passed in the House.

A tabulation showing the estimated number of nonsupervisory employees paid less than the minimum wage rates specified in S. 1861, and the estimated cost of raising their wages to those rates.

Finally, a tabulation that shows Federal aid to the States during fiscal year 1971.

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

PROPOSED FAIR LABOR STANDARDS AMENDMENTS OF 1972, 92D CONG.

[Comparison of principal provisions of S. 1861, as reported by the Senate Labor and Public Welfare Committee, Senate amendment No. 1204 (Senators Dominick and Taft) in the nature of a substitute for S. 1861, and H.R. 7130, as passed in the House.]

I. MINIMUM HOURLY WAGE FOR MAINLAND EMPLOYEES

Present law	*S. 1861, as reported*	*Senate amendment No. 1204*	*H.R. 7130, as passed in House*
(a) Nonagricultural workers:			
(1) Covered prior to 1966 amendments, $1.60.	$2 during 1st year; $2.20 thereafter.	$1.80 during 1st year; $2 thereafter.	$1.80 during 1st year; $2 thereafter.
(2) Covered by the 1966 and 1972 amendments, $1.60.	$1.80 during 1st year; $2 during 2d year; $2.20 thereafter.	$1.70 during 1st year; $1.80 during 2d year; $2 thereafter.	$1.70 during 1st year; $1.80 during 2d year; $2 thereafter.
(b) Agricultural workers, $1.30.	$1.60 during first year; $1.80 during 2d year; $2 during 3rd year; $2.20 thereafter.	$1.50 during 1st year; $1.70 thereafter.	$1.50 during 1st year; $1.70 thereafter.

II. OVERTIME PAY REQUIREMENTS

1½ times the regular rate for hours over 40 in any workweek.	No change from present law.	No change from present law.	No change from present law.

III. MINIMUM HOURLY WAGE FOR EMPLOYEES IN PUERTO RICO AND VIRGIN ISLANDS

Determined by special industry committees, but not over $1.60.	Employees making less than $0.80 per hour under most recent wage order, raised to $1 60 days after enactment. Thereafter, their pay is increased by $0.20 per hour each year until parity is achieved with mainland minimums. Employees over $0.80 per hour are raised $0.20 per hour each year after enactment until parity is achieved. Employees newly covered by the 1972 amendments will have minimums set (but not below $1 per hour) by newly appointed special industry committees. Upon the setting of such minimums, the raises for previously covered employees go into effect. Each year, special industry committees	Rates applicable under wage orders issued prior to effective date of these amendments to be increased by 2 12.5-percent increases, the 1st no earlier than 60 days after the effective date of the amendments, the 2nd, 1 year later, unless such rates are changed by wage orders issued upon recommendation of the review committee.	For hotel, motel restaurant, food service and Government employees, the minimum wage rates to be the same as those for counterpart mainland employees with the same effective dates. For other employees presently covered by a wage order, the following minimum wages (except as modified by special industry committees to prevent substantial curtailment of employment in the industry): For nonagricultural employees covered prior to 1966 amendments, a 25-percent increase effective no earlier than 60 days from effective date of the act. For nonagricultural employees covered by the 1966 amendments, 2 12.5-percent increases, the 1st effective no earlier than 60

PROPOSED FAIR LABOR STANDARDS AMENDMENTS OF 1972, 92D CONG.—Continued

[Comparison of principal provisions of S. 1861, as reported by the Senate Labor and Public Welfare Committee, Senate amendment No. 1204 (Senators Dominick and Taft) in the nature of a substitute for S. 1861, and H.R. 7130, as passed in the House.]

III. MINIMUM HOURLY WAGE FOR EMPLOYEES IN PUERTO RICO AND VIRGIN ISLANDS—continued

Present law	*S. 1861, as reported*	*Senate amendment No. 1204*	*H.R. 7130, as passed in House*
	may increase the $0.20 per hour raise, but they may not lower it. Certain motel, hotel, restaurant, food service and government employees are brought up to mainland minimums on the effective date of the amendments.		days from effective date of the act and the 2nd effective 1 year later. For agricultural employees, 2 16-percent increases with effective dates calculated the same as for nonagricultural employees covered by the 1966 amendments. Notwithstanding any other provisions, no minimum rate shall be less than 60 percent of the minimum applicable to counterpart mainland employees. Provides for special industry committees to recommend minimum rates for employees newly covered.

IV. EQUAL PAY FOR EQUAL WORK

Applies only to employees covered by and not exempt from minimum wage provisions of the law.	Equal pay provision extended to previously exempted executives, administrative or professional employees, and outside salesmen.	Equal pay provision extended to previously exempted executives, administrative or professional employees, and outside salesmen.	No change from present law.

V. EXTENSION OF COVERAGE

(a) Government employees: Limited coverage of some government employees (Federal wage board workers, government employees in State and local government operated schools, nursing institutions, hospitals. Federal hospitals not covered.)	Coverage for all Federal, State, and local government employees, except persons serving in the armed services and certain persons not in the competitive service. With regard to overtime, a special provision for a mutually agreed to 28-day work period is made for averaging overtime hours for State and local law enforcement (including security presonnel in correctional institutions) and fire protection employees. Scales down from 48 to 40 hours the overtime exemption during the 28-day work period.	No change from present law.	No change from present law.
(b) Domestic service employees: No coverage.	Coverage for minimum wage only included for domestic service employees, except babysitters.	Do.	Do.
(c) Retail and service employees: No coverage if annual gross sales volume is below $250,000 (except for specifically listed establishments in "Enterprise" definition; laundering, cleaning, or repairing clothes or fabrics).	Coverage of retail and service establishment employees working in all stores in a large chain and a scaling down of the "enterprise" test for the present $250,000 to $150,000 by $25,000 in each of the 4 years after enactment.	Do.	Do.
(d) Agriculaural workers: No coverage unless the employer used more than 500 man-days of agricultural labor during peak quarter in the past calendar year. Local seasonal hand harvest laborers not counted for purposes of man-day test and excluded from minimum wage.	Minimum wage coverage expanded to include local seasonal hand harvest laborers. These are also included for purposes of calculating number of man-days of labor used by a farm. 500 man-day test retained for purposes of determining which farms are covered. Parents, spouse, child or other member of employer's immediate family are not covered employees in agriculture.	Do.	Do.

VI. EXEMPTIONS

(1) Minimum wage and overtime exemptions: Specified employment exempt from minimum wage and overtime requirements. Includes an establishment which has as its only regular employees the owner, or parent,	Minimum wage and overtime exemption repealed for: Notion picture theater employees; Shade grown tobacco employees. Minimum wage exemption only repealed for: Logging and sawmill employees.	No change from present law.	Retains present exemptions and extends minimum wage and overtime exemptions to: Employees delivering shopping news including shopping guides, handbills, or other types of advertising material. Husband and wife teams in nonprofit edu-

spouse, child, or other member of the owner's immediate family.			cational institutions who are serving as resident houseparents for orphans when lodged and boarded if husband-wife combined annual salary is at least $10,000.
(b) Overtime exemptions only: Specified employment exempt from overtime requirements only.	Overtime exemption repealed for: Agricultural processing, seafood processing, oil pipeline, cotton ginning, and sugarcane and sugar beet processing employees, partsmen and mechanics in auto, truck, and trailer dealerships, and all employees in aircraft dealerships. Other overtime exemptions modified as follows: Local transit employees: 48 hours 1st year; 44 hours 2d year; 40 hours thereafter. Provides for an exemption for voluntary work performed by employees in nonregular charter activities which are covered by prior agreements. Hotel, motel, and restaurant employees; 48 hours 1st year; 46 hours thereafter. Nursing home employees: 48 hours 1st year; 46 hours 2d year; 44 hours thereafter. Catering and food service employees: 48 hours 1st year; 44 2d year; 40 hours thereafter. Bowling employees: 48 hours retained for 1st year; 44 hours 2d year; 40 hours thereafter. Creates new overtime exemptions for: Domestic service employees, Resident employees in small apartment buildings. Resident houseparents (husband and wife) of orphans residing in private nonprofit educational institutions, if couple earns at least $10,000 per year in salary from such employment. Driver-salesmen in drycleaning who earn more than half their salaries in commissions.	Do.	Retains present exemptions and extends partial overtime exemption to certain retail and service employees.

VII. MISCELLANEOUS PROVISIONS

Present law	*S. 1861, as reported*	*Senate amendment No. 1204*	*H.R. 7130, as passed in House*
(a) Tips: Value of tips may be included in determining wages to meet the minimum rate up to 50 percent of the minimum rate.	Tip credit to meet the minimum rate reduced to 40 percent of the minimum rate. The employer must inform each of his tipped employees of the provisions of the law regarding tipping. All tips received must be retained by such tipped employees.	No change from present law.	No change from present law.
(b) Child Labor: 16 years for most covered employment including agricultural workers during school hours or in occupations in hazardous agricultural work. No minimum age for children in nonhazardous agricultural work outside of school hours. 18 years for hazardous nonagricultural work. 14 years for specified employment outside school hours in nonmanufacturing and nonmining work for limited hours under specified work conditions.	Under 12, may not work in agriculture except on farms owned or operated by the parent. Between 12 and 13, may work on a farm only with consent of the parent. Between 12 and 16, may work in agriculture only during hours when school is not in session. Provides for a civil penalty of up to $1,000 for any violation of child labor provisions of the Fair Labor Standards Act. Authorizes the Secretary of Labor to issue regulations requiring employers to obtain proof of age from any employee. Provides a child labor exemption for newsboys delivering shopping news and advertising materials published by a newspaper.	Under 12, may not work in agriculture except on farms owned or operated by the parent. Between 12 and 13, may work on a farm only with consent of the parent. Between 12 and 16, may work in agriculture only during hours when school is not in session. Provides for a civil penalty of up to $1,000 for any violation of child labor provisions of the Fair Labor Standards Act. Authorizes the Secretary of Labor to issue regulations requiring employers to obtain proof of age from any employee. Provides a child labor exemption for newsboys delivering shopping news and advertising materials published by a newspaper.	Provides a child labor exemption for employees delivering shopping news and advertising material.

PROPOSED FAIR LABOR STANDARDS AMENDMENTS OF 1972, 92D CONG.—Continued

[Comparison of principal provisions of S. 1861, as reported by the Senate Labor and Public Welfare Committee, Senate amendment No. 1204 (Senators Dominick and Taft) in the nature of a substitute for S. 1861, and H.R. 7130, as passed in the House.]

VII. MISCELLANEOUS PROVISIONS—continued

Present law	*S. 1861, as reported*	*Senate amendment No. 1204*	*H.R. 7130, as passed in House*
(c) Youth employment: Provides for wage rates no less than 85 percent of the statutory minimums for: (a) Full-time students working part-time in retail or service establishments and agriculture. (b) Student-learners in vocational training programs. (c) Student workers receiving instructions in educational institutions and employed part-time in shops owned by the institutions. Student certificates are issued by the Secretary of Labor.	Retains present provisions of the Fair Labor Standards Act. Expands student certificate program to include students employed part-time by educational institutions and those employed full-time during school vacations by such institutions.	For mainland employment: Provides for employment of youths under 18 and full-time students under 21 at wage rates not less than 80 percent of applicable minimum or $1.60 per hour ($1.30 per hour in agriculture) whichever is higher. For Puerto Rico, Virgin Islands and American Samoa employment: Special youth minimum wage shall be 80 percent of the applicable industry wage order, provided the minimum is not less than the one established under wage orders effective prior to these amendments. Youth employment must be in accordance with applicable child labor laws and subject to standards set by Secretary of Labor to insure that employment does not create a substantial probability of reducing full-time employment opportunities of other workers.	Provides for employment of youths under 18 and full-time students under 21 at wage rates not less than 80 percent of applicable minimum or $1.60 per hour ($1.30 per hour in agriculture), whichever is higher. Such employment must be in accordance with applicable child labor laws and subject to standards set by the Secretary of Labor to insure that employment does not create a substantial probability of reducing the full-time employment opportunities of other workers.
(d) Employment of illegal aliens: No provision in present law.	Provides for a criminal penalty for employers who knowingly employ aliens in violation of immigration laws.	No change from present law.	No change from present law.
(e) Liquidated damages: Makes employers in violation of the Fair Labor Standards Act liable to affected employees in an amount equal to unpaid minimum wages plus an additional equal amount in liquidated damages unless the suit involves issues not finally settled by the courts. The Secretary of Labor may bring suit for back pay upon written request of the employee.	Allows the Secretary of Labor to bring suit to recover unpaid minimum wages or overtime compensation and an equal amount of liquidated damages without requiring written request of the employee and even though the suit might involve issues not finally settled by the courts.	In violations of Fair Labor Standards Act, authorizes the courts to award equitable relief (in addition to any other relief, including injunctive relief). The court may award an amount not to exceed the minimum wages or overtime compensation found to be due.	Do.
(f) Canal Zone workers: Covered under the Fair Labor Standards Act.	Minimum hourly wage rate for Canal Zone employees shall be: $1.80 during 1st year; $2 during 2d year; $2.20 thereafter.	Minimum hourly wage rate shall be $1.60 for Canal Zone employees covered under the act.	Higher minimum hourly wage rates established by this amendment shall not apply to Canal Zone employees.
(g) Age discrimination in Government employment: No coverage.	Extends coverage of the Age Discrimination in Employment Act of 1967 to Federal, State, and local government employees. Gives the Federal Civil Service Commission enforcement power over discrimination for Federal employees.	Extends coverage of the Age Discrimination in Employment Act of 1967 to Federal, State, and local government employees. Gives the Federal Civil Service Commission enforcement power over discrimination for Federal employees.	No change from present law.
	VIII. EFFECTIVE DATE		
	60 days after date of enactment.	60 days after date of enactment.	1st day of 2d full month after date of enactment.

ESTIMATED NUMBER OF NONSUPERVISORY EMPLOYEES PAID LESS THAN THE MINIMUM WAGE RATES SPECIFIED IN S. 1861 AND ESTIMATED COST OF RAISING THEIR WAGES TO THOSE RATES, AUG. 1, 1972–AUG. 1, 1975[1]

Effective date of proposed increase, class of worker, and minimum wage rate	Employees paid less than proposed rate		Annual wage bill increase		Total number of covered employees (thousands)	Projected annual wage bill (millions)
	Number (thousands)	Percent	Amount (millions)	Percent		
60 days after enactment (estimated Aug. 1, 1972)	6,103–6,125	11.6	$2,808–$2,809	0.8	52,822–52,897	$348,055–$348,076
Nonfarm employees	5,967	11.4	2,773	.8	52,252	346,519
Private employment	5,243	11.9	2,528	.9	43,998	289,764
Employees covered prior to 1966 amendments to $2	2,541	7.5	622	.3	34,057	243,159
Employees covered by 1966 amendments to $1.80	1,268	16.9	335	.9	7,504	38,954
Domestic service employees covered by 1972 amendments to $1.80	1,062	86.1	1,306	64.4	1,233	2,028
Other employees covered by 1972 Amendments to $1.80	372	30.9	265	4.7	1,204	5,623
Public employment	724	8.8	245	.4	8,254	56,755
Federal wage board and nonappropriated fund employees covered by 1966 amendments to $2	101	15.8	61	1.3	641	4,815
Federal employees covered by 1972 amendments to $1.80					1,726	14,870
State and local government employees covered by 1966 amendments to $1.80	518	19.3	123	.9	2,686	13,123
State and local government employees covered by 1972 amendments to $1.80	105	3.3	61	.3	3,201	23,947
Farmworkers	136–158	23.9–24.5	35–46	2.3	570–645	1,536–1,557
Workers covered by 1966 amendments to $1.60	113	22.8	34	2.2	495	1,515
Workers covered by 1972 amendments to $1.60	23–45	30.0–30.7	1–2	4.8	75–150	21–42
1 year later (estimated Aug. 1, 1973)	8,343–8,371	15.7	2,444–2,445	.7	53,134–53,209	369,039–369,062
Nonfarm employees	8,169	15.5	2,406	.7	52,564	367,399
Private employment	7,234	16.3	2,137	.7	44,310	307,632
Employees covered prior to 1966 amendments to $2.20	3,550	10.4	1,027	.4	34,057	255,560
Employees covered by 1966 amendments to $2	1,960	26.1	568	1.4	7,504	41,050
Domestic service employees covered by 1972 amendments to $2	1,087	88.2	281	8.3	1,233	3,375
Other employees covered by 1972 amendments to $2	637	42.0	261	3.4	1,516	7,647
Public employment	935	11.3	269	.5	8,254	59,767
Federal wage board and nonappropriated fund employees covered by 1966 amendments to $2.20	108	16.8	40	.8	641	5,101
Federal employees covered by 1972 amendments to $2					1,726	15,614
State and local government employees covered by 1966 amendments to $2	676	25.2	184	1.3	2,686	13,862
State and local government employees covered by 1972 amendments to $2	151	4.7	45	.2	3,201	25,190
Farmworkers	174–202	30.5–31.3	38–39	2.3	570–645	1,640–1,663
Workers covered by 1966 amendments to $1.80	146	29.5	37	2.3	495	1,617
Workers covered by 1972 amendments to $1.80	28–56	37.3	1.2	4.3	75–150	23–46
2 years later (estimated Aug. 1, 1974)	5,606–5,641	10.5	1,774–1,775	.5	53,441–53,516	390,198–390,223
Nonfarm employees	5,883	10.2	1,726	.4	52,871	388,452
Private employment	4,413	9.9	1,436	.4	44,617	325,566
Employees covered prior to 1966 amendments at $2.20 since Aug. 1, 1973					34,057	268,745
Employees covered by 1966 amendments to $2.20	2,455	32.7	771	1.8	7,504	43,356
Domestic service employees covered by 1972 amendments to $2.20	1,094	88.7	286	7.7	1,233	3,697
Other employees covered by 1972 amendments to $2.20	864	47.4	379	3.9	1,823	9,768
Public employment	970	11.8	290	4.6	8,254	62,886
Federal wage board and nonappropriated fund employees covered by 1966 amendments at $2.20 since Aug. 1, 1973					641	5,375
Federal employees covered by 1972 amendments to $2.20					1,726	16,394
State and local government employees covered by 1966 amendments to $2.20	778	29.0	229	1.6	2,686	14,646
State and local government employees covered by 1972 amendments to $2.20	192	6.0	61	.2	3,201	26,471
Farmworkers	223–258	39.1–40.0	48–49	2.7–2.8	570–645	1,746–1,771
Workers covered by 1966 amendments to $2	187	37.8	47	2.7	495	1,721
Workers covered by 1972 amendments to $2	36–71	47.3–48.0	1–2	4.0	75,150	5–50
3 years later (estimated Aug. 1, 1975)	402–445	.7–.8	163–164	.04	53,752–53,827	411,782–411,808
Nonfarm employees	129	.2	106	.02	53,182	409,923
Private employment	129	.3	106	.03	44,928	343,787
Employees covered prior to 1966 amendments at $2.20 since Aug. 1, 1973					34,057	281,741
Employees covered by 1966 amendments at $2.20 since Aug. 1, 1974					7,504	45,865
Domestic service employees covered by 1972 amendments at $2.20 since Aug. 1, 1974					1,233	4,024
Other employees covered by 1972 amendments to $2.20	129	6.0	106	.9	2,134	12,157
Public employment					8,254	66,136

Footnotes at end of table.

ESTIMATED NUMBER OF NONSUPERVISORY EMPLOYEES PAID LESS THAN THE MINIMUM WAGE RATES SPECIFIED IN S. 1861 AND ESTIMATED COST OF RAISING THEIR WAGES TO THOSE RATES, AUG. 1, 1972–AUG. 1, 1975[1]—Continued

Effective date of proposed increase, class of worker, and minimum wage rate	Employees paid less than proposed rate		Annual wage bill increase		Total number of covered employees (thousands)	Projected annual wage bill (millions)
	Number (thousands)	Percent	Amount (millions)	Percent		
Federal wage board and nonappropriated fund employees covered by 1966 amendments at $2.20 since Aug. 1, 1973					641	$5,622
Federal employees covered by 1972 amendments at $2.20 since Aug. 1, 1974					1,726	17,214
State and local government employees covered by 1966 amendments at $2.20 since Aug. 1, 1974					2,686	15,479
State and local government employees covered by 1972 amendments at $2.20 since Aug. 1, 1974					3,201	27,821
Farmworkers	273–316	47.9–49.0	$57–58	3.1	570–645	1,859–1,885
Workers covered by 1966 amendments to $2.20	230	46.5	56	3.1	495	1,837
Workers covered by 1972 amendments to $2.20	43–86	57.3	1–2	3.7–3.8	75–100	27–53

[1] Estimates are based on employment in September 1971 and earnings levels projected to specified dates, assuming an annual increase of 5 percent. For tipped employees, earnings include cash wages plus an allowance of 40 percent of the applicable minimum wage for tips. No allowance has been made for perquisites provided and estimates exclude changes proposed for Puerto Rico and the Virgin Islands.

Federal aid to States, fiscal year 1971

Alabama	$648,334,704
Alaska	159,849,904
Arizona	244,837,464
Arkansas	321,235,399
California	3,474,764,927
Colorado	373,865,725
Connecticut	403,358,009
Delaware	66,183,997
District of Columbia	608,822,943
Florida	650,686,361
Georgia	697,588,857
Hawaii	132,839,182
Idaho	108,037,130
Illinois	1,250,042,191
Indiana	431,228,656
Iowa	302,291,958
Kansas	265,884,951
Kentucky	548,684,281
Louisiana	635,144,604
Maine	163,990,062
Maryland	466,514,641
Massachusetts	838,684,652
Michigan	1,044,548,475
Minnesota	531,698,024
Mississippi	524,570,398
Missouri	607,410,698
Montana	164,965,571
Nebraska	161,791,923
Nevada	82,372,057
New Hampshire	93,063,895
New Jersey	823,124,946
New Mexico	258,239,811
New York	3,286,406,477
North Carolina	643,043,154
North Dakota	113,513,958
Ohio	1,015,812,348
Oklahoma	458,379,805
Oregon	384,901,294
Pennsylvania	1,391,168,563
Rhode Island	138,179,513
South Carolina	365,873,412
South Dakota	116,778,369
Tennessee	616,719,788
Texas	1,388,134,522
Utah	185,021,630
Vermont	96,437,693
Virginia	571,854,395
Washington	501,772,324
West Virginia	405,148,223
Wisconsin	422,299,237
Wyoming	85,876,432
Puerto Rico	394,758,848
Virgin Islands	40,850,181
Other Territories, etc	81,780,569
Adjustments or undistributed to States	55,254,524
Total	29,844,721,665

Source: Federal Aid to States (fiscal year 1971), The Department of the Treasury.

Mr. TOWER. Mr. President, I rise today in opposition to S. 1861, the bill that was reported by the Senate Labor and Public Welfare Committee. This bill would raise the minimum wage for employees covered under the Fair Labor Standards Act prior to the 1966 amendments to $2.20 within 14 months after enactment of the bill. For agricultural and nonagricultural employees covered by the 1966 amendments the $2.20 minimum wage would be achieved by gradual increases. Furthermore, the bill extends coverage to more than 9 million workers who are not now covered by the Fair Labor Standards Act and repeals or partially eliminates overtime exemptions in a wide variety of industries.

