

Vancuren, Russell Fay  
 Vaughan, Joseph Seep  
 Veazey, Sidney Edwin  
 Vogt, Larry Gene  
 Wallace, Theodore Washington  
 Waples, John Michael  
 Warmbir, Kenneth Michael  
 Waters, Irving Asa, Jr.  
 Weeks, Dennis Carlton  
 Weller, Antone Mathew  
 Welch, John Michael  
 Wenger, Richard Owen  
 West, Eugene Hal  
 West, Ward Lee  
 Whitby, Ralph Earl, Jr.  
 Whittaker, Thomas Kent  
 Wile, Alan Rigby, Jr.  
 Williams, Edward Morgan  
 Williams, James Edward  
 Williams, James Kendree, Jr.  
 Wilson, Dennis Kendrick  
 Wilson, James Paul  
 Withsoky, James Howard  
 Wolfe, Ned Charles  
 Wolynies, Jon Gordon  
 Wood, Phillip Ray

Wright, Lawrence Thomas  
 Wright, William Alan  
 Wynn, Walter Pierson, Jr.  
 Yeager, Gary Wayne  
 Young, Ernest Tillson, Jr.  
 Young, Robert Bryant  
 Zachary, William Hugh, Jr.  
 Zimdar, Robert Eugene

Lieutenant Commander Robert D. Woods, United States Naval Reserve, for temporary promotion to the grade of commander in the Reserve of the U.S. Navy, subject to qualification therefor as provided by law.

The following named Regular officers of the line of the United States Navy, for temporary promotion to the grade of commander pursuant to Title 10, United States Code, Section 5787, subject to qualification therefor as provided by law:

Allwine, Robert Anderson  
 Brown, Harold Eugene  
 Lasch, Charles Anthony  
 Rollins, David John

The following named women officers of the United States Navy for permanent pro-

motion to the grade of commander in the line, subject to qualification therefor as provided by law:

Barker, Cathryn Josephine  
 Bole, Barbara  
 Buffkin, Kathryn Lyon  
 Calene, Mary Lou  
 Curtis, Mary Ann  
 Glover, Elizabeth Bevan  
 Hess, Carleen Rita  
 Kelly, Barbara Jane  
 Rice, Sue Ann  
 Suse, Barbara Jane  
 Vail, Doris Ruth  
 Vonwantoch, Jordine Skoff  
 Watlington, Sarah Jane

#### WITHDRAWAL

Executive nomination withdrawn from the Senate October 16, 1973:

Harry J. Hogan, of Maryland, to be an Associate Director of Action, vice Charles W. Ervin, which was sent to the Senate on September 5, 1973.

## HOUSE OF REPRESENTATIVES—Tuesday, October 16, 1973

The House met at 12 o'clock noon.

The Reverend Harold E. Petersen, Grace Bible Church, Anaheim, Calif., offered the following prayer:

Eternal God, our gracious Heavenly Father, we thank Thee for the sacred privilege of prayer; that we as finite man can call on Thee, an infinite God, to seek Thy guidance and Thy direction.

In these days of uncertainty, problems and perplexities, when we cannot know what the future holds; we trust in the One who holds the future.

Thou art the source of true blessing; Thou art the foundation that is steadfast and sure. In Thee alone do we find comfort, blessing, and strength.

Guide these assembled leaders of our great Nation. Give them true wisdom and insight. May their decisions bring glory to Thy name, and blessing to the people of these United States.

Show us Thy will O God, that Thy best may be achieved for our Nation, and for our lives individually. Make us aware of Thy love and grace. May we see a new spirit of repentance of our sins and a returning to those principles and precepts that have made our Nation great.

We pray this in the name of Jesus Christ who is the way, the truth, and the life; in whom by faith alone we have salvation and eternal life. 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.

#### MESSAGES FROM THE PRESIDENT

Sunday messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

#### THE REVEREND HAROLD E. PETERSEN

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

Mr. McCOLLISTER. Mr. Speaker, the gentleman who just delivered our opening prayer this afternoon, the Reverend Harold E. Petersen, is pastor of the Grace Bible Church in Anaheim, Calif. But he is a native Nebraskan who was born in Omaha and was graduated from Benson High School there. He received his theological training from the Grace Bible College in Grand Rapids, Mich. He has been the pastor of churches in Kansas, Colorado, California, and was pastor of the First Grace Gospel Church in Omaha.

Reverend Petersen has been very active as a youth camp speaker and director on the west coast and has been active in his denominational circles, having served as president of both the midwestern and west coast regional boards.

As a tribute to the respect in which he is held by his denomination—the Grace Gospel Fellowship—he is currently serving as vice chairman of the executive board of the national cabinet.

Reverend Petersen's parents, Mr. and Mrs. Alvin Petersen, live in Omaha and are constituents of mine. It was indeed a great honor for me to have heard Reverend Petersen deliver the opening prayer today.

#### PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain privileged reports.

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

There was no objection.

#### THE CASE OF DR. LEV LIBOV

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

Mr. DRINAN. Mr. Speaker, 2 weeks ago, I joined with several other Members of Congress in a special order in support of the Mills-Vanik freedom-of-emigration provision. It is our intent to bring to the attention of our colleagues and the American people the continuing harassment and intimidation still experienced by those individuals seeking to emigrate from the Soviet Union. We will continue to present these individual cases until the Mills-Vanik provision is finally enacted.

On May 22, 1973, I spoke at some length by phone with Dr. Lev Libov in Moscow. Dr. Libov has his doctorate in metallurgy and did distinguished work in that field. Two and a half years ago Dr. Libov applied to go to Israel with his wife and 9-year-old son. He immediately lost his position and is now a laborer.

Dr. Libov has subsequently submitted his application to emigrate some four or five times. The only explanation given to him for the continued denials is the allegation that he had done classified work and is therefore not permitted to leave the Soviet Union. Dr. Libov assured me that all of his writings have been published in learned periodicals and that he was never at any time involved in secret or classified work.

I wrote to Ambassador Anatoly Dobrynin on May 22, 1973, urging that he intercede on behalf of Dr. Libov and his family. I have yet to receive even an acknowledgment of my letter.

The tragic case of Dr. Lev Libov and his family is only one of thousands of similar heartbreaking stories. It is estimated that over 100,000 applications of Soviet Jews seeking to emigrate have still not been acted upon by the Soviet authorities.

It is incumbent upon the Congress of the United States to stand firm on the

Mills-Vanik provision. We must not allow basic human rights and human liberties to be sacrificed for the short-term goal of increased trade.

#### PERSONAL STATEMENT

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

Mr. LENT. Mr. Speaker, I was honored last week to be appointed one of the four Members of this body to serve as a congressional adviser to the International Telecommunications Union Conference being held in Spain. During the period October 8 through 12, I gained much useful information from participating in the deliberations of that body.

Because of the critical matters facing the Congress, however, I returned to my Washington duties yesterday, 4 days ahead of schedule, so the people of New York's Fourth Congressional District could have an input in several important problems now confronting us, including the selection of a new Vice President—as well as legislating a mandatory fuel allocation plan.

I greatly appreciate the opportunity that was accorded me to serve the Congress as an adviser to the ITU conference; however, I believe my somewhat premature return is in the best interests of my constituents.

#### THE JAILING OF POLITICIANS

(Mrs. GRIFFITHS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. GRIFFITHS. Mr. Speaker, I believe that I have never made a partisan remark in this Congress, but I should like to say now that all of those who are anxious to see politicians go to jail for their crimes ought to vote Democratic, because the Vice President and Congressman Whalley went free on exactly the same charge that sent Congressmen Dowdy, Tom Lane, and Cornelius Gallagher to jail.

#### IN SUPPORT OF THE NOMINATION OF CONGRESSMAN GERALD R. FORD FOR VICE PRESIDENT

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

Mr. WON PAT. Mr. Speaker, on behalf of the people of the territory of Guam, I want to extend my sincere congratulations to our colleague from Michigan, House Minority Leader GERRY FORD, upon his nomination for the position of Vice President of the United States.

During his 25 years of dedicated service to the people of his congressional district, Congressman FORD has proven himself to be a most capable legislator and a man of outstanding integrity. His decision to leave the House for the Vice Presidency will be welcomed by Americans of all political leanings, but a sad one to his many friends in the House who have often looked to him for guidance during times of difficulty.

Congressman FORD's elevation to the

second highest elected position in this country, however, could not come at a better time. Much needs to be done to heal the wounds of yesterday. And I think my colleagues will agree that Congressman FORD will certainly be the right man for the tremendous task at hand.

We on Guam will also miss Congressman FORD's presence in the Congress. During the years, he has often been one of our most able supporters, voting for such important measures as the Guam Elected Governor Act and the Guam Congressional Delegate Act.

As do my fellow Guamanians, I wish Vice-President-designate FORD every success in his new assignment. A better man could not have been chosen.

#### PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

#### MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

#### COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

#### ESTATE OF THE LATE RICHARD BURTON, SERGEANT FIRST CLASS, U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, sergeant, first class, U.S. Army (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

#### CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 527]

Aspin	Carey, N.Y.	Diggs
Badillo	Carney, Ohio	Dorn
Blaggi	Collins, Ill.	Dulski
Blatnik	Conable	Eckhardt
Brown, Ohio	Conlan	Evins, Tenn.
Buchanan	Culver	Foley

Fraser	Michel, Ill.	Skubitz
Fulton	Mills, Ark.	Spence
Grasso	Mitchell, N.Y.	Staggers
Gray	Passman	Stratton
Gunter	Patman	Stubblefield
Heinz	Rangel	Symington
Kuykendall	Reid	Willson, Bob
McFall	Rooney, N.Y.	Zablocki
Mailliard	Rousselot	
Metcalfe	Sandman	

The SPEAKER. On this rollcall 388 Members have recorded their presence by electronic device, a quorum.

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

#### PRIVATE CALENDAR

##### MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

#### ROBERT J. BEAS

The Clerk called the bill (H.R. 3544) for the relief of Robert J. Beas.

There being no objection, the Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Robert J. Beas, of 6641 Grosse Drive, Cleveland, Ohio, hereby is relieved of all liability to repay to the United States the sum of \$800. Such sum represents the amount which he was required to pay for the loss of a package of registered mail while he was employed at the United States post office at Cleveland, Ohio.*

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay to the said Robert J. Beas, out of any money in the Treasury not otherwise appropriated, any amounts paid by him in reduction of the indebtedness referred to in section 1 of this Act or withheld from amounts otherwise due him because of that indebtedness. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike "\$800" and insert "\$600".

The committee amendment was agreed to.

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

#### MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to



the request of the gentleman from Ohio?  
There was no objection.

ALVIN V. BURT, JR., AND THE  
ESTATE OF DOUGLAS E. KEN-  
NEDY, DECEASED

The Clerk called the bill (H.R. 6624)  
for the relief of Alvin V. Burt, Jr., and  
the estate of Douglas E. Kennedy, de-  
ceased.

Mr. GROSS. Mr. Speaker, I ask unani-  
mous consent that the bill be passed  
over without prejudice.

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

ESTELLE M. FASS

The Clerk called the resolution (H.  
Res. 362) to refer the bill (H.R. 7209)  
for the relief of Estelle M. Fass to the  
Chief Commissioner of the Court of  
Claims.

Mr. GROSS. Mr. Speaker, I ask unani-  
mous consent that the resolution be  
passed over without prejudice.

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

RITA SWANN

The Clerk called the bill (H.R. 1342)  
for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unani-  
mous consent that the bill be passed  
over without prejudice.

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

LUIGI SANTANIELLO

The Clerk called the bill (H.R. 1466)  
for the relief of Luigi Santaniello.

Mr. GROSS. Mr. Speaker, I ask unani-  
mous consent that the bill be passed  
over without prejudice.

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

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629)  
for the relief of Leonard Alfred Brown-  
rigg.

Mr. WYLIE. Mr. Speaker, I ask unani-  
mous consent that the bill be passed  
over without prejudice.

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

BOULOS STEPHAN

The Clerk called the bill (H.R. 4438)  
for the relief of Boulos Stephan.

Mr. WYLIE. Mr. Speaker, I ask unani-  
mous consent that the bill be passed over  
without prejudice.

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

ISABEL EUGENIA SERRANE MACIAS  
FERRIER

The Clerk called the bill (H.R. 3758)  
for the relief of Isabel Eugenia Serrane  
Macias Ferrier.

There being no objection, the Clerk  
read the bill as follows:

H.R. 3758

*Be it enacted by the Senate and House of  
Representatives of the United States of  
America in Congress assembled, That, for the  
purposes of the Immigration and Nationality  
Act, Isabel Eugenia Serrane Macias Ferrier  
shall be held and considered to have been  
lawfully admitted to the United States for  
permanent residence as of the date of the  
enactment of this Act, upon payment of the  
required visa fee. Upon the granting of per-  
manent resident to such alien as provided for  
in this Act, the Secretary of State shall in-  
struct the proper officer to deduct the re-  
quired number from the total number of im-  
migrant visas and conditional entries  
which are made available to natives of the  
country of each alien's birth under para-  
graphs (1) through (8) of section 203(a) of  
the Immigration and Nationality Act.*

With the following committee amend-  
ment:

On page 2, line 3, strike out the word  
"Act." and insert in lieu thereof the follow-  
ing: "Act: *Provided*, That the natural par-  
ents or brothers or sisters of the beneficiary  
shall not, by virtue of such relationship, be  
accorded any right, privilege, or status under  
the Immigration and Nationality Act."

The committee amendment was agreed  
to.

The bill was ordered to be engrossed  
and read a third time, was read the third  
time, and passed, and a motion to re-  
consider was laid on the table.

FAUSTINO MURGIA-MELENDEZ

The Clerk called the bill (H.R. 7535)  
for the relief of Faustino Murgia-Mel-  
endez.

Mr. WYLIE. Mr. Speaker, I ask unani-  
mous consent that the bill be passed  
over without prejudice.

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

MONROE A. LUCAS

The Clerk called the bill (H.R. 6979)  
for the relief of Monroe A. Lucas.

There being no objection, the Clerk  
read the bill as follows:

H.R. 6979

*Be it enacted by the Senate and House of  
Representatives of the United States of  
America in Congress assembled, That Mon-  
roe A. Lucas, of Monticello, Illinois, is here-  
by relieved of all liability to the United  
States for any loss in the Farmers Home Ad-  
ministration rural housing loan account of  
James A. Lewis, Junior, of Effingham County,  
Illinois, as a result of a fire which destroyed  
the house of the said James A. Lewis, Jun-  
ior, on April 15, 1970, while the said Monroe  
A. Lewis was the Farmers Home Administra-  
tion county supervisor for Effingham County.*

The bill was ordered to be engrossed  
and read a third time, was read the third  
time, and passed, and a motion to recon-  
sider was laid on the table.

VICTOR L. JONES

The Clerk called the bill (H.R. 7210)  
for the relief of Victor L. Jones.

There being no objection, the Clerk  
read the bill as follows:

H.R. 7210

*Be it enacted by the Senate and House of  
Representatives of the United States of  
America in Congress assembled, That Victor  
L. Jones of Hampton, New Hampshire, is  
relieved of liability to the United States in  
the amount of \$4,428.27 representing the  
amount for which he is being held financially  
responsible as the result of the December 16,  
1967, robbery of a Hampton, New Hampshire,  
Post Office. In the audit and settlement of  
the accounts of any certifying or disbursing  
officer of the United States, credit shall be  
given for amounts for which liability is  
relieved by this section.*

SEC. 2. (a) The Secretary of the Treasury  
is authorized and directed to pay, out of  
any money in the Treasury not otherwise ap-  
propriated, to the said Victor L. Jones an  
amount equal to the aggregate of any  
amounts paid by him, or withheld from sums  
otherwise due him, with respect to the in-  
debtedness to the United States specified in  
the first section of this Act.

(b) No part of the amount appropriated  
in subsection (a) of this section in excess of  
10 per centum thereof shall be paid or deliv-  
ered to or received by an agent or attorney  
on account of services rendered in connec-  
tion with such claims and the same shall be  
unlawful, any contract to the contrary not-  
withstanding. Any person violating the pro-  
visions of this section shall be deemed guilty  
of a misdemeanor and upon conviction there-  
of shall be fined in any sum not exceeding  
\$1,000.

With the following committee amend-  
ment:

Strike all after the enacting clause and  
insert "That, on such terms as it deems just,  
the United States Postal Service is author-  
ized to compromise, release, or discharge in  
whole or in part the joint and several liability  
of George Downer, Postmaster, and Victor  
L. Jones, former assistance postmaster, of the  
Hampton, New Hampshire, Post Office, to the  
United States for the loss resulting from  
the burglary at the Hampton Post Office on  
December 16, 1967."

The committee amendment was agreed  
to.

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

The title was amended so as to read:  
"A bill for the relief of George Downer  
and Victor L. Jones."

A motion to reconsider was laid on the  
table.

LUTHER V. WINSTEAD

The Clerk called the bill (H.R. 9276)  
for the relief of Luther V. Winstead.

There being no objection, the Clerk  
read the bill as follows:

H.R. 9276

*Be it enacted by the Senate and House of  
Representatives of the United States of  
America in Congress assembled, That Luther  
V. Winstead of Clinton, Maryland, post-  
master is hereby relieved of all liability for  
payment to the United States of the sum  
of \$17,406.82, representing the value of postal  
funds and accountable papers in his custody  
as postmaster of the Clinton Post Office,  
Clinton, Maryland, which were taken from  
such post office in a burglary occurring on  
May 6, 1967 and for which he is being held  
liable. In the audit and settlement of the  
accounts relative to such sum, credit shall be  
given for the amounts for which liability is  
relieved by this Act.*

SEC. 2. (a) The Secretary of the Treasury  
is authorized and directed to pay, out of

any money in the Treasury not otherwise appropriated, to the said Luther V. Winstead the sum of any amounts received or withheld from him on account of the loss referred to in the first section of this Act.

(b) No part of any amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.00.

Sec. 3. That, on such terms as it deems just, the United States Postal Service is authorized to compromise, release, or discharge in whole or part the joint and several liability of Luther V. Winstead, postmaster at the Clinton, Maryland Post Office, for a deficiency in the amount of \$17,406.82 in the postal funds and accountable papers of the Clinton Post Office in Clinton, Maryland.

With the following committee amendments:

Pages 1 and 2: Strike the language in lines 1 through 10 on page 1, and on page 2 through "Sec. 3." in line 17.

Page 2, line 22: Strike "of" and insert "resulting from a burglary at".

Page 2, line 23: After "Maryland" insert ", on May 6, 1967".

The committee amendments were agreed to.

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

#### ARTURO ROBLES

The Clerk called the bill (H.R. 6119) for the relief of Arturo Robles.

There being no objection, the Clerk read the bill as follows:

H.R. 6119

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Arturo Robles, of Tracy, California, former private in the United States Marine Corps, is relieved of liability to the United States in the amount of \$918.46, an amount claimed, after Arturo Robles' hardship discharge, to be due to the Marine Corps by reason of its failure to stop dependents allotment payments while also failing to bring forward the allotment deduction on its pay record, resulting in an overpayment of accrued pay and allowances, and by reason of other similar bookkeeping errors on the part of the Marine Corps.*

With the following committee amendments:

Page 1, line 5, strike "918.46" and insert "\$828.46"

Page 2, line 3 after "Corps." insert "In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for the amount for which liability is relieved by this Act."

The committee amendments were agreed to.

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

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to

the request of the gentleman from Massachusetts?

There was no objection.

#### CONFERENCE REPORT ON H.R. 9590 ON TREASURY, POSTAL SERVICE, ETC., APPROPRIATIONS, 1974

Mr. STEED. Mr. Speaker, I call up the conference report on the bill (H.R. 9590) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 10, 1973.)

Mr. STEED (during the reading). Mr. Speaker, in view of the fact that the statement was printed in full in last Wednesday's RECORD, I ask unanimous consent that further reading of the statement be dispensed with.

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

There was no objection.

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

Mr. Speaker, it is with a great deal of pleasure and satisfaction that we bring to the Members this conference report today on one of the major appropriation bills for this session. It represents a great deal of hard work—much more than in previous years.

I have had a great deal of fine cooperation from my committee members in being able to bring to the floor what I think is a very fine piece of work on this conference report. The final version of the bill as submitted today is \$140,156,000 under the budget estimates, although, \$604,277,000 under the budget for the same agencies for the last fiscal year. However, the bill here totaling \$5,233,189,000 is \$388,466,000 more than the bill when it passed the House originally and \$109,837,000 more than the same bill when it passed the other body.

Almost all the increase shown here over the House bill is accounted for in additional budget requests that came to the Congress after the bill had passed the House. Of the \$388 million increase over the House figure, \$300 million was for the disaster relief fund.

Members will recall that when we passed the bill in the House, total requirements for disaster relief had not been made. When the estimates were finally tabulated, the administration saw fit to ask for an increase of \$300 million in the funding. We agreed to it.

I think the bill shows very prudent and very tight treatment of the agencies provided for herein. Of course, the bill in toto covers about \$49 billion, including permanent appropriations for such things as interest on the public debt, but we are dealing today with a little over

\$5 billion in terms of the items that are under our discretion at this time.

There is one particular part of the program which I wanted to mention here today, because I feel sure that we will be back before long asking the House to agree with us on a further requirement. I am speaking of the U.S. Bureau of Customs. Through the impact of the Reorganization Plan No. 2, earlier this year, a heavy drain on the manpower of the U.S. Customs Service came about when over 700 of their employees were transferred to the Department of Justice. In this bill I do not believe we have been able, under existing authority, to give them the total amount they are going to need.