I oppose this legislation for a number of reasons. If enacted, the bill reported by the Senate Labor and Public Welfare Committee will cause additional inflation, substantial unemployment particularly among younger workers, higher prices for consumers, and severe economic problems for many small businesses and industries throughout the country.

The intention of the $2.20 minimum wage is to eliminate poverty across the country. No one in this Nation would like to accomplish this goal more than I. However, not only will enactment of S. 1861 fail to eliminate poverty, but there is strong evidence put forth that indicates the increase will hinder the achievement of this objective.

Increase in the minimum wage is an extremely simplistic answer to the elimination of poverty. According to a Bureau of Census report in 1970, only 21.6 percent of the heads of poor families worked full time for the full year. Another one-third of all poor families received no income at all in 1970. The major reason that a family is poor is because it does not have a year around full-time wage earner—not because a family member is working at substandard wages.

However, in analyzing this matter, it is more important to recognize the potential negative impact this large increase will have on the poor. Whether we as legislators like it or not, our economy is made up of marginal industries and marginal workers as well as businesses, industries, and skilled workers that have a sound economic base. An individual is considered a marginal worker primarily because he is either lacking in basic job skills or he is employed in an industry where labor and market conditions make it somewhat attractive to turn to mechanization.

The minimum wage bill reported by the Senate committee will threaten both the marginal industry and the marginal worker. Instead of meeting the federally imposed artificial wage base of $2.20, a particular company may want to turn increasingly to mechanization. As an alternative, the company may want to retain its employees but cut back on its job training programs. Furthermore, small companies with low profit margins will face the definite possibility of business failure. Such failures have an obvious effect upon unemployment and general economic conditions throughout a particular geographical area. In many rural parts of Texas, for example, good economic conditions often depend upon one small industry. The imposition of an artificial wage base of the level called for by S. 1861 would have a detrimental effect on these communities.

Even if increases in the minimum wage bill could eliminate poverty and would not have an adverse effect on such things as higher prices and unemployment, the excessive increase to $2.20 is not economically justifiable. A full-time worker could earn wages above the Government poverty level if he worked at an hourly wage of $2.02. Considering the potential adverse effects of large minimum wage increases, the Congress, therefore, should only consider the Dominick-Taft substitute calling for a $2 minimum wage 14 months after enactment for those workers covered prior to 1966.

Mr. President, it is important to emphasize that those Senators opposing the committee bill feel strongly that it will have a negative effect on the low-wage earner. In fact, the effect on this group may be greater than on any other segment of our society. This 37-percent increase in the minimum wage will produce higher prices, and, therefore, smaller consumer purchasing power because it cannot be absorbed by profits. Profits have been declining over the past few years and in 1970 were only 4.2 percent of the gross national product. Furthermore, profits were even smaller in marginal industries which, as I have already mentioned, would be threatened by this legislation.

While the legislation would immediately increase wages for some workers, it could cause higher unemployment and inflation throughout the Nation. At a time when our Nation is making a concerted effort to reduce both unemployment and inflation, I do not think we can afford to entertain the ramifications of the pending measure. Further, I do not feel that a strong argument can be made in support of the idea that economic progress will be enhanced without inflation by productivity increases. Productivity increased by 3.8 percent between 1967 and 1970—a rate not high enough to compensate for the $2.20 wage base. Furthermore, I think it is somewhat illusory to categorically state that a minimum wage increase always results in increased productivity. In fact, productivity has lagged in the same marginal industries that are affected the most by a minimum wage increase.

In connection with the argument I am making, I feel strongly that the reduction, for exemption purposes, from $250,000 to $150,000 in annual receipts of small retail and service enterprises is a very dangerous step to take if we are to maintain a small business community. For the small retail or service business, this reduction would either result in laying off some workers or raising prices. The former would produce unemployment and the latter would not be in the spirit of phase II regulations, and, more importantly for the people directly involved, might price them right out of the market.

Mr. President, I do not think that the Senate should consider legislation which has a probability of increasing unemployment. We must do everything we can to lower the rate of unemployment and I think that President Nixon has acted responsibly in this area. The rate of unemployment is particularly high among the younger age brackets. It is for this reason that I am in favor of the youth differential provision in the Dominick substitute. This provision would replace the unworkable certification program with a wage minimum for young people under 18 and full-time students under 21 equal to 80 percent of the adult minimum. This provision should be passed because it represents positive governmental action to reduce unemployment among the one group of our citizens with the greatest problem in finding work. The teenage unemployment rate is presently at 14.5 percent. For black teenagers the rate is nearly double that figure. At one time the unemployment rate for black and white teenagers was about the same. However, the disparity between the two groups has grown as minimum wage increases have been enacted.

It seems hypocritical for the Government to continue to provide training programs and funding of summer jobs for innercity youth while at the same time enacting a minimum wage bill which will nearly eliminate the part-time or summer employment possibilities of young men and women growing up in an innercity area.

The fact that minimum wage increases have an adverse effect on minority youth employment is a view held by a number of well-known economists. For instance, Milton Friedman has referred to the Fair Labor Standards Act of 1938 as "The most anti-Negro law on our statute books—in its effect, not its intent." Nobel Prize-winning economist Paul Samuelson had the following to say on the same subject:

> What good does it do a black youth to know that an employer must pay him $1.60 per hour if the fact that he must be paid that amount is what keeps him from getting a job?

Mr. President, when Professors Friedman and Samuelson agree on a particular economic issue there must be a strong basis for the position they are expounding. Black and Mexican-American youth in my State will be given a better opportunity to obtain employment if the youth differential is approved. Unless this youth differential is passed, I am afraid the doors to job opportunities for young people will be closed even to a greater extent than they are now. Without this opportunity for employment, young people will not be able to gain job experience and training to provide a measure of support for themselves and their families. Still others may have to drop out of school.

The argument made in opposition to the youth differential is simply unsound. Young people employed at a reduced rate will not displace adult workers for the simple reason that the only young people affected by the provision, will for the most part, be seeking summer or part-time employment. The overwhelming number of high school graduates are over 18 when they first seek full-time employment. These people will not be covered under the youth differential. Students in the 18-to-21 bracket seeking part-time work are not a threat to an adult working force of which 86 percent of its members are full-time employees.

In conclusion, Mr. President, I strongly oppose the committee bill. Even those economists who do not feel that small minimum wage increases have an adverse economic effect would, I believe, agree that the large increase recommended in S. 1861 would be detrimental to our economic security. Passage of the pending measure would jeopardize the progress we have recently made toward total economic recovery. In my opinion, S. 1861 would result in higher unemployment, higher prices, and a decrease in consumer purchasing power.

Instead I will vote for the Dominick-Taft substitute amendment which provides for a more gradual increase in the minimum wage, and makes no changes for noncovered employees or current overtime exemptions. The substitute amendment will significantly reduce the wage-cost impact of the minimum wage increase, while keeping the adverse price and employment effects to a minimum.

Mr. PACKWOOD. Mr. President, it would be my guess that all Senators favor the objectives set forth in the minimum wage amendments now pending before us—the objective of improving standard of living of low-income wage earners in this country.

We have devoted hundreds of millions of dollars in an effort to eliminate poverty from amidst our land of plenty. We have allocated hundreds of millions of dollars for the creation of employment and manpower training programs, for the provision of job opportunities for the youth of this Nation, and for returning Vietnam veterans. We have approved a series of increases in social security, veterans, and other pensions to help our senior citizens attain a standard of living in which they can live in dignity. And, on the other side of the coin, we have granted the President vast authority to deal with the devastating inflationary spiral which has threatened to wipe out all the positive steps we have taken to insure that all Americans can attain a decent standard of living. Many seem to forget that low- and fixed-income Americans pay the highest price for inflation.

Without question, it is appropriate today to provide an increase in the minimum wage. The cost of living has risen significantly since minimum wage legislation was last considered by the Senate in 1966. Many of those at the lower end of the wage scale have been caught right in the middle between rising prices and constant wages.

Congress has been a main contributor to the inflationary spiral, through its policies of deficit spending on a huge scale, of appropriating funds above and beyond what is available through revenues for spending. It is therefore the responsibility, and the obligation of Congress to assist those most seriously affected by inflation.

Many have argued that the state of our economy precludes any increase in our existing minimum wage levels. But, Mr. President, I believe that equity and reason require that we act today to provide needed increases, at responsible levels and in a realistic time frame. It is for this reason that I have joined with the distinguished Senators from Colorado (Mr. DOMINICK) and Ohio (Mr. TAFT) in cosponsoring a substitute for the minimum wage bill approved by the Senate Labor Committee. The minority views outlined by Senators DOMINICK, TAFT, and myself express well the problems we see with the committee-approved version of S. 1861 and present in a clear and concise manner the reasoning which led us to sponsor this substitute. I ask unanimous consent that these minority views be printed at this point in the RECORD.

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

MINORITY VIEWS OF MR. TAFT FOR HIMSELF, AND MESSRS. DOMINICK AND PACKWOOD

We all desire to see the elimination of substandard and exploitive wage practices. But at a time when millions of American workers are out of work, unemployment must be a primary concern. At a time when low income families are hard pressed by inflation, this too must be a concern. Unfortunately, the Committee has developed an approach which seems unlikely to make job opportunities more difficult for the poor, for the young, and for those who have found it difficult to enter the mainstream of the American economy.

An excessive increase in the minimum wage at this time would increase the infla-

tionary pressures on our economy at the very time when we are succeeding in attempts to curb the inflationary spiral. While an increase in wage levels for those in the lowest paid categories might not of itself have a major inflationary effect, an increase in the minimum wage seems bound to have a ripple effect throughout the economy which will have a substantial economic impact.

Moreover to broaden coverage at this time would have a like effect and also increase costs through red tape, reporting, and increased Federal interference into State, local and household affairs.

For those who are desperately poor, family assistance is a more desirable approach than the minimum wage law. As Congressman John Anderson of Illinois aptly stated on the floor of the House on May 8:

"The primary reason that the working poor are poor is not at bottom entirely, or even mainly, a matter of inadequate hourly wage rates. Far more important is first, the lack of full time job opportunities, and secondly, in the case of more than half the working poor, the fact of relatively great income needs because of large families. Clearly, the minimum wage is too blunt an instrument to deal with the great complexity and variety of the income deficiency problem that we find among the working poor. The reason for this is simply that it is geared to wage earners rather than family units."

Unfortunately, the consideration of the bill has not been careful. The Committee's efforts have been so far-reaching and misguided that Vista workers, clerics, prisoners working in prison industries, and similar cases, were blanketed into coverage until moments before the bill was ordered reported. The Committee has taken such a broad brush approach that it seems likely to frustrate the hope for any moderate increase in the minimum wage for those now covered. For that reason we join with Senator Beall in offering a substitute amendment, similar to the House passed measure. Some of our specific objections to the Committee bill are as follows:

A—DOMESTIC HELP

While the Committee correctly continues to exempt small businesses, it proposes to cover a housewife who occasionally has someone come in to help wash the windows or clean up. It seems utterly nonsensical to exclude small businessmen on the one hand, and then require housewives without any business experience to comply with record-keeping and other provisions of this law. In doing so we are likely to make a mockery of the law and invite its violation. As we all know, tax and reporting violations are rife under the Social Security law as it applies to domestic help, and avoidance practices are widespread. The Committee now proposes to compound that problem and make it worse.

Because some domestic workers are poorly paid, is no reason to bring the Federal bureaucracy into the kitchen of the American housewife. Because others are marginally employed is no reason to eliminate their employment.

Quite apart from this practical consideration, we believe that an extension of coverage to domestic help is beyond the power of Congress under the commerce clause. If domestic employees who make beds, dust, and wash windows in a private residence are engaged in interstate commerce, there is nothing left of interstate activities. If someone who vacuums your carpet is engaged in interstate commerce or is considered to have a substantial impact on interstate commerce, then the commerce clause has been magnified to include every aspect of American life. We do not believe that this was the intent of the drafters of our Constitution, nor do we believe that it is a workable proposition supported by case law.

The basic argument of those who favor this expansive interpretation of the commerce clause seems to be that the number of domestic employees is so large that they collectively have a very significant impact on the national economy. It is argued that domestic help have an impact of more than $1 billion per year on our national economy, and that they use cleaning fluids purchased through the channels of interstate commerce.

A legal precedent here is the fact that the medical profession, which has a far greater impact on our nation's economy, has been held to be beyond the constitutional power of Congress under the commerce clause. If the practice of medicine, which involves more than $14 billion per year, is beyond the sweep of the commerce clause, certainly domestic helpers and housekeepers, having a much lesser impact, should be similarly excluded.

In *U.S.* v. *Oregon State Medical Society*, 95 F. Supp. 103 (D. Ore. 1950), defendant medical societies were charged with conspiracy to monopolize prepaid medical care in the State of Oregon. At page 118, the court said:

"The practice of medicine as conducted within the State of Oregon by doctors of Oregon, including defendants, is not trade or commerce within the meaning of Section 1 of the Sherman Anti-Trust Law . . . nor is it commerce within the meaning of the constitutional grant of power to Congress 'to regulate commerce * * * among the several states.' "

This decision was affirmed by the U.S. Supreme Court, 343 U.S. 326 (1952).

B—STATE AND LOCAL GOVERNMENT EMPLOYEES

Section 2(a) extends coverage under the Fair Labor Standards Act to employees of states and their political subdivisions. In Section 2(b) the term "employee" is defined to include those state and local employees who hold positions comparable to Federal employees "in the competitive service and employees in the U.S. Postal Service, the Postal Rate Commission, and the Library of Congress . . ."

This definition is illustory at best. It was dreamed up in later executive sessions. It appears, however, that the Federal government will be determining even the wages and overtime to be paid to youth employed by a city in its recreation department. This would include young people employed as lifeguards, employed to teach basket-weaving, and employed to umpire little league baseball games. If a city decides to hire disadvantaged young people to work in its parks during the summer, these employees would apparently be subject to the full force of the provisions of the Fair Labor Standards Act.

This approach not only interferes with the ability of cities to provide jobs for the disadvantaged, but it also entirely overlooks the regional differences with respect to the welfare needs and the cost of living. In March of 1970, the percentage of state and local non-supervisory employees (excluding education and hospital institutions who are already covered) receiving less than $2.00 per hour was as follows:

	Percent
Northeast region	5.9
South region	22.2
North Central region	10.4
West region	5.9

In addition, this bill overlooks the differential between metropolitan and non-metropolitan areas. In March of 1970, only 7.9% of local governmental non-supervisory employees (excluding education and hospital institutions) were paid less than $2.00 per hour. But in non-metropolitan areas the percentage was 22.6. The difference obviously represents different standards and costs of living.

The variety of state and local governmental employees affected by this law and the extent to which they differ by state and region is illustrated by the following charts also prepared by the U.S. Department of Labor and submitted to the Congress in 1971.

OCCUPATIONS IN STATE, COUNTY, AND CITY GOVERNMENTS WITH ENTRANCE LEVEL RATES OF LESS THAN $1.60 AN HOUR, BY REGION, 1969 OR 1970

Northeast

New Jersey

Cities: Recreation leader.

New York

Counties: Cytologist I trainee.

South

Alabama

State: Clerical aid, clerk messenger, dock sweeper, domestic worker, food service worker, forest towerman, human services aide, laborer, laundry worker.

Cities: Clerk, janitor, lineman helper, maintenance foreman, maintenance worker, mason, playground director, recreation leader, snack bar attendant.

Arkansas

State: Clerk, cook, custodial worker, dairyman, deck-hand, elevator operator, farmworker, fish culturist, food service worker, forest towerman, foster grandparents, groundskeeper, highway bridge tender, housekeeper, keypunch operator trainee, laborer, laboratory aide, laundry worker, library aide, linen room worker, messenger, medical assistant, mental retardation aide, museum guide, public health clinic aide, revenue permit agent, seamstress, skill trades helper, social service aide, stock clerk, switchboard operator, trapper, watchman.

Florida

Cities: Elevator operator, fountain clerk, library aide, locker attendant.

Georgia

State: Automotive serviceman, community worker, farm and dairy hand, field inspector I, home service aide, institutional trainee, institutional worker, laboratory aide I, maid, maintenance laborer I, sales clerk, seamstress I, utility worker I.

Kentucky

Cities: Account clerk, ambulance driver, assistant dispatcher, attendant, automotive serviceman, bookkeeping machine operator, bookmender, cashier, clerical aide, clerk, central supply technician, cook, costumer, custodial supervisor, custodial worker, dental assistant, dietician assistant, dispatcher, doorkeeper, duplicating machine operator, elevator operator, engineering aide, equipment operator, food service worker, housing laborer, inhalation therapy technician, laborer, laundry worker, library radio operator, maintenance fireman, maintenance mechanic, maintenance worker, medical technician assistant, museum assistant, personnel clerk, physical therapy aide, police court matron, police court officer, public facilities attendant, public health laborer, radio repairman, sanitary inspector, stationary fireman, seamstress, stenographer clerk, store keeper, telephone operator, traffic control officer, typist clerk, watchman.

Louisiana

State: Bridge tender, central service worker, community activity worker, custodial worker, elevator operator, food service worker, forest fireman, laundry worker, public health unit aide, watchman.

Cities: Building guide, clerk, custodial worker, elevator operator, garage attendant, home health aide, industrial school worker, institution aide, laboratory animal care taker, laboratory technical assistant, laborer, laborer utility, library page, meter repairman, musician, park attendant, parking attendant, pest control worker, recreation attendant, seamstress, stock clerk, stock patrol helper, test checker.

Counties: Ceramics pourer, custodial worker, messenger.

Maryland

Cities: Cashier—cafeteria, cook's helper, custodial worker, food service helper, head janitress (museum).

Counties: Recreation leader.

Mississippi

State: Homemaker.

Oklahoma

State: Assistant multilith machine operator, bindery worker, building guide, capitol policeman, cashier—dining room, central service worker, clerk trainee, clothing clerk, cook trainee, custodial worker, dictating machine operator, duplicating equipment operator trainee, elevator operator, employment aide, farmhand, food service worker, highway maintenance man, home health aide, janitor, job corps recruiter, laboratory manual helper, laborer, laundry worker, manual helper, marking room clerk, park attendant, patrolman, psychiatric attendant, rental sales clerk, room clerk, seamstress, security attendant, security officer, seed analyst, tourist interviewer, typist trainee, utility office worker.

Cities: Playground leader, tennis instructor.

Texas

Cities: Clerical aide, clerk, clerk-typist, clinic assistant, dental health education aide, health aide, health education aide, laboratory aide, messenger, museum custodial, sanitation aide, technician-criminal investigation laboratory.

West Virginia

State: Case aide, clerk, eligibility aide, embossing equipment operator, food service helper, handyman, home health aide, homemaker, housekeeper, institutional aide, laboratory assistant, laundry worker, matron, sales clerk, seamstress, social services aide, steam fireman's helper, telephone operator, typist, watchman, water plant operator.

North-central

Indiana

Cities: Clerk stenographer, information clerk.

Iowa

State: Messenger.

Cities: Bailiff, bookmender-clerk, housekeeper, janitress, messenger.

Michigan

Cities: Library page, museum aide.

Counties: Clerk-matron.

Minnesota

Cities: Casual labor, laborer, refectory worker.

Counties: Junior library page.

Missouri

State: Custodial worker, food service helper, laboratory helper, laundry worker, mental health worker trainee, seamstress, watchman.

Cities: Concession clerk.

Nebraska

State: Clerk, clerk aide, clerk-typist, keypunch operator, photostat microfilm aide, photostat microfilm operator, stenographer-clerk, telephone operator.

Cities: Casual worker, concession attendant, usher.

Ohio

Cities: Concession attendant, park attendant, recreation aide, sergeant-at-arms.

South Dakota

State: Bookkeeper, bookkeeping machine operator, cashier, claims, auditor, clerk-typist, data recorder, general clerk.

West

Arizona

Cities: City youth worker, janitor, street cleaner.

California

Counties: Clerk, laborer, library page, watchman.

New Mexico

State: Attendant, automatic machine operator trainee, bindery worker, boiler fireman, cost maker, clerk, custodian, employment aide, farm helper, food service aide, group worker trainee, junior clerk, laborer, laundry worker, maintenance helper, messenger, motor vehicle examiner, museum assistant, museum gallery attendant, social service aide, telephone operator, truck driver, watchman.

(Note.—Government jurisdiction listed are those which had one or more occupational classifications with entrance level rates of less than $1.60 an hour as shown on Table 11.)

(Source.—Based on data on file with the American Federation of State, County, and Municipal Employees, AFL–CIO.)

All of the occupations listed above involve entrance levels of less than $1.60 per hour. From this, one can appreciate the financial impact of a law providing a $2.20 per hour minimum in two years and the uneven way in which this law will affect various states and localities.

The overtime provisions in this measure are made applicable to state and local governmental employees, including policemen and firemen. A report by the U.S. Department of Labor entitled, "Non-Supervisory Employees in State and Local Governments" states on page 24 that as to state and local employees "about seven-tenths of all employees working over 48 hours were employed in a public safety activity." Presumably, under this bill firemen who are asleep in a dorm of a firehouse will be paid overtime for the period of their slumber. To say the least, this is a massive intrusion of the Federal government into state and local governmental affairs.

State and local officials can better appreciate the differences in the cost of living which vary widely between states. State and local officials also are responsible for their governmental finances. We do not believe that we should, by law, intrude into their judgment, upset their budgets, and provide a law which is not related to the job market for cost of living in any particular community. Who is to say that we in the Congress are better able to make these judgments than duly elected state and local officials. At a time when revenue sharing is desperately needed, the Committee compounds the financial problems of our state and local governments.

The vast majority of state and local workers are paid more than the proposed minimum wage. Consequently, the major impact of the wage provisions of this bill will not help most state and local employees who are full time workers attempting to support families. The effect, instead, will be to cut back those programs which attempt to provide employment for young people who otherwise must remain idle on our city streets. Like the provisions relating to domestic employees, we believe that this extension of the Act, while well-intentioned, will have unfortunate consequences which will be counter-productive to many of our nation's objectives. State and local governments do not need revenue sharing in reverse They do not need to have the Federal government compound their already serious budgetary problems. And our disadvantaged youths do not need a further obstacle to summer employment.

D—SMALL RETAIL BUSINESS

Retail and service enterprises with annual gross sales volume below $250,000 currently are exempt from coverage under the Fair Labor Standards Act. The proposed substitute would retain this $250,000 figure. The Committee bill, however, extends coverage for all retail and service employees working in chain stores and scales down the current $250,000 enterprise test to $150,000 by $25,000 a year over the next four years.

The Committee apparently forgets that inflation affects small businesses as well as employees. The $250,000 exemption level set in 1966 is already equivalent to $310,000 at today's dollar values. The Committee has totally disregarded the economic consequences of minimum wage legislation on small businesses. In effect, the Committee would mandate the closing of many of our nation's small businesses over the next four years.

The Committee fails to realize that the impact of this measure would not be distributed evenly throughout the economy. Instead, the impact is concentrated in low wage manufacturing industries, trade, services and farming. Specifically America's retail merchants who employ more than 11 million people will be seriously affected since two-thirds of their total operating expenses are directly attributable to labor costs. Rates or profit as well as profit per worker, are typically lower in these industries than in the economy as a whole. (See George E. Belehanty and Robert Evans, Jr., *Low-Wage Employment: An Inventory and an Assessment.* These industries are highly competitive. The rate of business failure is high, particularly among the small firms that are currently exempt from the Fair Labor Standards Act. Dun and Bradstreet statistics show that a total of 10,321 small businesses and industries failed in 1971, and 4,428, or 43% of these, were in the retail trade. Given these considerations, it is economically impossible for profits in these firms and businesses to absorb any significant share of the increased minimum wage at this time. The low profit rate and high failure rate in businesses employing a high proportion of very low wage labor suggest that wages are low because of low productivity and not because of any substantial exploitation of labor.

Because of the narrow profit margins and low productivity of many low wage industries, the passage of the Committee bill can be expected to significantly increase unemployment and business failures. Such a course would decrease tax revenue and increase the number of welfare applicants. It would be difficult to think of a policy that would have more of a disastrous effect on a nation's small business than the provisions contained in S. 1861.

E—TRANSIT

The Fair Labor Standards Act currently contains an overtime exemption for local bus operators and motormen. The Committee bill reduces and ultimately repeals the local transit overtime exemption.

The Committee completely ignores the economic realities of our nation's mass transit system. Since 1954, 268 transit systems in this country have failed financially. The operating deficit for the American transit industry was $332 million in 1970, $427 million in 1971, and is projected to exceed one-half billion dollars this year. This estimate does not include the $30 million in additional costs imposed on the transit industry by the provisions of S. 1861.

The following table, listing the transit systems which have been abandoned since January 1, 1954, illustrates the financial crisis of our nation's transit systems:

U.S. TRANSIT SYSTEMS ABANDONED OR SOLD SINCE JAN. 1, 1954

City	Population 1960 census	System	Date sold or service discontinued	Successor system
Alabama:				
Birmingham	340,887	Birmingham Transit Company	Nov. 22, 1963	Birmingham Transit Company.
Mobile	202,779	Campbell Bus Service, Inc	1965	Airport Limousine Service, Inc.
Mobile	202,779	Mobile City Lines, Inc.[1]	May 1, 1965	City of Mobile, Dept. of Transpn.
Selma	29,395	Selma Bus Lines, Inc.[1]	May 1, 1965	None.
Sheffield	13,491	Shoals Transit, Inc	1960	Joiner Bus Lines.
Arizona:				
Phoenix	439,170	Metropolitan Lines, Inc	October 1955	Metropolitan Lines, Inc.
Phoenix	439,170	Phoenix Transportation System	Apr. 1, 1959	Valley Transit Lines, Inc.
Phoenix	439,170	Valley Transit Lines, Inc	February 1967	Phoenix Transit Corporation.
Tucson	212,892	Tucson Rapid Transit Company	July 25, 1961	Tucson Rapid Transit Company.
Tucson	212,892	Tucson Rapid Transit Company	January 1967	Tucson Transit Corporation.
Arkansas:				
Blytheville	20,797	Blytheville Coach Lines	Jan. 18, 1958	Haskell Slaughter & R. Ross.
Blytheville	20,797	Slaughter & Ross Bus Line	Not applicable	Blytheville Bus Line.
Camden	15,823	Not available[1]	Feb. 19, 1956	None.
Conway	9,791	Not available[1]	1955	None.
Eldorado	25,292	Eldorado Bus Lines[1]	June 19, 1955	None.
Fayetteville	20,274	University City Transit Company[1]	June —, 1956	None.
Fort Smith	52,991	Twin City Lines	June 13, 1966	Fort Smith City Lines.
Fort Smith	52,991	Fort Smith City Lines[1]	June 14, 1969	None.
Hot Springs	37,286	Hot Springs Street Railway[1]	April 30, 1966	None.
Jonesboro	21,418	City Transit Company[1]	July 22, 1955	City Transit Company.
Jonesboro	21,418	Jonesboro City Transit Commission[1]	July 19, 1957	None.
Little Rock	107,813	Capitol Transit Company[1]	Mar. 2, 1956	Citizens Coach Company.
Little Rock	107,813	Citizens Coach Company	Oct. 21, 1962	Twin City Transit, Inc.
North Little	58,032	Capitol Transit Company[1]	Mar. 2, 1956	Citizens Coach Company.
West Memphis	19,374	West Memphis Transpn. Company[1]	June 14, 1956	None.
California:				
Alhambra	54,807	Foster Transportation, Inc.[1]	June 24, 1960	2.
Bakersfield	56,848	Bakersfield Transit Company	Aug. 1, 1956	Bakersfield Municipal Transit System.
Burbank	90,155	Asbury Rapid Transit System	July 19, 1954	Asbury Rapid Transit System.
Covine	Suburban	Edgewood Transit Company[1]	Oct. 1, 1960	None.
El Cajon	37,618	El Cajon Valley Bus Lines	Oct. 19, 1955	None.
Eureka	28,137	Eureka Transit[1]	June 10, 1961	Eureka Jitney Company.
Fresno	133,929	Fresno City Lines	Nov. 1, 1961	Fresno Municipal Lines.
Glendale	119,442	Glendale City Lines, Inc.[1]	Dec. —, 1962	Los Angeles Met. Transit Authority
Inglewood	63,390	Inglewood City Lines	Aug. 1, 1967	Southern Cal. Rap. Tr. Dist.
Long Beach	344,168	Long Beach Motor Bus Company	Sept. 1, 1963	Long Beach Public Transpn. Co.
Los Angeles	2,479,015	Los Angeles Transit Lines		
		Metropolitan Coach Lines	Mar. 3, 1958	
		Asbury Rapid Transit Lines		
		Cross Town Suburban Bus Lines	Feb. 15, 1961	Los Angeles Metropolitan Tr. Auth.
Oakland	367,548	Key System Transit Lines	Oct. 1, 1960	Alameda-Contra Costa Transit Dist.
Ontario	46,617	Ontario Municipal Bus System	Dec. 22, 1964	Corbett Transit Lines & Tour Club.
Ontario	46,617	Corbett Transit Lines & Tour Club	July 28, 1969	O–V Transit Lines.
Oxnard	40,265	Harbor Transit Lines[1]	Feb. 1, 1956	Oxnard Public Transit System.
Pasadena	116,407	Pasadena City Lines, Inc	Apr. 1, 1963	Pasadena City Lines Inc
Pasadena	115,407	Pasadena City Lines	Aug. 1, 1967	Southern California Rapid Transit District.
Redlands	26,829	Redlands Bus Service[1]	Approximately 1962	Not available.
Riverside	84,000	Riverside City Lines[1]	Sept. 20, 1961	Los Angeles Met. Transit Authority.
Sacramento	191,667	Sacramento City Lines	Sept. 23, 1955	Sacramento Transit Authority.
Salinas	28,957	Salinas Transit Company[1]	Nov. 1, 1968	Salinas City Lines.
San Bernardino	Suburban	Fontana Transit Lines[1]	July 1959	None.
San Bernardino	Suburban	Highland-Patton Bus Line[1]	Not available	Not available.
San Diego	573,224	San Diego Transit System	July 1, 1969	San Diego Transit Corporation.
San Jose	204,196	San Jose City Lines, Inc	July 19, 1963	San Jose City Lines, Inc.
San Luis Obispo	20,437	San Luis Obispo Bus Lines[1]	Aug. 19, 1955	Green Bus Service.
San Mateo	69,870	San Mateo-Burlingame Transit Co	Aug. 19, 1965	Bayshore Transit Lines.
Santa Ana	100,350	Santa Ana Bus Company	Dec. 19, 1965	Santa Ana Bus Company.
Santa Ana	100,350	Santa Ana Bus Company	Apr. 19, 1966	Santa Ana Bus Company.
Santa Ana	100,350	Santa Ana-Garden Grove Bus Line[1]	Approximately 1967	Not available.
Santa Ana	100,350	Laguna Beach-Santa Ana Stage Line[1]	Not available	None.
Santa Rosa	31,027	Motor Streetcar Service, Inc	Aug. 4, 1958	Santa Rosa Transit System.
South San Francisco	39,418	Peninsula Bus Line[1]	December 1964	None.
Stockton	86,321	Stockton City Lines, Inc	1963	Stockton City Lines, Inc.
Stockton	86,321	Stockton City Lines, Inc	June 1, 1965	Stockton Metropolitan Transit District.
Vallejo	60,877	City of Vallejo Bus Lines[1]	May 1, 1956	Vallejo Transit Lines.
Watsonville	13,293	Chas Manfre Transportation Co.[1]	Not available	None.
Colorado:				
Denver	Suburban	Denver-So. Platte Trans. Co.[1]	Oct. 1, 1956	None.
Denver	512,000	Denver Tramway Corporation	Apr. 18, 1971	Denver Metro Transit.
Derby	10,124	Derby Bus Company[1]	May 19, 1957	NA.
Englewood	33,398	South Adams Transit Company[1]	1962	None.
Fort Collins	25,027	Bussard Bus Lines[1]	Dec. 31, 1955	None.
Fort Collins	25,027	Fort Collins Transit, Inc	Nov. 1, 1957	Fort Collins Transit, Inc.
Fort Collins	25,027	Fort Collins Transit, Inc.[1]	Oct. 31, 1959	None.
Greeley	26,314	Greeley Bus Company	Nov. 3, 1959	Municipal Bus Company.
Loveland	9,734	Loveland City Bus[1]	Feb. 15, 1956	Eugene W. Clark.
Pueblo	91,181	Pueblo Transit Company	June 1, 1956	Pueblo Transportation Company.
Pueblo	91,181	Pueblo Transportation Company	Feb. 1, 1958	Same Company[3]
Trinidad	10,691	Frank Falsetto[1]	Apr. 27, 1962	None.
Connecticut:				
Branford	2,371	Branford Transit Lines, Inc.[1]	Mar. 9, 1954	None.
Bridgeport	156,748	Gray Line Bus Company[4]	Jan. 1, 1963	Gray Line Bus Company, Inc.
Bridgeport	156,748	Trumbull Coach Lines, Inc	July 21, 1967	Gray Line Bus Company, Inc.
Bristol	45,499	Bristol Traction Company	1966	New Britain Transportation Co.
Meriden	51,850	Connecticut Company[1]	Dec. 31, 1959	H. & W. Transit Company.
Middletown	33,250	Connecticut Company[1]	Dec. 31, 1959	H. & W. Transit Company.
New Britain	82,201	Wagner Service	Mar. 1, 1954	(4).
New Britain	Suburban	East Street Bus Line	Apr. 1, 1967	Dattco Inc.
New Haven	152,048	The Connecticut Company	June 4, 1964	The Connecticut Company.
New London	3,608	Connecticut Co.—New London Div	Apr. 1, 1961	Thames Valley Transit, Inc.
Norwalk	67,775	Connecticut Railway & Lighting Co., Norwalk Division.[1]	July 1, 1969	None.
Norwich	38,506	Connecticut Company—Norwich Div	Apr. 1, 1961	Thames Valley Transit, Inc.
Stafford Springs	Suburban	Stafford Bus Company	1958	Post Road Stages (Wapping, Conn.).
Delaware:				
Wilmington	95,827	Delaware Coach Company	Aug. 1956	Delaware Coach Company.
Wilmington	95,827	Delaware Coach Company	Jan. 5, 1969	Greater Wilmington Transpn. Auth.
District of Columbia:				
Washington	763,956	Capital Transit Company	Aug. 15, 1956	D.C. Transit System.
Washington	Suburban	W.M.A. Transit Company	Feb. 1955	W.M.A. Transit Company.

Footnotes at end of table.

U.S. TRANSIT SYSTEMS ABANDONED OR SOLD SINCE JAN. 1, 1954—Continued

City	Population 1960 census	System	Date sold or service discontinued	Successor system
Florida:				
Daytona Beach	37,395	Ormond Beach Transit Company Peninsula Transit Company	Feb. 1958	Daytona Beach Municipal Bus
Daytona Beach	37,395	Daytona Beach Municipal Bus Lines	1966	Transit Co. of Daytona Beach, Inc.
Fort Lauderdale	83,648	Fort Lauderdale Transit, Inc	Jan. 1, 1967	Beach Transit, Inc.
Fort Myers	22,523	Fort Myers City Lines [1]	Apr. 12, 1958	None.
Fort Pierce	25,256	Dan Fagen [1]	1956	None.
Hialeah	66,972	Coast Cities Coaches, Inc.[1]	Not available	None.
Key West	33,956	Key Islands Transit Company [1]	Aug. 15, 1960	Southern Keys Transit, Inc.
Key West	33,956	Southern Keys Transit, Inc.[1]	February 1969	Antillana Bus Corp. of Key West.
Lake Worth	20,758	Lake Worth Coach Lines [1]	Oct. 1960	None.
Melbourne	11,982	City of Melbourne [1]	1962	None.
Miami	Suburban	Keys Transit Company	June 16, 1958	Keys Transit Company.
		Keys Transit, Inc		
Miami		Miami Beach Railway Company		
		Miami Transit Company		
	291,688	So. Miami Coach Lines, Inc	Feb. 9, 1962	Metro. Dade County Transit Auth.
Panama City	33,275	Panama City Transit Company	Mar. 21, 1956	City of Panama City.
Pass-a-Grille Beach	1,000	Pass-a-Grille Beach Bus Lines (Municipal)	Aug. 16, 1960	Southern Tours, Inc.
West Palm Beach	56,208	Florida Cities Bus Company	1960	Transit Co. of the Palm Beaches.
Georgia:				
Albany	55,000	Cities Transit of Georgia, Inc.[1]	February 1962	None.
Athens	31,355	Athens City Lines, Inc.[1]	1956	None.
Atlanta	487,455	Atlanta Transit Company	May 1, 1954	Atlanta Transit System, Inc.
Atlanta	Suburban	Interurban Transit Lines, Inc	May 13, 1958	Gray Line Transit System, Inc.
Atlanta	Suburban	Gray Line Transit System, Inc.[1]	Apr. 20, 1959	None.
Brunswick	21,703	Georgia City Coaches, Inc	Feb. 1, 1957	Brunswick Transit Company.
Columbus	116,779	Columbus Transportation Company	Aug. 1, 1967	Columbus Transpn. System.
LaGrange	23,632	LaGrange Coach Company [1]	June 1, 1958	None.
Macon	69,764	Suburban Transit Lines, Inc	1964	Commercial Transit Lines, Inc
Marietta	25,565	Marietta Coach Company [1]	1959	None.
Rome	32,226	Georgia Power Company	Oct. 1, 1961	City of Rome.
Savannah	149,245	Savannah Transit Company	July 7, 1960	Savannah Transit Authority.
Valdosta	30,652	Valdosta Coaches [1]	Not available	Not available.
Idaho:				
Idaho Falls	33,161	Idaho Falls Moto Coach Company [1]	Not available	None.
Idaho Falls	33,161	Idaho Falls Transit Company [1]	1955	None
Lewiston	Suburban	Chapin's Transit System [1]	Not available	None.
Pocatello	28,534	Pocatello Transit Company [1]	Mar. 12, 1955	Gate City Bus Line.
Pocatello	28,534	Gate City Bus Line	Not available	Aberdeen Stages
Pocatello	28,534	Gate City Bus Lines [1]	Sept. 10, 1965	None.
Illinois:				
Alton	43,047	Citizens Coach Company	Apr. 1, 1963	Bi-State Transit System.
	Suburban	Brown Motor Lines, Inc		
Aurora	63,715	Aurora City Lines, Inc	June 10, 1966	Aurora City Lines, Inc.
Aurora	63,715	Aurora-Elgin Bus Lines, Inc	June 1966	Aurora-Elgin Bus Lines, Inc.
Aurora	63,715	Aurora City Lines, Inc.[1]	Not available	Toni-A-Hawk Transit.
Belleville	Suburban	Belleville Suburban Bus Lines [1]	Sept. 16, 1959	None.
Belleville	37,264	Belleville-St. Louis Coach Company	April 1, 1963	Bi-State Transit System.
	Suburban	County Coach Company	April 1, 1963	Bi-State Transit System.
Bloomington	36,271	Bloomington-Normal City Lines	June 1966	Bloomington-Normal City Lines.
Caseyville	2,890	Caseyville Bus Lines, Inc	April 1, 1963	Bi-State Transit System.
Caseyville	2,890	Industrial Bus Lines, Inc	April 1, 1963	Bi-State Transit System.
Champaign	49,538	Champaign-Urbana City Lines	June 1966	Champaign-Urbana City Lines.
Danville	41,856	Danville City Lines, Inc.[1]	November 1, 1964	Bee Line Transit Corp.
East St. Louis	81,712	East St. Louis City Lines, Inc	April 1, 1963	Bi-State Transit System.
Elgin	49,447	Elgin City Lines, Inc...p	June 1966	Elgin City Lines, Inc.
Elgin	49,447	Elgin City Lines, Inc	February 1, 1968	City of Elgin, Dept. of Transpn.
Elmhurst	36,991	Leyden Motor Coach Company	August 6, 1963	West Towns Bus Company.
Galesburg	37,243	Galesburg Safety Route [1]	March 15, 1954	Kewanee City Lines.
Galesburg	37,243	Kewanee City Lines [1]	March 1, 1955	Galesburg Transit Lines, Inc.
Galesburg	37,243	Galesburg Transit Lines, Inc.[1]	July 30, 1956	None.
Granite City	40,073	Community Coach Company	April 1, 1963	Bi-State Transit System.
Harvey	29,071	South Suburban Safeway Lines	November 2, 1965	South Suburban Safeway Lines, Inc.
Highwood	Suburban	Chicago No. Shore & Milwaukee [1]	Jan. 21, 1963	None.
Jacksonville	21,690	Elm City Bus Lines [1]	1955	None.
Joliet	66,780	Joliet City Lines [1]	Aug. 1970	Joliet Mass Transit District.[5]
Kankakee	27,666	Kankakee Motor Coach Company	Mar. 1958	Kankakee Motor Coach Company.
Kankakee	27,666	Kankakee Motor Coach Company [1]	Feb. 19, 1959	South Suburban Safeway Lines.
Kankakee	27,666	South Suburban Safeway Lines [1]	Aug. 4, 1959	None.
Kewanee	16,324	Kewanee City Lines	Mar. 1, 1955	Boiler City Transit Lines.
Lombard	22,561	Leyden Motor Coach Company	Aug. 1971	Leyden Motor Coach Company.
Marion	11,274	Marion City Bus Company [1]	1954	None.
Maywood	Suburban	Safety Transpn. Company [1]	Jan. 6, 1958	Leyden Motor Coach Company.
Oak Park	61,093	West Towns Bus Company	Jan. 26, 1966	West Towns Bus Company.
O'Fallon	4,018	O'Fallon-Belleville Coach Co	Apr. 1, 1963	Bi-State Transit System.
Ottawa	19,408	Ottawa Safety Lines, Inc.[1]	June 1957	NA.
Peoria	103,162	Peoria City Lines	June 6, 1970	Greater Peoria Mass Transit Dist.[6]
Quincy	43,793	Quincy City Lines, Inc	June 1956	Quincy City Lines, Inc.
Rantoul	22,116	Rantoul Transit Company [1]	Apr. 16, 1959	None.
Savanna	4,950	Savanna City Bus, Inc. [1]	Mar. 4, 1958	None.
Skokie	59,364	American Coach Company	Sept. 12, 1959	United Motor Coach & Evanston Bus Co.
Springfield	83,271	Springfield City Lines, Inc	July 1, 1968	Springfield Mass Transit District.
Urbana	27,294	Champaign-Urbana City Lines	June 1966	Champaign-Urbana City Lines.
Wheaton	Suburban	Chicago, Aurora & Elgin R.R.[1]	Apr. 28, 1957	Leyden Motor Coach Company.
Wood River	11,694	Wood River-Alton Bus Lines, Inc	Apr. 1, 1963	Bi-State Transit System.
Worth	Suburban	Chicago Ridge Transit Sys., Inc	Nov. 6, 1957	Sky Lane Transpn. & Serv. Corp.
Indiana:				
Anderson	49,061	Anderson City Lines, Inc.[1]	July 1968	None.
Bloomington	31,357	Leppert Bus Lines	Dec. 20, 1963	Bloomington Transit Lines.
Bloomington	31,357	Bloomington Transit Lines, Inc	Oct. 1, 1966	Indiana University.
Columbus	20,778	Leppert Bus Lines, Inc.[1]	1958	Not available.
Columbus	20,778	Not available [1]	March 1962	Municipal Transit System.
Elkhart	40,274	Elkhart Motor Coach Corporation	July 1954	Browning Bus Lines.
Elkhart	40,274	Browning Bus Lines [1]	June 13, 1958	None.
Evansville	141,543	Evansville City Coach Lines [1]	Feb. 12, 1959	Terre Haute Transit Co.
Evansville	141,543	Evansville City Transit [1]	Not available	McCleary Coach Lines.
Fort Wayne	161,776	Fort Wayne Transit, Inc	July 19, 1968	Fort Wayne Transit, Inc.
Goshen	13,718	Goshen Motor Coach Corp	July 1954	Browning Bus Lines.
Jeffersonville	19,522	Jeffersonville Bus Lines [1]	Oct. 28, 1959	None.
Jeffersonville	19,522	Northside Transit, Inc	Not available	Not available.
Kokomo	47,197	Cross Transit Corp	May 11, 1954	Kokomo City Lines.
Kokomo	47,197	Kokomo City Lines [1]	June 26, 1958	None.[7]
Kokomo	47,197	Checker Cab Company [1]	Feb. 28, 1962	Kokomo Transit Lines.
Kokomo	47,197	Checker Cab Company	1965	City Cab Company.
Logansport	21,106	Logansport Bus Company, Inc. [1]	Nov. 1, 1965	None.
Marion	37,854	Marion Railways, Inc. [1]	Feb. 28, 1962	Bus Transit, Inc.

Footnotes at end of table.