We are advised that there are 16 additional areas where service has to be granted. There are several existing ports of entry where additional manpower is urgently needed. In addition, the tremendous increase in workload for the customs agency, in the numbers of persons entering the United States as well as great quantities of cargo, I do not see how we can avoid very long making some upward adjustments in their manpower.

Mr. Speaker, I just wanted to call that to the attention of the Members so that when we come back, hopefully very soon, with a supplemental, they will understand why that is necessary.

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

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

Mr. ROGERS. Mr. Speaker, I commend the gentleman for looking into this problem of personnel for the Customs Bureau. For instance, in my own area the Port of Palm Beach we have a port which receives vessels which is undermanned. Also at the International Airport at West Palm Beach we are greatly undermanned; in fact, Customs is not providing any service at all for charter flights into the airport during the regular business hours.

I would hope that some of the moneys in this bill would go to provide additional personnel to do the duties such as this in Palm Beach County.

Mr. STEED. Mr. Speaker, I think the gentleman can be assured that we will be able to give him some relief, but perhaps not as much as they want until we are able to take care of the situations such as he mentions. It is doubly difficult where there is a rapidly increasing workload at facilities which are already overloaded. We must be able to take care of that load some way. In other words, we must give service where it is needed, but we must also guard against driving more work into areas which are already overloaded.

Mr. ROGERS. Yes, and that is what is happening in our area, so I am encouraged by what the chairman says. This would be the intent, to try to get customs agents out into areas where service is needed and away from overloaded areas.

Mr. STEED. Mr. Speaker, I want to assure the gentleman that this subcommittee is deeply concerned with our Customs needs, both with manpower and physical facilities. I think we have made real progress in this bill, but still I do not believe it is sufficient.



Mr. ROGERS. Mr. Speaker, as I understood it, the gentleman is going to work again perhaps for some more legislation later in the session?

Mr. STEED. Mr. Speaker, as a matter of fact we are in the process now of getting from Customs some idea about what their manpower needs are going to be after they have been able to apply the additional manpower this bill provides for.

Mr. ROGERS. Mr. Speaker, I commend the chairman and his committee for looking into this, because it is a very serious matter.

Mr. STEED. Mr. Speaker, there is another point about this bill I want to make clear to the Members of the House.

Members will remember that when the bill came up the first time it hit a situation here on the floor that was not of our making. We had changed some of the House rules this year, and one of the changes provided that an appropriation could not prevail against a point of order when it was based upon an Executive order rather than legislation.

This bill has contained many such items, some of them for as long as 30 or 40 years, without protest or contest, based upon Executive order type situations.

One of our colleagues saw fit to invoke the rule, and did a very good job of riding the bill on points of order.

Some of these matters are of urgent need, and were restored by the other body. Under the House rules, each one of these items where a point of order was made in the House, has been brought back in technical disagreement to be presented as a separate item, and a separate opportunity for the House to work its will, will be given.

In order to avoid this situation in the future, when this developed we took it up with the agencies involved and the Office of Management and Budget. They have had experts working on proposed legislation. Hopefully it will be ready very soon.

Several Members of the subcommittee have agreed to join with me in introducing this legislation, so that we can show our good faith to the legislative committees by making available proposed law that will meet the needs. So by the time the bill comes up next year we will have had an opportunity for the legislative committees to consider these proposals. If approved and passed, of course we will have no problem on the points of order. Otherwise, if the legislative committees see fit to reject these types of authorization, of course they will not even be in the bill next year.

We have every reason to believe that the legislative situation will be properly attended to before next year, but there was not any way at all we could meet our needs for this year except the method we have taken here today.

I hope the House will understand that we are not proposing anything new.

These items have been contained in this appropriation bill for many years. We believe every item we have here is something which is vital and urgently needed. We believe it would be a serious mistake if any of these amendments were rejected. We urgently hope that the House will sustain us in what we recommend.

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

Mr. STEED. I am happy to yield to the gentleman from New York.

Mr. ROBISON of New York. I should like to associate myself now with the remarks the distinguished gentleman from Oklahoma just made relative to the technical problems we have had with respect to certain sections of this bill over the years, and I wish to assure the gentleman that the minority is in full agreement with the efforts he has been making and the plans he has in mind in order to clarify this situation for the future.

I should also like to say that the minority is in full agreement relative to the conference report and urges its adoption.

If the chairman will yield further, I should like to ask him about a section in the bill which, while not involving something in conference, appears to have given rise to some speculation and possible misunderstanding. That is section 3 of the general provisions, relating to the General Services Administration, appearing on page 27 of the bill. That is the language in question, to which I direct attention.

For the purpose, Mr. Speaker, of legislative history, I should like to ask the chairman what is the purpose of this provision and how would it operate?

Mr. STEED. I might say to the gentleman that the purpose of this general provision is to permit the Congress to review proposed contracts for the construction or acquisition of public buildings pursuant to section 5 of the Public Buildings Amendments Act of 1972 prior to the awarding of the contract.

Under existing law, the General Services Administration is required to obtain the approval of the Public Works Committees of both Houses of prospectuses prior to awarding purchase contracts under the provisions of section 5 of the Public Buildings Amendments Act of 1972. The general provision in this bill would require the General Services Administration to present the proposed purchase contracts to the Committee on Appropriations of both Houses prior to the award.

This could be done at the same time as the prospectus is submitted to the Public Works Committees.

A 60-day period is provided during which time the Congress could review and approve or disapprove proposed contracts. As a matter of fact, I cannot imagine the procedure ever taking that long.

It is envisioned that the procedure

under the requirement in this bill would be quite similar to the so-called "reprogramming" procedure which has been in use for a long time under which agencies are permitted to use funds appropriated for one purpose to meet different, but similar, requirements, after approval by the Committees on Appropriations of both Houses.

Instructions will be issued to the agency in the near future outlining the procedure to be followed.

Mr. ROBISON of New York. Mr. Speaker, if the gentleman will yield further, does the chairman envision that the procedure he describes would be formal—that is requiring published hearings and the adoption of formal resolutions by the committees?

Mr. STEED. No, I do not. The procedure would be informal and very probably would not even require hearings. Normally, the GSA would submit the proposed purchase contract to the committees and after discussion within the committee—or subcommittee—a letter could be sent to the agency interposing no objection to the proposal.

However, in the event the committee was strongly of the opinion that the proposal should not go forward, hearings and formal action could be taken. Should the committees of both Houses disapprove the proposal, then, of course, as the language of the section sets forth, funds would not be available for awarding the contract for that particular project, and GSA could not award the contract.

Mr. ROBISON of New York. Finally, Mr. Speaker, if the chairman would yield further, what would be the situation if no action were taken within the 60-day period?

Mr. STEED. In that event, the GSA would be free to award the contract if it so desired. This presupposes, of course, that the Public Works Committees have approved the prospectus for the project in question.

Now, Mr. Speaker, I would like to make one further point as to why we feel this matter is of great importance.

The funds to pay the rental costs on all these contracts are contained in this bill. The first amount of \$7 million that became due under these contracts is contained in the bill before us.

Now, as the years go by, this amount will grow, and unless we have this capability, of course, we would not be in a position to give the House a detailed accounting of why these sizable sums are in the bill. I believe this will take good care of the situation.

Mr. Speaker, I believe that we have a good conference report. I think it is one that is prudent, and I believe that it meets the legitimate requirements that have been presented to us.

So I, in all good conscience, after our consideration and after a lot of good, hard work this year, recommend this conference report without reservation.

Mr. GROSS. Mr. Speaker, will the gentleman yield for a question or two?

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

Mr. GROSS. Mr. Speaker, referring to page 5 of the printed conference report, will the gentleman address himself briefly to the "special projects" fund of \$1 million to the President and the "special assistance" fund in the amount of \$675,000, also to the President?

Mr. STEED. Mr. Speaker, the first of these items, "special projects," as the gentleman knows, was denied by the committee. The second item, "special assistance," was deleted on a point of order when the bill was first before the House because it was based on Executive order rather than on legislation.

Now, the "special assistance to the President" amount is an item that has been in the bill only a few years. It provides the staff for the Vice President to cover that part of his functions in the Executive Office downtown, as against his work as the Presiding Officer of the Senate. The President has seen fit in recent years to assign a number of public duties to the Vice President, such as presiding over a number of Commissions and taking part in a lot of activities, as the President himself previously did.

They find that he has need for some expert help. This is what that item is for.

Mr. GROSS. This \$675,000, then, is to be used on behalf of the Vice President? Is it an expenditure made in behalf of or in support of the office of the Vice President?

Mr. STEED. It is staffing for the Vice President very much as the Members of the House have an allowance for their staff, and they use it with about the same freedom as we do with our staff.

Mr. GROSS. Has there been no previous staff for the Vice President?

Mr. STEED. Only what the Senate provides to him as their presiding officer, and that is a very small staff. I am not familiar with all of it, but when the jobs were assigned to the Vice President down in the Executive Office that is what he had.

Mr. GROSS. This is \$675,000 in addition to the staff that is ordinarily provided for a Member of the U.S. Senate. Is that correct?

Mr. STEED. That is correct. Now, the special projects item was for \$1.5 million, and I have been on the committee for 18 years and it has been there ever since I have been there. It was supposed to be used at the direction of the President, but under long practice it came to be more of a matter that the White House staff and the Office of Management and Budget have charge of. There are two items. There is this one and the emergency fund that are sometimes confused. The emergency fund is \$1 million and it is also in the same category. However it was not challenged. The

emergency fund can be used only on the personal signature of the President himself. The special projects fund could be used by his delegating the right to use it either to the staff or the Office of Management and Budget.

There has been some difficulty about this item, and I do not want to go into it here, but because of these difficulties and since it was or could have been knocked out on a point of order, we decided to eliminate it. It was restored by the Senate but eliminated in conference. So that item is not now before us.

There may need to be some adjustments either with the Office of Management and Budget funds or with the White House staff funds to cover any items in here that need to be retained.

Mr. GROSS. If the gentleman will bear with me further, since this conference report is somewhat less than the budget request, may we anticipate that the Committee on Appropriations will be back in a supplemental bill at a later date asking for additional funds, or may we have the assurance that additional money will not be requested?

Mr. STEED. I will say to the gentleman, outside of some money that I would strongly urge to help the Customs Bureau in the event they may make a supplemental request—and that would be a matter of a very few million dollars—there is another item of \$82 million that may have to be considered. We do not know yet whether that will be in a supplemental or not. So there may be some adjustments made, but that is the only place I know of now where there may be any sizable impact at all.

Mr. GROSS. The gentleman is saying to the House, if I understand him correctly, that there will be no request for supplemental funds except with respect to expansion of the Customs program?

Mr. STEED. And then there is this \$82 million or less—and that would be an outside figure—for the General Service Administration.

Mr. GROSS. And, of course, the gentleman from Oklahoma cannot control the necessity for funds for pay increases.

Mr. STEED. No, that is correct. That will come under a separate budget request to the House, and it is more or less in a lump sum. Funds for the pay increases are not contained in this bill.

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

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

Mr. DINGELL. Mr. Speaker, I note with regret the committee has come back with a bill which clearly violates the Rules of the House in a number of instances with regard to amendments numbers 12, 14, and 15.

Mr. STEED. I disagree with the gentleman from Michigan. There is no violation of any Rules of the House contained in this conference report. Everything here is in accordance with the Rules of the House. Since the gentleman

from Michigan is an expert on parliamentary procedure I will assure the gentleman that we have been very careful to make sure we have obeyed the Rules of the House.

Mr. DINGELL. I am perfectly aware of the fact that if these amendments had been introduced ab initio on the floor of the House they would have been subject to a point of order, just as they would have been with the point of order made by the gentleman from Michigan, and which was sustained by the Chair.

Mr. STEED. That is correct. The points of order were sustained. These items were put back in the bill by the Senate, and under the rules, if the conferees agree, then under the Rules of the House they may legally be brought back with the conference report, and reported to the House as items in technical disagreement. They will be acted upon under the rules individually and separately, and the gentleman from Michigan has the opportunity to work his will if the gentleman can get enough support on them.

Mr. DINGELL. If the gentleman will yield further, I am wondering if the gentleman from Oklahoma will yield to the gentleman from Michigan so that the gentleman from Michigan may have an opportunity to present his objections when they are presented?

Mr. STEED. I can assure the gentleman from Michigan that I would be the last man on earth to deny any man an opportunity to express his objections.

I will say to the gentleman from Michigan that I am a little bit surprised that the gentleman would want to object to some of these items, but that is the privilege of the gentleman from Michigan, and I have no desire to take that right away.

Mr. DINGELL. I am referring, for example, to amendment No. 14 which reads:

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would authorize the President to pay individuals at such per diem rates as he may specify and for other personal services without regard to the provisions of law regulating the employment and compensation of persons in the government service.

And then amendment No. 15, which is as follows:

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which would provide for official entertainment expenses of the President, to be accounted for solely on his certificate.

Mr. STEED. That is correct. And I would tell the gentleman from Michigan that I would hope that my colleagues in the House would support the action of the conferees with respect to these amendments because these are items that are of importance, and very necessary that we grant them.



## TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT, 1974

## TITLE I.—TREASURY DEPARTMENT

Agency	Appropriations, fiscal year 1973	Fiscal year 1974 estimate (amended)	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, 1973	1974 estimate	House	Senate
Office of the Secretary.....	\$16,500,000	\$18,185,000	\$17,600,000	\$18,185,000	\$17,892,000	+1,392,000	—\$293,000	+\$292,000	—\$293,000
Federal Law Enforcement Training Center: Salaries and expenses.....	1,900,000	2,200,000	2,200,000	2,200,000	2,200,000	+300,000	.....	.....	.....
Construction.....	.....	6,000,000	.....	.....	.....	.....	—6,000,000	.....	.....
Total, Federal Law Enforcement Training Center.....	1,900,000	8,200,000	2,200,000	2,200,000	2,200,000	+300,000	—6,000,000	.....	.....
Bureau of Accounts: Salaries and expenses.....	63,341,000	71,100,000	70,000,000	70,000,000	70,000,000	+6,659,000	—1,100,000	.....	.....
Government losses in shipments.....	300,000	800,000	800,000	800,000	800,000	+500,000	.....	.....	.....
Total, Bureau of Accounts.....	63,641,000	71,900,000	70,800,000	70,800,000	70,800,000	+7,159,000	—1,100,000	.....	.....
Bureau of Alcohol, Tobacco, and Firearms.....	74,427,000	73,000,000	71,500,000	73,000,000	72,250,000	—2,177,000	—750,000	+750,000	—750,000
Bureau of Customs.....	213,700,000	222,200,000	222,200,000	221,200,000	221,200,000	+7,500,000	—1,000,000	—1,000,000	.....
Bureau of Engraving and Printing.....	3,000,000	.....	.....	.....	.....	.....	—3,000,000	.....	.....
Bureau of the Mint.....	25,000,000	24,500,000	23,750,000	23,000,000	23,375,000	—1,625,000	—1,125,000	—375,000	+375,000
Bureau of the Public Debt.....	71,900,000	79,400,000	77,000,000	77,000,000	77,000,000	+5,100,000	—2,400,000	.....	.....
Internal Revenue Service: Salaries and expenses.....	34,500,000	34,687,000	34,687,000	34,687,000	34,687,000	+187,000	.....	.....	.....
Accounts, collection, and taxpayer service.....	517,600,000	531,683,000	531,683,000	530,000,000	531,683,000	+14,083,000	.....	.....	+1,683,000
Compliance.....	597,127,000	622,430,000	622,430,000	620,430,000	620,430,000	+23,303,000	—2,000,000	—2,000,000	.....
Total, Internal Revenue Service.....	1,149,227,000	1,188,800,000	1,188,800,000	1,185,117,000	1,186,800,000	+37,573,000	—2,000,000	—2,000,000	+1,683,000
Office of the Treasurer.....	13,100,000	12,700,000	12,400,000	12,400,000	12,400,000	—700,000	—300,000	.....	.....
U.S. Secret Service.....	64,700,000	64,000,000	63,500,000	63,500,000	63,500,000	—1,200,000	—500,000	.....	.....
Total, title I, Treasury Department, new budget (obligational authority).....	1,697,095,000	1,762,885,000	1,749,750,000	1,746,402,000	1,747,417,000	+50,322,000	—15,468,000	—2,333,000	+1,015,000

## TITLE II.—U.S. POSTAL SERVICE

Payment to the Postal Service Fund.....	1,410,000,000	1,373,096,000	1,373,000,000	1,373,000,000	1,373,000,000	—37,000,000	—96,000	.....	.....
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## TITLE III.—EXECUTIVE OFFICE OF THE PRESIDENT

Compensation of the President.....	250,000	250,000	250,000	250,000	250,000	.....	.....	.....	.....
Council of Economic Advisers.....	1,369,000	1,376,000	1,376,000	1,376,000	1,376,000	.....	.....	.....	.....
Council on International Economic Policy.....	1,000,000	1,400,000	.....	.....	.....	.....	—1,400,000	.....	.....
Disaster Relief.....	592,500,000	400,000,000	100,000,000	400,000,000	400,000,000	—192,500,000	.....	+300,000,000	.....
Domestic Council.....	1,800,000	1,168,000	1,100,000	1,100,000	1,100,000	.....	—68,000	.....	.....
Economic stabilization activities.....	30,400,000	62,654,000	60,000,000	55,000,000	55,000,000	+24,600,000	—7,654,000	—5,000,000	.....
Emergency Fund for the President.....	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	.....	.....	.....	.....
Executive residence.....	1,372,000	1,370,000	1,370,000	1,370,000	1,370,000	.....	—2,000	.....	.....
Expenses of management improvement.....	700,000	350,000	350,000	350,000	350,000	.....	—350,000	.....	.....
National Commission on Productivity.....	.....	5,000,000	.....	.....	.....	.....	—5,000,000	.....	.....
National Security Council.....	2,762,000	2,802,000	2,802,000	2,802,000	2,802,000	.....	+40,000	.....	.....
Office of Emergency Preparedness.....	9,875,000	.....	.....	.....	.....	.....	—9,875,000	.....	.....
Office of Intergovernmental Relations.....	322,000	.....	.....	.....	.....	.....	—322,000	.....	.....
Office of Management and Budget.....	19,600,000	19,600,000	16,000,000	19,100,000	18,500,000	—1,100,000	—1,100,000	+2,500,000	—600,000
Office of Telecommunications Policy.....	3,000,000	3,270,000	2,070,000	1,500,000	2,070,000	—930,000	—1,200,000	.....	+570,000
Special Action Office for Drug Abuse Pre- vention: Salaries and expenses.....	6,856,000	25,199,000	5,000,000	5,000,000	5,000,000	—1,856,000	—20,199,000	.....	.....
Pharmacological research.....	20,000,000	.....	20,000,000	20,000,000	20,000,000	.....	+20,000,000	.....	.....
Special fund for drug abuse.....	25,000,000	40,000,000	21,500,000	30,000,000	26,000,000	+1,000,000	—14,000,000	+4,500,000	—4,000,000
Total, Special Action Office for Drug Abuse Prevention.....	51,856,000	65,199,000	46,500,000	55,000,000	51,000,000	—856,000	—14,199,000	+4,500,000	—4,000,000
Special assistance to the President.....	773,000	675,000	.....	675,000	675,000	—98,000	.....	+675,000	.....
Special projects.....	1,500,000	1,500,000	.....	1,000,000	.....	—1,500,000	—1,500,000	.....	—1,000,000
White House Office.....	9,767,000	9,110,000	9,110,000	9,110,000	9,110,000	.....	—657,000	.....	.....
Total, title III, Executive Office of the President.....	729,846,000	576,724,000	241,928,000	549,633,000	544,603,000	—185,243,000	—32,121,000	+302,675,000	—5,030,000

## TITLE IV.—INDEPENDENT AGENCIES

Administrative Conference of the United States.....	450,000	700,000	600,000	600,000	600,000	+150,000	—100,000	.....	.....
Advisory Commission on Intergovernmental Relations.....	806,000	901,000	850,000	1,036,000	1,036,000	+230,000	+135,000	+186,000	.....
Advisory Committee on Federal Pay.....	.....	130,000	130,000	130,000	130,000	+130,000	.....	.....	.....
Civil Service Commission: Salaries and expenses.....	65,974,000	65,774,000	65,774,000	65,774,000	65,774,000	.....	—200,000	.....	.....
By transfer.....	(12,000,000)	(14,000,000)	(14,000,000)	(14,000,000)	(14,000,000)	(+2,000,000)	.....	.....	.....
Annuities under special acts.....	1,079,000	.....	.....	.....	.....	.....	—1,079,000	.....	.....
Government payment for annuitants, employee health benefits.....	137,608,000	125,114,000	125,114,000	125,114,000	125,114,000	.....	—12,494,000	.....	.....
Payment to Civil Service Retirement and Disability Fund.....	737,470,000	589,905,000	589,905,000	589,905,000	589,905,000	.....	—147,565,000	.....	.....
Federal Labor Relations Council.....	714,000	726,000	720,000	720,000	720,000	.....	—6,000	.....	.....
Intergovernmental personnel assistance.....	15,000,000	10,000,000	10,000,000	10,000,000	10,000,000	.....	—5,000,000	.....	.....
Total, Civil Service Commission.....	957,845,000	791,519,000	791,513,000	791,513,000	791,513,000	—166,332,000	—6,000	.....	.....

Footnotes at end of article.

## TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT, 1974—Continued

## TITLE IV.—INDEPENDENT AGENCIES—Continued

Agency	Appropriations, fiscal year 1973	Fiscal year 1974 estimate (amended)	Passed House	Passed Senate	Conference action	Conference action compared with—			
						Appropriations, 1973	1974 estimate	House	Senate
Commission on Executive, Legislative, and Judicial Salaries	\$100,000					—\$100,000			
Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped	200,000	\$240,000	\$200,000	\$240,000	\$240,000	+40,000		+\$40,000	
<b>General Services Administration:</b>									
Public Buildings Service:									
Operating expenses	442,500,000	480,582,000	390,582,000	380,582,000	480,582,000	+38,082,000		+90,000,000	+\$100,000,000
By transfer				(100,000,000)					(—100,000,000)
Repair and improvement of public buildings	88,045,000	82,000,000	(82,000,000)	(82,000,000)	(82,000,000)	—88,045,000	—\$82,000,000		
Construction, public buildings projects	203,312,000	(2,572,000)	2,572,000	(2,572,000)	2,572,000	—200,740,000	+2,572,000		+2,572,000
Sites and expenses, public buildings projects	25,031,000	2,000,000	500,000	500,000	500,000	—24,531,000	—1,500,000		
Payments, public buildings purchase contracts	2,450,000	7,300,000	7,300,000	7,300,000	7,300,000	+4,850,000			
Expenses, U.S. Court facilities	5,344,000	7,512,000	7,512,000	7,000,000	7,000,000	+1,656,000	—512,000	—512,000	
Total, Public Buildings Service	766,682,000	579,394,000	408,466,000	395,382,000	497,954,000	—268,728,000	—81,440,000	+89,488,000	+102,572,000
Federal Supply Service	93,630,000	98,753,000	95,000,000	97,000,000	96,000,000	+2,370,000	—2,753,000	+1,000,000	—1,000,000
National Archives and Records Service:									
Operating expenses	31,585,000	33,230,000	33,000,000	33,230,000	33,230,000	+1,645,000		+230,000	
Records declassification	860,000	1,000,000	1,000,000	1,000,000	1,000,000	+140,000			
Total, National Archives and Records Service	32,445,000	34,230,000	34,000,000	34,230,000	34,230,000	+1,785,000		+230,000	
Automated Data and Telecommunications Service	7,514,000	6,688,000	6,600,000	6,600,000	6,600,000	—914,000	—88,000		
Property Management and Disposal Service	43,962,000	33,837,000	33,000,000	33,000,000	33,000,000	—10,962,000	—837,000		
<b>Office of the Administrator:</b>									
Salaries and expenses	1,480,000	2,900,000	2,750,000	2,750,000	2,750,000	+1,270,000	—150,000		
Indian tribal claims	1,264,000	2,280,000	2,200,000	2,200,000	2,200,000	+936,000	—80,000		
Allowances and office staff for former Presidents	408,000	236,000	60,000	60,000	60,000	—348,000	—176,000		
Expenses, Presidential transition	900,000					—900,000			
Emergency Preparedness		4,846,000	4,846,000	4,846,000	4,846,000	+4,846,000			
Defense mobilization functions of Federal Agencies		3,370,000	3,370,000	3,000,000	3,000,000	+3,000,000	—370,000	—370,000	
Administrative Operations Fund (limitation on administrative expenses)	(37,100,000)	(44,703,000)	(40,000,000)	(44,703,000)	(42,350,000)	(+5,250,000)	(—2,353,000)	(+2,350,000)	(—2,353,000)
Total, Office of Administrator	4,052,000	13,632,000	13,226,000	12,856,000	12,856,000	+8,804,000	—776,000	—370,000	
Total, General Services Administration	948,285,000	766,534,000	590,292,000	579,068,000	680,640,000	—267,645,000	—85,894,000	+90,348,000	+101,572,000
<b>U.S. Tax Court:</b>									
Salaries and expenses	4,307,000	5,760,000	5,760,000	5,480,000	5,760,000	+1,453,000			+280,000
Construction	1,916,000					—1,916,000			
Total U.S. Tax Court	6,223,000	5,760,000	5,760,000	5,480,000	5,760,000	—463,000			+280,000
<b>Department of Defense:</b>									
Defense Civil Preparedness Agency:									
Operation and maintenance	60,335,000	64,100,000	63,500,000	50,000,000	60,000,000	—335,000	—4,100,000	—3,500,000	+10,000,000
Research, shelter survey, and marking	23,200,000	24,400,000	24,000,000	20,000,000	22,000,000	—1,200,000	—2,400,000	—2,000,000	+2,000,000
Total, Defense Civil Preparedness Agency	83,535,000	88,500,000	87,500,000	70,000,000	82,000,000	—1,535,000	—6,500,000	—5,500,000	+12,000,000
<b>Department of Health, Education and Welfare:</b>									
Health Services and Mental Health Administration:									
Emergency Health	3,081,000	6,000,000	3,000,000	6,000,000	6,000,000	+2,919,000		+3,000,000	
Commission on the Review of National Policy Toward Gambling		356,000	200,000	250,000	250,000	+250,000	—106,000	+50,000	
Total, title IV, independent agencies, new budget (obligational) authority	2,000,525,000	1,660,640,000	1,480,045,000	1,454,317,000	1,568,169,000	—432,356,000	—92,471,000	+88,124,000	+113,852,000
Grand total, titles I, II, III, and IV, new budget (obligational) authority	5,837,466,000	5,373,345,000	4,844,723,000	5,123,352,000	5,233,189,000	—604,277,000	—140,156,000	+388,466,000	+109,837,000

<sup>1</sup> January budget proposed \$390,582,000 by direct appropriation and an additional \$100,118,000, to be derived by transfer from construction, PBS, 1973, or a total of \$490,700,000, House Document 93-161, dated Oct. 2, 1973, proposes amendment which provides for direct financing in amount of \$480,582,000, and no transfer of unobligated funds.

<sup>2</sup> Disallowed transfer of \$100,118,000, as requested.

<sup>3</sup> \$380,582,000 by direct appropriation and in addition \$100,000,000, to be derived by transfer from construction, 1973.

<sup>4</sup> January budget proposed that \$97,937,000 be derived by transfer from construction, PBS, 1973, House Document 93-161, Oct. 2, 1973, proposes a budget amendment which provides for direct financing in amount of \$82,000,000.

<sup>5</sup> Disallowed transfer of \$97,937,000 from construction, PBS, 1973 and in lieu thereof permitted \$82,000,000 be transferred from operating expenses, PBS, 1974.

<sup>6</sup> \$82,000,000 to be derived by transfer from construction, PBS, 1973.

<sup>7</sup> To be derived by transfer from the appropriation, Public Buildings Service, operating expenses 1974, in lieu of reappropriation from construction, 1973.

<sup>8</sup> To be derived by reappropriation from construction, 1973.

<sup>9</sup> By direct appropriation.

<sup>10</sup> From unobligated balance in the construction, PBS, 1973 account.

<sup>11</sup> By direct appropriation.

The SPEAKER. The Chair will state to the gentleman from Oklahoma that the gentleman has only 5 minutes remaining.

Mr. STEED. Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The Chair recognizes the gentleman from New York (Mr. ROBISON).

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

Mr. ROBISON of New York. I yield to the gentleman from Florida.

Mr. BENNETT. Mr. Speaker, I thank the gentleman for yielding to me.

I would like to make an inquiry about the rules of the House.

I was under the impression that when the Senate and House had both acted individually that the figure that came out of the conference had to be in accordance with the highest figure, or certainly not larger than either figure. On page 10 I note that this conference report is more than both the House and



the Senate version. I am asking for information as to the technical situation with regard to the rules of the House and, secondly, what is the reason for this?

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

Mr. ROBISON of New York. I will be glad to yield to the gentleman from Oklahoma.

Mr. STEED. The reason for this is that the amended budgets came to the other body after we had finished, and this changed the budget figures.

Mr. BENNETT. Is it technically possible to have a conference report which is larger than either version of the House or Senate? I thought it was not technically possible.

Mr. ROBISON of New York. If the gentleman from Florida would allow me to restate the situation I would be glad to.

Mr. BENNETT. Mr. Speaker, I would appreciate that, since I was not here on the floor at the start of this discussion.

Mr. ROBISON of New York. What happened here is, after both the Senate and the House passed their separate versions of this particular appropriation bill, that budget amendments came up relative to the General Services Administration items, and the budget amendments supported the position taken by the gentleman from Oklahoma and strongly held to by him in the House version of the bill.

This is a summary of what occurred:

The conference agreement total of \$5,233,189,000 in new budget—obligational—authority for fiscal year 1974 is \$388,466,000 over the total in the House bill of \$4,844,723,000. This increase is explained as follows:

First, plus \$300,000,000 for disaster relief which was in accordance with a budget amendment (S. Doc. 93-36), submitted to the Senate after passage of the House bill on August 1, 1973.

Next, plus \$90,000,000 for the General Services Administration public buildings service, operating expenses. This is in accordance with a budget amendment (H. Doc. 93-161) submitted after passage of the House and Senate bills. The conference agreed to the total amount in the Senate bill for this appropriation, \$480,582,000. The Senate bill originally provided \$380,582,000 in new budget authority and \$100,000,000 by transfer from the fiscal year 1973 appropriation, "Construction, public buildings projects." The conference, in effect, adopted the amount of new budget authority in the House bill of \$390,582,000 plus \$90,000,000 in the budget amendment and reverted the proposed transfer of \$100,000,000 to the Treasury.

Finally, minus \$1,534,000 which is the net result of conference changes in various other appropriations in the conference report.

The conference agreement thus represents a net increase of \$88,466,000 in new budget—obligational—authority which was not included in either the House or Senate bill.

Mr. BENNETT. I thought it was impossible to have a figure which was higher than both the House and Senate set, and the gentleman is telling me it is possible?

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

Mr. ROBISON of New York. I yield to the gentleman from Oklahoma.

Mr. STEED. Maybe I can help.

It is technically possible, under the rules, for the final figure, in total, to exceed the amount allowed by either House—in unusual circumstances—when the impact of all amendments are considered.

Mr. BENNETT. I thank the gentleman.

Mr. ROBISON of New York. Mr. Speaker, I have no further requests for time.

Ms. ABZUG. Mr. Speaker, will the gentleman yield?

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

Ms. ABZUG. Would the gentleman explain to us, Mr. Speaker, why the conference report recommended deletion of the language proposed by the other body in amendment No. 13?

Mr. STEED. It was an item that had a lot of the Members unhappy because some felt—and I was one of them—that we had never had an accurate accounting of what was done with the money. Some Members felt that in prior years, under other Presidents, we did not get proper accounting. So in light of a lot of things that have happened in the last year or so, we thought that it was a sensitive subject. We thought that it would solve a lot of problems by just eliminating it.

I just do not like to have an item in a bill that I am in charge of where we appropriate money and then cannot find out what happened to it.

Ms. ABZUG. If that is so, may I ask with respect to amendment No. 15 why we did not follow the same thought in that particular amendment?

Mr. STEED. This whole item, two amendments in this one item, involve the personal private staff of the President of the United States. I view this very much as I do my own staff, or as the gentleman does hers. To me this is where the rule of comity applies between the executive and legislative branches of Government, where we have the sharpest focal application. This is a matter where the President, in effect, said, "I need these things to do my job", and we agreed to them.

Ms. ABZUG. In other words, the gentleman does not feel there is any reason to provide for an accounting of some of these funds, in view of many of the recent events which indicate some abuse?

Mr. STEED. In all of them except this particular one, except his own staff. I think that this is the proper attitude that the House should have on it. We have always given that authority to every President. It involves a total of \$9 million. We have been very scrupulous in checking everything else except this one, and since it is his own personal staff, we have always granted him the comity of accepting his statement as to what he needs to run his office.

Ms. ABZUG. Is there any way in which we can tell under this provision how much can be paid in per diem or wages to any one individual?

Mr. STEED. They will tell you at the end of the year as to how much and what

they did, but it is just up to the President's own wishes as to how he does it. There is a ceiling of 510 people. That is the most he can have on his staff. He pays wage rates like the gentlewoman does to her staff.

Ms. ABZUG. Would the chairman say he could pay any one individual \$100,000 under this provision?

Mr. STEED. No, no. He has the same ceiling the gentlewoman and I have, but he may have three people at a high salary and several at a lower salary, or he may have all at the middle salary. It is the same as the gentlewoman's.

Ms. ABZUG. I would like to ask one other question, Mr. Speaker. That is, in your previous discussion about the amendment No. 12 on the special assistance to the President, I did not get the answer and I do not know why the Vice President should have more of a staff than is provided him for his duties as President of the Senate. Why should he receive additional moneys?

Mr. STEED. Because he has additional work to do and needs the staff to help him do it.

Ms. ABZUG. That is what I am not clear about.

The function of the Vice President under our present constitutional framework of Government is pretty limited. I wonder why we should, therefore, give him the additional funds in view of his limited function.

Mr. STEED. We thought they made a good case for it. We have quite a bit of material in here as to why he has this extra help and what he does with it and what his additional duties are. The Vice Presidents have been assigned more and more duties by recent Presidents and now the current President has assigned the Vice President more work to help the President carry out his duties.

Mr. ROGERS. Mr. Speaker, in the Appropriations Committee report on H.R. 9590, the committee called for a study to determine the ability of the Bureau of Customs to carry out its responsibilities with respect to the operation of adequate ports of entry facilities. I certainly hope that this study will be undertaken at the earliest possible date to bring to the committee's attention the seriously understaffed situations at a number of U.S. ports of entry. One such understaffed facility is located in my congressional district at Palm Beach International Airport, one of the fastest growing areas in the country. This personnel shortage has become so bad that all supplemental charter operations arriving at Palm Beach International are required to wait until after 5 p.m. to clear customs. To date this means at least 86 flights will be so affected and an uncounted additional number will simply attempt to find another port of entry substantially farther away and then continue their flight to West Palm Beach, at substantial additional cost and fuel consumption.

The Customs Bureau has been required to transfer 735 positions to the Drug Enforcement Administration under the provisions of Reorganization Plan No. 2 and it is my feeling that this action may have adversely affected their ability to discharge their statutory responsibilities with respect to the operation of adequate

ports of entry facilities. I certainly hope that we can expect a supplemental request for appropriations to bring customs operations back up to an acceptable level and correct an unreasonable condition.

Ms. HOLTZMAN. Mr. Speaker, I am strongly opposed to several provisions in this conference report concerning appropriations for the White House. Many of these provisions were not in the original version of the bill previously passed by the House.

The expenditures by President Nixon of taxpayers' funds amounting to approximately \$10 million on his three "White Houses" and expenditures in connection with the "Watergate plumbers" have caused a national scandal. These abuses should have alerted us to the dangers of open-ended and unsupervised appropriations for the White House.

Instead of applying the stringent standards of review to White House budget requests—in order to assure the public that the President will not abuse the public trust confided in him—this conference report would in essence continue the same old pattern.

Therefore, I have voted in opposition to allowing official entertainment expenses of the President to be accounted for solely on his certificate. Ordinarily, we would not need to supervise such expenditures by a President because we assume that he will use tax dollars for necessary public functions. President Nixon, by his past actions, has given us no confidence in that regard. Therefore, we should not allow an expense account budget for "entertainment expenses" merely on his say-so. For similar reasons I voted in opposition to another amendment allowing the President to exceed limits set for other agencies in the hiring of special consultants.

Unfortunately, we in the House through parliamentary maneuvering were not given an opportunity to vote down the other amendments—Nos. 12 and 13—granting the White House unsupervised expense accounts. I would have voted against those amendments if we had been given the opportunity to do so.

It is unfortunate that this conference report fails to recognize the public demands that the White House be held to standards of strict honesty and be prevented from wasting tax dollars.

Ms. ABZUG. Mr. Speaker, I am opposed to Senate amendments 12, 14, and 15 to the conference report on H.R. 9590 Treasury, Postal Service, the Executive Office of the President, and certain independent agencies appropriations. All of these amendments grant the executive branch considerable sums with virtually no restrictions. In the midst of an endless series of abuses of such liberty by the Executive, such amendments serve only to enlarge the possibilities of even more.

Amendment No. 12 provides the Vice President with the sum of \$675,000 over and above his own salary and the expense allocation of his own Senate staff. There is really no justification for such a fund at all. The taxpayers have just seen how one Vice President handles his affairs. Now shall their representatives hand the

new Vice President an unrestricted fund which needs no accounting?

In amendment No. 14 the President is authorized to pay his consultants and staff any salary he can afford to carry on any activity he desires. He has no obligation to report to the Congress or the taxpayer on precisely how such funds are used. I do not doubt that a sizable majority of the money has and will always be spent for eminently respectable necessities. But over recent years and in a steadily escalating fashion we have witnessed the results of such latitude.

The excess of liberty is license. We have been treated to what happens under the present administration. I don't want to encourage the use of taxpayer's money, for example, for partisan political ends and subsequent legal defense activities that may result. More importantly each president, being human and therefore fallible, needs support for his or her sense of responsibility. We could have added a provision to this appropriation requiring quarterly reports with a detailed accounting of the expenditures. Such a requirement would be, however, only one small deterrent. Until the day comes when we can have executive officers of unimpeachable integrity, we will need far more than this deterrent.

Amendment No. 15 shares the same weaknesses as do the others. Why should the taxpayer support \$9 million for the President's entertainment? He has already paid enormous sums just for the Presidential housing. The President has demonstrated that he has more than ample financial resources other than the taxpayer.

I therefore urge the House to return to its original wisdom expressed in the floor action of August 1 wherein we ruled the language of these amendments to be out of order. I urge the defeat of these three open-ended amendments.

Mr. ROYBAL. Mr. Speaker, I rise in support of the conference report to H.R. 9590 particularly because it cuts out all funds for special projects.

This year there was evidence that special projects funds had been used for Watergate-related activities and for purposes which lacked a credible explanation. The Subcommittee on Treasury, Post Office, and General Government received a GAO audit report which indicated that confessed Watergate burglar E. Howard Hunt received 4 hours compensation from the fund as a consultant on the day he allegedly broke into the office of Daniel Ellsberg's psychiatrist. Also, the audit shows the fund was used to make payments to the President's makeup man and a former football coach.

The House voted to remove all funds for special projects from the budget. The Senate voted to give the fund \$1 million—a cut of 33 percent.

In the conference committee, the Members of both Houses carefully reviewed all the evidence in the GAO audit and concluded that the administration had abused the Congress trust. There was no acceptable explanation for the administration's action and the appropriate remedy was to cut off these funds completely.

In the past, this item has received an almost automatic appropriation of \$1.5

million. We were told that the fund was to provide the President with money that would be used to accomplish activities that benefited the national interest. The administration stated that some of the money from this item had been utilized in the consumer affairs area and to establish a Commission to study this country's energy policy.

Despite the laudable action taken with respect to special projects, I am deeply concerned over the amount of money that the conferees appropriated for OMB. The passage of the report will mean an appropriation of \$18.5 million for OMB which is \$2.5 million more than the House originally agreed to and only \$600,000 less than the Senate appropriated.

During the course of hearings before the House Subcommittee on Treasury, Post Office, and General Government, OMB was asked to answer certain questions concerning the use of special projects funds, funds for personnel involved in the "plumbers" or special investigative unit and about compensation paid to Haldeman, Ehrlichman, and Dean after they resigned or were fired. OMB's answers were either evasive or lacked veracity when compared with documentary evidence that the committee later obtained from independent sources.

It is disturbing to think that OMB or any other Government agency is under the impression that it can evade or refuse to answer questions put to it by a congressional subcommittee acting within its accepted jurisdiction. This is not only an affront to the entire Congress but also to the people we represent. If Congress cannot get the information it needs to act, then we are a long way down the road to a secret Government. The actions of the representatives of OMB are typical of the underhanded and behind-the-back dealings that have come to characterize this administration's actions.

Congress may not be able to force this administration to answer its questions. But the framers of the Constitution gave us the ultimate weapon—the power of the purse. I believe Congress should have cut the OMB budget to the House-passed version figure of \$16 million. This would have shown that agency that we will no longer tolerate their contemptuous attitude. Although we only cut their budget to \$18.5 million, I trust that OMB understands the import of the action and realizes that we will again be reviewing their budget in a few short months.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the conference report.