City	Population 1960 census	System	Date sold or service discontinued	Successor system
Michigan City	36,653	Michigan City Transit Lines [1]	Aug. 1955	City of Michigan City Bus Dept.
New Haven	Surburban	New Haven-Fort Wayne Bus Line	Nov. 1, 1962	Fort Wayne Transit, Inc.
Peru	14,453	Peru Transit Lines [1]	Aug. 1958	None.
South Bend	132,445	Northern Indiana Transit, Inc	Jan. 11, 1960	Northern Indiana Transit, Inc.
South Bend	132,445	Northern Indiana Transit ,Inc	Mar. 1, 1961	Northern Indiana Transit, Inc.
South Bend	132,445	Northern Indiana Transit, Inc	Apr. 30, 1967	Northern Indiana Transit, Inc.
South Bend	132,445	Northern Indiana Transit, Inc	Jan. 2, 1968	South Bend Public Trans. Corp.
Terre Haute	72,500	Terre Haute City Lines, Inc	Nov. 1956	Terre Haute Transit, Co., Inc.
Vincennes	18,046	Vincennes Transit Lines	May 16, 1958	Wabash-Arrow Lines, Inc.
Vincennes	18,046	Vincennes Transit [1]	May 31, 1962	None.
Wabash	12,621	Wabash Transit Lines	Mar. 11, 1955	Wabash Transit Lines.
Wabash	13,000	Wabash Transit Lines [1]	July 1, 1961	None.
Warsaw	12,621	The Warsaw-Winona Bus Corporation	1955	Warsaw.
Washington	10,846	City Bus Company [1]	June 16, 1956	None.
Iowa:				
Boone	12,468	The Boone Bus Company [1]	Nov. 1, 1960	None.
Burlington	32,430	Burlington City Lines	Nov. 24, 1958	Burlington Transit Company.
Cedar Rapids	92,035	Cedar Rapids City Lines, Inc.[8]	December 1966	Regional Transit Authority.[8]
Clinton	33,589	Clinton Street Railway Company	Oct. 16, 1960	Interstate Power Company.
Council Bluffs	55,641	Council Bluffs Transit Company	February 1957	City Transit Lines, Inc.
Des Moines	208,982	Des Moines Railway Company	Jan. 16, 1954	Des Moines Transit Company.
Fort Dodge	28,339	Fort Dodge Transpn. Company [1]	Dec. 31, 1966	None.
Keokuk	16,316	Midwest Transit Lines [1]	June 5, 1956	None.
Mason City	30,642	Mason City Motor Coach Company [1]	June 30, 1954	City Transit, Inc.
Sioux City	89,159	Sioux City Lines, Inc	Apr. 30, 1967	Sioux City Lines, Inc.
Kansas:				
Lawrence	32,858	Rapid Transit, Inc.[1]	June 7, 1957	None.
Manhattan	22,993	Manhattan Transit Company	1955	Junction City Transit Company.
Mission	Suburban	Intercity Bus Lines, Inc [1]	Feb. 12, 1958	None.
Pittsburg	18,678	City Bus Company [1]	July 27, 1961	None.
Salina	43,202	Salina Transit Company [1]	May 30, 1965	City Bus Service.
Topeka	119,484	Topeka Transportation Company	February 1956	Topeka Transportation Company.
Wichita	254,698	Wichita Transportation Company	July 1957	Wichita Bus Company, Inc.
Wichita	254,698	Wichita Bus Company [1]	June 4, 1960	Rapid Transit Lines
Wichita	254,698	Rapid Transit Lines, Inc	Not available	Wichita Transit Company.
Wichita	254,698	Wichita Transit Company	Dec. 6, 1966	Metropolitan Transit Authority.
Kentucky:				
Ashland	31,283	Blue Ribbon Lines Corp	Nov. 11, 1955	Ohio Valley Bus Company.
Harlan	4,177	Tri State Coach Corporation	1955	Three State Coach Lines.
Henderson	16,892	City Bus Lines	July 26, 1957	Street Transportation System.
Hopkinsville	19,465	Hopkinsville Transit Company [1]	October 1954	None.
Lexington	62,810	Lexington Railway System	Nov. 1, 1956	Lexington Transit Corporation.
Louisville	390,639	Louisville Transit Company	July 1958	Louisville Transit Company.
Owensboro	42,471	Owensboro Rapid Transit Company [1]	Feb. 27, 1954	Owensboro City Bus Lines.
Owensboro	42,471	Owensboro City Bus Lines, Inc.[1]	Not available	None.
Paducah	34,479	Paducah Bus Company	Dec. 31, 1954	Paducah Transit Corporation.
Paducah	34,479	Paducah Transit System [1]	September 1969	None.
Louisiana:				
Baton Rouge	152,419	Baton Rouge Bus Company	Nov. 20, 1968	Metro Transit Corporation.
Baton Rouge	152,419	Metro Transit Corporation	Aug. 21, 1970	Capitol Transit Company.
Bogalusa	21,423	Bogalusa City Lines, Inc.[1]	1964	Not available.
Bossier City	32,776	Bossier-Shreveport Transit Company	October 1967	Bossier City Service Corp.
Lake Charles	63,392	Lake Charles Bus Company	May 1, 1967	Lake Charles Transit Company.
New Iberia	29,062	LaPorte City Transit [1]	Not available	Not available.
Shreveport	164,372	Shreveport Railways Company	June 30, 1957	Shreveport Transit Co., Inc.
Maine:				
Bangor	38,912	Bangor Transit Company [1]	June 20, 1954	Hudson Bus Lines.
Calais	4,223	Border Transportation Company [1]	1960	None.
Columbia	36,650	Columbia City Bus, Inc.[1]	Feb. 7, 1965	Columbia Municipal Bus Lines.
Lewiston	40,804	Lewiston-Auburn Transit Company [1]	Feb. 28, 1959	Hudson Bus Lines.
Portland	72,566	Portland Coach Company	July 1, 1966	Greater Portland Transportation Co.
Rockalnd	8,769	Staples Bus Line	1959	Woods Bus Line.
Rumford	7,233	Rumford & Mexico Bus Line, Inc	Nov. 19, 1957	K & M Bus Line.
Sanford	10,936	York Utilities Company	Not available	York Lines, Inc.
Waterville	Suburban	Community Bus Lines, Inc	1960	Owyer Bus Lines.
Maryland:				
Annapolis	Suburban	Inter County Transit Corp.[1]	April 1960	D.C. Transit System.
Baltimore	939,024	Baltimore Transit Company	Apr. 30, 1970	Metro. Transpn. Auth. of Md.
Cumberland	33,415	Cumberland Transit Lines	Oct. 14, 1958	Queen City Bus Lines, Inc.
Frostburg	Suburban	Peoples Transit Co., Inc.[1]	Not available	Queen City Bus Lines, Inc.
Hagerstown	Suburban	Blue Ridge Transportation Company [1]	July 31, 1955	None.
Hagerstown	36,660	Potomac Edison Company	July 1, 1957	Antietum Transit Co., Inc.
Salisbury	16,302	Salisbury Transit Company [1]	Sept. 15, 1958	City of Salisbury Bus Line.
Salisbury	16,302	City of Salisbury Bus Line	Jan. 12, 1960	City Transit, Inc.
Massachusetts:				
Boston	697,197	Old Colony Line (New Haven Rwy.)	Nov. 5, 1965	Mass. Bay Transpn. Auth.
Boston	Suburban	Boston & Maine Transpn. Company	Dec. 8, 1957	Trailways of New England, Inc.
Boston	Suburban	Eastern Massachusetts St. Rwy. Co	Mar. 30, 1968	Massachusetts Bay Transpn. Auth.
Dedham	Suburban	Dedham-Needham Transit Lines [1]	June 1958	Transit Bus Lines, Inc.
Gardner	19,038	Gardner-Templeton St. Rwy. Co	April 1957	Wilson Bus Lines, Inc.
Haverhill	46,346	Eastern Mass. St. Rwy	May 11, 1959	Mass. Northeastern Transpn. Co.
Malden	57,676	Brush Hill Transpn. Company	Not available	Metropolitan Transit Authority.
		Warwick Coach Lines, Inc	Not available	
Merrimac	3,261	Northeastern Transportation Co.[1]	1967	Not available.
New Bedford	102,477	Union Street Railway Company	August 1962	Union Street Railway Co. (Purchased by Eastern Mass. St. Rwy.)
Revere	40,080	Rapid Transit, Inc	Feb. 5, 1956	Saugus Transit, Inc.
Taunton	41,132	East Taunton Bus Lines Corp.[1]	Nov. 18, 1958	None.
Taunton	41,132	Eastern Mass. St. Rwy. Company [1]	Aug. 31, 1959	None.[9]
Michigan:				
Ann Arbor	67,340	Ann Arbor City Bus, Inc.[1]	Apr. 6, 1957	Ann Arbor Transit, Inc.
Ann Arbor	67,340	Ann Arbor Transit, Inc	1957	Same Company.[10]
Ann Arbor	67,340	Ann Arbor Transit, Inc.[10]	June 11, 1959	None.[11]
Ann Arbor	67,340	City Bus Company	May 6, 1963	Public Bus Service of Ann Arbor.
Ann Arbor	67,340	Public Bus Service of Ann Arbor [1]	Jan. 3, 1964	City Bus Company.
Ann Arbor	67,340	Ann Arbor City Transit Company [1]	Jan. 31, 1969	Not available.
Bay City	53,604	Balcer Bros. Motor Coach Company	May 14, 1958	None.[12]
Dearborn	Suburban	Intertown Suburban Lines Corp	Dec. 31, 1961	Bert Jasper.
Grand Rapids	177,313	Grand Rapids Motor Coach Company	Dec. 15, 1954	Grand Rapids City Coach Lines, Inc.
Grand Rapids	Suburban	Division Avenue Bus Line	Apr. 19, 1960	Grand Rapids City Coach Lines, Inc.
Grand Rapids	Suburban	Grandville-Wyoming Transit Co.[1]	Dec. 31, 1965	None.
Haughton	8,393	Copper Range Motor Bus Company [1]	April 15, 1955	None.
Jackson	50,720	Jackson City Lines, Inc	Dec. 1, 1956	Same Company.[13]
Jackson	50,720	Jackson City Lines, Inc.[1]	Aug. 31, 1964	Jackson Public Transpn. Company.
Kalamazoo	82,089	Kalamazoo City Lines, Inc	Oct. 1, 1957	Same Company.[14]
Lansing	27,779	Inter City Coach Lines	Apr. 12, 1959	Lansing Suburban Lines.

Footnotes at end of table.

U.S. TRANSIT SYSTEMS ABANDONED OR SOLD SINCE JAN. 1, 1954—Continued

City	Population 1960 census	System	Date sold or service discontinued	Successor system
Laurium	Suburban	Copper County Bus Line	Not available	Not available.
Ministee	Suburban	Mauzy Bus Line[1]	Not available	Not available.
Midland	27,779	Midland Transit Lines[1]	April 13, 1955	None.
Monroe	22,968	Monroe City Lines, Inc	Feb. 1954	Monroe City Lines, Inc.
Monroe	22,968	Monroe City Lines, Inc	June 24, 1954	Monroe City Lines.
Monroe	22,968	Monroe City Lines[1]	May 1, 1956	None.
Muskegon	46,485	Peoples Transport Corp.[1]	Nov. 1, 1956	Muskegon City Coach Lines, Inc.
Pontiac	82,233	Pontiac City Lines	June 10, 1960	Pontiac Transit Corporation.
Pontiac	82,233	Pontiac Transit Corporation[1]	Feb. 1, 1971	City of Pontiac, Municipal Transit Service.
Port Huron	36,084	Port Huron Bus Company[1]	Mar. 30, 1957	City Cab Company.
Port Huron	36,084	City Bus Company	Feb. 19, 1964	Port Huron Transit Company.
Port Huron	36,084	Port Huron Transit Co.[1]	Not available	None.
Royal Oak	80,612	Great Lakes Greyhound Lines	Feb. 1, 1958	Great Lakes Transit Corporation.
Saginaw	98,265	Saginaw City Lines	Sept. 1, 1960	Same Company.[15]
Saginaw	98,265	Saginaw City Lines, Inc.	Jan. 10, 1962	St. John Transpn. Co. (Ohio).
Saginaw	97,265	Saginaw Transit, Inc.[1]	Apr. 19, 1970	City of Saginaw.
Wyandotte	43,519	Great Lakes Greyhound Lines	Feb. 1, 1958	Great Lakes Transit Corp.
Ypsilanti	20,957	Ypsilanti Motor Coach	Not available	Not available.
Minnesota:				
Austin	27,908	Austin City Bus Line[1]	Jan. 19, 1954	Austin Bus Lines.
Austin	27,908	Austin Bus Lines, Inc.	Not available	Austin Transit, Inc.
Brainerd	12,988	Brainerd Bus Line[1]	1966	None.
Detroit Lakes	5,633	Detroit Lakes City Bus[1]	November 1954	Not available.
Duluth	106,884	Duluth-Superior Transit Co	Feb. 1, 1970	Duluth Transit Authority.
Minneapolis	Suburban	Minneapolis & Suburban Bus Co	1958	Not available.
Minneapolis-St. Paul	482,872	Twin City Lines, Inc.	Sept. 18, 1970	Twin Cites Area Metro Trans. Auth.
Mississippi:				
Greenville	41,502	Greenville City Lines, Inc.[1]	Not available	None.
Gulfport	30,204	Municipal Transit Lines, Inc.	January 1962	American Transit Corporation.
Laurel	27,889	Laurel City Lines[1]	June 1956	None.
Missouri:				
Ferguson	22,149	Ferguson-Broadway Bus Lines, Inc.	Apr. 1, 1963	Bi-State Transit System.
Hannibal	20,028	Hannibal Transportation Company[1]	May 29, 1957	None.
Independence	62,328	City Transit Lines	1954	Floyd A. Haskell.
Jefferson City	28,228	Jefferson City Lines, Inc	Sept. 1, 1966	Jefferson City Transit Auth.
Joplin	38,958	Joplin Transit Corporation[1]	Apr. 16, 1960	Ozark Leasing Company.
Joplin	38,958	Ozark Leasing Company[1]	Apr. 17, 1963	Joplin-Carthage Bus Company.
Kansas City	475,539	Kansas City Public Service Company	May –/60	Kansas City Transit, Inc.
Kansas City	475,539	Kansas City Transit, Inc.	February 1/69	Kansas City Area Transportation Authority.
		Johnson Co. Suburban Lines	April 1/69	
		Jefferson Transpn. Co. (Suburban)	April 1/69	
Overland	22,763	St. Louis County Transit Co.	April 1/63	Bi-State Transit System.
St. Louis	705,026	St. Louis Public Service Co.	April 1/63	Bi-State Transit System.
St. Louis	705,026	Consolidated Service Car Company	November –/65	Bi-State Development Agency.
St. Louis	Suburban	Suburban Service Bus Company	March 15/57	Ferguson Broadway Bus Lines.
Sedalia	23,874	Sedalia Bus Company	1954	Sedalia Public Transit Lines.
Montana:				
Butte	27,877	Butte City Lines, Inc.	June 1/58	Same Company.[16]
Butte	27,877	Butte City Lines, Inc.	May 31/59	Silver Bow Transit Company.
Butte	27,877	Silver Bow Transit[1]	June –/62	Butte Bus Service.[17]
Great Falls	55,357	Great Falls City Lines	January 1/57	Same Company.[18]
Great Falls	55,357	Great Falls City Lines[1]	June 30/59	None.
Great Falls	55,357	Beckwith Lines	May 26/61	None.
Missoula	27,090	Missoula Transit Company	April –/55	Gardern City Transit Company.
Missoula	27,090	Garden City Transit Company[1]	May 1/56	None.
Missoula	27,090	Missoula Bus Service[1]	February 3/62	None.
Missoula	27,090	Garden City Transit Company[1]	May 1, 1956	None.
Missoula	27,090	Missoula Bus Service[1]	Feb. 3, 1962	None.
Nebraska:				
Falls City	Suburban	Kirk Bus & Express Company[1]	Sept. 1, 1961	Not available.
Fremont	19,698	Fremont City Lines[1]	Feb. 5, 1955	Fremont Transit Lines.
Grand Island	25,742	Grand Island Transit Company[1]	1962	Hollis Mahoney.
Hastings	21,412	Hastings Bus Lines, Inc.[1]	Jan. 19, 1959	None.
Ralston	2,997	Ralston Bus Company[1]	Sept. 10, 1957	None.
Scottsbluff	13,377	Scottsbluff-Gering Lines[1]	Feb. 19, 1955	Star Bus Lines.
Nevada:				
Las Vagas	64,405	Vegas Transit Lnes	July 19, 1965	Las Vegas System, Inc.
Reno	51,470	Reno Bus Lines, Inc.[1]	Mar. 1965	None.
New Hampshire:				
Berlin	17,821	Berlin Bus Lines[1]	Not available	Not available.
Concord	28,991	Boston & Maine Transpn. Company	April 1955	Capitol Transit Co.
Manchester	88,282	Public Service Co. of N.H.	Dec. 31, 1954	Manchester Transit, Inc.
New Jersey:				
Camden	Suburban	Suburban Bus Lines	Not available	Camden & Burlington Counties Bus Co.
Camden	117,159	Camden & Burlington Counties Bus Co	1963	Red Arrow Lines, Inc.
Clifton	Suburban	Consolidated Bus Lines	Aug. 15, 1959	Community Bus Lines, Inc.
East Orange	77,259	Trackless Transit of N.J.	March 1955	Trackless Transit, Inc.
Elmer	Suburban	Corson Bus Service[1]	Not available	None.
Haledon	6,161	Hamblock Bros.[1]	October 1957	Not available.
Jersey City	276,101	Waverly Bus Co., Inc.[1 14]	Not available	Not available.
Midland Park	Suburban	Paterson Suburban Bus Corp.[1]	1963	None.
Trenton	114,167	Trenton Transit	Sept. 30, 1959	Capital Transit, Inc.
Trenton	114,167	Capital Transit, Inc.	July 20, 1961	Capital Transit, Inc. (Purchased by Atlantic City Transportation Company.)
Trenton	114,167	Capitol Transit Company	1969	Mercer County Improvement Auth.
Wallington	9,261	Olympic Bus Lines, Inc.	1962	None.
New Mexico:				
Albuquerque	Suburban	Amijo Bus Company	Feb. 14, 1958	Suburban Bus Lines, Inc.
		Isleta Bus Line		
Roswell	39,593	Cities Transit Company[1]	July 1, 1957	Roswell-Walker Bus Lines, Roswell Bus Service.
Roswell	39,593	Moore Service Bus Lines[1]	Nov. 1, 1963	None.
Santa Fe	33,394	Capitol Transit Lines	1959	Capitol Transit Lines.
Santa Fe	33,394	Capital Transit Lines[1]	Dec. 31, 1966	None.
New York:				
Albany	Suburban	United Transportation Company[1]	Not available	None.
Amsterdam	28,772	Fonda, Johnstown & Gloversville R.R. Company	1956	Mohawk Valley Transit, Inc.
Amsterdam	28,772	Vollmer Motor Bus Lines[1]	Apr. 22, 1956	(4).
Auburn	35,249	Auburn Bus Company[1]	July 15, 1954	Mary F. Kilborne.
Babylon	Suburban	Cap. Tree Transit	1959	Babylon Transit Company.
Binghamton	75,941	Triple Cities Traction Company	August 1957	Triple Cities Traction Company.
Binghamton	75,941	Triple Cities Traction Company	June 2, 1968	Broome County Transit System.
Black River	Suburban	Frank F. Williams[1]	1959	Not available.
Buffalo	532,759	Buffalo Transit Company	Aug. 11, 1961	Niagara Frontier Transit System.
Cape Vincent	Suburban	Roy J. Mattraw[1]	1959	Not available.
Catskill	Suburban	Kelsey Bus Lines, Inc.	1959	Mountain View Coach Lines, Inc.
East Farmingdale, L. I.	3,000	Checker Bus Corporation[1]	1966	None.
Ellenville	Suburban	Eagle Bus Line, Inc.[1]	Not available	Not available.
Elmira	46,517	Elmira Motor Coach Corporation[1]	Mar. 5, 1955	Rochester-Penfield Bus Company.

Footnotes at end of table.

City	Population 1960 census	System	Date sold or service discontinued	Successor system
Hempstead	34,641	Semke Bus Lines, Inc.[1]	August 1970	Not available.
Hewlett, L.I.	Suburban	Nassau Bus Lines, Inc.	July 1959	Shenck Transportation Company.
Hornell	13,907	Hornell Motor Coach Company[1]	Jan. 31, 1957	None.
Ithaca	28,799	Ithaca Railway, Inc.	1961	City of Ithaca.
Jamestown	41,818	Jamestown Motor Bus Transpn. Co.	July 1, 1962	City of Jamestown Motor Bus Operating Account
Kingston	29,260	Kingston City Transpn. Corp.	November 1963	Urban Transit Corporation.
La Fargeville	Suburban	Resort Bus Line	1959	Frank F. Williams.
Little Falls	8,935	Service Transpn. Co., Inc.[1]	1954	None.
Massena	Suburban	Boyce Bus Line	1955	None.
New York	7,781,984	Fifth Avenue Coach Lines, Inc.		West Fordham Transpn. Company.
		Surface Transit, Inc.	Mar. 23, 1962	Manhattan & Bronx Sur. Tr. Op. Auth.
		Hudson & Manhattan Railroad Co.	Sept. 1, 1962	Port Authority Trans-Hudson Corp.
New York	Suburban	Fordham Transit Company, Inc.	December 1956	West Fordham Transportation Co.
Newburgh	30,979	Newburgh Bus Corporation	July 1, 1963	Newburgh Beacon Bus Corporation.
Oswego	Suburban	L. D. Dickson Motor Coach Lines	1959	Capitol Bus Company, Inc.
Port Chester	24,960	County Transportation Company[1]	Dec. 31, 1957	West Fordham Transpn. Company.
Port Chester	24,960	Wilder Transportation Company[1]	1966	None.
Port Jefferson	2,336	Quinn's Bus Line	1954	Coram Bus Service.
Poughkeepsie	38,330	Poughkeepsie & Wappingers Falls Railway Company.[1]	Sept. 28, 1954	Poughkeepsie Transit Lines.
Ravena	2,410	Coeymans-Ravena-Albany Bus Line Co.[1]	1954	None.
Rochester	Suburban	Rochester R-Penfield Bus Co., Inc.	1959	Western New York Motor Lines, Inc.
Rochester	318,611	Rochester Transit Corporation	May 23, 1968	City of Rochester Transit System.
Rome	51,646	Rome City Bus Line, Inc.[1]	Apr. 30, 1955	Rome Transit, Inc.
Rome	51,646	Rome Transit, Inc.[1]	Dec. 24, 1955	Copper City Transit.
Rome	51,646	Copper City Transit[1]	1956	None.
Salamanca	8,480	Salamanca City Bus Lines, Inc.	1959	Not available.
Utica	100,410	Utica Transit Corporation	August 1957	Utica Transit Corporation.
Utica	100,410	Utica Transit Corporation	June 30, 1967	Utica Transit Commission.
Westbury	Suburban	Mid Island Transit, Inc.[1]	August 1970	Not available.
Yonkers	190,634	Bernacchia Bros., Inc.[4]	February 1954	None.
Yonkers	190,634	Yonkers Bus, Inc.[4]	1959	Club Transportation Corp.
North Carolina:				
Burlington	33,199	Burlington Bus Line, Inc.[1]	May 1969	None.
Charlotte	201,564	Duke Power Company	Apr. 26, 1955	Charlotte City Coach Lines, Inc.
Concord	28,991	Concord Coach Company[1]	August 1965	None.
Elizabeth City	14,062	Elizabeth City Bus Line	November 1957	None.
Gastonia	37,276	Gastonia Transit Company	1954	City Coach Company.
Goldsboro	28,873	Goldsboro Transportation Co.[1]	Not available	None.
Henderson	12,740	Henderson Bus Lines, Inc.[1]	Not available	None.
Kinston	24,819	Kinston Transit Company	Early 1957	None.
Morganton	9,186	Burke Transit Company	June 11, 1955	Suburban Coach Company.
Raleigh	93,931	White Transportation	Feb. 1, 1958	Raleigh City Coach Lines.
Sanford	Suburban	Safeway Suburban Lines[1]	June 9, 1962	None.
Winston-Salem	111,135	Duke Power Company	May 10, 1954	Winston-Salem City Coach Lines, Inc.
Winston-Salem	111,135	Winston-Salem City Coach Lines[1 20]	Oct. 12, 1968	Not available.
North Dakota:				
Bismarck	27,670	Capital City Bus Lines	1963	Bismarck Bus Line, Inc.
Fargo	46,662	Northern Transit Company[1]	January 1969	Not available.
Grand Forks	34,451	Grand Forks Transportation Co.[30]	July 20, 1955	Grand Forks Motor Coach Company.
Ohio:				
Akron	290,351	Mogadore-Akron Transit Company[1]	Nov. 27, 1963	Akron-Peninsula Coach Lines.
Akron	290,351	Akron Transportation Company[1]	Mid-1969	Akron Metropolitan Reg. Tr. Auth.[31]
Alliance	28,362	Stanley Bros. Company	July 1, 1958	Gilbert C. Van Dirkar.[32]
Alliance	28,362	Carnation City Coach Lines:[1]		
		Parkway Lines	Apr. 19, 1962	Tri City Transit (Massillon).
		Union Avenue	Apr. 20, 1962	A & M Transit Company.
		A & M Transit Company[1]	May 14, 1962	None.
		Parkway Bus Company[1]	1962	None.
Cambridge	14,562	Cambridge & Southern Transit Co.[1]	June 18, 1956	None.
Canton	Suburban	Stark Transit, Inc., Inter City Coach Lines, Inc.	July 1957	Tri City Transit, Inc.
Cleveland	Suburban	Broadview Bus Line	July 1, 1961	Cleveland Transit System.
Cleveland	Suburban	Berea Bus Line Company	Feb. 1, 1968	Cleveland Transit System.
Dayton	Suburban	Dayton Suburban Bus Lines, Inc.	1956	The City Transit Company.
East Liverpool	22,306	Valley Motor Transit Company[1]	Dec. 8, 1955	None.
Elyria	43,782	Elyria Transit Company	Feb. 1, 1954	Elyria Transit Company.
Elyria	43,782	Elyria Transit Company[1]	Dec. 1, 1955	Lorain City Lines, Inc.
Fairport Harbor	Suburban	Lake County Transportation Co.[1]	Not available	Not available.
Findlay	30,344	Findlay City Bus Line	October 1958	None.
Findlay	30,344	Findlay Bus Lines[1]	May 9, 1963	None.
Fremont	17,573	Fremont Transit Lines	Dec. 31, 1959	Fremont City Bus Lines.
Fremont	17,573	Fremont City Bus Lines (Municipal)	Jan. 1, 1961	Mac's Cab Company.
Hamilton	72,354	Hamilton City Lines, Inc.	July 31, 1954	Hamilton Transit Company.
Hamilton	72,354	Hamilton Transit Company[1]	Dec. 31, 1960	Hamilton City Lines, Inc.
Lakewood	1,008	Lakewood Rapid Transit, Inc.	Dec. 10, 1954	Cleveland Transit System.
Lima	51,037	Lima Transit Company	June 1964	Lima Bus Company
Lorain	68,932	Employees Transit Lines, Inc.[1]	July 31, 1969	Not available.
Mansfield	47,325	Mansfield Rapid Transit, Inc.[1]	Apr. 30, 1962	Mansfield Bus Lines, Inc.
Marietta	16,847	Marietta Bus Line	1964	Not available.
Marion	37,079	Marion Transit, Inc.[1]	February 1954	Springfield City Lines.
Marion	37,079	Springfield City Lines (Marion Div.)[1]	July 31, 1955	Springfield City Lines.
Marion	37,079	Marion Bus Lines[1]	Nov. 30, 1962	None.
Marion	37,079	Marion Bus Lines, Inc.	Sept. 2, 1965	Marion Bus Lines, Inc.
Newark	41,790	City Rapid Transit Lines, Inc.	Apr. 1, 1964	City Rapid Transit Lines, Inc.
Newark	41,790	City Rapid Transit Lines, Inc.[1]	Not applicable	Morton Corporation.
Oregon	13,319	Toledo Suburban Lines	1964	Not applicable.
Painesville	Suburban	Lake County Transportation Co.[1]	Not applicable	Not applicable.
Portsmouth	33,637	Portsmouth City Lines	Mar. 1, 1959	Portsmouth Transportation.
Portsmouth	33,637	Portsmouth Transportation Co.	June 11, 1965	Inter-Cities Bus Company.
Sandusky	31,989	Sandusky Rapid Transit, Inc.	Aug. 2, 1958	Sandusky Rapid Transit Co.
Sandusky	31,989	Sandusky Rapid Transit, Inc.	Not applicable	Sandusky Bus Line.
Sandusky	31,989	Sandusky Bus Lines	Nov. 13, 1969	Singler Bus Company.
Springfield	82,723	Springfield Transit Company, Inc.	September 1964	Springfield Transit Co., Inc.
Springfield	82,723	Springfield Transit Company, Inc.	June 1969	Springfield Bus Company.
Steubenville	32,495	Valley Motor Transit Company[1]	June 5, 1954	Steubenville Bus Company.
Sylvania	5,187	Holland-Sylvania Bus Lines, Inc.	January 1957	Community Traction Company.
Tiffin	21,478	Tiffin Public Service Corp.[1]	Not applicable	None.
Toledo	318,003	Community Traction Company	June 1, 1971	Toledo Area Regional Transit Authority.
Warren	Suburban	Warren-Newton Falls Transpn. Co.	May 1, 1960	Warren Suburban, Inc.
Xenia	20,445	Xenia City Bus Company	March 1954	Xenia City Bus Company.
Xenia	Suburban	Xenia Bus Company[1]	Jan. 8, 1959	None.
Youngstown	Suburban	Boardman Transit Company	November 1959	Youngstown Transit Company.
Youngstown	166,689	Youngstown Transit Company	Apr. 1, 1967	Youngstown Transit Company.
Youngstown	166,689	Youngstown Transit Company[1]	Aug. 9, 1970	Mahoning Valley Regional Mass Transit Authority.
Zanesville	39,077	Zanesville Rapid Transit Company	1962	Y-City Transit Company.

Footnotes at end of table.

U.S. TRANSIT SYSTEMS ABANDONED OR SOLD SINCE JAN. 1, 1954—Continued

City	Population 1960 census	System	Date sold or service discontinued	Successor system
Oklahoma:				
Bartlesville	27,893	Bartlesville Bus Company [1]	1956	None.
Enid	38,859	Enid City Bus Lines	August 1960	Bryson P. Berry.
Muskogee	38,059	Muskogee Electric Traction Co	December 1958	Muskogee City Bus Lines, Inc.
Oklahoma City	Suburban	Nichols Hill Transportation Co.[1]	December 1962	City Bus Company.
Oklahoma City	324,253	City Bus Company	Sept. 1, 1966	Central Oklahoma Transpn. & Parking Authority.
Shawnee	24,326	Shawnee City Lines [1]	Not available	None.
Tulsa	261,685	Tulsa City Lines, Inc.[1]	July 1, 1957	M.K. & O. Transit Lines, Inc.
Tulsa	Suburban	Tulsa Transit Company, Inc.	July 1, 1957	M.K. & O. Transit Company.
Tulsa	261,685	M.K. & O. Transit Lines [1 23]	July 1968	Metropolitan Tulsa Transit Authority.[24]
Oregon:				
Albany	12,926	Albany Bus Company [1]	August 1957	Albany Transit Lines & City of Albany Bus Line.
Albany	12,926	Albany Transit Lines	Apr. 1, 1959	Albany Bus Service.
Albany	12,926	Albany Bus Service	May 1, 1960	Albany Bus Service.
Albany	12,926	Albany Bus Service [1]	Dec. 31, 1964	Albany City Bus Lines.
Astoria	11,239	Astoria Transit Company	Dec. 22, 1959	Carl Smart.
Eugene	50,977	City Transit Lines of Eugene [1]	Nov. 25, 1958	Emerald Transportation Company.
Klamath Falls	16,949	Klamath Bus Company [1]	Apr. 30, 1957	Merchants Bus Company.
Klamath Falls	16,949	Merchants Bus Service [1]	Aug. 31, 1960	None.
Portland	372,676	Portland Traction Company	Feb. 1, 1956	Rose City Transit Company.
Portland	Suburban	Portland Traction Co. (R.R. & Term.) [1]	Jan. 25, 1958	Not available.
Portland	Suburban	North Parkrose Bus Line [1]	Mar. 18, 1959	None.
Portland	372,676	Rose City Transit Co	Dec. 1, 1969	Tri County Metropolitan Transpn. District of Oregon.
Roseburg	11,467	Joseph Abien [1]	July 1956	None.
Roseburg	11,467	Roseburg City Bus Company	Dec. 31, 1957	Roseburg City Bus Company.
Roseburg	11,467	Roseburg City Bus Company	February 1960	Roseburg City Bus Company.
Salem	49,142	City Transit Lines of Salem	Jan. 19, 1959	Capital Transit Lines.
Salem	Suburban	West Salem Bus Line	April 1960	Capital Transit Lines.
Salem	49,142	Valley Stages & Valley Suburban Lines	May 1966	Valley Stages & Valley Suburban Lines.
Salem	49,142	Capital Transit Lines	July 1, 1966	City of Salem.
Pennsylvania:				
Allentown	Suburban	Allentown Suburban Bus Company	Jan. 14, 1955	Allentown Suburban Bus Company.
Altoona	69,407	Altoona & Logan Valley Electric Railway Company	Nov. 1, 1959	Transpn. & Motor Buses for Public Use Authority.
Brentwood	13,706	Brentwood Motor Coach Company	Mar. 4, 1964	
	Suburban	Mon Valley Bus Company	June 26, 1964	Port Authority of Allegheny County Transit Division
	Suburban	Noble J. Dick Line	June 26, 1964	
Bristol	Suburban	Neibaver Bus Company	June 1, 1959	Not available.
Carbondale	13,595	Rapid Transfer, Inc	Feb. 21, 1954	None.
Chester	63,658	Southern Pennsylvania Bus Co	July 1960	Red Arrow, Inc.
Coatesville	Suburban	Brandywine Transit Company [1]	October 1957	Short Line, Inc.
Connellsville	12,814	Fayette Coach Lines	1962	Burke & Magill.
Ellwood City	12,413	Ellwood City Motor Coach Line [1]	May 31, 1955	None.
Erie	138,440	Erie Coach Company	1955	Erie Coach Company.
Erie	138,440	Erie Coach Company	Nov. 1, 1967	Erie Metropolitan Transit Auth.
Farrell	13,793	Santee Bus Lines [1]	April 1968	Triangle Bus Company.[25]
Greensburg	17,383	Greensburg City Lines, Inc	May 1967	Not available.
Hanover	15,538	Hanover-McSherrytown Bus Co	December 1954	Lincoln Bus Lines
Latrobe	11,932	Latrobe Bus Service [1]	1958	None.
Lewistown	12,640	Lewistown Transportation Co	1967	Not available.
Mahanoy City	8,536	Schyukill Transit Company	June 1, 1959	East Penn Transportation Co.
McKeesport	45,489	Penn Transit Company	March 2, 1964	
	Suburban	Duquesne Motor Coach Lines	April 15, 1964	Port Authority of Allegheny.
	Suburban	McKeesport Transit Company	March 19, 1964	County Transit Division.
	Suburban	Ridge Lines, Inc	March 9, 1964	
	Suburban	Wall Bus Lines	March 19, 1964	
Minersville	6,606	Franz Bus Line	January 19, 1954	Schuster Bus Lines.
Minersville	6,606	Caruso Bus Line	1955	East Penn Transportation Company.
Montoursville	5,211	Lycoming Auto Transit Company	June 1, 1960	Williamsburg Bus Company.
Morrisville	Suburban	Penn Valley Transit Co.[1 26]	May 1960	Suburban Bus Lines.
New Castle	44,700	Shenango Valley Transportation Co.[1]	March 1, 1959	New Castle Transit Authority.
Oil City	17,692	Citizens Transit Company	1956	Citizens Transit Company.
Oil City	17,692	Citizens Transit Company		Not available.
Philadelphia	2,002,512	Philadelphia Transportation Co	September 30, 1968	Southeastern Pennsylvania Transportation Auth.
Pittsburgh	604,332	Pittsburgh Railways Company	March 1, 1964	
Pittsburgh Suburban Companies	Suburban	Austin Motor Coach	March 25, 1964	
		Bacco Transit Company	March 16, 1964	
	Suburban	Bamford Motor Coach Lines	July 10, 1964	
	Suburban	Bigi Bus Lines, Inc	March 14, 1964	
	Suburban	Burrelli Transit Service	March 16, 1964	
	Suburban	Community Transit Service (Bridgeville & Allegheny Valley).	March 2, 1964	
	Suburban	Culmerville, Russelton & Cheswick Transit Company	March 31, 1964	Port Authority of Allegheny County Transit Division.
	Suburban	Dawson Motor Coach	May 20, 1964	
	Suburban	DeBolt Lines, Inc	March 6, 1964	
	Suburban	Deere Bros. Bus Lines	May 28, 1964	
	Suburban	Horrell Transportation Co	March 24, 1964	
	Suburban	J. M. Ferguson Bus Line	March 31, 1964	
	Suburban	McCoy Bros. Coach Lines	March 31, 1964	
	Suburban	Monongahela Inclined Plane Co	May 15, 1964	
	Suburban	New Kensington City Lines	March 2, 1964	
	Suburban	Ohio River Motor Coach	March 25, 1964	
	Suburban	Oriole Motor Coach Lines	March 12, 1964	
	Suburban	Poskin Bus Lines	March 6, 1964	
	Suburban	Roger's Transit Line	March 3, 1964	Port Authority of Allegheny County Transit Division.
	Suburban	Shaffer Coach Lines	March 3, 1964	
	Suburban	Trafford Coach Lines	March 12, 1964	
	Suburban	Wm. Penn Motor Coach	March 31, 1964	
	Suburban	Harmony Shor Line [1]	March 31, 1961	None.
Pittsburgh				
Pottstown	26,144	Pottstown Rapid Transit Co	Jan. 22, 1962	Brile Brothers.
Sharon	25,267	Shenango Valley Transpn. Co.[1]	Nov. 14, 1958	None.
Uniontown	Suburban	Uniontown Hospital Bus Co	1961	Not available.
Wilkes-Barre	63,551	Wilkes-Barre Transit Corp	Aug. 1958	Wilkes-Barre Transit Corp.
Williamsport	41,967	Williamsport Transportation Co	May 1955	Williamsport Bus Company.
Williamsport	41,967	Williamsport Bus Company	Aug. 1969	Bureau of Transportation of the City of Williamsport.
York	54,504	York Bus Company	Oct. 1954	York Bus Company.
York	54,504	York Bus Company	Dec. 1969	None.
Rhode Island:				
Newport	47,049	Short Line, Inc	Aug. 1, 1956	Transit Lines, Inc.
North Tiverton	Suburban	Massey Coaches	Sept. 1958	Short Line Bus Company.
Providence	Suburban	Johnson Bus Lines, Inc	May 1, 1963	Short Line, Inc.
Providence	207,498	United Transit Company	July 1, 1966	Rhode Island Pub. Transit Auth.
Woonsocket	47,080	Rhode Island Public Transit Auth	Sept. 1964	None.
South Carolina:				
Greenville	66,188	Duke Power Company	June 7, 1955	Greenville City Coach Lines.
Sumter	23,062	Sumter Transit Company [1]	Feb. 25, 1959	B & H Bus Lines.
West Columbia	Suburban	Suburban Transit Company	Not available	South Carolina Electric & Gas Co.

Footnotes at end of table.

City	Population 1960 census	System	Date sold or service discontinued	Successor system
South Dakota:				
Aberdeen	23,073	Hyde Hub City Lines	Not available	None.
Sioux Falls	65,466	Sioux Falls Transit, Inc	Jan. 2, 1959	Sioux Transit, Inc.
Tennessee:				
Clarksville	22,021	Clarksville Transpn. Co	Mar. 1958	Clarksville Transit Co.
Clarksville	22,021	Clarksville Transit Authority [1]	Not available	None.
Jackson	34,376	Jackson City Lines Corp	Apr. 4, 1966	Jackson Transit Authority.
Knoxville	111,827	Tennessee Coach Company	1960	Trailways Bus System.
Knoxville	Suburban	Local Transit Bus Line	March 9, 1964	Valley Bus Line.
Knoxville	111,827	Knoxville Transit Lines	Oct. 17, 1967	City of Knoxville.
Maryville	Suburban	White Star Lines [1]	Not available	Not available.
Memphis	497,524	Memphis Transit Company	Jan. 8, 1961	Memphis Transit Authority.
Memphis	Suburban	Yellow Bus Lines	Dec. 1, 1961	Memphis Transit Authority.
Texas:				
Abilene	90,368	Abilene Transit System	Oct. 23, 1964	Abilene Transit System (Municipal).
Amarillo	138,969	Amarillo Bus Company	Nov. 27, 1966	Amarillo Transit System.
Austin	186,545	Austin Transit, Inc	June 1, 1955	Austin Transit Corporation.
Austin	186,545	Austin Transit Corporation [1]	July 31, 1970	Transportation Enterprises, Inc.[27]
Big Spring	31,230	Bucher Bux Lines [1]	1964	Not available.
Big Spring	31,230	City Transit, Inc.[1]	Mar. 15, 1960	None.
Borger	20,911	Borger City Bus Company [1]	1954	None.
Brownwood	1,286	Heart of Texas Stages [1]	1955	None.
Brownwood	16,974	Brownwood Transpn. Co.[1]	July 1964	None.
Corpus Christi	167,690	Nueces Transportation Company	Oct. 1, 1966	Corpus Christi Transit System.
Dallas	679,684	Dallas Transit Company	Jan. 1, 1964	Dallas Transit System.
Denton	26,844	Denton Bus Lines [1]	Mar. 31, 1961	None.
Gainesville	13,083	City Bus Line [1]	July 1957	None.
Galena Park	10,852	Galena Park Bus Line Company	1962	Rapid Transit Lines (Houston).
Greenville	19,087	Greenville City Bus Company [1]	Feb. 26, 1957	None.
Haltom City	23,133	Haltom City Bus Company	1958	Haltom City Transit Service.
Houston	938,219	Houston Transit Company	June 1, 1961	Rapid Transit Lines, Inc.
Houston	938,219	Rapid Transit Lines, Inc	February 1966	Rapid Transit Lines, Inc.
Houston	Suburban	Pioneer Bus Company, Inc	December 1961	Pioneer Bus Company, Inc.
Houston	Suburban	Pioneer Bus Company	Sept. 15, 1967	Rapid Transit Lines.
Kingsville	25,297	Kingsville Airfield Bus Co. [1]	1966	None.
Longview	40,050	Longview Transit Company [1]	Approximately 1957	Transit & Taxi Co. of Longview, Inc.
Longview	40,050	Longview Transit Company [1]	1957	City Bus Company.
Lufkin	17,641	Lufkin Transit Company [1]	1954	None.
McKinney	13,763	McKinney Bus [1]	1956	None.
Midland	62,625	Midland Bus Corporation [1]	1954	None.
Odessa	80,338	Odessa City Bus, Inc.[1]	1965	None.
Orange	25,605	Orange City Bus Lines [1]	1967	Not available.
Pampa	24,664	Pampa Bus Company [1]	1956	None.
Paris	20,977	Paris City Bus Company	Dec. 24, 1957	Not available.
Paris	20,977	Paris City Lines [1]	Jan. 1, 1962	None.
Port Arthur	66,676	Port Arthur Transit Corp.[1]	May 3, 1960	None.
San Antonio	587,718	San Antonio Transit Company	May 1, 1959	San Antonio Transit System.
Temple	30,419	Southwestern Transit Company	1954	Temple City Bus Company.
Texarkana	30,218	Texarkana Bus Company, Inc.[1]	Mar. 3, 1956	Twin City Transit Company.
Texarkana	50,006	Lone River Bus Company	1963	Not available.
Tyler	51,230	Tyler Transit Company	May 13, 1959	Tyler City Lines.
Victoria	33,047	Victoria Transit Company [1]	1955	None.
Waco	97,808	Waco Transit Company	June 1, 1955	Waco Transit Corporation.
Wichita Falls	101,724	Wichita City Lines	Apr. 15, 1971	City of Wichita Falls.
Ysleta	Suburban	Lower Valley Bus Line [1]	Not available	Not available.
Utah:				
Salt Lake City	189,454	Lake Shore Motor Coach Lines, Inc	December 1965	Lake Shore Motor Coach Lines, Inc.
Salt Lake City	189,454	Salt Lake City Lines	Aug. 10, 1970	Utah Transit Authority.
Vermont: Rutland	46,719	Rutland Bus Company [1]	1966	None.
Virginia:				
Bedford	5,921	City Transit, Inc.[1]	1956	Not available.
Charlottesville	29,427	Charlottesville & Albemarle Bus Co	Apr. 16, 1964	Yellow Cab & Transit Company.
Petersburg	36,750	Petersburg Transit Company [1]	July 22, 1956	Petersburg & Hopewell Bus Lines.
Portsmouth	114,773	Portsmouth Transit Company	Sept. 17, 1961	Community Motor Bus Company.
Scottsville	Suburban	Scottsville Bus Line	NA	Scottsville Motor Lines.
Waynesboro	15,694	City of Waynesboro Bus Division [1]	July 1, 1958	None.
Washington:				
Bellingham	34,688	Bellingham Transit System	Apr. 1, 1966	Bellingham Transit System.
Centralia	Suburban	Twin City Transit Company [1]	June 27, 1959	None.
Chehalis	5,199	Twin City Transit Company [1]	July 1, 1959	None.
Everett	40,304	Everett City Lines, Inc	Feb. 28, 1961	Everett Bus System, Inc.
Everett	40,304	Everett Transit System	Dec. 1, 1969	Everett Bus Company.
Renton	25,000	Lake Shore Lines, Inc.[1]	1966	None.
Renton	Suburban	Lake Shore Lines	May 15, 1963	Overlake Transit, Inc.
Seattle	Suburban	Furse Stage Lines [1]	Jan. 20, 1961	None.
Seattle	Suburban	Suburban Transportation System	Dec. 31, 1962	Overlake Transit, Inc.
Tacoma	147,979	Tacoma Transit Company	Dec. 19, 1954	Tacoma Transit Company.
Tacoma	147,979	Tacoma Transit Company	May 1, 1956	Same Company.[28]
Tacoma	147,979	Tacoma Transit Company	Feb. 1, 1961	Tacoma Transit System (Municipal)
Vancouver	32,464	Vancouver Bus Lines	March 1965	Vancouver Bus Lines.
Vancouver	32,464	Vancouver City Lines	Not available	City of Vancouver.
Walla Walla	24,536	Walla Walla City Lines, Inc	Oct. 1, 1955	Walla Walla System.
Wenatchee	16,726	Wenatchee Transit Company	1962	Wenatchee Transit System.
Yakima	43,284	Vancouver-Portland Bus Company	Feb. 17, 1960	Vancouver-Portland Bus Company.
Yakima	43,284	Yakima City Bus Lines	Oct. 1, 1966	Transit Dept. of City of Yakima.
West Virginia:				
Follansbee	4,052	F & H Bus Company [1]	1958	None.
Parkersburg	44,797	City Lines of Parkersburg, Inc	Aug. 28, 1969	Park Transit Company.
Williamson	Suburban	Scot-Nichols Bus Company, Inc	1957	Mac's Bus Company.
Williamson	6,746	Mac's Bus Company [1]	1959	None.
Wisconsin:				
Appleton	48,411	Appleton & Intercity Motor Coach Lines, Inc	Oct. 16, 1955	Appleton & Intercity Motor Coach Lines, Inc.
Appleton	48,411	Appleton & Intercity Motor Coach Lines, Inc	Aug. 1, 1957	Fox River Bus Lines.
Beaver Dam	13,118	Beaver Dam Transit Lines [1]	Feb. 25, 1955	None.
Beloit	32,846	Beloit Bus Company [1]	May 21, 1959	None.[1 29]
Fond du Lac	32,719	Fond du Lac Motor Coach Lines, Inc	Oct. 16, 1955	Fond du Lac Transit Lines, Inc.
Hurley	2,763	Calvetti Transportation Co., Inc.[1]	Oct. 3, 1961	Not available.
Hurricane		Teays Valley Bus Line, Inc	July 1955	Not available.
Kenosha	67,899	Kenosha Motor Coach Company	Nov. 11, 1962	Lake Shore Transit-Kenosha, Inc.
Kenosha	67,899	Lake Shore Transit-Kenosha, Inc.[1]	Early 1969	Not available.
Madison	126,706	Madison Bus Company	May 1, 1970	Madison Service Corporation.
Merill	9,451	Wausu Transit Lines, Inc	Dec. 4, 1954	Merill City Lines.
Oshkosh	45,000	Oshkosh City Lines, Inc	Feb. 1, 1962	City Transit Lines, Inc.
Racine	89,144	Racine Motor Coach Lines, Inc	Nov. 11, 1962	Lake Shore Transit-Racine, Inc.
Racine	Suburban	Lake Shore Line	Nov. 11, 1962	Lake Shore Transit, Interurban, Inc.
Sheboygan	45,747	Sheboygan City Lines	Oct. 16, 1955	Sheboygan Transit Lines.
Sheboygan	45,747	Sheboygan Transit Lines	Feb. 1, 1958	Sheboygan Bus Lines.
Two Rivers	12,393	Two Rivers Transit, Inc.[1]	1954	None.[30]

Footnotes at end of table.