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic de-



vice, and there were—yeas 403, nays 10, not voting 21, as follows:

[Roll No. 528]

# YEAS—403

Abdnor	Derwinski	Jordan
Adams	Devine	Karth
Addabbo	Dickinson	Kastnmeier
Anderson, Ill.	Donohue	Kazen
Anderson, N.C.	Dorn	Keating
Andrews, N.C.	Downing	Kemp
N. Dak.	Drinan	Ketchum
Annunzio	Dulski	King
Archer	Duncan	Kluczynski
Arends	du Pont	Koch
Armstrong	Eckhardt	Kuykendall
Ashbrook	Edwards, Ala.	Kyros
Ashley	Edwards, Calif.	Landrum
Bafalis	Eilberg	Latta
Baker	Erlenborn	Leggett
Barrett	Esch	Lehman
Bauman	Eshleman	Lent
Beard	Evans, Colo.	Litton
Bell	Fascell	Long, La.
Bennett	Findley	Long, Md.
Bergland	Fish	Lott
Bevill	Fisher	Lujan
Bieber	Flood	McClary
Bingham	Flowers	McCloskey
Blackburn	Flynt	McCollister
Blatnik	Foley	McCormack
Boggs	Ford, Gerald R.	McDade
Boland	Ford,	McEwen
Bolling	William D.	McKay
Bowen	Forsythe	McKinney
Brademas	Fountain	McSpadden
Brasco	Fraser	Macdonald
Bray	Frelinghuysen	Madden
Breaux	Frenzel	Madigan
Breckinridge	Frey	Mahon
Brinkley	Froehlich	Malliard
Brooks	Fuqua	Mallory
Broomfield	Gaydos	Mann
Brotzman	Gettys	Maraziti
Brown, Calif.	Gialmo	Martin, Nebr.
Brown, Mich.	Gibbons	Martin, N.C.
Brown, Ohio	Gilman	Mathias, Calif.
Broyhill, N.C.	Ginn	Mathis, Ga.
Broyhill, Va.	Goodwater	Matsunaga
Burgener	Gonzalez	Mayne
Burke, Calif.	Goodling	Mazzoli
Burke, Fla.	Grasso	Meeds
Burke, Mass.	Gray	Melcher
Burleson, Tex.	Green, Oreg.	Metcalfe
Burlison, Mo.	Green, Pa.	Mezvinsky
Burton	Griffiths	Michel
Butler	Grover	Milford
Byron	Gubser	Miller
Camp	Gude	Minish
Carney, Ohio	Gunter	Mink
Carter	Guyer	Minshall, Ohio
Casey, Tex.	Haley	Mitchell, Md.
Cederberg	Hamilton	Mizell
Chamberlain	Hammer-	Moakley
Chappell	schmidt	Mollohan
Chisholm	Hanley	Montgomery
Clancy	Hanrahan	Moorhead,
Clark	Hansen, Idaho	Calif.
Clausen,	Hansen, Wash.	Moorhead, Pa.
Don H.	Harsha	Morgan
Clawson, Del	Harvey	Mosher
Clay	Hastings	Moss
Cleveland	Hawkins	Murphy, Ill.
Cochran	Hays	Murphy, N.Y.
Cohen	Hébert	Myers
Collier	Hechler, W. Va.	Natcher
Collins, Ill.	Heckler, Mass.	Nedzi
Collins, Tex.	Heinz	Nelsen
Conable	Helstoski	Nichols
Conlan	Henderson	Nix
Conte	Hicks	O'Beay
Conyers	Hillis	O'Brien
Corman	Hinshaw	O'Hara
Cotter	Hogan	O'Neill
Coughlin	Hollifield	Parris
Cronin	Holt	Patman
Daniel, Dan	Holtzman	Patten
Daniel, Robert	Horton	Pepper
W., Jr.	Hosmer	Perkins
Daniels,	Howard	Pettis
Dominick V.	Huber	Peyser
Danielson	Hudnut	Pickle
Davis, Ga.	Hungate	Pike
Davis, S.C.	Hunt	Poage
Davis, Wis.	Hutchinson	Powell
De la Garza	Ichord	Powell, Ohio
Delaney	Jarman	Preyer
Dellenback	Johnson, Calif.	Price, Ill.
Dellums	Johnson, Colo.	Price, Tex.
Denholm	Johnson, Pa.	Fritchard
Dennis	Jones, Ala.	Quile
Dent	Jones, N.C.	Quillen
	Jones, Okla.	Rallsback
	Jones, Tenn.	Randall

Rangel  
Rees  
Regula  
Reuss  
Rhodes  
Riegle  
Rinaldo  
Roberts  
Robinson, Va.  
Robinson, N.Y.  
Rodino  
Roe  
Rogers  
Roncallo, Wyo.  
Roncallo, N.Y.  
Rooney, Pa.  
Rose  
Rosen  
Rostenkowski  
Roush  
Roy  
Roybal  
Runnels  
Ruppe  
Ruth  
Ryan  
St Germain  
Sarasin  
Sarbanes  
Satterfield  
Saylor  
Scherle  
Schneebeli  
Schroeder  
Sebelius  
Seiberling  
Shipley  
Shoup  
Shriver  
Shuster

Sikes  
Sisk  
Skubitz  
Slack  
Smith, Iowa  
Smith, N.Y.  
Snyder  
Spence  
Staggers  
Stanton  
J. William  
Stanton  
James V.  
Stark  
Steed  
Steele  
Steelman  
Steiger, Ariz.  
Steiger, Wis.  
Stephens  
Stuckey  
Studds  
Sullivan  
Symington  
Talcott  
Taylor, Mo.  
Taylor, N.C.  
Teague, Calif.  
Teague, Tex.  
Thompson, N.J.  
Thomson, Wis.  
Thone  
Thornton  
Tiernan  
Towell, Nev.  
Treen  
Udall  
Ullman  
Van Deerlin  
Vander Jagt

Vanik  
Veysey  
Vigorito  
Waggonner  
Waldie  
Walsh  
Wampler  
Ware  
Whalen  
White  
Whitehurst  
Whitten  
Widnall  
Wiggins  
Williams  
Wilson, Bob  
Wilson,  
Charles H.,  
Calif.  
Wilson,  
Charles, Tex.  
Winn  
Wolff  
Wright  
Wyatt  
Wylder  
Wyllie  
Wyman  
Yates  
Yatron  
Young, Alaska  
Young, Fla.  
Young, Ga.  
Young, Ill.  
Young, S.C.  
Young, Tex.  
Zablocki  
Zion  
Zwach

compensation of persons in the Government service, \$675,000.

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein.

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma (Mr. STEED).

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

The yeas and nays were refused.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 14: On page 12, line 22, insert the following: " , at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service;".

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein.

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma (Mr. STEED).

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

The yeas and nays were refused.

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 153, not voting 28, as follows:

[Roll No. 529]

# YEAS—253

Addabbo	Byron	de la Garza
Anderson, Ill.	Camp	Delaney
Andrews, N.C.	Carter	Dellenback
Andrews,	Casey, Tex.	Denholm
N. Dak.	Cederberg	Dennis
Arends	Chamberlain	Devine
Ashley	Chappell	Dickinson
Baker	Clancy	Dorn
Beard	Clark	Downing
Bell	Clausen,	Dulski
Bennett	Don H.	Duncan
Bevill	Clawson, Del	du Pont
Blackburn	Cleveland	Edwards, Ala.
Boland	Cochran	Erlenborn
Bowen	Cohen	Esch
Brasco	Collier	Eshleman
Bray	Collins, Tex.	Evans, Colo.
Breckinridge	Conable	Evins, Tenn.
Brooks	Conte	Findley
Broomfield	Corman	Fisher
Brotzman	Coughlin	Flood
Brown, Mich.	Cronin	Flowers
Brown, Ohio	Daniel, Dan	Flynt
Broyhill, Va.	Daniel, Robert	Ford, Gerald R.
Burgener	W., Jr.	Forsythe
Burke, Fla.	Danielson	Frenzel
Burleson, Tex.	Davis, Ga.	Frey
Burlison, Mo.	Davis, S.C.	Gettys
Butler	Davis, Wis.	

Abzug  
Alexander  
Crane  
Dingell

# NOT VOTING—21

Aspin	Evins, Tenn.	Reid
Badillo	Fulton	Rooney, N.Y.
Biaggi	Hanna	Rousselot
Buchanan	McFall	Sandman
Carey, N.Y.	Mills, Ark.	Stokes
Culver	Mitchell, N.Y.	Stratton
Diggs	Passman	Stubblefield

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Culver with Mr. Rousselot.
Mr. Reid with Mr. Stubblefield.
Mr. Rooney of New York with Mr. Passman.
Mr. Evins of Tennessee with Mr. Carey of New York.
Mr. Fulton with Mr. Aspin.
Mr. Hanna with Mr. Stratton.
Mr. McFall with Mr. Mitchell of New York.
Mr. Biaggi with Mr. Stokes.
Mr. Badillo with Mr. Diggs.
Mr. Mills of Arkansas with Mr. Buchanan.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

# AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: On page 11, line 14, insert the following:

# SPECIAL ASSISTANCE TO THE PRESIDENT

For expenses necessary to enable the Vice President to provide assistance to the President in connection with specially assigned functions, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS-18, compensation for one position at a rate not to exceed the rate of level II of the Executive schedule, and other personal services without regard to the provisions of law regulating the employment and

Gibbons  
Gilman  
Ginn  
Goldwater  
Gray  
Green, Oreg.  
Grover  
Gubser  
Gude  
Guyer  
Haley  
Hamilton  
Hansen, Idaho  
Hansen, Wash.  
Harvey  
Hastings  
Hébert  
Heinz  
Hicks  
Hillis  
Hinshaw  
Hogan  
Holifield  
Holt  
Horton  
Hosmer  
Huber  
Hunt  
Hutchinson  
Ichord  
Jarman  
Johnson, Colo.  
Johnson, Pa.  
Jones, Ala.  
Jones, Okla.  
Jones, Tenn.  
Keating  
Kemp  
Ketchum  
King  
Kluczynski  
Kuykendall  
Landgrebe  
Landrum  
Latta  
Lent  
Littion  
Lott  
Lujan  
McClary  
McCollister  
McDade  
McKinney  
McSpadden  
Madigan  
Mahon  
Mailliard

Mallary  
Mann  
Maraziti  
Martin, Nebr.  
Mathias, Calif.  
Matsunaga  
Mazzoli  
Meeds  
Michel  
Milford  
Miller  
Minshall, Ohio  
Mizell  
Mollohan  
Montgomery  
Moorhead, Calif.  
Morgan  
Mosher  
Murphy, Ill.  
Myers  
Natcher  
Nedzi  
Nielsen  
Nichols  
O'Brien  
O'Neill  
Parris  
Patman  
Patten  
Pepper  
Perkins  
Pettis  
Peyser  
Pickle  
Poage  
Powell, Ohio  
Preyer  
Price, Ill.  
Pritchard  
Quile  
Quillen  
Rallsback  
Rees  
Regula  
Rhodes  
Rinaldo  
Roberts  
Robinson, Va.  
Robison, N.Y.  
Rogers  
Roncallo, N.Y.  
Rose  
Rostenkowski  
Roush  
Roybal

Runnels  
Ruppe  
Ryan  
Sarasin  
Saylor  
Schneebeli  
Sebelius  
Shoup  
Shriver  
Shuster  
Sikes  
Sisk  
Skubitz  
Slack  
Smith, N.Y.  
Spence  
Stanton  
J. William  
Steed  
Steele  
Steelman  
Steiger, Ariz.  
Steiger, Wis.  
Stephens  
Stokes  
Stuckey  
Symington  
Talcott  
Teague, Calif.  
Teague, Tex.  
Thomson, Wis.  
Towell, Nev.  
Treen  
Ullman  
Vander Jagt  
Waggonner  
Walsh  
Wampler  
Ware  
Whalen  
White  
Whitehurst  
Widnall  
Wiggins  
Williams  
Wilson, Bob  
Winn  
Wyatt  
Wydler  
Wyman  
Yatron  
Young, Alaska  
Young, Fla.  
Young, Ill.  
Young, S.C.  
Zablocki  
Zion

## NAYS—153

Abdnor  
Abzug  
Adams  
Alexander  
Anderson, Calif.  
Annunzio  
Archer  
Armstrong  
Ashbrook  
Bafalis  
Barrett  
Bauman  
Bergland  
Blester  
Bingham  
Blatnik  
Boggs  
Brademas  
Breaux  
Brinkley  
Brown, Calif.  
Broyhill, N.C.  
Burke, Calif.  
Burke, Mass.  
Burton  
Carney, Ohio  
Chisholm  
Clay  
Collins, Ill.  
Conlan  
Conyers  
Cotter  
Crane  
Daniels  
Dominick V.  
Dellums  
Dent  
Derwinski  
Dingell  
Donohue  
Drinan  
Eckhardt  
Edwards, Calif.  
Ellberg  
Fascell  
Foley

Ford,  
William D.  
Fountain  
Froehlich  
Fuqua  
Gaydos  
Gialmo  
Gonzalez  
Goodling  
Grasso  
Green, Pa.  
Griffiths  
Gross  
Gunter  
Hammer-  
schmidt  
Hanley  
Hanrahan  
Harrington  
Harsha  
Hawkins  
Hays  
Hechler, W. Va.  
Heckler, Mass.  
Helstoski  
Henderson  
Holtzman  
Howard  
Hudnut  
Hungate  
Johnson, Calif.  
Jordan  
Karth  
Kastenmeier  
Kazen  
Koch  
Kyros  
Leggett  
Lehman  
Long, La.  
Long, Md.  
McCormack  
McKay  
Macdonald  
Madden  
Martin, N.C.  
Mathis, Ga.

Mayne  
Melcher  
Metcalfe  
Mezvinisky  
Minish  
Mink  
Mitchell, Md.  
Moakley  
Moorhead, Pa.  
Moss  
Nix  
Obey  
O'Hara  
Owens  
Pike  
Podell  
Randall  
Rangel  
Rarick  
Reuss  
Riegler  
Rodino  
Roe  
Roncalio, Wyo.  
Rooney, Pa.  
Rosenthal  
Roy  
Ruth  
St Germain  
Sarbanes  
Satterfield  
Scherle  
Schroeder  
Seiberling  
Shipley  
Smith, Iowa  
Snyder  
Staggers  
Stanton  
James V.  
Stark  
Studds  
Sullivan  
Symms  
Taylor, Mo.  
Taylor, N.C.  
Thompson, N.J.

Thone  
Thornton  
Tiernan  
Udall  
Van Deerlin  
Vanik  
Veysey

Vigorito  
Waldie  
Wilson,  
Charles H.,  
Calif.  
Wilson,  
Charles, Tex.

Wolff  
Wright  
Wylie  
Yates  
Young, Ga.  
Zwach

## NOT VOTING—28

Aspin  
Badillo  
Biaggi  
Bolling  
Buchanan  
Carey, N.Y.  
Culver  
Diggs  
Fraser  
Frelinghuysen

Fulton  
Hanna  
Jones, N.C.  
McCloskey  
McEwen  
McFall  
Mills, Ark.  
Mitchell, N.Y.  
Murphy, N.Y.  
Passman

Reid  
Rooney, N.Y.  
Rousset  
Sandman  
Stratton  
Stubblefield  
Whitten  
Young, Tex.

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Passman for, with Mr. Badillo against.  
Mr. Fulton for, with Mr. Diggs against.  
Mr. McFall for, with Mr. Carey of New York against.  
Mr. Young of Texas for, with Mr. Fraser against.  
Mr. Stubblefield for, with Mr. Reid against.  
Mr. Whitten for, with Mr. Biaggi against.

Until further notice:

Mr. Murphy of New York with Mr. Mills of Arkansas.  
Mr. Aspin with Mr. Mitchell of New York.  
Mr. Culver with Mr. McEwen.  
Mr. Rooney of New York with Mr. Rousset.  
Mr. Stratton with Mr. McCloskey.  
Mr. Jones of North Carolina with Mr. Buchanan.  
Mr. Hanna with Mr. Frelinghuysen.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: On page 13, line 2, insert "and official entertainment expenses of the President, to be accounted for solely on his certificate;"

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein.

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

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

The yeas and nays were refused.

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 302, nays 107, not voting 25, as follows:

[Roll No. 530]

## YEAS—302

Abdnor  
Addabbo  
Anderson, Ill.  
Andrews, N.C.  
Andrews,  
N. Dak.

Annunzio  
Archer  
Arends  
Armstrong  
Bafalis  
Baker

Bauman  
Beard  
Bell  
Bevill  
Blester  
Blackburn

Blatnik  
Boggs  
Boland  
Bolling  
Bowen  
Brasco  
Bray  
Breaux  
Brooks  
Broomfield  
Brotzman  
Brown, Mich.  
Brown, Ohio  
Broyhill, N.C.  
Broyhill, Va.  
Burgener  
Burke, Fla.  
Burlison, Tex.  
Burlison, Mo.  
Butler  
Byron  
Camp  
Carter  
Casey, Tex.  
Cederberg  
Chamberlain  
Chappell  
Clancy  
Clark  
Clausen,  
Don H.  
Clawson, Del.  
Cleveland  
Cochran  
Cohen  
Collier  
Collins, Tex.  
Conable  
Conte  
Corman  
Cotter  
Coughlin  
Crane  
Cronin  
Daniel, Dan  
Daniel, Robert  
W., Jr.  
Daniels,  
Dominick V.  
Danielson  
Davis, Ga.  
Davis, Wis.  
de la Garza  
Delaney  
Dellenback  
Denholm  
Dennis  
Derwinski  
Devine  
Dickinson  
Dorn  
Downing  
Dulski  
Duncan  
du Pont  
Edwards, Ala.  
Erlenborn  
Esch  
Eshleman  
Evans, Colo.  
Evins, Tenn.  
Fascell  
Findley  
Fish  
Fisher  
Flood  
Flynt  
Foley  
Ford, Gerald R.  
Forsythe  
Frelinghuysen  
Frenzel  
Frey  
Froehlich  
Fuqua  
Gettys  
Gibbons  
Gilman  
Ginn  
Goldwater  
Goodling  
Grasso  
Green, Oreg.  
Grover  
Gubser  
Gude  
Guyer

Haley  
Hamilton  
Hammer-  
schmidt  
Hanrahan  
Hansen, Idaho  
Hansen, Wash.  
Harrington  
Harsha  
Hastings  
Hays  
Hébert  
Heckler, Mass.  
Heinz  
Helstoski  
Hicks  
Hillis  
Hinshaw  
Hogan  
Holifield  
Holt  
Horton  
Hosmer  
Howard  
Huber  
Hudnut  
Hunt  
Hutchinson  
Jarman  
Johnson, Calif.  
Johnson, Colo.  
Johnson, Pa.  
Jones, Ala.  
Jones, N.C.  
Jones, Okla.  
Jones, Tenn.  
Keating  
Kemp  
Ketchum  
King  
Kluczynski  
Kuykendall  
Landgrebe  
Landrum  
Latta  
Lent  
Littion  
Long, La.  
Lott  
Lujan  
McClary  
McCloskey  
McCollister  
McDade  
McKinney  
McSpadden  
Macdonald  
Madigan  
Mahon  
Mailliard  
Mallary  
Mann  
Maraziti  
Martin, Nebr.  
Martin, N.C.  
Mathias, Calif.  
Mathis, Ga.  
Mayne  
Melcher  
Michel  
Milford  
Miller  
Minish  
Minshall, Ohio  
Mollohan  
Montgomery  
Moorhead, Pa.  
Morgan  
Mosher  
Murphy, Ill.  
Murphy, N.Y.  
Myers  
Natcher  
Nichols  
O'Brien  
O'Hara  
O'Neill  
Parris  
Patten  
Pepper  
Perkins  
Pettis  
Peyser  
Pickle  
Poage  
Powell, Ohio

Preyer  
Price, Ill.  
Price, Tex.  
Pritchard  
Quile  
Quillen  
Rallsback  
Rees  
Regula  
Rhodes  
Rinaldo  
Roberts  
Robinson, Va.  
Robison, N.Y.  
Rodino  
Roe  
Rogers  
Roncallo, N.Y.  
Rooney, Pa.  
Rose  
Rostenkowski  
Roush  
Roybal  
Steed  
Steele  
Steelman  
Steiger, Ariz.  
Steiger, Wis.  
Stephens  
Stuckey  
Studds  
Symington  
Talcott  
Taylor, Mo.  
Teague, Calif.  
Thompson, N.J.  
Thomson, Wis.  
Thone  
Towell, Nev.  
Treen  
Ullman  
Van Deerlin  
Vander Jagt  
Veysey  
Waggonner  
Walsh  
Wampler  
Ware  
Whalen  
White  
Whitehurst  
Whitten  
Widnall  
Wiggins  
Williams  
Wilson, Bob  
Winn  
Wyatt  
Wydler  
Wyman  
Yates  
Yatron  
Young, Alaska  
Young, Fla.  
Young, Ill.  
Young, S.C.  
Young, Tex.  
Zion  
Zwach

## NAYS—107

Bennett  
Bergland  
Bingham  
Brademas  
Breckinridge  
Brinkley  
Brown, Calif.

Burke, Calif.  
Burke, Mass.  
Burton  
Carney, Ohio  
Chisholm  
Clay  
Collins, Ill.



Conlan	Karth	Riegle
Conyers	Kastenmeier	Roncallo, Wyo.
Davis, S.C.	Kazen	Rosenthal
Dellums	Koch	Roush
Dent	Kyros	Sarbanes
Dingell	Leggett	Schroeder
Donohue	Lehman	Selberling
Drinan	Long, Md.	Shuster
Eckhardt	McCormack	Stanton,
Edwards, Calif.	McKay	James V.
Ellberg	Madden	Stark
Flowers	Matsunaga	Stokes
Ford,	Mazzoli	Sullivan
William D.	Meeds	Symms
Fountain	Metcalfe	Taylor, N.C.
Fraser	Mezvinsky	Teague, Tex.
Gaydos	Mink	Thornton
Gialmo	Mitchell, Md.	Tiernan
Gonzalez	Mizell	Udall
Green, Pa.	Moakley	Vanik
Griffiths	Moss	Vigorito
Gross	Nedzi	Waldie
Gunter	Nix	Wilson,
Hanley	Obey	Charles H.,
Hawkins	Owens	Calif.
Hechler, W. Va.	Pike	Wilson,
Henderson	Podell	Charles, Tex.
Holtzman	Randall	Wylie
Hungate	Rangel	Young, Ga.
Ichord	Rarick	Zablocki
Jordan	Reuss	

## NOT VOTING—25

Adams	Gray	Passman
Aspin	Hanna	Patman
Badillo	McEwen	Reid
Blaggi	McFall	Rooney, N.Y.
Buchanan	Mills, Ark.	Rousselot
Carey, N.Y.	Mitchell, N.Y.	Sandman
Culver	Moorhead,	Stratton
Diggs	Calif.	Stubblefield
Fulton	Nelsen	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gray for, with Mr. Badillo against.

Mr. Passman for, with Mr. Blaggi against.

Mr. McFall for, with Mr. Reid against.

Mr. Fulton for, with Mr. Carey of New York against.

Mr. Stubblefield for, with Mr. Diggs against.

Mr. Rousselot for, with Mr. Adams against.

Until further notice:

Mr. Rooney of New York with Mr. Patman.

Mr. Stratton with Mr. Nelsen.

Mr. Hanna with Mr. Mitchell of New York.

Mr. Mills of Arkansas with Mr. McEwen.

Mr. Aspin with Mr. Buchanan.

Mr. Culver with Mr. Moorhead of California.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 16: On page 13, line 19, strike "\$850,000" and insert "and the provisions of section 7(c) of the Act of August 16, 1973 (Public Law 93-100), \$1,036,000."

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by the Senate, insert the following: "and the provisions of Section 7(e) of the Act of August 16, 1973 (Public Law 93-100), \$1,036,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 17, line 11, strike out "after approval by the House and Senate Committees on Appropriations, to provide such fencing, lighting,".

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the matter stricken by the Senate, insert the following: "after submission to the House and Senate Committees on Appropriations,".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 17, line 21, insert: *Provided further*, That the Committees on Appropriations of the Senate and House of Representatives shall be furnished quarterly with a detailed accounting of expenditures made from these funds."

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: In lieu of the matter proposed by the Senate, insert the following: "Provided further, That the Committees on Appropriations of the Senate and House of Representatives shall be furnished quarterly with a detailed accounting of expenditures made from these funds on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to title 18, U.S.C. 3056."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: Page 20, line 18, insert "to remain available until expended."

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 26 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: Page 22, line 2, insert "shall remain available until expended."

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: Page 23, line 8, strike out: "That none of the funds available under this heading shall be available for transfer to any other account nor for the funding of any activities other than those specifically authorized under this heading" and insert:

"That during the current fiscal year the General Services Administration is authorized

to acquire leasehold interests in property, for periods not in excess of twenty years, for the storage, security, and maintenance of strategic, critical, and other materials in the national and supplemental stockpiles provided said leasehold interests are at nominal cost to the Government."

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by the Senate, insert the following:

"That none of the funds available under this heading shall be available for transfer to any other account nor for the funding of any activities other than those specifically authorized under this heading: Provided further, That during the current fiscal year the General Services Administration is authorized to acquire leasehold interests in property, for periods not in excess of twenty years, for the storage, security, and maintenance of strategic, critical, and other materials in the national and supplemental stockpiles provided said leasehold interests are at nominal cost to the Government."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: Page 23, line 18, insert "Provided further, That during the current fiscal year there shall be no limitation on the value of surplus strategic and critical materials which, in accordance with section 6 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e), may be transferred without reimbursement to the national stockpile."

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 23, line 23, insert "Provided further, That during the current fiscal year materials in the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061-2166), and excess materials in the national stockpile and the supplemental stockpile, the disposition of which is authorized by law, shall be available, without reimbursement, for transfer at fair market value to contractors as payment for expenses (including transportation and other accessorial expenses) of acquisition of materials, or of refining, processing, or otherwise benefiting materials, or of rotating materials, pursuant to section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b), and of processing and refining materials pursuant to section 303(d) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093 (d))."

## MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: On page 27, line 21, insert:

"Sec. 4. Not to exceed 2 per centum of any appropriation made available to the General Services Administration for the current fiscal year by this Act may be transferred to any other such appropriation, but no such appropriation shall be increased thereby more than 2 per centum: *Provided*, That such transfers shall apply only to operating expenses, and shall not exceed in the aggregate the amount of \$2,000,000."

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: page 28, line 5, insert:

"Sec. 5. No appropriated funds shall be available for the purpose of defraying any expenses (including expenses for the payment of the salary of any person) incurred in connection with the transfer of title of all (or any portion) of the Sand Point Naval Facility, Seattle, Washington, to any person or entity for aviation use."

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows: In lieu of the matter proposed by the Senate, insert the following:

"Sec. 5. No appropriated funds shall be available for the purpose of defraying any expenses (including expenses for the payment of the salary of any person) incurred in connection with the transfer of title of all (or any portion) of the Sand Point Naval Facility, Seattle, Washington, to any person or entity for aviation use unless and until (A) the Administrator of General Services has transferred to the National Oceanic and Atmospheric Administration title to that portion of such facility as has been requested by the National Oceanic and Atmospheric Administration; and (B) the City of Seattle, Washington, and the County of King in the State of Washington, and the State of Washington have each approved a plan for aviation use of a portion of such facility."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: page 28, line 17, insert "": *Provided further*, That \$1,000,000 of this appropriation shall remain available until expended for equipment, furniture, furnishings and accessories, required for the new Tax Court building and, whenever determined by the Court to be necessary, without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5)."

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein

with an amendment, as follows: In lieu of the matter proposed by the Senate, insert the following: "": *Provided further*, That \$1,280,000 of this appropriation shall remain available until expended for equipment, furniture, furnishings and accessories, required for the new Tax Court building and, whenever determined by the Court to be necessary, without compliance with Section 3709 of the Revised Statutes, as amended (41 U.S.C. 5)".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 43: page 29, line 19, insert "": to remain available until expended."

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44, page 30, line 20, strike out "\$3,000,000" and insert "\$6,000,000".

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by the Senate, insert the following: "\$6,000,000, of which \$3,000,000 shall be available only for transfer to the General Services Administration for the purpose of disposal of the medical stockpile".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 46: Page 34, line 2, strike out "Poland" and insert "Cuba, Poland,"

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 46 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 34, line 4, insert "That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*,".

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: page 34, line 8, insert "That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*,".

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 49: Page 34, line 11, insert "That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*,".

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 34, line 16, insert "This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies."

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: Page 38, after line 12, insert:

"Sec. 610. Funds made available by this or any other Act to the 'Buildings management fund' (40 U.S.C. 490(f)), and the 'Postal Service fund' (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section, and, as to property owned or occupied by the Postal Service,"

MOTION OFFERED BY MR. STEED

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by



which action was taken on the several motions was laid on the table.

#### GENERAL LEAVE

Mr. STEED. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert certain statistical material on the conference report just agreed to, and, Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the conference report just agreed to.

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

There was no objection.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. Con. Res. 54. Concurrent resolution providing for adjournment of the Senate from Thursday, October 18, 1973, to Tuesday, October 23, 1973.

The message also announced that Mr. HATHAWAY be appointed as an additional conferee on the bill (S. 14) entitled "An act to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, health care resources, and the establishment of a Quality Health Care Commission, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 607) entitled "An act to amend the Lead Based Paint Poisoning Prevention Act, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9639) entitled "An act to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs."

The message also announced that the Senate agrees to the House amendment to the Senate amendment numbered 5 with an amendment. The message also announced that the Senate agrees to the House amendments to the Senate amendments numbered 13 and 14.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2408) entitled "An act to authorize certain construction at military installations, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. SYMINGTON, Mr. JACKSON, Mr. ERVIN, Mr. CANNON, Mr. HARRY F. BYRD, JR., Mr. TOWER, Mr. THURMOND, and Mr. DOMINICK to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 386) entitled "An act to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. PROXMIRE, Mr. WILLIAMS, Mr. TOWER, and Mr. BROOKE to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1435) entitled "An act to provide an elected Mayor and City Council for the District of Columbia, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. EAGLETON, Mr. INOUE, Mr. STEVENSON, Mr. TUNNEY, Mr. MATHIAS, Mr. BARTLETT, and Mr. DOMINICK to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7446) entitled "An act to establish the American Revolution Bicentennial Administration, 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. McCLELLAN, Mr. KENNEDY, and Mr. HRUSKA to be the conferees on the part of the Senate.

#### CONFERENCE REPORT ON H.R. 6691 MAKING APPROPRIATIONS FOR THE LEGISLATIVE BRANCH FOR FISCAL YEAR ENDING JUNE 30, 1974

Mr. CASEY of Texas. Mr. Speaker, I call up the conference report on the bill (H.R. 6691) making appropriations for the legislative branch for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 11, 1973.)

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

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

There was no objection.

The SPEAKER. The gentleman from Texas (Mr. CASEY) is recognized.

Mr. CASEY of Texas. Mr. Speaker, the conference agreement provides appropriations totaling \$605,189,933. This is an increase of \$55,144,993 over the House bill. However, this amount includes \$97,744,553 for Senate items not considered by the House—\$91,013,353 under the Senate heading and \$6,731,200 under the Architect of the Capitol. Conforming to long practice, funds exclusively for operations and activities of the Senate—including three items jurisdictionally under the Architect of the Capitol—are left for decision and insertion by that body.

The conference total is \$71,961,026 below the budget estimates due to the deletion of all proposals relating to the west front of the Capitol, which I will discuss after I review some of the other items considered in conference. The conference total is \$5,502,082 below 1973 appropriations primarily due to a number of non-recurring construction projects in last year's bill. I will insert in the Record under leave to extend, when I revise my remarks, a tabulation summarizing these figures by major activities in the bill.

The tabulation follows:

LEGISLATIVE BRANCH APPROPRIATION BILL, 1974 (H.R. 6691), CONFERENCE SUMMARY

Agency and item	Conference action compared with—								
	New budget (obligational) authority, fiscal year 1973 <sup>1</sup>	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conference action	New budget (obligational) authority, fiscal year 1973	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Senate	\$79,228,425	\$90,521,330		\$91,013,353	\$91,013,353	+\$11,784,928	+\$492,023	+\$91,013,353	
House of Representatives	146,925,020	145,313,850	\$144,978,850	145,021,350	145,021,350	-1,903,670	-292,500		+42,500
Joint items	26,151,320	43,588,929	31,626,440	36,143,499	36,054,480	+9,903,160	-7,534,449	+4,428,040	-\$89,019
Office of technology assessment		3,980,000		3,980,000	2,000,000	+2,000,000	-1,980,000	+2,000,000	-1,980,000
Architect of the Capitol	102,584,500	87,921,700	81,051,800	63,348,400	30,048,400	-72,536,100	-57,873,300	-51,003,400	-33,300,000
Botanic Garden	811,300	875,000	860,200	860,200	860,200		-14,800		
Library of Congress	79,104,450	83,929,150	81,756,650	82,371,150	82,371,150	+3,266,700	-1,558,000	+614,500	
Government Printing Office	76,172,000	115,671,000	104,421,000	112,471,000	112,471,000	+36,299,000	-3,200,000	+8,050,000	
General Accounting Office	98,065,000	103,850,000	103,850,000	103,850,000	103,850,000	+5,785,000			
Cost-Accounting Standards Board	1,650,000	1,500,000	1,500,000	1,500,000	1,500,000	-150,000			
Grand total, new budget (obligational) authority	610,692,015	677,150,959	550,044,940	640,558,952	605,189,933	-5,502,082	-71,961,026	+55,144,993	-35,369,019

## LEGISLATIVE BRANCH APPROPRIATION BILL, 1974 (H.R. 6691), CONFERENCE SUMMARY

Agency and item	Conference action compared with—								
	New budget (obligational) authority, fiscal year 1973 <sup>1</sup>	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conference action	New budget (obligational) authority, fiscal year 1973	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Consisting of—									
1. Appropriations.....	\$609,970,015	\$677,150,959	\$549,418,940	\$639,932,952	\$604,563,933	—\$5,406,082	—\$72,587,026	+\$55,144,993	\$—35,369,019
Definite appropriations.....	(609,960,015)	(677,150,959)	(549,418,940)	(639,932,952)	(604,563,933)	(—5,396,082)	(—72,587,026)	(+55,144,993)	(—35,369,019)
Indefinite appropriations.....	(10,000)					(—10,000)			
2. Reappropriations.....	722,000		626,000	626,000	626,000	—96,000	+626,000		

<sup>1</sup> Includes amounts in Second Supplemental Appropriations Act, 1973 (Public Law 93-50).

## JOINT ITEMS

A number of adjustments were made in the several activities under the "Joint Items" heading, the most significant being an increase of \$4,394,000 for official mail costs and is necessary in order to reimburse the Postal Service for the fiscal year 1973 deficit based on later estimates than were available when the House acted on the bill last April.

## OFFICE OF TECHNOLOGY ASSESSMENT

The conference action provides \$2,000,000 as the initial appropriation for the new Office of Technology Assessment for the eight or so remaining months in the fiscal year instead of \$3,980,000 as proposed by the Senate for the entire year. The House did not consider the budget for this Office at the request of the Technology Assessment Board as they had not had time to develop their plans last spring when the bill was considered by the Committee.

## LIBRARY OF CONGRESS

An increase of \$614,500 over the House bill has been allowed for the Library of Congress, which includes \$349,000 to furnish the Senate a computerized information file system, as well as \$133,000 for the national serials data program, and \$132,500 additional for "Books for the blind and physically handicapped."

## GOVERNMENT PRINTING OFFICE

The bill as agreed to in conference includes an additional \$8,050,000 for the Office of Superintendent of Documents to cover the cost of postage for mailing copies of the CONGRESSIONAL RECORD and other publications mailed at the request of the Congress which have the U.S. Government Printing Office postage and fees indicia. Currently the mailing costs for these publications, now being mailed as penalty mail, are being paid from congressional appropriations as franked mail.

## WEST FRONT OF CAPITOL

The major item of controversy in the conference centered around the old recurring problem of extension versus restoration of the west central front of the Capitol. As you will recall the House bill provided \$58,000,000 for extension. The Senate deleted this proposal and put in \$18,000,000 and language for restoration. In addition they proposed the construction of an underground House Office Building and included an appropriation of \$15,000,000 for that purpose. The House has never given any consideration to such a proposal or to the proposed authorization and appropriation of \$300,000 to develop a master plan for future development of the Capitol Grounds. The conference action deletes all propo-

sals relating to extension and restoration of the west central front of the Capitol, an underground House Office Building, and the development of a comprehensive plan of the Capitol Grounds. As is stated in the joint statement accompanying the conference report:

In deleting these amendments for extension, restoration, an additional House Office Building and comprehensive planning, the conferees realize that full consideration could not be given these amendments at this time in that the House held no hearings on the proposal for an underground building next to the House wing of the Capitol. Lacking this the House conferees were in no position to consider the proposal. Both Houses receded to leave the question open.

Mr. GROSS. Mr. Speaker, would the gentleman yield for a question or two?

Mr. CASEY of Texas. Yes; I will be glad to yield to the gentleman from Iowa.

Mr. GROSS. With respect to this Office of Technology Assessment, it is apparently just getting off the ground from the standpoint of funding; is that not true?

Mr. CASEY of Texas. That is correct. This is their first funding.

Mr. GROSS. The appropriation is \$2 million and the amendment deletes restoration of the amount of the employee compensation proposed by the Senate. What is the meaning of that language?

Mr. CASEY of Texas. The meaning of the language was that the Executive Director for the new Commission was in the legislative act to be paid at the rate of a level 3 of the Executive Schedule and that amounts to around \$40,000.

The Senate policy committee, since they had been a little teed off at salaries being paid to some positions, of both the House and the Senate, they thought were being overpaid, they have been trying to put a limit at the level of \$36,000. That is what they propose to do.

The Office of Technology Assessment requested that we stick with what the House approved and what the Senate approved in the authorization bill authorizing the creation of the Agency. They wanted this for the purpose of getting a topnotch man. This is not the only one; we have a similar situation in the Joint Committee on Atomic Energy.

We also have higher salaries in some of the other positions which they consider comparable to the one such as that of the Director of the new Office of Technology Assessment. We on the conference committee agreed and took the language restriction out.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, I seriously question the advisability of ever funding

this thing. I think it is something we can well do without, considering the fiscal situation of the country.

However, I do commend the committee for staying with the House figure of \$2 million, which is a cut of about 50 percent in what the other body sought for this purpose. To that extent, I can commend the committee, but this Technology Assessment outfit is something we certainly do not need and on which we should not spend a dime.

Mr. CASEY of Texas. Mr. Speaker, I yield to the gentleman from New Hampshire, the ranking minority Member (Mr. WYMAN).

Mr. WYMAN. Mr. Speaker, I would like to endorse what the gentleman from Texas, the chairman of the subcommittee, has said concerning the conference report, and make one or two observations at this time relative to the west front. These observations are relatively simple and relatively unchallengeable.

We are going to have to take care of the west front of this Capitol sooner or later. The action taken by this conference actually defers that for at least another full year. This is going to mean higher cost for whatever we do with the west front of the Capitol, and it is going to mean unavoidable delay in public and congressional facilities.

Basic is the fact that deterioration exists in the west wall and that it must be fixed, if not this year, soon.

It is fundamental in this whole picture that whatever is spent to merely restore the west wall of the Capitol is money that is down the drain. I hope that the public generally in this country, as it listens to the arguments of those who urge conservation of public funds and addressing the subject of the Capitol's west front, will remember that if it cost a number of millions of dollars to refurbish that wall, we will have nothing whatsoever to show for the millions spent to do only this. Cost estimates for this before the committee of the conference ranged as high as \$35 million to do nothing but rebuild the wall.

Now, whatever this sum may eventually turn out to be, it has to be subtracted from the cost for an extension that would provide substantial additional facilities, both public and congressional. It would also provide a Capitol building, which is a public shrine, that will have a vastly more beautiful appearance than the present structure.

For example, I feel compelled to observe that if it were to be extended, the cost figure that was debated in this body just a short while ago was \$60 million. If restoration of the wall will cost \$30



million the net real cost for some 275,000 square feet of additional available space is but \$30 million, or one-half of its apparent cost.

Mr. Speaker, it is regrettable in the extreme that the House has yielded to what amounts to a one-man vendetta against extension in the other body. This body has by far the greater need for extension, and the need is both present and real.

With the exception of these remarks I endorse conference report and join in the views expressed by the gentleman from Texas.

I have no further requests for time.