U.S. TRANSIT SYSTEMS ABANDONED OR SOLD SINCE JAN. 1, 1954—Continued

City	Population 1960 census	System	Date sold or service discontinued	Successor system
Wyoming:				
Casper	38,930	Rapid City Transit Company [1]	May 1, 1958	None.
Casper	38,930	Cowboy Transportation [1]	Nov. 11, 1967	Not available.
Cheyenne	43,505	Cheyenne Motor Bus Company	Oct. 5, 1958	City Transit Company.
Cheyenne	43,505	City Transit Company	Oct. 15, 1958	City Transit Company.
Cheyenne	43,505	City Transit Company [1]	Mar. 28, 1959	None.

[1] Abandonments.
[2] One of 2 systems serving city.
[3] Lease agreements with city of Pueblo.
[4] Only one of the independents serving city.
[5] Discontinued service after extended strike beginning Mar. 1, 1970.
[6] Began operations Aug. 17, 1970.
[7] Service resumed by Checker Cab Co., November 1958.
[8] Franchise canceled, service resumed Apr. 1, 1967.
[9] Service resumed by Unda Bus Co.
[10] Lease agreement with city of Ann Arbor.
[11] Service resumed by City Bus Co. in September 1959.
[12] 6 independent operators. Resumed service with Volkswagen October 1958.
[13] Lease agreement with city of Jackson.
[14] Lease agreement with city of Kalamazoo.
[15] Lease agreement with city of Saginaw.
[16] Lease agreement with city of Butte.
[17] Service resumed Dec. 1, 1962.
[18] Lease agreement with city of Great Falls.
[19] Service resumed by Findlay Bus Lines Dec. 3, 1962.
[20] Franchise revoked.
[21] Resumed service Aug. 6, 1969.
[22] City portion of company sold to Van Dirkar. Stanley Bus Co. now operates school buses.
[23] Franchise released.
[24] Resumed service Sept. 1, 1968.
[25] Resumed service November 1968.
[26] Permit revoked.
[27] Franchise canceled.
[28] Lease agreement with city of Tacoma, Inc.
[29] Service resumed by Beloit Bus Lines, Inc.
[30] Only school bus service furnished in this city.

NA—Not available.

ADDITIONS TO SALES AND ABANDONMENTS LIST DATED JULY 1971

City, State, and company; date, and civilian authorities

Albany, N.Y., United Traction Co.,[1] Capital District Transportation Authority.

Albemarle, N.C., Power City Lines, Inc.,[1] None.

Atlanta, Ga., Atlanta Transit System. Mar. 1, 1972 Atlanta Transit System Division.

Aurora, Ill., Aurora City Lines, Feb. 1, 1970 Aurora Transit Authority.

Canton, Ohio, Canton City Lines, Jan. 1, 1971 Canton-North Canton Reg. Transit Authority.

Charleston, W. Va., Charleston Transit Co., Oct. 25, 1971 Kanawha Valley Reg. Transit Authority.

Eugene, Oreg., Emerald Transportation System, Inc., Nov. 23, 1970 Lane County Mass Transit District.

Evansville, Ind., McCleary Coach Lines, Nov. 1970 Evansville-Metro Transit System.

Flint, Mich., Flint Transit Authority,[1] Mass Transit Authority.

Lincoln, Nebr., Lincoln City Lines, July 15, 1971 Lincoln Transit System.

Palo Alto, Calif., Peninsula Transit Lines, Dec. 1, 1963 City of Palo Alto.

Rockford, Ill., Rockford Transit Corp., Mar. 1, 1971 Mass Transit District.

Santa Barbara, Calif., Santa Barbara Transit Co., June 1969 Metropolitan Transit District.

Syracuse, N.Y., Syracuse Transit Corp., Jan. 17, 1972 Central New York Reg. Transit Authority.

Tampa, Fla., Tampa Transit Lines, Apr. 1, 1971 Tampa Bus Co.

West Palm Beach, Fla., Transit Co. of the West Palm Beaches, Aug. 2, 1971 Florida Transit Management Co.

Supporters of the Committee provisions argue that transit workers need financial protection under the Fair Labor Standards Act. The Bureau of Labor Statistics indicates, however, that the average annual wage of transit employees was $10,014 on December 31, 1971. Their average hourly wage on that date exceeded $4.00 an hour, without including fringe benefits. Additionally, wage rates for local transit employees rose 8.5 percent between July 1, 1970 and July 1, 1971. During this period the consumer price index rose only 4.5 percent.

The Committee provisions regarding transit employees are defective in their consideration of charter work. The Committee Bill states that "voluntary" hours would not be included in a computation of overtime hours. This measure gives employees a financial incentive collectively to refrain from volunteering for charter work and thereby force the companies to pay time and a half for the same work. The bill provides that charter work would not be used in computation of overtime hours if such work was not a part of the employee's regular employment and he volunteered. This requirement is meaningless where charter work is a regular part of the employees business. In effect the bill may require transit companies to pay time and a half for non-driving time during a charter trip.

The Committee did not consider the fact that a large number of bus companies have worked out by collective bargaining the concept of a standard work day and work week. This establishes a range of hours without the imposition of overtime penalty. Often these agreements provide that report and turn-in (or pull-in) time at the beginning and end of a run is to be an arbitrary addition to the pay at straight time—irrespective of the actual length of the run. Thus, if a run is only seven hours in driving time, the employer must pay one hour of guarantee or make-up time to the eight hour minimum plus the daily allowances for report and turn-in time.

The Committee demonstrates an alarming lack of awareness of the financial problems facing our nation's transit systems. If the Committee provision were to be adopted, transit fares would be increased, additional transit firms would be forced out of business, and serivce would be greatly curtailed. These actions would most severely affect low income and minority group citizens who depend on transit services to go to work each day. Moreover, the Committee bill can only be interpreted as a severe blow to the nation's goals of reducing auto pollution and channelling more commuter traffic into mass transit systems.

F. YOUTH

Current law establishes wage rates for youths at no less than 85 percent of the statutory minimum. This applies to full time students working part-time in retail or service establishments and agriculture and student-learners in vocational training programs.

The Committee bill is similar to existing law except that educational institutions would be able to employ full time students on a part-time basis at 85 percent of the minimum wage. Our substitute would replace the existing complicated certificate system with a new system designed to reduce youth unemployment. The new system would be applicable to all youths under 18 and full time students under 21. Youths employed in non-agricultural work would receive $1.60 or 80 percent of a $2.00 applicable minimum rate. Youths employed in agricultural work would receive $1.30 or 80 percent of the applicable minimum rate. In each instance, the higher figure of the two alternatives would prevail. Additionally, the Secretary of Labor would be required to adopt regulations to insure that adults would not be displaced from employment opportunities by the lower rates.

The burden of an increased minimum wage falls heaviest on those least able to justify their employment, especially the young. The ratio of teenage to adult unemployment rates has tended to rise, while the proportion of the total labor force in the 16–19 age group has also been rising. The ratio of teenage unemployment to total unemployment has also risen every time the minimum has been increased. Statistics also indicate that young blacks suffer the most from minimum wage increases. Prior to 1956 non-white and white male teenage unemployment rates were approximately the same. In 1956 the $1.00 minimum wage went into effect and the non-white teenage rate became almost 50% greater than that for white male teenagers. In 1965 the minimum wage was raised to $1.25, and the unemployment rate in the non-white group soared in 1966 to a level 100% greater. In February 1967, the $1.40 minimum wage was set and the non-white unemployment figure became 120% greater.

As for the first quarter of 1971 non-white teenage unemployment was 31.8% compared to 15.7% for white youth.

The adverse effect of minimum wage increases on minority youth unemployment is even more apparent when the statistics are examined over the last twenty year period and when labor force participation rates are taken into account. On this basis, the adjusted unemployment rate among non-white male teenagers has sky-rocketed to a level of 370% above that for the white group.

The most recent and extensive examination of the relation between minimum wage legislation and teenage unemployment, was completed by Marvin Kosters and Finis Welch for the Office of Economic Opportunity. Mr. Kosters, a Senior Staff Economist to the Council of Economic Advisers, and Mr. Welch, a research fellow associated with the National Bureau of Economic Research, concluded that minimum wage laws improves the employment opportunities of high wage-earners (adult—whites) and diminish the opportunities of low wage-earners (teenagers and minority groups). Kosters and Welch recommended a differential even greater than the one contained in our substitute. They suggested that all persons who are in school or have less than two years of post-school work experience be exempted from further minimum wage increments. They suggested that the important thing is for youth to be given an opportunity to work. If they choose young people should be permitted to become involved in apprentice programs.

Opponents to the youth differential argue

[1] Not available.

Source: American Transit Association.

that (1) a lower teenage minimum would discriminate against older adult workers and simply shift unemployment from teenagers to adult workers; (2) a lower minimum wage would reduce the wages of teenagers who otherwise would be working at the standard minimum wage; and (3) teenagers will not take jobs at a subminimum wage. None of these arguments is based on factual analysis.

The argument that a lower teenage minimum would discriminate against older workers and thus displace adults is the most often cited reason for opposition to a youth differential. It is important to remember, however, that the youth differential is only applicable to youths under 18 and full time students under 21. Thus the category of prospective employees is largely limited to students, as the average age of a high school graduate in this country is 18.1 years. Thus, the type of job opportunities sought will be part-time and vacation oriented. Seasonal, recreational positions, training and intern positions, and marginal service employment are the employment opportunities most sought after by youths. These are the types of jobs adults do not actively seek, and in fact very often adults refuse to consider these types of positions. For example, how many adults seek lifeguard positions?

If there would be any adult employment displacement, as a result of youth differential (a notion which has never been statistically proven), it would be so small and so limited as to have no discernible effect on the adult job market. The adults involved, if any, would be those who do not have the skills or experience to obtain better employment and should be provided with manpower training. They should not be left for the rest of their lives to keep fighting for marginal employment positions.

Second, it is argued that a lower minimum wage for youth would reduce the wages of teenagers who otherwise would be working at the standard wage. This argument falsely assumes, however, that the same number of jobs for youth would be available at the minimum rate established in the Committee bill and the rate established under the youth differential in the substitute. As mentioned previously, job training and seasonal employment are the two main areas that most vitally concern youth. It is interesting to note that the Committee left in the Fair Labor Standards Act the exemption for both minimum wage and overtime for seasonal amusement parks that operate less than seven months a year. The Committee's rationale for this action was that youth were primarily employed in these types of positions and that they did not want to destroy these job opportunities by applying the minimum wage. It is difficult to understand the Committee's opposition to a youth differential given its thinking in this area.

An even more compelling reply, however, can be given in the field of job training and placement. In this area the rate of pay is not the important factor. The prime objective is finding an employer who is willing to train an individual. The objective for on-the-job training is especially important for our country's vocational education programs. Mr. William L. Warner, Vocational Program Director for the Stillwater Minnesota School District, recently conveyed the following to me in a letter:

I wish to express my support of the Substitute Minimum Wage Bill allowing a wage differential for working youths. The differential would have great advantages for students who are seeking vocational training, who do not have work experience in their background, a chance for job opportunities . . . The wage differential would give the students an "edge" in obtaining jobs for attaining their vocational objective. At the present time the teacher-coordinators of each of the programs have some difficulty in placing all the students who want employment.

Mr. Dale C. Laux, Program Manager for the Cleveland Ohio Manpower Training Center, recently also conveyed similar thoughts to me. Mr. Laux stated that a "youth differential was essential to provide employment and training opportunities for students and trainees involved in the Manpower Program".

Third, it is argued that youth will not take jobs that are available at an adult sub-minimum wage. For on-the-job training and apprenticeship programs this is simply not true. More students and trainees are seeking employment under these programs than can be placed.

In the non-vocational and training areas the demand by youths for jobs greatly surpasses the supply. Most of our nation's communities have instituted programs to increase the number of summer and part-time employment opportunities. The Federal Government alone this year will spend $377.6 million to create 865,322 summer jobs. The National Alliance of Businessmen is committed to create 336,000 summer jobs. The Department of Labor, Bureau of Labor Statistics, however, estimates an additional 1.3 million summer jobs will need to be created.

The principal concern of most young people is to obtain a job. The youth differential provides youth with this opportunity. It enables youth to gain variable on-the-job training. Most important, however, the youth differential approach provides an opportunity for youth to become oriented in terms of pursuing employment opportunities. While some youth will be subject to a differential pay standard, many of them will be living at home and their standard of living will not suffer. What young people want more than anything is a chance to work.

G. MINIMUM WAGE RATE

The Committee bill increases nonagricultural employees currently subject to the $1.60 an hour minimum to $2.20 an hour. Nonagricultural employees covered prior to 1966 would be raised to $2.00 an hour sixty days after enactment and to $2.20 an hour one year thereafter. Nonagricultural employees added to coverage in 1966, and those added to coverage in the current Committee bill, would be raised to $1.80 an hour sixty days after enactment, $2.00 an hour one year after, and $2.20 an hour the following year. These increases amount to a 37.5 percent increase in 26 months. The minimum wage for agricultural employees under the Committee bill is raised from the current $1.30 an hour level to $1.60 an hour sixty days after enactment, $1.80 an hour one year later, $2.00 an hour two years later, and $2.20 an hour the following year. This is a 69.2 percent increase in 38 months.

The Committee bill also extends coverage to 8.4 million workers and newly to 344,000 establishments. The total wage cost would be in excess of $7.2 billion not including increments in fringe benefits and the added upward push of labor costs generally due to the ripple effect. We believe in light of the relatively high unemployment and inflationary pressures on the economy, the Committee's action in this area is economically irresponsible, inflationary, and in direct opposition to the goals of the Economic Stabilization Program.

We believe a far more realistic and equitable approach to be outlined is in our substitute proposal. The substitute increases the minimum wage for nonagricultural employees covered prior to 1966 to $1.80 an hour sixty days after enactment, and to $2.00 an hour a year later. The minimum wage for nonagricultural workers covered by the 1966 amendments to $1.70 an hour on enactment, $1.80 an hour a year thereafter, and $2.00 an hour the following year. The minimum wage for agricultural employees under the substitute would be increased to $1.50 an hour sixty days after enactment, and to $1.70 an hour a year thereafter.

Proponents of the Committee bill cite the added cost of living as the primary necessity for a $2.20 minimum wage, but an increase in the minimum wage helps the low-wage worker only to the extent that it is not dissipated in higher prices nor results in disemployment. Additionally, inflationary impacts of increases in the minimum wage are minimized only to the extent that minimum wage increases are absorbed by profits. However, corporate profits, after taxes were only 4.2 percent of the GNP in 1970—several times the anticipated impact of proposed legislation. Profits have also been declining, being lower absolutely in 1970 than in any year since 1964, and lower as a share of GNP than in any year since 1938.

Proponents of the Committee approach argue that inflation can be avoided and profits maintained if productivity is increased. This euphoric view, i.e., that minimum wage increases accelerate productivity gains, is at variance with past trends in low-wage industries. The gain in productivity, output per manhour in the private nonfarm economy, was only 3.8 percent between 1967 and 1970, far below the long term trend. Low productivity has been particularly true of low-wage trade and services, whose productivity gains lag substantially behind those of the economy as a whole although these are the industries most directly affected and therefore the most stimulated by wage increases. The same industries have borne the brunt of adjustment to higher minimum wages repeatedly and it seems improbable that they would be able continually to compensate through increases in productivity. Low wage industries generally are characterized by low profit rates, small size of firm, little investment in research and development, and are not likely to advance rapidly in productivity.

There is nearly universal agreement that an excessive increase in the minimum wage can result in large scale unemploymet of labor and a high rate of business failure. (This is especially true for small retail business as previously mentioned.) Numerous before-and-after studies of low-wage manufacturing industries, of low-wage firms within their industries and of their industries in low-wage regions have provided evidence that raising the minimum wage has reduced employment (see *Employment Effects of Minimum Wage Rates;* Washington: American Enterprise Institute, August, 1969. Chapters III–V). The most convincing evidence is the comparison of high impact (low-wage) and low-impact (relatively high wage) establishments in the same industry. The most thorough attempt to evaluate the impact of increases instituted by minimum wage legislation was conducted by the New York State Department of Labor. The New York survey found that employers affected by the increased wage rates took a variety of actions to adjust to the higher costs. Weekly payroll savings were achieved by reduced hours, layoffs, and nonreplacement of voluntary workers. Five percent of the stores in the study also reported reduction in hiring extras. Altogether, 1,000 employees reportedly lost their jobs as a result of the increase in minimum wage, and another 500 who quit were not replaced.

Additionally, it is interesting to note a recent article appearing in the *Southern Economic Journal* entitled "State Minimum Wage Laws as a Cause of Unemployment". The authors, Mr. William J. Shkurti and Mr. Belton M. Fleisher, found unemployment rates higher in states with minimum wage laws than in states without them, and found an increase in the differential whenever states raised their minimum wages.

In light of the impressive economic arguments against increasing the minimum wage, proponents still argue however, that a

large increase in the minimum wage is necessary to reduce poverty and the minimum wage effect on employment is both limited and indirect. Family income depends on the number of wage earners in the family and on the number of hours they work per year, more than on the hourly wage rate. A large proportion of the poor would receive no possible benefit from a higher minimum wage and extended coverage because they have no family member employed. Most of the other poor families do not have a full time year-round earner; that is the major reason they are poor. Only 21.6 percent of the heads of poor families worked full time for the full year, 47.8 percent of the heads did not work at all, and only 37.5 percent of the income of families with a total money income of less than $4,000 consisted of wages and salaries. Thus, many of the beneficiaries of higher minimum wage are not the truly poor; they are individuals without dependents, or members of families with other wage earners; many are secondary wage earners. Further, a higher minimum wage hurts those workers it is intended to help by pricing marginal workers out of the labor market, by reducing the rate of new job creation for low-skill, low-productivity workers whose contribution to output may be lower than the rate of pay a higher minimum would be required to justify.

Congress should seriously consider the advice of Professor James Tobin, a former member of the Council of Economic Advisers under President Kennedy, who wrote:

People who lack the capacity to earn a decent living should be helped, but they will not be helped by minimum wage laws, trade union pressures or other devices which seek to compel employers to pay more than their work is worth. The likely outcome of such regulations is that the intended beneficiaries are not employed at all.

In addition, to all the previously mentioned problems, the Committee bill places an added burden in the form of higher prices on the nation's consumer. Congressman John Anderson of Illinois brought this point of concern to the attention of the House of Representatives on May 11 during the floor debate of minimum wage legislation. Congressman Anderson stated:

I am somewhat amazed at the very people who rail about high prices, who talk about the ineffectiveness of Phase II. Now, they want to slice the very heart out of an attempt to restrain the cost-push that has been ravaging the economy of this country.

Let me remind you that this is not only the new age of so-called populism. This is the new age of consumerism. The consumers are unhappy about the high price of food, about the threatened increase in the price of shoes and clothing and all of the other market basket items.

The Committee bill in sum certainly provides a bleak outlook for many of the nation's working poor as they face: higher prices for food, products, and services, possible curtailment or abandonment of services including the closing of the neighborhood grocery and the loss of their only way to work—the bus; higher taxes due to increased burden of state and local governments; and most important, even face the potential loss of their jobs—but we suppose the ex-workers could say that if they had jobs they would have received a $2.20 minimum.

Finally, I wish to subscribe generally to the positions taken by Senator Dominick in his minority views.

June 8, 1972.

BOB TAFT JR.
BOB PACKWOOD.
PETER H. DOMINICK.

Mr. PACKWOOD. Mr. President, for the sake of comparison, let me list the wage hikes which would be required under our substitute and under the bill approved by the Labor Committee, on which we all serve.

For the largest group of employees, those covered under the law before 1966, our substitute would provide a 25-percent increase over 14 months—from $1.60 to $1.80 to $2. The committee bill would provide an immediate 25-percent increase, and nearly a 40-percent total increase within 14 months. From $1.60 to $2 to $2.20.

For those newly covered in 1966, our substitute provides a similar gradual increase from $1.60 to $1.70 immediately, to $1.80 after 1 year, and to $2 in 2 years. The committee bill would increase this group to $1.80 immediately, to $2 in 1 year, and $2.20 the following year.

On agriculture, our substitute will increase the minimum wage immediately from the present $1.30 to $1.50, and after 1 year to $1.70, a rate which is higher than the current minimum wage level for nonagricultural employees. But now consider wage boosts required under the committee bill for agriculture, where many farmers are virtually fighting for their lives to keep their farms operating. The profit margin for farmers—not agribusiness, who are large enough to absorb the extra costs, but individual farmers—their profit margins are shrinking with every season. They cannot pass their additional costs on the consumer, as can others. Mother nature does not always cooperate in allowing good crops; and even their representatives in Congress are sometimes questionable "friends" when farm markets are shut off by transportation tie-ups and Congress refuses to take the necessary remedial steps to guarantee continuity of our transportation system.