Mr. CASEY of Texas. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 400, nays 11, not voting 23, as follows:

[Roll No. 531]

YEAS—400

Abdnor	Byron	Eckhardt
Adams	Camp	Edwards, Ala.
Addabbo	Carney, Ohio	Edwards, Calif.
Alexander	Carter	Ellberg
Anderson,	Casey, Tex.	Erlenborn
Calif.	Cederberg	Esch
Anderson, Ill.	Chamberlain	Eshleman
Andrews, N.C.	Chappell	Evans, Colo.
Andrews,	Chisholm	Ewins, Tenn.
N. Dak.	Clancy	Fascell
Annunzio	Clark	Findley
Archer	Clausen,	Fish
Arends	Don H.	Fisher
Armstrong	Clay	Flood
Ashbrook	Clawson, Del.	Flowers
Ashley	Cleveland	Flynt
Badillo	Cochran	Foley
Bafalis	Cohen	Ford, Gerald R.
Baker	Collier	Ford,
Barrett	Collins, Ill.	William D.
Bauman	Conable	Forsythe
Beard	Conlan	Fountain
Bell	Conte	Fraser
Bergland	Conyers	Frelinghuysen
Bevill	Corman	Frenzel
Blester	Cotter	Frey
Bingham	Coughlin	Freohlich
Blackburn	Cronin	Fuqua
Blatnik	Daniel, Dan	Gaydos
Boggs	Daniel, Robert	Gettys
Boland	W., Jr.	Gialmo
Bolling	Daniels,	Gibbons
Bowen	Dominick V.	Gilman
Brademas	Danielson	Ginn
Brasco	Davis, Ga.	Goldwater
Bray	Davis, S.C.	Gonzalez
Breaux	Davis, Wis.	Goodling
Breckinridge	de la Garza	Grasso
Brinkley	Delaney	Gray
Brooks	Dellenback	Green, Oreg.
Broomfield	Dellums	Green, Pa.
Brotzman	Denholm	Griffiths
Brown, Calif.	Dent	Grover
Brown, Mich.	Derwinski	Gubser
Brown, Ohio	Devine	Gude
Broyhill, N.C.	Dickinson	Gunter
Broyhill, Va.	Diggs	Guyer
Burgener	Dingell	Haley
Burke, Calif.	Donohue	Hamilton
Burke, Fla.	Dorn	Hammer-
Burke, Mass.	Downing	schmidt
Burleson, Tex.	Drinan	Hanley
Burlison, Mo.	Dulski	Hanrahan
Burton	Duncan	Hansen, Idaho
Butler	du Pont	Harrington

Harsha	Millford	Shoup
Harvey	Miller	Shriver
Hastings	Minish	Shuster
Hawkins	Mink	Sikes
Hays	Minshall, Ohio	Sisk
Hechler, W. Va.	Mitchell, Md.	Skubitz
Heckler, Mass.	Mizell	Slack
Heinz	Mollohan	Smith, Iowa
Helstoski	Montgomery	Smith, N.Y.
Henderson	Moorhead,	Snyder
Hicks	Calif.	Spence
Hillis	Moorhead, Pa.	Staggers
Hinshaw	Morgan	Stanton,
Hogan	Mosher	J. William
Holifield	Moss	Stanton,
Holt	Murphy, Ill.	James V.
Holtzman	Murphy, N.Y.	Stark
Horton	Myers	Steele
Howard	Natcher	Stelman
Huber	Nedzi	Steiger, Ariz.
Hudnut	Nelsen	Steiger, Wis.
Hungate	Nichols	Stevens
Hunt	Nix	Stokes
Hutchinson	O'Bye	Stuckey
Ichord	O'Brien	Studds
Jarman	O'Hara	Sullivan
Johnson, Calif.	O'Neill	Symington
Johnson, Colo.	Owens	Talcott
Johnson, Pa.	Parris	Taylor, Mo.
Jones, Ala.	Patman	Taylor, N.C.
Jones, N.C.	Patten	Teague, Calif.
Jones, Okla.	Pepper	Teague, Tex.
Jones, Tenn.	Perkins	Thompson, N.J.
Jordan	Pettis	Thomson, Wis.
Karth	Peyster	Thone
Kastenmeier	Pickle	Thornton
Kazen	Pike	Tiernan
Keating	Poage	Towell, Nev.
Kemp	Podell	Treen
Ketchum	Powell, Ohio	Udall
King	Preyer	Ullman
Kluczynski	Price, Ill.	Van Deerlin
Koch	Price, Tex.	Vander Jagt
Kuykendall	Quie	Vanik
Kyros	Quillen	Veysey
Landrum	Rallsback	Vigorito
Leggett	Randall	Waggonner
Lehman	Rangel	Waldie
Lent	Rees	Walsh
Litton	Regula	Wampler
Long, La.	Reuss	Ware
Long, Md.	Rhodes	Whalen
Lott	Riegle	White
Lujan	Rinaldo	Whitehurst
McClary	Roberts	Whitten
McCloskey	Robinson, Va.	Whitnall
McCollister	Robison, N.Y.	Wiggins
McCormack	Rodino	Williams
McDade	Roe	Wilson, Bob
McEwen	Rogers	Wilson,
McKay	Roncallo, Wyo.	Charles H.,
McKinney	Roncallo, N.Y.	Calif.
McSpadden	Rooney, Pa.	Wilson,
Macdonald	Rose	Charles, Tex.
Madigan	Rosenthal	Winn
Mahon	Rostenkowski	Wolf
Mallard	Roush	Wright
Mallory	Roy	Wyatt
Mann	Roybal	Wylder
Maraziti	Runnels	Wylie
Martin, Nebr.	Ruppe	Wyman
Martin, N.C.	Ruth	Yates
Mathias, Calif.	Ryan	Yatron
Mathis, Ga.	St Germain	Young, Alaska
Matsunaga	Sarasin	Young, Fla.
Mayne	Sarbanes	Young, Ga.
Mazzoli	Saylor	Young, Ill.
Meeds	Scherle	Young, S.C.
Melcher	Schneebeli	Young, Tex.
Metcalfe	Schroeder	Zablocki
Mezvinisky	Sebellius	Zion
Michel	Seiberling	Zwack
	Shipley	

NAYS—11

Bennett	Gross	Rarick
Collins, Tex.	Landgrebe	Satterfield
Crane	Latta	Symms
Dennis	Pritchard	

NOT VOTING—23

Abzug	Hansen, Wash.	Reid
Aspin	Hébert	Rooney, N.Y.
Biaggi	Hosmer	Rousselot
Buchanan	McFall	Sandman
Carey, N.Y.	Mills, Ark.	Steed
Culver	Mitchell, N.Y.	Stratton
Fulton	Moakley	Stubblefield
Hanna	Passman	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Buchanan.  
Mr. Hanna with Mr. Rousselot.  
Mr. Fulton with Mr. Mitchell of New York.  
Mr. Culver with Ms. Abzug.  
Mr. Carey of New York with Mr. Aspin.  
Mr. Hébert with Mr. Moakley.  
Mrs. Hansen of Washington with Mr. Steed.  
Mr. McFall with Mr. Passman.  
Mr. Mills of Arkansas with Mr. Stratton.  
Mr. Stubblefield with Mr. Reid.  
Mr. Biaggi with Mr. Hosmer.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. CASEY of Texas. Mr. Speaker, inasmuch as amendments Nos. 1 through 33 relate solely to housekeeping operations of the other body in which, by practice, the House concurs without intervention, I ask unanimous consent that Senate amendments Nos. 1 through 33 be considered as read, printed in the RECORD, and that they be considered en bloc.

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

There was no objection.

The SPEAKER. The Clerk will report the amendments in disagreement Nos. 1 through 33.

The Clerk read as follows:

SENATE

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF THE SENATE

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS

For compensation and mileage of the Vice President and Senators of the United States, \$4,781,505.

EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND MAJORITY AND MINORITY LEADERS

For expense allowance of the Vice President, \$10,000; Majority Leader of the Senate, \$3,000; and Minority Leader of the Senate, \$3,000; in all, \$16,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For clerical assistance to the Vice President, \$430,200.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For offices of the Majority and Minority Leaders, \$206,165.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For offices of the Majority and Minority Whips, \$104,640.

OFFICE OF THE CHAPLAIN

For office of the Chaplain, \$23,818: *Provided*, That effective July 1, 1973, the compensation of the Chaplain shall be \$15,232 per annum in lieu of \$10,064 per annum.

OFFICE OF THE SECRETARY

For office of the Secretary, \$2,374,930, including \$99,974 required for the purpose specified and authorized by section 74b of title 2, United States Code: *Provided*, That effective July 1, 1973, the Secretary may appoint and fix the compensation of a superintendent, public records office at not to exceed \$25,568 per annum in lieu of a registration clerk at not to exceed \$19,312 per annum; a clerk, public records office at not to exceed \$12,240

per annum in lieu of a clerk at not to exceed \$10,064 per annum; a chief auditor, public records office at not to exceed \$13,873 per annum; an assistant superintendent, public records office at not to exceed \$18,768 per annum; a secretary, public records office at not to exceed \$13,872 per annum; and three technical assistants, public records office at not to exceed \$11,152 per annum each; *Provided further*, That effective July 1, 1973, the allowance for clerical assistance and readjustment of salaries in the disbursing office is increased by \$28,832.

#### COMMITTEE EMPLOYEES

For professional and clerical assistance to standing committees and the Select Committee on Small Business, \$7,745,665, including herein, from and after July 1, 1973, an additional clerical assistant for the Committee on Armed Services made permanent by Public Law 92-136, approved October 11, 1971: *Provided*, That effective July 1, 1973, the Committee on Rules and Administration is authorized to employ an additional assistant chief clerk; *Provided further*, That the Committee on Rules and Administration may authorize its chairman to designate one committee employee to approve, in his behalf, all vouchers making payments from the contingent fund of the Senate, such approval to be deemed and held to be approval by the Committee on Rules and Administration for all intents and purposes.

#### CONFERENCE COMMITTEES

For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, \$153,070.

For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, \$153,070.

#### ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

For administrative and clerical assistants to Senators, \$39,210,700.

#### OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For office of the Sergeant at Arms and Doorkeeper, \$9,577,985: *Provided*, That effective July 1, 1973, the Sergeant at Arms may appoint and fix the compensation of a chief video engineer at not to exceed \$27,744 per annum in lieu of a video engineer at not to exceed \$24,480 per annum; a computer center manager at not to exceed \$26,656 per annum; four senior programmer analysts at not to exceed \$21,488 per annum each in lieu of two senior programmer analysts at not to exceed such rate; two senior programmer supervisors at not to exceed \$25,568 per annum each; a lead analyst at not to exceed \$22,032 per annum; a technical writer at not to exceed \$16,048 per annum; a systems supervisor at not to exceed \$23,936 per annum; three systems programmers at not to exceed \$19,856 per annum each in lieu of one systems programmer at not to exceed such rate; four computer specialists at not to exceed \$18,224 per annum each; three support operators at not to exceed \$12,512 per annum each; a supervisor operator at not to exceed \$15,232 per annum; a systems clerk at not to exceed \$10,064 per annum; four printing press operators at not to exceed \$12,512 per annum each; an assistant foreman, duplicating department at not to exceed \$13,328 per annum; a senior pressman at not to exceed \$12,512 per annum; a cameraman, duplicating department at not to exceed \$12,512 per annum; eight folding machine operators at not to exceed \$9,520 per annum each; eleven inserting machine operators at not to exceed \$9,976 per annum each in lieu of ten inserting machine operators at not to exceed such rate; an assistant night foreman, duplicating department at not to exceed \$9,792 per annum; eleven addressograph operators at not to exceed

\$9,520 per annum each in lieu of eight addressograph operators at not to exceed such rate; seventeen laborers, service department at not to exceed \$7,888 per annum each in lieu of eight laborers at not to exceed such rate; a night foreman at not to exceed \$10,064 per annum; six automatic typewriter repairmen at not to exceed \$12,512 per annum each in lieu of four automatic typewriter repairmen at not to exceed such rate; fifty-seven mail carriers at not to exceed \$9,520 per annum each in lieu of fifty-two mail carriers at not to exceed such rate; two mail specialists at not to exceed \$10,336 per annum each; two inspectors, police force at not to exceed \$22,304 per annum each, three additional captains, police force at not to exceed \$19,312 per annum each, three additional lieutenants, police force at not to exceed \$16,320 per annum each, fifteen additional sergeants, police force at not to exceed \$13,600 per annum each, and four detectives, police force at not to exceed \$11,968 per annum each in lieu of twenty-seven privates, police force at not to exceed \$10,336 per annum each; and the Sergeant at Arms may fix the per annum compensation of the superintendent, service department at not to exceed \$26,928 in lieu of \$25,568, the per annum compensation of the assistant superintendent, service department at not to exceed \$17,952 in lieu of \$16,864, the per annum compensation of the night supervisor, service department at not to exceed \$13,056 in lieu of \$11,696, the per annum compensation of the chief machine operator at not to exceed \$13,328 in lieu of \$12,512, the per annum compensation of the assistant chief machine operator at not to exceed \$11,968 in lieu of \$11,152, the per annum compensation of the supervisor, addressograph section at not to exceed \$12,512 in lieu of \$11,696, the per annum compensation of the foreman, duplicating department at not to exceed \$15,232 in lieu of \$13,872, the per annum compensation of the night foreman, duplicating department at not to exceed \$13,328 in lieu of \$12,784, and the per annum compensation of the foreman of warehouse, service department at not to exceed \$12,512 in lieu of \$11,424.

#### OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For offices of the Secretary for the Majority and the Secretary for the Minority, \$248,120.

#### AGENCY CONTRIBUTIONS AND LONGEVITY COMPENSATION

For agency contributions for employee benefits and longevity compensation, as authorized by law, \$3,000,000.

#### OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the office of the Legislative Counsel of the Senate, \$474,375.

#### CONTINGENT EXPENSES OF THE SENATE SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, \$310,215 for each such committee; in all, \$620,430.

#### AUTOMOBILES AND MAINTENANCE

For purchase, lease, exchange, maintenance, and operation of vehicles, one for the Vice President, one for the President pro tempore, one for the Majority Leader, one for the Minority Leader, one for the Majority Whip, one for the Minority Whip, for carrying the mails, and for official use of the offices of the Secretary and Sergeant at Arms, \$36,000.

#### INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including \$511,710 for the Committee on Appropriations, to be available also for the purposes

mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, \$13,443,230, of which amount not to exceed \$500,000 shall be available for obligations incurred in fiscal year 1973.

#### FOLDING DOCUMENTS

For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding \$3.51 per hour per person, \$74,475.

#### MISCELLANEOUS ITEMS

For miscellaneous items, \$8,310,850.

#### POSTAGE STAMPS

For postage stamps for the offices of the Secretaries for the Majority and Minority, \$320; Chaplain, \$100; and for air mail and special delivery stamps for the office of the Secretary, \$610; office of the Sergeant at Arms, \$240; and the President of the Senate, as authorized by law, \$1,215; in all \$2,485.

#### STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, \$3,600; for Senators under authority of section 506(f) of Public Law 92-607, approved October 31, 1972, \$190; and for committees and officers of the Senate, \$21,850; in all, \$25,640.

#### ADMINISTRATIVE PROVISIONS

Effective July 1, 1973, (1) the provisos contained in the paragraph "Office of the President pro tempore" under the heading "SENATE" in the Legislative Branch Appropriation Act, 1971, and the second proviso contained in the paragraph "Office of the Secretary" under the heading "SENATE" in the Legislative Branch Appropriation Act, 1970, insofar as it relates to the positions of Comptroller and Secretary to the Comptroller, are repealed, and (2) section 6(c) of the District of Columbia Traffic Act, 1925 (D.C. Code, sec. 40-603(c)), is amended by striking out "Comptroller of the Senate,".

The last full paragraph under the heading "Administrative Provisions" in the appropriations for the Senate in the Legislative Branch Appropriation Act, 1972, is amended by inserting immediately before "captains" the following: "inspectors,".

The Secretary of the Senate is hereafter authorized to designate, in writing, employees of the Disbursing Office of the Senate to administer oaths and affirmations, with respect to matters relating to that Office, authorized or required by law or rules or orders of the Senate (including the oath of office required by section 3331 of title 5, United States Code). During any period in which he is so designated, any such employee may administer such oaths and affirmations.

Subsection (c) of section 5533 of title 5, United States Code, is amended—

(1) by inserting in paragraph (1), immediately after "paragraph (2)", the following "or (4)"; and

(2) by adding at the end thereof the following new paragraph:

"(4) Paragraph (1) of this subsection does not apply to pay on a when-actually-employed basis received from more than one consultant or expert position if the pay is not received for the same day."

Effective January 1, 1973, and thereafter, section 506 of the Supplemental Appropriations Act, 1973, is amended (1) by inserting in subsection (a)(7), immediately after "subsections to", the following: "news-papers," and (2) by inserting in subsection (h)(4), immediately before the semicolon at the end thereof, a comma and the following: "insofar as such section has application to Senators".

Section 105(e)(2)(B) of the Legislative Branch Appropriation Act, 1968, as amended, and as modified by the Orders of the President pro tempore of the Senate (2 U.S.C. 61-1(e)(2)(B)), is amended by striking out "\$20,400" and inserting in lieu thereof "\$18,224".

Effective July 1, 1973, (1) the table con-



tained in section 105(d)(1) of the Legislative Branch Appropriation Act, 1968, as amended and modified, is amended to read as follows:

"\$352,240 if the population of his State is less than 2,000,000;

"\$362,848 if such population is 2,000,000 but less than 3,000,000;

"\$388,416 if such population is 3,000,000 but less than 4,000,000;

"\$421,328 if such population is 4,000,000 but less than 5,000,000;

"\$448,256 if such population is 5,000,000 but less than 7,000,000;

"\$476,544 if such population is 7,000,000 but less than 9,000,000;

"\$507,280 if such population is 9,000,000 but less than 10,000,000;

"\$530,944 if such population is 10,000,000 but less than 11,000,000;

"\$561,952 if such population is 11,000,000 but less than 12,000,000;

"\$585,616 if such population is 12,000,000 but less than 13,000,000;

"\$615,808 if such population is 13,000,000 but less than 15,000,000;

"\$646,000 if such population is 15,000,000 but less than 17,000,000;

"\$676,192 if such population is 17,000,000 or more."

and (2) section 105(d)(2) of such Act is amended (A) by striking out clauses (i) and (ii), (B) by striking out "(iii)" and "two employees" in clause (iii) and inserting in lieu thereof "(i)" and "five employees", respectively, and (C) by striking out "(iv)" and inserting in lieu thereof "(ii)".

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendments of the Senate numbered 1 through 33, inclusive, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: page 13, line 6, insert:

Effective January 1, 1974, section 105(d)(1) of the Legislative Branch Appropriations Act, 1968, as amended by the preceding paragraph, is amended to read as follows: "(1)(A) Commencing January 1, 1974, the aggregate of gross compensation paid employees in the office of a Senator shall not exceed during each calendar year the following:

"\$352,240 if the population of his State is less than 2,000,000;

"\$362,848 if such population is 2,000,000 but less than 3,000,000;

"\$388,416 if such population is 3,000,000 but less than 4,000,000;

"\$421,328 if such population is 4,000,000 but less than 5,000,000;

"\$448,256 if such population is 5,000,000 but less than 7,000,000;

"\$476,544 if such population is 7,000,000 but less than 9,000,000;

"\$507,280 if such population is 9,000,000 but less than 10,000,000;

"\$530,944 if such population is 10,000,000 but less than 11,000,000;

"\$561,952 if such population is 11,000,000 but less than 12,000,000;

"\$585,616 if such population is 12,000,000 but less than 13,000,000;

"\$615,808 if such population is 13,000,000 but less than 15,000,000;

"\$646,000 if such population is 15,000,000 but less than 17,000,000;

"\$676,192 if such population is 17,000,000 or more.

In any calendar year in which a Senator does not hold the office of Senator at least part of each month of that year, the aggregate

amount available for gross compensation of employees in the office of that Senator shall be the applicable amount contained in the table included in this subparagraph, divided by 12, and multiplied by the number of months the Senator holds such office during that calendar year, counting any fraction of a month as a full month.

"(B) The aggregate of payments of gross compensation made to employees in the office of a Senator during each calendar year shall not exceed at any time during such calendar year one-twelfth of the applicable amount contained in the table included in subparagraph (A) of this paragraph multiplied by the number of months (counting a fraction of a month as a month) elapsing from the first month in that calendar year in which the Senator holds the office of Senator through the end of the current month for which the payment of gross compensation is to be made."

#### HOUSE OF REPRESENTATIVES

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

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

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

Effective January 1, 1974, section 105(d)(1) of the Legislative Branch Appropriation Act, 1968, as amended by the preceding paragraph, is amended to read as follows:

"(1)(A) Commencing January 1, 1974, the aggregate of gross compensation paid employees in the office of a Senator shall not exceed during each calendar year the following:

"\$352,240 if the population of his State is less than 2,000,000;

"\$362,848 if such population is 2,000,000 but less than 3,000,000;

"\$388,416 if such population is 3,000,000 but less than 4,000,000;

"\$421,328 if such population is 4,000,000 but less than 5,000,000;

"\$448,256 if such population is 5,000,000 but less than 7,000,000;

"\$476,544 if such population is 7,000,000 but less than 9,000,000;

"\$507,280 if such population is 9,000,000 but less than 10,000,000;

"\$530,944 if such population is 10,000,000 but less than 11,000,000;

"\$561,952 if such population is 11,000,000 but less than 12,000,000;

"\$585,616 if such population is 12,000,000 but less than 13,000,000;

"\$615,808 if such population is 13,000,000 but less than 15,000,000;

"\$646,000 if such population is 15,000,000 but less than 17,000,000;

"\$676,192 if such population is 17,000,000 or more.

In any calendar year in which a Senator does not hold the office of Senator at least part of each month of that year, the aggregate amount available for gross compensation of employees in the office of that Senator shall be the applicable amount contained in the table included in this subparagraph, divided by 12, and multiplied by the number of months the Senator holds such office during that calendar year, counting any fraction of a month as a full month.

"(B) The aggregate of payments of gross compensation made to employees in the office

of a Senator during each calendar year shall not exceed at any time during such calendar year one-twelfth of the applicable amount contained in the table included in subparagraph (A) of this paragraph multiplied by the number of months (counting a fraction of a month as a month) elapsing from the first month in that calendar year in which the Senator holds the office of Senator through the end of the current month for which the payment of gross compensation is to be made."

Effective October 1, 1973, any rate of compensation increased or established under the headings "Office of the Chaplain", "Office of the Secretary", and "Office of Sergeant at Arms and Doorkeeper", and any new dollar limitation contained in amendments made by the sixth and seventh full unnumbered paragraphs under this heading "ADMINISTRATIVE PROVISIONS", are increased in accordance with the Order of the President pro tempore of the Senate of October 4, 1973. Effective January 1, 1974, the dollar limitations contained in the amendment made by the eighth full unnumbered paragraph under this heading "ADMINISTRATIVE PROVISIONS" are increased in accordance with the applicable dollar limitations contained in such order.

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the motion be dispensed with, and that it be printed in the RECORD.

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

There was no objection.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: page 15, line 6, insert:

"PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Norma Lee Mills, widow of William O. Mills, late a Representative from the State of Maryland, \$42,500."

AMENDMENT OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: page 25, line 24, strike out: "(1) to pay the deputy chief of police detailed under the authority of this paragraph and serving as Chief of the Capitol Police, the salary of the rank of deputy chief plus \$4,000 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent (2) to elevate and pay the two acting inspectors detailed under the authority of this paragraph and serving as assistants to the Chief of the Capitol Police, the rank and salary of inspector plus \$1,625 and such increases in basic compensation as may be subsequently provided by law so long as these positions are held by the present incumbents, (3) to pay the captain detailed under the authority of this Act the salary of captain plus \$1,625 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent, and insert: "(1) to elevate and pay the deputy chief detailed under the authority of this

paragraph and serving as Chief of the Capitol Police, to the rank and salary of assistant chief plus \$2,000 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent, (2) to elevate and pay the two acting inspectors detailed under the authority of this paragraph and serving as assistants to the Chief of the Capitol Police to the rank and salary of deputy chief and such increases in basic compensation as may be subsequently provided by law so long as these positions are held by the present incumbents, (3) to elevate and pay the captain detailed under the authority of this paragraph to the rank and salary of inspector plus \$1,625 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent."

**MOTION OFFERED BY MR. CASEY OF TEXAS**

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 34, after line 10, insert:

**SENATE OFFICE BUILDINGS**

For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; for the care and operation of the Senate Office Buildings; including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), prevention and eradication of insect and other pests without regard to section 3709 of the Revised Statutes as amended; to be expended under the control and supervision of the Architect of the Capitol in all, \$6,460,200.

**MOTION OFFERED BY MR. CASEY OF TEXAS**

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 35, line 1, insert:

**EXTENSION OF ADDITIONAL SENATE OFFICE BUILDING SITE**

The unobligated balance of \$174,000 on June 30, 1973, of the appropriation under this head in the Legislative Branch Appropriation Act, 1970, unavailable for obligation beyond such date under the provisions of the Legislative Branch Appropriation Act, 1973, is hereby continued available until expended.

**MOTION OFFERED BY MR. CASEY OF TEXAS**

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 49: Page 35, after line 8 insert:

**SENATE GARAGE**

For maintenance, repairs, alterations, personal and other services, and all other necessary expenses, \$97,000.

**MOTION OFFERED BY MR. CASEY OF TEXAS**

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

**GENERAL LEAVE**

Mr. CASEY of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to, and that I be permitted to include a tabulation summarizing the action taken as well as certain extraneous matter.

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

There was no objection.

**THE FIRST REPORT OF THE ADVISORY COUNCIL ON INTERGOVERNMENTAL PERSONNEL POLICY, MESSAGE FROM THE PRESIDENT OF THE UNITED STATES**

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

*To the Congress of the United States:*

Pursuant to the Intergovernmental Personnel Act of 1970, I hereby transmit the first report of the Advisory Council on Intergovernmental Personnel Policy.

The members of the Advisory Council include elected public officials, career administrators, labor union leaders, and public administration scholars—people from local, State and Federal governments and from private life. I am sure you will share my pride in the Council and my appreciation for their dedicated effort toward improving the ability of government at all levels to respond to the people's needs.

It is noteworthy that this first report of the Council is submitted in the 90th anniversary year of both the Federal and the New York State merit systems, for in many ways the Intergovernmental Personnel Act of 1970 reaffirms as public policy those merit concepts framed in the Civil Service Act of 1883.

In this report, the Advisory Council has recommended new ways to simplify the grant-in-aid process and other aspects of intergovernmental relations. It has also suggested means for strengthening the Federal system through improved personnel management at the State and

local level. The Council's recommendations, which would place new emphasis on the rights, powers, and responsibilities of State and local governments for the management of their own affairs, are receiving careful consideration. Since the Council's recommendations could be carried out by the executive branch under its current authority, no draft legislation accompanies the report.

RICHARD M. NIXON.

THE WHITE HOUSE, October 16, 1973.

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

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

*To the Congress of the United States*

I transmit herewith the Annual Report on the International Educational and Cultural Exchange Program conducted during fiscal year 1972 by the Department of State under the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256).

During the past quarter century, the increase in economic and scientific interdependence among nations, the growth of new transnational communities based on common interests and concerns, the global reach of communications and the upsurge in travel have all radically altered the international environment. All these developments make it particularly important that the quality of the participants selected for exchange programs and the nature of their exchange experiences be truly outstanding. Added attention should also be given to relatively low-cost ways of enhancing the professional and cultural experiences of foreign students and others who come to live and work in our country.

During this past year, a special effort has been made to foster group exchanges concerning problems we have in common with other countries. At the same time, we are striving to concentrate on the exceptional individual, on the promising young leader or the influential communicator, for example, as well as to develop exchanges that introduce our visitors to America's exceptionally rich ethnic and cultural diversity.

Our exchange programs have proved especially valuable in recent months in our developing relations with the Soviet Union and the People's Republic of China. The American and Soviet peoples are now working more closely in a wide range of areas—exchanging reactor scientists, sharing research findings in heart disease, cancer, and environmental health, cooperating in nearly 30 environmental projects, collaborating in the use of computers in management and planning joint probes into space. Cultural groups and performing artists are moving between the two countries in increasing numbers. Similar exchanges are occurring with the People's Republic of China. In the past year, Chinese table tennis players, physicians, scientists and



acrobats have visited the United States, and businessmen, doctors, journalists, educators, scientists and scholars from this country have gone to China.

Scientific, educational and cultural exchanges between the United States and scores of other countries are also steadily increasing, under both official and unofficial auspices. These exchanges have helped to open new levels of dialogue with present and prospective leaders in much of the world.

A unique feature of the exchange program and a major source of its vitality through the years has been the enthusiastic involvement of thousands of private individuals, associations and businesses in its activities. They have voluntarily given a great deal of their own resources and time and effort to these programs and have thus made the exchange program truly representative of the people of the United States. I gratefully salute those who have taken part in this highly effective form of people-to-people diplomacy.

All of these elements are discussed in greater detail in this Annual Report and I am pleased to commend this document to the thoughtful attention of the Congress.

RICHARD NIXON.

THE WHITE HOUSE, October 16, 1973.

#### RESIGNATION AS MEMBER OF NORTH ATLANTIC ASSEMBLY IN TURKEY

The SPEAKER laid before the House the following resignation:

WASHINGTON, D.C., October 16, 1973.

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

DEAR MR. SPEAKER: Due to both personal and official commitments for the balance of this month, it will not be possible for me to attend the North Atlantic Assembly in Turkey.

I therefore tender my resignation as a delegate in accordance with the rules of the House.

Sincerely,

SAMUEL L. DEVINE.

#### APPOINTMENT AS MEMBER OF NORTH ATLANTIC ASSEMBLY IN TURKEY

The SPEAKER. Pursuant to the provisions of section 1, Public Law 689, 84th Congress, as amended, the Chair appoints as a member of the U.S. group of the North Atlantic Assembly on the part of the House, to fill the existing vacancy thereon, Mr. LATTI, of Ohio.

#### TO PROVIDE FUNDS FOR THE COMMITTEE ON THE JUDICIARY

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 510), and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 510

Resolved, That the further expenses of conducting the studies and investigations authorized by H. Res. 74 of the Ninety-third Congress, incurred by the Committee on the Judiciary, acting as a whole or by subcom-

mittee, not to exceed \$70,000 including expenditures for the employment of experts, special counsel, clerical, stenographic, and other assistants and consultants, and all expenses necessary for travel and subsistence incurred by members and employees while engaged in the activities of the committee or any subcommittee thereof, shall be paid out of the contingent fund of the House on vouchers authorized by such committee signed by the chairman of such committee and approved by the Committee on House Administration. Not to exceed \$20,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(1) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a (1)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House, and the chairman of the Committee on the Judiciary shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration under existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

Mr. GROSS. Mr. Speaker, I assume the gentleman will take a reasonable amount of time to explain the resolution?

Mr. THOMPSON of New Jersey. Mr. Speaker, the gentleman will.

Mr. Speaker, this resolution is a very simple one by the Committee on the Judiciary asking for an amount not to exceed \$70,000, including expenditures for the appointment of experts, counsel, clerical, stenographic and other expenses for the work of the committee. The distinguished chairman of the committee, Mr. RODINO, and the distinguished ranking member, Mr. HUTCHINSON, came before the Subcommittee on Accounts, which reported this favorably, as did the full Committee of the House Administration by unanimous vote.

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

Mr. THOMPSON of New Jersey. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, this would be in addition to what, \$309,890?

Mr. THOMPSON of New Jersey. In addition to \$536,217.75.

Mr. GROSS. The total previous appropriation?

Mr. THOMPSON of New Jersey. Yes.

Mr. GROSS. What is the additional \$70,000 needed for? Would the gentleman explain?

Mr. THOMPSON of New Jersey. Yes. The committee, in the exercise of its oversight responsibilities and in the business of doing extensive codification of law, needs this amount and satisfied the committee that it needs this amount to carry out its responsibilities.

Mr. GROSS. This is not connected, then, with the added work of the com-

mittee with respect to the communication that was sent to the committee on last Saturday, or with respect to the communication which I presume still rests on the Speaker's desk which was previously sent?

Mr. THOMPSON of New Jersey. No, I think the first resolution on the Speaker's desk is at this point moot. With respect to the communication of last Saturday, I am confident that Chairman HAYS agrees with me that this money, the moneys herein provided, will be sufficient for the work that the Committee on the Judiciary has to do on the resolution of last Saturday.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his explanation.

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

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### EXPRESSING THE APPRECIATION OF CONGRESS TO VIETNAM VETERANS ON VETERANS DAY 1973

Mr. DORN. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 51) expressing the appreciation of Congress to Vietnam veterans on Veterans Day, 1973, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 51

Whereas October 22, 1973, will mark the first observance of Veterans Day since the cessation of hostilities in Vietnam; and

Whereas more than forty-six thousand Americans lost their lives and more than three hundred thousand were wounded in action in the Vietnam conflict; and

Whereas the Vietnam engagement was the longest war in the history of the United States and was marked with controversy both at home and abroad; and

Whereas the American military man withstood these adverse conditions and served with valor and courage; and

Whereas the loyalty and devotion to duty of the American serviceman was of the highest order and played an important role in making peace negotiations possible: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses its gratitude, and pays its respects, to Vietnam veterans on Veterans Day 1973 for their gallant part in attaining peace in Vietnam and making it possible to observe Veterans Day 1973 in peace.

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

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I certainly support the concurrent resolution, I would like to yield to our distinguished chairman of the Committee on Veterans' Affairs for the purpose of explaining the purpose of the concurrent resolution.

Mr. DORN. Mr. Speaker, if the gentle-

man will yield, I will be happy to explain the objective of this very meritorious resolution.

October 22, 1973, will mark the first Veterans Day observance since the cessation of hostilities in Vietnam. On this solemn day on which the Nation pauses to consider the sacrifices that have been made by veterans of all conflicts, I believe it is particularly apt to call attention to those who have most recently joined the ranks of America's veteran population—the Vietnam veteran.

This resolution acknowledges the trying circumstances that marked the period of hostilities in Vietnam and commends these young veterans for performing their duties with courage and stamina consistent with that shown by veterans of previous wars.

Official figures obtained from the Veterans' Administration can only partially indicate the sacrifice of the Vietnam era veteran. There are 6,557,000 Vietnam era veterans of whom over 2,406,000 served in Vietnam. Some 46,000 men lost their lives there. Today over 354,000 Vietnam era veterans are receiving VA disability compensation payments for service-connected injuries, while 47,500 dependents of deceased Vietnam era veterans are receiving dependency and indemnity compensation.

In its legislative activity Congress has attempted to assure a veterans program second to none for all our veterans. At the same time, it has recognized that veterans often need the greatest assistance when they first return to civilian life, and that there are increasingly complex situations that today's young veteran and his family encounter in readjusting to civilian life. Thus, as in earlier wars, problems of the recently returned veteran have commanded the increasing attention of the Congress. Significant progress has been made by Congress in recent years in providing increased educational benefits, enhanced employment opportunities, improved housing programs, upgraded medical care, and increased compensation in pensions for Vietnam veterans as well as for our veterans.

The Senate resolution commends and thanks the Vietnam veteran for the service he has rendered our country. Our committee concurs in this commendation and wishes to emphasize that it is also intended to remind the Nation of the debt we owe to all our veterans who have served and died for the ultimate cause of peace.

The resolution passed the Senate on October 11, 1973. I am sure all Members will concur in the objective of this resolution and will appreciate that in view of the urgent time element involved, immediate action by the House is imperative.

Mr. HAMMERSCHMIDT. Mr. Speaker, I support the gentleman's unanimous consent request for the immediate consideration of Senate Concurrent Resolution 51. This resolution, expressing as it does the gratitude of the Congress to veterans of the conflict in Vietnam for their courageous role in attaining peace in Vietnam, merits the support of every Member of Congress. The efforts and sacrifices of these unsung heroes who participated in the conflict have helped make it possible for the citizens of the

United States to enjoy the blessings of peace on Veterans Day for the first time in many years.

Despite the fact that the war in Vietnam has been our Nation's most unpopular war, the young men who fought under the flag of the United States never lost their faith in their Nation nor their determination to do their duty for their country.

President Nixon, in his Veterans Day 1973 Proclamation, said:

As America enjoys the blessings of peace for the first time in more than a dozen years, it is appropriate that we should pay special honor to those whose service helped us to achieve it.

We salute our veterans on a day of their own each year, a day on which we express our pride in them and our awareness of a debt to them which can never fully be repaid.

At no period in our history has there been more reason to call the Nation's attention to the achievements of its veterans than today. Never before has peace been more welcome nor prospects for its permanence more substantial.

As we approach another Veterans Day, I join President Nixon in saluting the veterans of all of our Nation's wars. I am pleased to support the request of the gentleman from South Carolina, the distinguished chairman of the Committee on Veterans' Affairs, in saluting and paying special recognition to the young men who served during the Vietnam era. I urge all Members to join in this salute by expressing your approval of Senate Concurrent Resolution 51.

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

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

Mr. GROSS. Mr. Speaker, I assume the gentleman is saying—and I do not want to put words in his mouth—but he is saying that we all hope that we will not be in some kind of shooting war by next Monday. I am not too sure about it, the way things are going.

Mr. DORN. Mr. Speaker, of course, I express the same sentiments as my distinguished friend from Iowa. I might say further that this concurrent resolution does not cost the taxpayers any money.

Mr. GROSS. Mr. Speaker, I am glad to hear that. I support the resolution, but I certainly hope we will not be in some kind of shooting war by next Monday.

Mr. DORN. Mr. Speaker, I concur in that.

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

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

Mr. GILMAN. Mr. Speaker, in passing Senate Concurrent Resolution 51 we are rendering a long overdue tribute to those brave men who served their country so faithfully and loyally during the recent hostilities in Vietnam.

It is befitting that our Nation bestows honor upon these men who, unlike returning soldiers from previous wars, were not greeted with any adulations.

Instead, the Vietnam conflict created divisions within our United States. As a result of that internal struggle, those soldiers who sacrificed in serving their country and who did so with courage and

strength, have yet to receive any national tribute for their sincere dedication to our Nation.

At the request of one of my constituents, Mr. Alfonso Sellet of Ulster County, N.Y. and several veterans organizations who have been promoting the national observance of a Vietnam Veteran's Day for several years, I have previously introduced a similar measure.

I urge my colleagues to wholeheartedly support Senate Concurrent Resolution 51, so that the Congress and our Nation may duly honor and express gratitude to all of our Vietnam veterans on Veterans Day, October 22, 1973.

Mr. WYLIE. Mr. Speaker, I rise in support of Senate Concurrent Resolution 51, a resolution of gratitude to the Vietnam veteran of Veterans Day 1973 for his part in attaining peace in Vietnam and making it possible to observe Veterans' Day 1973 in peace.

On Monday next, Mr. Speaker, when we observe Veterans Day, it will mark the first observance of this day in many years that our Armed Forces have not been participating in combat operations. For making this possible, it is especially fitting that we pay special tribute to the Vietnam veteran whose valiant sacrifices enabled us to observe this Veterans Day in peace.

While this resolution singles out the Vietnam veteran for our recognition, we should not for one moment forget the contribution made by veterans of earlier wars to our Nation's survival. It is particularly appropriate, Mr. Speaker, that we remember on this Veterans Day, the heroic sacrifices of all of the gallant Americans who lost their lives in defense of our freedom during time of war. It is appropriate, too, that we remember those who were wounded, many of whom are now patients in Veterans' Administration hospitals across the Nation.

Mr. Speaker, I am proud to support this resolution and to join my colleagues in saluting all of the Nation's veterans on this Veterans Day.

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

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on this important concurrent resolution.

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

There was no objection.

#### NS "SAVANNAH"

Mr. CLARK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 9450) to authorize the Secretary of Commerce to transfer the NS Savannah to the city of Savannah, Ga.

The Clerk read as follows:

H.R. 9450

Be it enacted by the Senate and House of Representatives of the United States of Amer-



ica in Congress assembled, That notwithstanding the provisions of section 510(j) of the Merchant Marine Act, 1936 (46 U.S.C. 1160(j)), the Secretary of Commerce is authorized, within one year after enactment of this Act, to transfer to the city of Savannah, Georgia, the NS Savannah, without monetary consideration, to be used as a museum ship and for other public purposes, but not for transportation, together with such of her fixtures, tackle, apparel, furnishings, and equipment as the Secretary of Commerce, in his discretion, determines.

Sec. 2. In connection with the transfer of the vessel authorized by section 1 of this Act, the Secretary of Commerce is authorized to pay the reasonable cost of towing the vessel to a site selected by the city of Savannah.

The SPEAKER. Is a second demanded? Mr. MOSHER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

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

Mr. Speaker, the NS Savannah was constructed by the Federal Government to demonstrate the peaceful uses of atomic energy. The vessel successfully completed its mission in 1970, and has been in layup since that time. The city of Savannah, Ga., wants the NS Savannah as the initial and central exhibit of a proposed Eisenhower Peace Center. Since the vessel was constructed by the Government, section 510(j) of the Merchant Marine Act of 1936 would generally require that the NS Savannah be placed in the National Defense Reserve Fleet. Therefore, H.R. 9450 is required to authorize the Secretary of Commerce to transfer the vessel to the city.

Mr. Speaker, the Maritime Administration would like to dispose of the vessel, as no viable proposal has been received with respect to it, and layup costs are about \$185,000 a year. The city of Savannah wants the vessel and has agreed to comply with the requirements of the Atomic Energy Commission. I am unaware of any opposition to the bill.

Mr. Speaker, after careful consideration of the entire record, our committee reported the bill unanimously. I strongly urge the House to support H.R. 9450.

Mr. Speaker, I now yield such time as she may consume to the distinguished chairman of our full committee, the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I rise in support of H.R. 9450, a bill that would authorize the Secretary of Commerce to transfer the NS Savannah to the city of Savannah, Ga., without monetary consideration, for use as a museum ship.

Mr. Speaker, as the chairman of the Subcommittee on Merchant Marine of your committee has pointed out, this is a noncontroversial bill. The Government has no further use for the vessel and wishes to dispose of it. The city of Savannah wants the vessel for use as a museum ship. I believe that this would be an appropriate commemoration for the illustrious career of the NS Savannah.

Section 2 of the bill would provide that the Secretary of Commerce is authorized to pay the reasonable cost of towing the vessel to a site selected by the city of Savannah. Careful inquiry by your committee would indicate that this should

be between \$1,200 to \$1,500. This would be the only cost of the bill.

At the present time, the NS Savannah costs the Government about \$185,000 a year in lay-up. Therefore, the net result would be an annual savings to the Federal Government of approximately \$183,500.

I strongly urge the House to support H.R. 9450 so that the NS Savannah can remain a visible part of our Atoms for Peace program.

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

Mr. Speaker, we on the minority side of the Committee on Merchant Marine and Fisheries are in unanimous support of this legislation.

Mr. Speaker, I agree that the fate of the nuclear ship Savannah proposed in this bill, H.R. 9450, is indeed most appropriate, honorable, and useful in the Nation's interest.

We on the minority side of the House Merchant Marine Committee fully agree that the Secretary of Commerce shall be authority to transfer the Savannah to the city of Savannah, Ga., for use as an integral component of the Eisenhower Peace Center.

During the 8-year period that the NS Savannah was in operational status, it amply demonstrated the feasibility of nuclear propulsion for merchant ships. The committee report clearly documents the achievements of the Savannah as the first nuclear-powered merchant ship in the world, and I urge my colleagues to review those achievements.

Further operation of the Savannah as a test vehicle or in commercial service cannot be justified. We have learned a great deal from this ship, but given its now antiquated design, it would be of only marginal use as a training facility for the men who will sail the next generation of nuclear ships. From a commercial standpoint, it was not designed, of course, primarily for economic operation. It is a breakbulk vessel in the container era. The technology of cargo handling has undergone a revolution since the Savannah entered service in 1962.

The Eisenhower Peace Center in the city of Savannah, Ga., appears to be a fitting site for the permanent exposition of the NS Savannah, the first major application of nuclear energy for transportation. The theme of the Eisenhower Peace Center will be the origin and development of the Atoms for Peace program initiated by President Eisenhower.

The question naturally arises as we consider the disposition of the Savannah—what are the future prospects, if any, for atomic-powered merchant ships? I believe the prospect for a new generation of nuclear-powered merchant ships is very promising. The key to any new technology, once the fundamentals of that technology are understood, is economics. Until very recently, the economics of nuclear propulsion versus conventional fossil fuels has been clearly in favor of conventional propulsion systems. The steady increase in the tonnage of ships generally, particularly tankers, coupled with increasing speed requirements and the general increase in the cost of bunker fuel oil appears to have tipped the economic scale in favor of nu-

clear propulsion for very large bulk carrying ships and perhaps even high-speed container ships.

As the committee report notes, the Savannah sailed over 450,000 miles using only 163 pounds of enriched uranium fuel. By comparison, a comparable ship with conventional power would have required almost 29,000,000 gallons of fuel oil traveling the same distance. The fuel oil consumption of a 33-knot container-ship or of a 250,000-ton tanker would be far greater, and over the 20- to 25-year useful life of such a ship, the savings in fuel costs would now substantially exceed the higher initial cost of installing nuclear propulsion.

The Committee on Merchant Marine and Fisheries shortly will begin hearings on H.R. 7694, legislation to stimulate the construction of nuclear-powered merchant vessels. I am hopeful that this legislation can be enacted promptly, so that a start can be made in the next fiscal year. I believe that the Maritime Administration looks favorably upon legislation of this type, and since the long-term cost benefit ratio now favors atomic energy, there is reason to believe that the administration will support the program on budgetary grounds.