Agricultural employment in Oregon has shown, over the year, reductions, and further curtailment of seasonal farm labor demand is expected this summer. The horticultural industry, in particular, has been experiencing a loss of farm income. A number are being seriously hurt by increased imports, most from low-wage countries. The strawberry industry, for example, has been severely affected by cheap imports from Mexico, where the daily wage for farmworkers is about equal to our hourly wage. Similar effects are being felt by the apple and pear industries. Growers just cannot afford an increase in the hourly minimum wage above the $1.70 as provided in our substitute after 1 year. Any further raise will not only encourage a substantial increase in imports of most horticultural commodities, but will result in a reduced agricultural work force in Oregon.

For these farmers, Mr. President, the committee will require an immediate 23-percent wage boost—from $1.30 to $1.60—and additional wage boosts totaling 40 percent over the next 3 years.

We all agree that farm employees need wage increases, and need them badly. But we cannot wear blinders. Ignoring the adverse side effects will not make those side effects go away.

The most immediate impact of any sudden and steep wage increase will be felt by the small businessman and the small farmer, who have already charted their income statements for the year, and have completed their cost calculations. How would we respond to the imposition of a 23-percent or 25-percent wage increase for our employees without any prior warning? How can we in Congress have such total disregard for those we claim to represent? Mr. President, we cannot operate in a vacuum, and we cannot operate with blinders.

The small businessman and the small farmer will bear the immediate brunt of the steep and sudden increases required by the committee bill. In the longer range, Mr. President, I think it is safe to assume that the negative impact of this irresponsible committee bill will shift to two other segments of society: The marginally employable; and the general public, through the inflationary ripple effect of both the wage level increases, the removal of exemptions, and the massive extensions of coverage.

Ironically, Mr. President, we are being asked to approve a measure (S. 1861) which supporters assure us will aid those at the lowest levels of the wage scale. As I have already emphasized, we all wish to improve the standard of living of our low income wage earners, and our substitute will in fact accomplish this objective.

What supporters of the committee bill fail to mention and refuse to face head-on, are the serious implications of steep minimum wage increases on the job prospects of those we are most anxious to help: minorities, the aged, the handicapped and young people, particularly minority youth, who are now experiencing an astounding unemployment rate of about 40 percent. Large minimum wage increases almost by definition restrict new job opportunities, and the marginally employable are the first to go. The American Enterprise Institute, an independent economic research group here in Washington, D.C., has conducted indepth research on this problem and concludes that—

There is nearly universal agreement that an excessive increase in the minimum wage can result in large scale unemployment of labor and a high rate of business failure. Responses via price increases, would result in loss of sales, and responses via productivity increases, if possible, would tend to economize on low-wage labor.

The latest AEI analysis reports that:

* * * * *

Numerous before-and-after studies of low-wage manufacturing industries, of low-wage firms within these industries, and of these industries in low-wage regions have provided evidence that raising the minimum wage has reduced employment.[15] The most convincing evidence is the comparison of high-impact (low-wage) and low-impact (relatively high wage) establishments in the same industry. A number of studies of retail trade and of service industries also identify disemployment effects.[16] Shkurti and Fleisher found a slowdown in employment trends in retail trade following the 1961 minimum wage increase. The line of trade with the lowest

[15] Reviewed in John M. Peterson and Charles T. Stewart, Jr., *Employment Effects of Minimum Wage Rates* (Washington: American Enterprise Institute), August 1969, chapters III–V.

[16] Ibid., chapter VI.

wages experienced the largest absolute or relative decline in man-hours, and the regions with the lowest wages also experienced relatively the most adverse changes in employment, after allowing for growth in sales.[17] A recent study of unemployment rates by states found them higher in states with minimum wage laws than in states without them, and found an increase in the differential whenever states raised their minimum wages.[18]

The possible negative effect of a high minimum on employment is recognized in current legislation through lower minimum wages for hired farm labor, exemptions for very small businesses and farms, and special treatment of Puerto Rico and the Virgin Islands. The Williams bill, which would quickly eliminate most of these differentials, therefore, would have much more severe impact on employment than the Dent bill, which would not, apart from its provision for a higher minimum. Because elimination of exemptions and differentials would raise minimum wages much more in some industries and areas than in others, it would have a much more concentrated disemployment effect than an increase in the minimum maintaining existing exemptions and differentials. . . .

The central concern about raising the minimum to $2.00—just in step with the increase in the cost of living, as proposed in the Dent bill—is one of timing. Opponents of this increase argue that it is unwise to risk additional unemployment at a time when the rate already exceeds 6 percent. The Williams bill, on the other hand, is criticized not only because of questions related to current unemployment rates because it would set the minimum too high, at $2.25. An increase to this level would be well in excess of productivity gains since the 1966 amendments went into effect.

The AEI analysis also examines the interrelationship between imports and disemployment, and continues:

In the absence of compensating productivity gains, a higher minimum wage will tend to raise prices in low-wage industries, or to moderate price declines. The international competitive position of these industries will tend to be weakened: exports may decline and imports rise. The shift of purchasing power to imports has consequences quite different from the shift between firms and industries at home. When a firm is driven out by high costs, if domestic competitors take over its market they could absorb most of its employees. But when the competition is foreign, or when a whole industry is undermined, many more workers lose their jobs than just those whose pay was previously below the minimum wage. If their skills are specific to their industry, reemployment may prove difficult, even though employment elsewhere in the economy and in export industries expands.

The manufacturing industries which would be most seriously affected by a higher minimum wage are almost all facing growing inroads from imports and are losing, or have already lost, export markets. Most of them are receiving substantial tariff protection and in the most important cases protection from informal import quotas. Strong pressures are being exerted to increase the extent of protection, particularly for textiles, apparel, and shoes, which together employ some 2.6 million workers. In general, low-wage manufacturing industries are more heavily protected than high-wage industries.[19] Economists point out that the safeguarding of jobs in low-wage industries through increased protection has the effect of a tax on consumers. Also, lower-income households may spend a higher proportion of their incomes on the products of low-wage industries, such as food and clothing. Thus it is argued that the combination of higher minimum wages and countervailing protection from imports is not only a tax on consumers, but it could well be a regressive tax.

Similar problems exist with regard to some farm problems, especially vegetables and fruits. The extension of coverage to most hired farm labor, successive increases in the minimum and termination of the bracero program have been accompanied by sharp increases in the import of fresh fruit and vegetables, particularly from Mexico, and by the establishment of processing facilities abroad.[20] Further extension of coverage and the elimination of the minimum wage differential for farm labor (as proposed in the Williams bill)—together with the proposed elimination of overtime exemptions for agricultural processing industries—would, other things remaining the same, accelerate this trend.

The situation is quite different for most trade and service industries, which only compete in local markets. Excessive price increases in this sector, however, will eventually be reflected in the cost structure of industries that do compete internationally.

There is nearly universal agreement that large enough increases in wage costs in any industry will worsen its balance of trade position and threaten domestic employment in that industry, and that this situation has indeed been reached in a number of low-wage industries. Disagreement is over the issue of protection and minimum wages, rather than over impacts. One viewpoint is that low-wage, low-skill industries have little long-run future in this country, and should be assisted in adjusting to decline, as high-wage, high-skill industries expand. Protection and/or moderation in minimum wage increases are issues of tactics: how to phase necessary readjustments. Since more rapid increases in the minimum wage accentuate the need for transitional protection, this viewpoint is likely to favor only small increases in minimum wages in order to adjust without excessive protection and the risks of foreign retaliation which it would entail.

Another viewpoint appears to be that no established American industry should be allowed to decline or disappear simply because foreign labor costs are much lower, nor be forced to accept substandard wages and working conditions as the price for survival in an internationally competitive world. This viewpoint would favor protective tariffs, quotas, and/or such other measures as are needed to preserve domestic employment by industry. It is supported in principle by the Dent proposal to extend the Fair Labor Standards Act to certain foreign producers as a condition for exports to the United States involving any federal government participation, and to give the President authority to prevent damage from certain imports by such action "as he deems appropriate." The disagreement is over values rather than facts, and therefore not easily resolved.

Mr. President, this analysis, I believe places in proper perspective the wage increases, removal of exemptions, and expansions of coverage we are being asked to approve in the committee bill. I ask my colleagues on both sides of the aisle to examine both sides of the coin—to see the negative adverse effects as well as beneficial effects involved in raising the minimum wage and bringing additional employees under coverage at this point in time.

Mr. President, let me turn now to the second long-range impact which flows inevitably from a precipitous and steep increase in the minimum wage: the impact on the consumer and the general public.

We all profess to care deeply about the welfare of the consumer. We have spent long hours groping for ways to stop the inflationary treadmill, and to guarantee the consumer more and better for his money. But let us look closely at what we are about to do today. Wage increases are generally, by the nature of our business organization, passed on to the consumer through higher prices for goods and services. More likely than not, the consumer pays for increases at each stage of production—in the case of foodstuffs, all the way from the farmer, to the wholesaler, to the retailer, newly covered under the committee bill. All will have higher wage bills to pay. By the time the food reaches the store, prices will be significantly escalated.

Let us not kid ourselves today in what we are doing. Let's take off our blinders. Let those who support the committee-approved increases be prepared to explain to the American public why their food bills are continuing their steep ascent.

Mr. President, the increase we are debating comes at a time when the President's new economic stabilization program is achieving relative stability in prices and wages, accompanied by a gradual reduction in inflation and a pronounced rise in economic growth. The Labor Department's June labor report shows a record 80 million Americans employed, with unemployment down to 5.5 percent—progress which will surely be jeopardized with any unreasonable change in minimum wage levels and coverage.

Lastly, Mr. President, I would like to draw attention to the youth employment provisions in our substitute. Under our amendment, youths under 18 and full time students may be paid a wage rate which is 80 percent of the prevailing minimum wage, or $1.60, whichever is higher, nonfarm jobs and 80 percent of the prevailing wage or $1.30, whichever is higher, for agricultural employment.

There is a growing concern, both in Congress and around the Nation, to provide employment opportunities for young people. However, as the minimum wage advances, many employers find they cannot afford to employ inexperienced, untrained help at the minimum rate. The result has been a persistent and alarming growth in youth unemployment in the past decade which now ranges around 17½ percent for 16- to 19-year-olds com-

[17] William J. Shkurti and Belton M. Fleisher, "Employment and Wage Rates in Retail Trade Subsequent to the 1961 Amendments to the Fair Labor Standards Act," *Southern Economic Journal*, July 1968.

[18] Colin D. Campbell and Rosemary G. Campbell, "State Minimum Wage Laws as a Cause of Unemployment," *Southern Economic Journal*, April 1969.

[19] Giorgio Basevi, "The U.S. Tariff Structure: Estimates of Effective Rates of Protection of U.S. Industry and Industrial Labor," *Review of Economics and Statistics*, May 1966, Table 4.

[20] Testimony of Matt Triggs and Dale Sherwin for the Farm Labor Bureau, presented to the General Labor Subcommittee of the House Committee on Education and Labor, Apr. 29, 1971.

pared to 4.9 percent for adults. We cannot afford to let this trend continue.

If there ever was a time to initiate new measures to halt the reduction in employment opportunities for young people, it is now.

To assure that the special youth rates do not reduce the number of jobs available to older workers, the substitute authorizes the Secretary of Labor to prescribe standards and requirements to guard against loss of employment opportunities for adults.

Substantial efforts are being made at the Federal and local levels to meet the increasing demand for jobs by youth. Approximately 3.6 million young people are expected to be seeking summer employment this year. A combined Federal-private effort will raise the number of summer jobs for young people to an all-time high of 1.2 million. This is 220,000 more summer jobs than were available for young people last summer. An estimated $378 million will be spent in Federal funds under four programs providing 865,322 jobs. The remaining 336,000 jobs will be provided mainly in the private sector by business and industry, without Federal financial support.

All these efforts will be diminished, however, if private employers refuse to meet the surplus of youths seeking employment because of a large increase in the minimum wage, which will price unskilled, disadvantaged young people out of the job market.

A special youth differential will help resolve such a plight and has the support of many prominent economists. In justifying a special youth minimum wage, Finis Welch, a member of the National Bureau of Economic Research, and Marvin Kosters, now an Assistant Director on the Cost of Living Council, concluded in a Rand Corp. study last year that—

> Minimum wage legislation has apparently played an important role in increasing the cyclical sensitivity of teenage employment.

They discovered that—

> As the minimum wage rises, teenagers are able to obtain fewer jobs, and their jobs are less secure over the business cycle. A disproportionate share of these unfavorable employment effect accrues to nonwhite teenagers.

In closing, Mr. President, let me say again that I strongly support responsible and realistic increases in our minimum wage levels, increases which are consistent with full employment opportunity and our strenuous economic stabilization program. Any minimum wage increase at this point in time should encourage new job opportunities for low income workers, and should minimize inflationary effects. S. 1861 fails to achieve these objectives by calling for too much in too short a period of time—and at the wrong time. In contrast, our substitute provides for the responsible, gradual, and realistic increases which are needed. May I, therefore, urge all Senators to weigh carefully the full impact of S. 1861, compared with the substitute version. I am convinced that the desirability of the substitute approach will be self-evident.

FOREIGN ASSISTANCE ACT OF 1972

Mr. HARRY F. BYRD, JR. Mr. President, the Senate has been debating for quite awhile the Foreign Assistance Act. There will be more days of debate, and that is a good thing. The Foreign Assistance Act under consideration by the Senate now is only a part of the total foreign aid program. So the Senate now is considering legislation which is a part of the total foreign aid program, which total program gives financial aid to 96 different countries—yes, 96. The cost to the American taxpayer is $8 billion.

That sum is equal to four times the annual cost of Virginia's government. Virginia has a population of 5 million persons. It is a large State, but the $8 billion figure for foreign aid is four times the annual cost of Virginia's government.

If we are serious about getting inflation under control, we must act to cut Federal spending. I cannot think of a better place to start than with the huge, costly, wasteful foreign aid program.

Mr. President, I wonder how Congress can justify voting these huge sums for foreign giveaway programs at a time when the Federal budget is in such dire straits. The Federal funds deficit for fiscal year 1971 was $30 billion. The Federal funds deficit for fiscal 1972 was $32 billion. The projected deficit for the current fiscal year is $38 billion. For these 3 years together, the accumulated deficit will be $100 billion.

So, as we consider this Foreign Assistance Act, it seems to me that we need to relate that to the overall financial condition of the Federal Treasury. As I mentioned earlier, the foreign aid program will go to 96 different countries. Ninety-six countries are involved in receiving financial aid from the taxpayers of the United States.

The report of the Committee on Foreign Relations, which was submitted to the Senate on May 31, 1972, contains a table marked table IV, and it lists all the countries to which foreign aid will be given. I ask unanimous consent, Mr. President, that table IV of the committee report be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. HARRY F. BYRD, JR. In concluding my remarks, I want to say that I shall vote against pouring new billions of dollars into giveaway programs overseas while we are running huge Government deficits at home.

EXHIBIT 1

TABLE IV.—MILITARY AND ECONOMIC ASSISTANCE DATA, FISCAL YEAR 1973 PROGRAM REGIONAL SUMMARY

[In thousands of dollars]

	Security programs								Development and humanitarian economic programs								
									Agency for International Development							Total military and economic, fiscal year—	
	Military assistance grants	Foreign military credit sales	Excess defense articles [1]	Military service funded	Ship loans [1]	Total military	AID supporting assistance	Total security	Development/ humanitarian assistance [2]	Contingency fund and international narcotics control [3]	AID development and humanitarian total	Peace Corps	Public Law 480	International financial institutions [4]	Total economic	1973	1972
Summary, all programs	819,700	629,000	245,000	2,055,000	39,600	3,798,300	879,418	4,667,718	1,598,976	72,800	1,671,776	72,200	1,099,789	920,000	3,763,765	8,431,483	7,439,099
LA	20,300	75,000	2,500		900	98,700		98,700	389,416		389,416	18,913	106,559		514,888	613,588	528,970
AFR	17,975	18,500	3,500			39,975		39,975	173,209		173,209	23,149	134,310		330,668	370,643	352,838
EUR	10,299		8,000		18,200	36,499	12,500	48,999				10	850		860	49,859	78,247
NESA	142,952	443,000	68,000		11,000	664,952	90,000	754,952	347,204	15,000	362,204	7,400	390,976		760,580	1,515,532	1,292,250
EA and PAC	542,928	92,500	163,000	2,055,000	9,500	2,862,928	743,800	3,606,728	188,857	2,200	191,057	12,352	445,494		648,903	4,255,631	4,036,862
Other	85,246					85,246	28,200	113,446	[5] 500,290	55,600	555,890	10,376	21,600	920,000	1,507,866	1,621,312	1,145,470
Administrative and other expenses, State							4,918	4,918								4,918	4,462

[1] In legal value—at ⅓ average class acquisition costs.
[2] Includes AID administrative expenses.
[3] Includes contingency fund and international narcotics control funds.
[4] Includes International Development Association, Inter-American Development Bank, and Asian Development Bank.

MILITARY AND ECONOMIC ASSISTANCE DATA, FISCAL YEAR 1973 PROGRAM BY COUNTRY

[In thousands of dollars]

	Security programs								Economic programs								
		Military programs							Agency for International Development			Other programs					
	Military assistance grants	Foreign military credit sales	Excess defense articles[1]	Military service funded	Ship loans[1]	Total military	AID supporting assistance	Total security	Development/humanitarian assistance	International narcotics control	Total	Peace Corps	Public Law 480	Total economic	Total military and economic fiscal year 1973	Total military and economic fiscal year 1972
Latin America	20,300	75,000	2,500		900	98,700		98,700	389,416		389,416	18,913	106,559	514,888	613,588	528,970
Argentina	550	15,000				15,550		15,550							15,550	16,047
Bolivia	4,873	4,000	500			9,373		9,373	18,214		18,214		9,700	27,914	37,287	50,051
Brazil	988	15,000				15,988		15,988	8,300		8,300	2,625	21,870	32,795	48,783	38,073
Chile	1,114	5,000	200		900	7,214		7,214	850		850	418	4,860	6,128	13,342	13,384
Colombia	778	10,000	100			10,878		10,878	78,600		78,600	1,898	21,730	102,228	113,106	122,061
Costa Rica									1,060		1,060	765	1,026	2,851	2,851	3,336
Dominican Republic	1,435		100			1,535		1,535	11,600		11,600	500	17,705	29,805	31,340	27,115
Ecuador	1,000		300			1,300		1,300	14,543		14,543	1,135	4,889	20,567	21,867	11,364
El Salvador	805		100			905		905	14,150		14,150	483	900	15,533	16,438	10,869
Guatemala	1,736	2,000	200			3,936		3,936	24,350		24,350	765	2,637	27,752	31,688	18,607
Guyana									10,100		10,100		1,780	11,880	11,880	14,072
Haiti									6,000		6,000		1,251	7,251	7,251	4,211
Honduras	734		100			834		834	18,242		18,242	964	972	20,178	21,012	7,689
Inter-American programs									16,880		16,880			16,880	16,880	14,691
Jamaica									10,849		10,849	838	450	12,137	12,137	6,202
Mexico	87	2,000				2,087		2,087							2,087	750
Nicaragua	1,045		100			1,145		1,145	7,500		7,500	516	328	8,344	9,489	14,070
Panama	527		100			627		627	22,295		22,295		1,080	23,375	24,002	17,581
Paraguay	791		200			991		991	7,094		7,094	418	2,712	10,224	11,215	11,645
Peru	820	5,000				5,820		5,820	13,747		13,747	1,766	8,460	23,973	29,793	38,315
ROCAP									27,700		27,700	203	153	28,056	28,056	13,417
Trinidad and Tobago													90	90	90	90
Uruguay	1,460	2,000	500			3,960		3,960	24,500		24,500	92	3,540	28,132	32,092	5,387
Venezuela	780	15,000				15,870		15,870	500		500	1,580		2,080	17,950	18,198
Caribbean regional									20,350		20,350	1,012	426	21,788	21,788	11,342
Economic regional programs									32,992		31,992	2,935		34,927	34,927	35,002
Regional military costs	687					687		687							687	5,231
Near East and South Asia	142,952	443,000	68,000		11,000	664,952	90,000	754,952	347,204	15,000	362,204	7,400	390,976	760,580	1,515,532	1,292,250
Afghanistan	215					215		215	6,720		6,720	1,499	24,100	32,319	32,534	58,293
Ceylon	15					15		15					14,157	14,157	14,172	20,130
Cyprus													3,960	3,960	3,960	3,960
Greece	9,554	55,000	25,500		5,900	95,954		95,954							95,954	81,350
India	234					234		234	99,590		99,590	3,211	172,330	275,131	275,365	197,220
Iran	492					492		492				1,300	1,044	2,344	2,836	7,325
Israel		(1)					50,000	50,000					45,342	45,342	95,342	105,342
Jordan	(1)	(1)	(1)				40,000	40,000	1,200		1,200		3,042	4,242	44,242	48,592
Lebanon	(1)	(1)											5,305	5,305	5,305	14,505
Nepal	29					29		29	1,883		1,883	1,191	630	3,704	3,733	4,208
Pakistan	243					243		243	79,800		79,800		105,358	185,158	185,401	160,615
Saudi Arabia	(1)	(1)														
Southern Yemen													90	90	90	90
Syria													216	216	216	216
Turkey	88,611	15,000	40,000		5,100	148,711		148,711	43,000	15,000	58,000		13,014	71,014	219,725	199,440
Yemen													1,026	1,026	1,026	1,026
Economic regional programs/CENTO									5,011		5,011	199	1,362	6,572	6,572	6,689
Regional military costs[2]	43,559	373,000	2,500			419,059		419,059							419,059	383,249
Unallocated									110,000		110,000			110,000	110,000	
East Asia and Pacific	542,928	92,500	163,000	2,055,000	9,500	2,862,928	743,800	3,606,728	188,857	2,200	191,057	12,352	445,494	648,903	4,255,631	4,036,862
Burma													621	621	621	621
Cambodia	209,541		15,500			225,041	75,000	300,041					30,018	30,018	330,059	246,437
China (Taiwan)	7,642	55,000	46,500			109,142		109,142							109,142	100,762
Hong Kong													126	126	126	126
Indonesia	28,745		4,500			33,245		33,245	123,200		123,200		87,920	211,120	244,365	239,967
Korea	215,710	25,000	33,600	133,500	5,700	413,510		413,510	28,600		28,600	2,194	142,500	173,294	586,804	585,369
Laos			2,000	360,000		362,000	49,800	411,800	870	700	1,570		3,429	4,999	416,799	234,996
Malaysia	181					181		181				2,908	958	3,866	4,047	4,214
Philippines	20,780		3,000		3,800	27,580		27,580	20,565		20,565	1,971	33,800	56,336	83,916	83,629
Singapore													45	45	45	670
Thailand	59,954		4,500			64,454	25,600	90,054	2,145	1,000	3,145	1,568	15,657	20,370	110,424	105,599
Vietnam			53,400	1,561,500		1,614,900	585,000	2,199,900	346	500	846		130,420	131,266	2,331,166	2,352,412
Western Samoa												525		525	525	449
Economic regional programs							8,400	8,400	13,131		13,131	3,186		16,317	24,717	13,532
Regional military costs	375	12,500				12,875		12,875							12,875	8,079
Africa	17,975	18,500	3,500			39,975		39,975	173,209		173,209	23,149	134,310	330,668	370,643	352,838

MILITARY AND ECONOMIC ASSISTANCE DATA, FISCAL YEAR 1973 PROGRAM BY COUNRTY—Continued

[In thousands of dollars]

	Security programs								Economic programs							
		Military programs							Agency for International Development			Other programs				
	Military assistance grants	Foreign military credit sales	Excess defense articles[1]	Military service funded	Ship loans[1]	Total military	AID supporting assistance	Total security	Development/humanitarian assistance	International narcotics control	Total	Peace Corps	Public Law 480	Total economic	Total military and economic fiscal year 1973	Total military and economic fiscal year 1972
Botswana									([5])		([5])	692	9,450	10,142	10,142	10,042
Burundi									([5])		([5])		920	920	920	920
Cameroon									([5])		([5])	700	380	1,080	1,080	979
Central African Republic									([5])		([5])		210	210	210	210
Chad									([5])		([5])	481	110	591	591	522
Congo (Brazzaville)													1,800	1,800	1,800	1,800
Dahomey									([5])		([5])	449	390	839	839	775
Ethiopia	12,139		1,000			13,139		13,139	16,550		16,550	1,304	1,134	18,988	32,127	32,099
Gabon									([5])		([5])					
Gambia									([5])		([5])	383	980	1,363	1,363	1,307
Ghana	55					55		55	32,370		32,370	2,345	13,260	47,975	48,030	30,896
Guinea									([5])		([5])		4,970	4,970	4,970	4,984
Ivory Coast									([5])		([5])	826	1,350	2,176	2,176	2,057
Kenya									2,835		2,835	2,351	810	5,996	5,996	5,343
Lesotho									([5])		([5])	299	1,773	2,072	2,072	1,606
Liberia	499		500			999		999	3,709		3,709	2,444	2,390	3,543	9,542	10,408
Malagasy									([5])		([5])		510	510	510	510
Malawi									([5])		([5])	475	180	655	655	656
Mali	50					50		50	([5])		([5])	240	1,580	1,820	1,870	2,418
Mauritania									([5])		([5])		1,170	1,170	1,170	1,170
Mauritius									([5])		([5])	155	1,305	1,460	1,460	1,602
Morocco	([3])	([3])							17,055		17,055	1,056	42,000	60,111	60,111	49,299
Niger									([5])		([5])	629	1,575	2,204	2,204	2,119
Nigeria									23,870		23,870		630	24,500	24,500	25,797
Rwanda									([5])		([5])		360	360	360	360
Senegal	25					25		25	([5])		([5])	721	1,683	2,404	2,429	2,910
Seychelles									([5])		([5])		60	60	60	60
Sierra Leone									([5])		([5])	1,683	1,740	3,423	3,423	3,281
Somali Republic													450	450	450	450
Sudan													180	180	180	45
Swaziland									([5])		([5])	479		479	479	410
Tanzania									6,400		6,400		1,370	7,700	7,770	3,270
Togo									([5])		([5])	704	550	1,254	1,254	1,153
Tunisia	([3])		([3])						3,150		3,150	723	32,140	36,013	36,013	46,969
Uganda									2,530		2,530	441	180	3,151	3,151	5,913
Upper Volta									([5])		([5])	508	3,200	3,708	3,708	3,635
Zaire	455	3,500				3,955		3,955	6,950		6,950	1,012	3,200	11,162	15,117	7,903
Zambia									([5])		([5])		320	320	320	320
Economic regional programs:																
Central West Africa									24,085		24,085			24,085	24,085	29,900
East Africa									1,600		1,600			1,600	1,600	5,805
Southern Africa									8,200		8,200			8,200	8,200	14,435
Africa Regional									21,855		21,855	2,049		23,904	23,904	16,998
Regional military costs[7]	4,752	15,000	2,000			21,752		21,752							21,752	19,802
Self-Help projects									2,050		2,050			2,050	2,050	1,700
Europe	10,299		8,000		18,200	36,499	12,500	48,999				10	850	860	49,859	78,247
Austria	24					24		24							24	13
Iceland													650	650	650	800
Italy					2,600	2,600		2,600							2,600	
Malta							9,500	9,500				10	200	210	9,710	9,709
Portugal	905		2,000			2,905		2,905							2,905	35,177
Spain	9,261		6,000		15,600	30,861	3,000	33,861							33,861	32,374
United Kingdom																3
Regional military costs	109					109		109							109	171

[1] In legal value—at ⅓ average class acquisition costs.
[2] Includes AID administrative expenses.
[3] Includes contingency fund and international narcotics control funds.
[4] Includes International Development Association, Inter-American Development Bank and Asian Development Bank.
[5] Classified.
[6] Self-Help funds only.
[7] Includes classified countries.

ORDER FOR LIMITATION OF TIME ON MARINE MAMMAL PROTECTION ACT OF 1972

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as S. 2871, a bill to protect marine mammals, to establish a Marine Mammal Commission, and for other purposes, is called up and made the pending business before the Senate, there be a time limitation on amendments thereto of 1 hour, the time to be equally divided between and controlled by the distinguished manager of the bill, the Senator from South Carolina (Mr. HOLLINGS), and the author of such amendment; that time on any amendment to an amendment, motion, or appeal in relation thereto be limited to 30 minutes, the time to be divided between the mover of such and the distinguished manager of the bill except in instances in which the manager of the bill may favor such, in which case the time in opposition thereto be under the control of the distinguished Republican leader or his designee.

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 a.m.

After the two leaders have been recognized under the standing order, the distinguished junior Senator from California (Mr. TUNNEY) will be recognized for not to exceed 15 minutes, after which the distinguished senior Senator from Maryland (Mr. MATHIAS) will be recognized for not to exceed 15 minutes, after which there will be a very brief period for the transaction of routine morning business with statements therein limited to 3 minutes, the period not to extend beyond the hour of 9:40 a.m.

At 9:40 a.m., morning business will be concluded and the distinguished junior Senator from Florida (Mr. CHILES) will be recognized for the purpose of calling up an amendment to the Taft-Dominick substitute No. 1204, the unfinished business having been laid aside temporarily and the minimum wage bill having been laid before the Senate. Time on the amendment by Mr. CHILES will be limited to 20 minutes, to be equally divided between the distinguished Senator from Florida (Mr. CHILES) and the distinguished Senator from Ohio (Mr. TAFT). The vote on the amendment by Mr. CHILES, if a rollcall vote, will occur at 11 a.m.

At 10 a.m., the amendment by Mr. CHILES will be temporarily laid aside, and 1 hour of debate on the Taft-Dominick substitute, amendment No 1204, as modified and as amended will ensue, the debate of 1 hour to end at 11 a.m.

At 11 a.m. the vote on the amendment by Mr. CHILES to the Taft-Dominick substitute, amendment No. 1204—if it is a rollcall vote—will occur.

Immediately following the vote on the Chiles amendment, a yea-and-nay vote on the Taft-Dominick substitute will occur. Tabling motions will be in order. I assume, although I am not sure, the vote on the Chiles amendment will be a rollcall vote. Most assuredly the vote on the Taft-Dominick substitute will be a yea-and-nay vote.

If the Taft-Dominick substitute, as modified and amended, is agreed to, there is a time limitation of 4 hours debate on the bill. A final yea-and-nay vote on the bill would occur some time during that period. Recommittal motions are in order and tabling motions are in order.

If, in the alternative, the Taft-Dominick substitute, as modified and amended, is rejected, the distinguished junior Senator from Vermont (Mr. STAFFORD) will be immediately recognized to call up an amendment.

Time for debate on the bill, as already stated, will be limited to 4 hours, time on any amendment to 1 hour, and time on any amendment to an amendment, debatable motion or appeal to 30 minutes.

A final yea-and-nay vote on final passage of the bill will occur not later than 10 p.m. tomorrow night.

In summation, therefore, there will be several rollcall votes tomorrow. Depending upon the outcome of the vote on the Taft-Dominick substitute, the session tomorrow could be a lengthy one.

As to Friday, Mr. President, perhaps I should state that there will be rollcall votes on Friday. The picture is not altogether clear at the moment, but the Foreign Assistance Act will continue to be the main track item and, at some time, perhaps reasonably early during the day, the Senate will proceed to consider second track measures, one of which will be, in all likelihood, the so-called maritime bill (H.R. 13324). No agreement has been reached with respect to that measure. Another second track item would be Calendar No. 904 (S. 1991), a bill to assist in meeting national housing goals. A time limitation of 1 hour on S. 1991 has been agreed upon, with a time limitation on amendments thereto. Rollcall votes will occur on that bill and on amendments thereto.

Mr. President, I ask unanimous consent that it be in order to order at any time the yeas and nays on passage of S. 1991 and on any amendment thereto.

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

Mr. ROBERT C. BYRD. Mr. President, if reasonable progress is made on Friday—and I think we have every right to assume there will be reasonable progress made with respect to the business of the Senate—there would then be no session on Saturday.

Mr. President, to repeat, there will be rollcall votes tomorrow and there will be rollcall votes on Friday.

Mr. President, if there be no further business to come before the Senate——

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

Mr. ROBERT C. BYRD. I withhold my motion. I yield to the able senior Senator from New Hampshire.

Mr. COTTON. Mr. President, if on Friday the maritime authorization bill is brought up, with its amendments, and no vote is reached—in other words, if the discussion extends to the point where no vote would reasonably be reached on Friday night, that would not change the situation of no Saturday session; would it?

Mr. ROBERT C. BYRD. I am glad the distinguished senior Senator from New Hampshire raised this question. I am sorry I inadvertently failed to pursue the matter to the conclusion to which it should have been brought.

Mr. President, may we have order in the Senate, and would pages, attachés, and Senators take their seats?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I think the proper procedure should be and probably will be that on Friday, following the setting aside of the main track item, the foreign assistance bill, the Senate would proceed to Calendar No. 904, the housing bill, on which there is a time agreement. This would enable the Senate to complete its work on that bill at a reasonably early hour during Friday afternoon.

Then, if the situation remains as it appears at this moment, the Senate would proceed to the consideration of the maritime bill (H.R. 13324), making whatever progress could be made during the remainder of Friday afternoon, acting on amendments to the bill, and, if it is the sense and will of the Senate to do so, hopefully the Senate would complete action on that bill Friday afternoon.

But in the event, as the Senator has pointed out, final action should not be reached Friday afternoon on the maritime bill, it would not be the intention of the leadership to have a Saturday session to complete action on that bill, unless a time agreement thereon is possible. The situation then would be as follows:

On Monday the Senate would continue with consideration of the Foreign Assistance Act as the main track item and would hopefully dispose of that bill Monday. As a second track item on Monday, the Senate would not proceed to the consideration of the maritime bill, which consideration would have been commenced on Friday, but the Senate would instead proceed to the consideration of the defense authorization bill. That bill, which will be managed by the distinguished junior Senator from Mississippi (Mr. STENNIS), would be the second track item on Monday.

Then, at such time as the Foreign Assistance Act is disposed of, the defense authorization bill would be moved from the second track to the main track.

Then, in lieu of the defense authorization bill on the second track, the majority leader probably would move to complete action on the maritime bill as the second track item, and then move therefrom into no-fault insurance as a second track item.

Does that answer the question of the Senator?

Mr. COTTON. It is not quite clear. No doubt it is my fault, but I did not quite understand what was going to happen to the maritime bill if it were not completed on Friday and went over until the following week. The distinguished assistant majority leader has named some other bills that would be taken up, but has not indicated it would be carried on.

Mr. ROBERT C. BYRD. I got carried

away by stating the whole program far down the road. Perhaps I did not clearly respond to the able Senator.

Specifically—and the Senator should have a specific answer—if the maritime bill is not completed on Friday, it would be temporarily set aside and the Senate would continue action on the Foreign Assistance Act on Monday, with the calling up of the Defense authorization bill as a second-track item also occurring on Monday, and then, at such time as the Defense authorization bill can be moved to the first track, the maritime bill would be brought back as a second-track item.

Mr. COTTON. If the Senator will permit, I would like to say to the distinguished acting majority leader that the reason why the Senator from New Hampshire has declined to enter into any time agreement in relation to the maritime bill—and the reason for that I am sure the Senator knows—is because of a disputed amendment—and I note the distinguished Senator from Virginia (Mr. SPONG) is present—which was added to that authorization bill in the committee. The whole dispute is over that. The outcome of that amendment is of paramount importance not only to the propopents of the amendment representing shipbuilding facilities, but also I think to almost every Senator from a Northern State that has any kind of a stiff climate in the winter, because of the possible effect on the price of fuel oil.

The Senator from New Hampshire does not intend—I want to make it plain to the distinguished acting majority leader—to be an obstructionist. The Senator from New Hampshire never has and never will be an obstructionist, I hope, and he is not threatening any kind of filibuster, but he wants to make very sure that a full discussion of that amendment can take place, and that if and when the vote comes on it, it will be at such time in the week when most of the Senators are present, because, in the opinion of the Senator from New Hampshire, it is of importance to many, many Senators.

So it is quite possible that some time next week the Senator from New Hampshire would be willing to agree to some reasonable time limit, but not yet. I wanted to make that plain. I did not want the acting majority leader to feel that the Senator from New Hampshire was simply trying to obstruct the consideration of this measure.

Mr. ROBERT C. BYRD. Mr. President, the Senator from New Hampshire is, as always, reasonable, considerate, and very understanding.

May I inquire of the Senator as to whether or not what he has just said would, in his judgment, necessarily preclude final action on the Maritime bill on Friday, in the event the Senate were to begin its consideration thereof at a reasonably early hour?

Mr. COTTON. Well, we all must face facts, and, as far as the Senator from New Hampshire is concerned, he told the acting majority leader he would be here Friday and be here Saturday; but it is a known fact that some Senators, especially those who have campaigns—despite all the efforts, and the laudable efforts, of the leadership—do find it necessary to leave sometime Friday for the weekend.

The Senator from New Hampshire simply wants to protect himself by not agreeing to a time limitation. He does not intend, if he can help it, to come to a vote on Friday, particularly late Friday. I think that is a reasonable attitude.

Mr. ROBERT C. BYRD. Yes, it is. I thing what we are saying with respect to Friday, I want it understood at this point, is somewhat tentative, in any event, with respect to the maritime bill. It can be said with certainty however, that the Senate will continue with the Foreign Assistance Act on Friday, for a while at least, and that upon the setting aside of the unfinished business the Senate will take up the bill to which I referred a little earlier, S. 1991, and on which there is a time agreement. I would not expect too many amendments to that bill—perhaps one for sure, and there may be no more. Then possibly the Senate could go to the consideration of the maritime bill.

It would be unwise to come in on Saturday for the very reason the Senator has enumerated: There would be no time agreement entered into. It has been the experience of most of us that unless there is a time agreement entered into with respect to a measure, Saturday sessions are pretty futile as a normal thing, and with no time agreement we probably would not have as many Senators around as the distinguished Senator wishes to have around when S. 1991 is debated and acted upon.

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

Mr. ROBERT C. BYRD. I yield.

Mr. SPONG. I share the interest of the Senator from New Hampshire in the maritime authorization bill, although our interest is not the same.

I want to understand what the whip has said in respect to the inquiry of the Senator from New Hampshire—that is, that it is not the present intention of the leadship, if the bill does not come to a vote on Friday—and it is apparent that it will not—to have a Saturday session.

Mr. ROBERT C. BYRD. The Senator is correct—unless a time agreement could be entered into with respect to the bill which would assure us of disposing of it on Saturday.

Mr. SPONG. Based upon what the distinguished Senator from New Hampshire has said, that does not appear likely.

Second, my understanding is that in the event we go over from Friday, the maritime authorization bill will then be brought up perhaps next week, or once it can resume a spot under the track system.

Mr. ROBERT C. BYRD. The Senator is eminently correct and has stated the situation much better than I could state it.

Again I want to underline and emphasize that what I have said with respect to the maritime bill has to be tentative at this time. The distinguished majority leader, dependent on circumstances tomorrow and the program outlook after tomorrow, may decide to move elsewhere with respect to the second track on Friday; but this, as of now, is what is in sight.

Mr. COTTON. Mr. President, it is only fair that the majority leader should know, and others interested in this measure should know, that the Senator from New Hampshire, insofar as he is able, does not intend to permit a vote on the maritime bill, as long as it carries this amendment, on Friday or Saturday.

I feel that it is of such paramount importance to so many Senators that it should come in the middle of the week. That is the reason why, and not because I do not want to be cooperative, that I would say most definitely that I would not at any time agree to a vote until next week on it, and if it is brought up I would endeavor to kill the time necessary so that it would not come to a vote automatically.

Mr. ROBERT C. BYRD. I thank the Senator. I understand what he has said with respect to the final vote on the bill, but do I understand him to indicate that amendments, which will likely be offered, may not be voted on on Friday afternoon?

Mr. COTTON. Well, the trouble with that is that, if I understand the parliamentary situation on that bill correctly, the amendment which is in controversy is one of several committee amendments added to the bill, and it is one of the first things that would happen when the bill was brought up. The acting majority leader will correct me if I am mistaken, but one of the first things that would happen would be the question of adopting the committee amendments and making them a part of the bill. When that time comes, immediately the Senator from New Hampshire would take the position that he did not object to the rest of the committee amendments being adopted, but that he was opposed to adopting that committee amendment, and we would have to fight it out on that line.

So very shortly after the bill comes up, we will of necessity be faced with that decision, and I certainly do not want to permit a vote on that matter until I am sure that we have a fairly full attendance in the Senate, because it is an amendment which is entirely alien to the subject matter. This is strictly a maritime authorization bill, and this amendment that has been added is very far reaching in its consequences, and I know that every New England Senator and a number of other Senators feel very strongly about it, and I feel very strongly that it has no place in this particular bill.

That is the situation, and that is the reason that the Senator from New Hampshire wants to make it perfectly clear that he will stay on the floor—and a few of his friends feel the same way—and will hold out to see to it that that particular committee amendment is not adopted until such time as it can be discussed and voted on in the Senate; and some time next week, when that could be done, as far as I am concerned I want to be perfectly reasonable about some kind of time limitation. I do not want to hold up the business of the Senate, although I must say that I do not think this is my fault. I think it is an alien amendment put on an authorization bill because it is so necessary that we have an authorization bill before the appropria-

tion is made, and so it has been added. It is not the place for it, and I feel perfectly justified in resorting to such parliamentary expedients as I can resort to, to prevent the bill from passing with that particular amendment.

Mr. ROBERT C. BYRD. Mr. President, I have reason to believe that the attendance on Friday will be reasonably good, because, as I have indicated, there will be rollcall votes. There may be one or more rollcall votes on amendments to the Foreign Assistance Act. There may be no rollcall votes thereon; I cannot say now. There will undoubtedly be rollcall votes on the bill S. 1991, to which a time limitation agreement has been attached, and I am sure that the distinguished Senator from Michigan, the assistant Republican leader (Mr. GRIFFIN) will want a vote on his amendment to that bill. I feel reasonably sure that he will. There may be other amendments. There will definitely be a vote on passage of that bill.

So I can foresee at least two rollcall votes on Friday, and that, in itself, will assure the Senator of a good attendance on Friday. As time goes on into Friday afternoon, that attendance may begin to fall off.

I am glad that the Senator from New Hampshire has made his position clear. The leadership will see what the situation looks like between now and Friday, and will have to make its decisions accordingly; but I thank the distinguished Senator for his time, his patience, and his clear statement, and I respect him for the forthright position he has taken.

Mr. COTTON. I thank the distinguished acting majority leader.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant 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.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

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 a.m. tomorrow.

The motion was agreed to; and at 5:53 p.m. the Senate adjourned until tomorrow, Thursday, July 20, 1972, at 9 a.m.

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

The House met at 12 o'clock noon.

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

My Father worketh hitherto and I work.—John 5: 17.

O God of life and love we lift our thoughts to Thee in prayer as we begin this new day fresh from Thy hand. As leaders of our country, and as workers for humanity, do Thou support us in every noble effort and in all genuine endeavors for the good of our land.

Give to us an enthusiasm for the mood of good will and a passion for the spirit of unity so essential to the life of our Nation. Call us to a firmness for the right and a determination for the rights of men. Prepare our hands for heavy tasks, our spirits for willing sacrifices, and our minds for duties demanded by daily life.

During these critical days we pray that our country may be one Nation, under Thee, with liberty and justice for all.

In the spirit of Him, whose way is life, we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 54. Concurrent resolution to print additional copies of hearings on "War Powers Legislation."

The message also announced that the Senate insists upon its amendment to the bill (H.R. 12350) entitled "An act to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NELSON, Mr. KENNEDY, Mr. MONDALE, Mr. CRANSTON, Mr. HUGHES, Mr. STEVENSON, Mr. RANDOLPH, Mr. TAFT, Mr. JAVITS, Mr. SCHWEIKER, Mr. DOMINICK, and Mr. BEALL to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 14108) entitled "An act to authorize appropriations for activities of the National Science Foundation, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. PELL, Mr. EAGLETON, Mr. CRANSTON, Mr. DOMINICK, Mr. PACKWOOD, and Mr. STAFFORD to be the conferees on the part of the Senate.

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

S. 387. An act for the relief of Uhel D. Polly;

S. 1076. An act to provide for the striking of medals in commemoration of Jim Thorpe;

S. 2441. An act to authorize the Secretary of the Interior to conduct a study to determine the feasibility and desirability of protecting and preserving the Great Dismal Swamp and the Dismal Swamp Canal.

S. 2475. An act for the relief of Robert J. Ebbert and Design Products Corp., Troy, Mich.;

S. 2750. An act for the relief of the estate of Albert W. Small; and

S. 3545. An act to amend section 7 of the Fishermen's Protective Act of 1967.

PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO CALL UP H.R. 15935 ON FRIDAY NEXT OR THEREAFTER

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that on Friday next it may be in order to bring up for consideration the bill H.R. 15935. It is the Agnes hurricane bill, Mr. Speaker, and it may be considered at that time or any subsequent date.

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

There was no objection.

BOMBING THE DIKES

(Mrs. ABZUG asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ABZUG. Mr. Speaker, in the face of numerous and well-documented reports by foreign journalists in North Vietnam, the Defense Department has twice changed its story on the question of whether our planes are bombing the dikes in North Vietnam. Originally, they insisted that we were not bombing the dikes at all. After the initial eyewitness reports were made they stated that the dikes were not targeted, but might occasionally be hit by stray bombs aimed at military targets. After further reports which indicated deliberate attacks on a number of dikes, the Defense Department has taken the position that the dikes are attacked only when military equipment is stored on top of them.

The Swedish Ambassador to North Vietnam, Jean-Christophe Oberg, called our bombing of the dikes "methodical," and added that he has no doubt they are deliberate and precise. Jean Thoroval, a French reporter in North Vietnam who observed an actual dike bombing on July 11 together with a number of other journalists, agreed that the attack which he witnessed was clearly directed against the dike system. Mr. Thoroval has also filed dispatches to the effect that numerous other bombed dikes have been seen by him, though he was not present when they were bombed.

The bankruptcy of our Vietnam policy and the need to withdraw all of our forces and materiel are clear to most of the American people as well as to our military leaders in the Pentagon. By engaging in a policy which is certain to cause thousands of civilian deaths through drowning and starvation, we are