In conclusion, Mr. Speaker, we are closing one era in nuclear ship construction with the dedication of the NS Savannah as a memorial to President Eisenhower's dedication to the peaceful application of nuclear energy, and we are opening a new era of commercial nuclear ship construction which would not have been possible without the wealth of experience gained from the NS Savannah.

Mr. GROSS. Mr. Speaker, will the gentleman yield for a question?

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

Mr. GROSS. Where is this vessel presently berthed?

Mr. MOSHER. It is in Savannah right now.

Mr. GROSS. Will it require \$1,500 to tow it to its new location?

Mr. MOSHER. It does have to be moved to another spot in the harbor, yes.

Mr. GROSS. Why a cost of \$1,500?

Mr. MOSHER. Well, that seems to be the cost of the towing charges nowadays. It is a large ship, and it is a very substantial job. The testimony indicated that would probably be the cost.

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

Mr. MOSHER. I yield to the gentleman from Pennsylvania.

Mr. CLARK. That is the best estimate we have had on the moving of the vessel.

Mr. GROSS. I am not opposed to the bill, but I am curious to know why it would cost \$1,500 to move this vessel a few miles?

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

Mr. MOSHER. I yield further.

Mr. CLARK. That is including the insurance, in order to tow it to its dock.

Mr. GROSS. What do we insure? Here is a vessel which apparently is worthless except as a souvenir or a memento or something of that kind. Why should there be costly insurance on it?

Mr. MOSHER. I suggest to the gentleman from Iowa that considering the

present cost, the lay-up cost of the vessel of about \$185,000 per year, this is a very inexpensive way to get it off our hands.

Mr. GROSS. Mr. Speaker, I agree with that if it costs us \$185,000 a year to lay her up. But we are hardly making money if we spend \$1,500 merely to throw a cable on her and tow her to another berth a few miles away.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. MOSHER. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, I will say that the sum of \$1,500 does not seem like very much to me when we consider the cost of moving a few rooms of furniture from one town to another.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

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

Mr. THOMPSON of New Jersey. Mr. Speaker, I believe that is absolutely reasonable and that it will save an enormous amount of money. Unhappily, as far as that ship is concerned, the hull and fittings of which are absolutely beautiful, she was built in the State of New Jersey by people who turned out to be closer to plumbers than shipbuilders. She has a tragic history of failure, and the failures were concerned with her nuclear powerplant. She survived only because of good luck.

Therefore, I would like to wish the people of Savannah good luck with her, but I would advise them never to try to get her underway.

Mr. MOSHER. Mr. Speaker, I am surprised to hear the comment made by the gentleman from New Jersey (Mr. Thompson). There is absolutely nothing in the record that I know of that indicates a failure of the nuclear power plant of the vessel. I believe the vessel has a superb record; I believe the record will indicate that.

Mr. THOMPSON of New Jersey. Mr. Speaker, if the gentleman will yield, I will say in answer to the gentleman from Ohio that perhaps he is right. I had understood otherwise.

I was present at the commissioning of the *Savannah* and they were kind enough to give me a tie clasp, which, however, did not last out the day. It was a very interesting tie clasp. Like the ship, it did not work.

Actually in the course of her cruising, in one instance off the coast of New Jersey in a northeast storm the *Savannah's* nuclear plant failed, and her auxiliary equipment was capable of pushing her at 6 knots, and they were in an 8-knot gale or a gale well in excess of her capability, and suddenly the good Lord or somebody else came around and stopped the wind right at that moment.

I will say again right now that I wish the people of the city of Savannah good luck.

Mr. MOSHER. Mr. Speaker, what the gentleman says is very interesting. But I believe the overpowering evidence is that this nuclear ship was a success, and the first generation's experience with her was a basic factor in moving us into the present stage of the nuclear era.

Mr. THOMPSON of New Jersey. Mr. Speaker, I will concede that, and I will

say that the ship itself is a beautiful thing.

I hope the people of Savannah and the visitors to their beautiful city will enjoy her.

Mr. MOSHER. Mr. Speaker, I will see if I can get the gentleman another tie clasp.

Mr. DOWNING. Mr. Speaker, I rise to join my colleagues on both sides of the aisle in strong support of H.R. 9450, a bill that would authorize the Secretary of Commerce to transfer the NS *Savannah* to the city of Savannah, Ga., for use as a museum ship.

The city of Savannah is actively planning a civic center to be known as the Eisenhower Peace Center. This is to be a nonprofit exhibition center created to trace the origin and development of the atoms for peace program initiated by President Dwight D. Eisenhower. The city would like the initial and central exhibit to be the NS *Savannah*, which represents the first major application of the peaceful use of nuclear energy for transportation.

The distinguished chairman of the full committee and the Subcommittee on Merchant Marine have pointed out the merits of the bill. For the benefit of my colleagues, I would like to give a brief history of this illustrious vessel.

The NS *Savannah* was built pursuant to section 716 of the Merchant Marine Act, 1936, to demonstrate the peaceful uses of atomic energy. This section was added to the Merchant Marine Act, 1936, by Public Law 848, 84th Congress, approved July 30, 1956.

In 1962 and 1963, the NS *Savannah* visited 11 domestic ports, beginning with a visit to the city of Savannah. During the initial domestic voyage, she visited Atlantic and gulf ports, transited the Panama Canal, and called at Hawaiian and U.S. west coast ports. When the NS *Savannah* resumed operation in May 1964, she made a second voyage to a series of domestic ports and then made her maiden Atlantic crossing, the first of five demonstration voyages between foreign and domestic ports. When the NS *Savannah* returned to her servicing facility in Galveston, Tex., on March 10, 1965, she had visited a total of 55 ports, been viewed by 1,500,000 people, and had traveled the equivalent of nearly four trips around the world.

The NS *Savannah*, in her 2 years of demonstration operation, established an internationally accepted pattern of marine operations for atomic commercial ships. The ship carried cargo and passengers in domestic and foreign waters, and in addition to impressions made on ship visitors, influenced the acceptance of atomic energy for peaceful purposes by millions of people who saw, heard, and read about the NS *Savannah* in newspaper, magazine, television, and radio accounts of port visits.

With the completion of the demonstration phase of the NS *Savannah* program, the experimental commercial phase was initiated. The vessel was operated in this manner from August 1965 until July 1970, when it was placed in layup because most of what could be learned from operation of the vessel had been learned.

During 5 years of experimental commercial operations as a cargo liner the *Savannah* accomplished the following:

It demonstrated that a nuclear merchant ship can operate safely and reliably in a regularly scheduled commercial service.

It developed the framework for acceptance and entry and opened new ports to any future nuclear merchant ships.

It demonstrated a favorable reaction on the part of shippers toward using nuclear marine transportation.

It produced a reservoir of marine personnel trained and licensed to manage and operate a seagoing nuclear powerplant.

It added to the prestige of the United States through demonstration of an advanced type ship and ship propulsion.

It demonstrated to the world the sincerity of United States efforts to use nuclear power for peaceful purposes.

It provided extended operational history on which insurance companies may base premiums for insuring future commercial nuclear ships.

In over 450,000 miles of operation, without any air pollution, it used up only 163 pounds of enriched uranium fuel. By comparison, a conventionally powered ship traveling the same distance would require 28,800,000 gallons of fuel oil, and would have released some 340 tons of sulfur-bearing pollutants while in port only.

H.R. 9450 would permit the city of Savannah to maintain this unique vessel as a part of our American heritage.

I strongly urge the House to support H.R. 9450.

Mr. GINN. Mr. Speaker, I rise in support of my bill, H.R. 9450, which would transfer the title of the nuclear ship *Savannah* to the city of Savannah.

As you know, this great ship was ordered built by the Congress as part of President Eisenhower's atoms for peace program. President Eisenhower envisioned it as the first mobile and visible demonstration of this Nation's intention to use nuclear energy for peaceful purposes.

As a prototype ship, the NS *Savannah* was never designed to be a money-making venture. Foremost among its many missions was to prove that a nuclear-powered ship could operate safely and reliably in regularly scheduled commercial service.

Its operations developed the framework for acceptance and entry of nuclear powered merchant ships into commercial ports. It was constructed with exhibit space that made it possible for visitors to come aboard and learn more about the peaceful uses of the atom. In all, this great vessel was viewed by more than 1.5 million persons during its travel of the equivalent of nearly 4 trips around the world.

Perhaps most important of all of her accomplishments, the NS *Savannah* traveled over 450,000 miles on only 163 pounds of enriched uranium fuel without generating any air pollution. By comparison, a conventionally powered ship traveling the same distance would have required more than 28 million gallons of fuel oil and would have released some 340 tons of sulfur-bearing pollutants in port areas alone.



In this day when political and environmental factors are combining with the problem of dwindling supplies of petroleum, the lessons learned by the *NS Savannah* are even more important. The Merchant Marine and Fisheries Committee will soon consider legislation that would put the experience gained through the *NS Savannah* to direct use by encouraging construction of a modern fleet of nuclear-powered commercial ships.

From its inception, the ship has played a very special role in the life of its namesake city. Savannah was chosen as the port of call for the ship on its maiden voyage in 1962, and from that day forward the ship has occupied a special place in the hearts of the citizens of the Savannah area. It has been an object of great pride that this magnificent vessel has carried the name of the beautiful and growing port city of Savannah around the globe on its mission of peace and progress.

In terms of cost, this bill represents a savings to the Federal Government. It now costs the Government some \$185,000 each year to maintain the ship in layup condition. The cost of towing the vessel, which has been included in the bill primarily because of insurance requirements, is only about \$1,200 to \$1,500.

Because of the ship's specialized design, there is no further commercial or governmental use to which it could be put. I suppose it could be sold for scrap, but that would be a shameful waste of a valuable public resource.

The city of Savannah has what I believe all parties feel is the most productive alternative. The ship would become the first and foremost exhibit in the city's proposed Eisenhower Peace Center, a project designed to show the history and the future of the peaceful use of the atom. It would be operated by the city on a nonprofit basis.

The city of Savannah has already spent some \$34,000 on a feasibility study of the project. A survey by the Savannah Morning News and Savannah Evening Press indicates that the majority of Savannah residents are in strong support of the project.

The city, however, can go no further with its plans without passage of this enabling legislation. The *NS Savannah* lies idle now, a ship that was built by the taxpayers is now locked away from public view.

Mr. Speaker, I ask that the House give approval to this bill to end the Government's burden of maintenance and to put this magnificent vessel back into active public use. Thank you.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. CLARK) that the House suspend the rules and pass the bill, H.R. 9450.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### ADJOURNMENT FROM OCTOBER 18 TO OCTOBER 23, 1973

The Chair laid before the House the Senate Concurrent Resolution (S. Con. Res. 54) providing for adjournment of the Senate from Thursday, October 18, 1973, to Tuesday, October 23, 1973:

S. CON. RES. 54

*Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, October 18, 1973, it stand adjourned until 12 o'clock meridian, Tuesday, October 23, 1973.*

AMENDMENT OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL: Strike out the period on line 4 and insert the following: "and that when the House adjourn on Thursday, October 18, 1973, it stand adjourned until 12 o'clock Meridian on Tuesday, October 23, 1973."

The amendment was agreed to.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

#### OCEAN DUMPING CONVENTION IMPLEMENTATION

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5450) to amend the Marine Protection, Research, and Sanctuaries Act of 1972, in order to implement the provisions of the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, and for other purposes.

The Clerk read as follows:

H.R. 5450

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Marine Protection, Research, and Sanctuaries Act of 1972 (26 Stat. 1052) is amended as follows:*

(1) Section 2 is amended by deleting the last sentence thereof and by adding a new subsection to read as follows:

"(c) It is the purpose of this Act to regulate (1) the transportation by any person of material from the United States and, in the case of United States vessels, aircraft, or agencies, the transportation of material from a location outside the United States, when in either case the transportation is for the purpose of dumping the material into ocean waters, and (2) the dumping of material transported by any person from a location outside the United States, if the dumping occurs in the territorial sea or the contiguous zone of the United States."

(2) Section 3 is amended—

(A) in subsection (c), by deleting "oil within the meaning of section 11 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1161), and does not mean sewage from vessels within the meaning of section 13 of such Act (33 U.S.C. 1163)", and inserting in lieu thereof "sewage from vessels within the meaning of section 312 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1322). Oil within the meaning of section 311 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1321), shall be included only to the extent that such oil is taken on board a vessel or aircraft for the purpose of dumping";

(B) in subsection (f), by deleting "(33 U.S.C. 1151-1175)", and inserting in lieu thereof "(33 U.S.C. 1251-1376)"; and

(C) by adding a new subsection to read as follows:

"(1) 'Convention' means the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter."

(3) Section 101 is amended to read as follows:

"(a) Except as may be authorized by a permit issued pursuant to section 102 or section 103 of this title, and subject to regulations issued pursuant to section 108 of this title,

"(1) no person shall transport from the United States, and

"(2) in the case of a vessel or aircraft registered in the United States or flying the United States flag or in the case of a United States department, agency, or instrumentality, no person shall transport from any location

any material for the purpose of dumping it into ocean waters.

"(b) Except as may be authorized by a permit issued pursuant to section 102 of this title, and subject to regulations issued pursuant to section 108 of this title, no person shall dump any material transported from a location outside the United States (1) into the territorial sea of the United States, or (2) into a zone contiguous to the territorial sea of the United States, extending to a line twelve nautical miles seaward from the base line from which the breadth of the territorial sea is measured, to the extent that it may affect the territorial sea or the territory of the United States."

(4) Section 102 is amended—

(A) in subsection (a)—

(i) by deleting the words "as provided for in section 101 of this title," and inserting in lieu thereof the words "for which no permit may be issued,";

(ii) by adding, after the phrase "instrumentality of the United States," the words "or in the case of a vessel or aircraft registered in the United States or flying the United States flag,"; and

(iii) by adding at the end of the subsection the following sentence: "To the extent that he may do so without relaxing the requirements of this title, the Administrator, in establishing or revising such criteria, shall apply the standards and criteria binding upon the United States under the Convention, including its Annexes."

(B) by adding a new subsection to read as follows:

"(e) In the case of transportation of material, by a vessel or aircraft registered in the United States or flying the United States flag, from a location in a foreign State Party to the Convention, a permit issued pursuant to the authority of that foreign State Party, in accordance with Convention requirements, and which otherwise could have been issued pursuant to subsection (a) hereof, shall be accepted, for the purposes of this title, as if it were issued by the Administrator under the authority of this section."

SEC. 2. The amendments made by subparagraph 1(4)(A)(iii) and paragraph 1(4)(B) of this Act shall become effective on the date that the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matters enters into force for the United States. In all other respects, this Act shall become effective on the date of enactment.

The SPEAKER. Is a second demanded?

Mr. MOSHER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. DINGELL. Mr. Speaker, it is with great personal satisfaction that I address the House today and urge the unanimous support of Members on H.R. 5450, as reported by the Committee on Merchant Marine and Fisheries, a bill

which will amend the Marine Protection, Research, and Sanctuaries Act of 1972 (Public Law 92-532).

For many years past, this nation, and other nations, have been almost completely indifferent to their treatment of one of the earth's primary resources, the oceans. For too long, we, and others, were prone to believe that the capacity of the ocean to absorb waste materials was unlimited. In recent years, however, we have come to the realization that this assumption was just not true, and evidence began to accumulate that man, indeed, was threatening his very existence by the cavalier manner in which he used the ocean as a sink for his discarded waste materials.

During the last Congress, after extensive hearings, H.R. 9727 was reported to this House and passed on September 8, 1971. Subsequently, that bill, after long delay in ironing out differences with the other body, was enacted as Public Law 92-532. In that legislation, we took the first major step to bring a halt to the extensive abuse which we and others had been heaping on the ocean waters.

We provided that thereafter, the transportation for dumping at sea, of radiological, chemical, and biological warfare agents and of high-level radioactive wastes could no longer be permitted. In addition, we provided that the ocean dumping of all other materials would be carefully regulated so that the adverse affect on ocean waters could be controlled. We declared as a policy of the United States that dumping which might threaten the marine environment would be prevented or strictly limited. In implementing that policy, we chose to regulate the dumping activities of all Federal agencies, no matter where the material might originate, and to regulate the transportation of materials from the United States, no matter who might initiate that transportation.

In enacting Public Law 92-532, the Congress recognized that the provisions included therein constituted only the first step, and so the law included a section on international cooperation which read as follows:

Sec. 109. The Secretary of State, in consultation with the Administrator, shall seek effective international action and cooperation to insure protection of the marine environment, and may, for this purpose, formulate, present, or support specific proposals in the United Nations and other competent international organizations for the development of appropriate international rules and regulations in support of the policy of this Act.

I am pleased to state that the Secretary of State has done just that. In preparation for the United Nations Conference on the Human Environment, held in Stockholm, and which I was privileged to attend as an advisor, the United States presented draft articles on an international convention to deal with the ocean dumping problem. Without going into details as to how the matter developed, I will merely report that on December 29, 1972, the United States signed a successfully completed Convention which dealt with this serious matter. That Convention has now been presented to the other body for advice and consent and

by a unanimous vote of 86 to 0, such advice and consent was given on August 3, 1973. This bill will amend our basic act to reflect the provisions of that Convention.

Public Law 92-532 and the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter are very similar. However, in addition to controlling the transportation of material from its own territory, each signatory is obligated to control the activities of its vessels and aircraft operating from locations outside its territory. H.R. 5450 incorporates that addition into our domestic law.

In other respects, H.R. 5450 generally provides for technical and conforming amendatory language. For instance, it expands the definition of materials to be controlled by including oil which is taken on board for the purpose of dumping. While this matter might have been left to the existing Oil Pollution Convention, where the present domestic legislation had left it, the International Conference chose to include it within the Ocean Dumping Convention and this provision in H.R. 5450 reflects that decision.

Finally, as to the relationship of the international convention to our domestic legislation, the language of the bill imposes a duty upon the Administrator of the Environmental Protection Agency, in carrying out his permit responsibility under the act, to include within his permit criteria those provisions of the Convention relating to specific materials. At the same time, the bill makes it abundantly clear that the Convention provisions may not be utilized in any way to weaken the already existing national requirements. I am very happy to commend the administration on its initiative and cooperation in implementing the policy announced by the basic act. Such cooperation augurs well for future actions looking to the protection and enhancement of the world environment upon which we all depend for life itself. I urge your support for this legislation.

Mr. MOSHER. Mr. Speaker, I completely support H.R. 5450, legislation designed to conform the Marine Protection, Research, and Sanctuaries Act of 1972 to the provisions of the Marine Pollution Convention, adopted in London on November 13, 1972.

The Marine Protection Act, our so-called ocean dumping legislation, was enacted by Public Law 92-532 on October 23, 1972. That legislation was the culmination of extensive efforts here in the Congress and within the executive departments to stem the dangerous and growing tendency to use the oceans as a dumping grounds for unwanted waste materials of our industrial society.

The legislation was first prompted by the widespread concern over the disposal of biological warfare agents off the Atlantic coast by the U.S. Army. Extensive hearings conducted by the Oceanography Subcommittee highlighted the lack of any serious effort to develop alternative means of disposal for these substances by the military and other agencies. At the same time, there was growing concern over the ecological

damage to the marine biota of the coastal waters, such as the New York bight region, through the prolonged and unregulated dumping of industrial waste materials just over the horizon from our major coastal cities.

In other countries, although fortunately not in the United States, during the 1960's serious outbreaks of mercury poisoning were reported and proven to be the result of the disposal in coastal waters of deadly mercury compounds. These related examples of our growing abuse of the oceans led to the President's request to the Council on Environmental Quality in April 1970 for a comprehensive study of the question of ocean disposal.

The Council's report subsequently formed the basis for our Marine Protection Act. The initiative taken by the United States was quickly recognized at the international level and after a series of preparatory meetings in various capitals, the International Conference on Ocean Dumping was convened late last year. The convention is, I believe, an exemplary case of international cooperation.

Fortunately, the Convention parallels our domestic legislation very closely. The amendments to the Marine Protection Act to conform it to the convention are minimal. I will not dwell on these since the distinguished chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment (Mr. DINGELL) has already explained them in detail.

I only would like to emphasize the point that the bill before us today is so written that where the convention imposes more stringent requirements, the convention will govern dumping by U.S. nationals. Where the Marine Protection Act imposes more stringent requirements, it will, in turn, govern. Thus, the effect of the Convention is basically to broaden U.S. jurisdiction over its nationals, ships, and aircraft, wherever they may be.

On August 3, 1973, the other body by a vote of 86 to 0 gave its advice and consent to ratification of the Convention by the United States. It is consistent with our leadership in this field that the United States promptly adopt H.R. 5450 implementing the Convention, and the Nixon administration urges that we do so.

Both the Convention and the Marine Protection Act are stopgap measures to a great extent. They provide for the regulation of dumping and only prohibit introduction of the most dangerous substances. In the final analysis, we must develop measures to utilize our resources more fully, and thus reduce the volume of materials that are dumped at sea. Even a carefully regulated permit program may in the long run introduce waste materials into the oceans in quantities that they cannot absorb.

Too little is known about the long-range impact upon our marine environment by the ever-growing range of chemical compounds that are dumped. We cannot therefore be complacent.

We have not solved the problem of ocean dumping. We have only just begun to assert some control. The fact that so



many nations recognize this problem is, however, heartening and we have reason to be optimistic. I, therefore, urge my colleagues to support this important additional step represented by H.R. 5450.

Mr. DINGELL. Mr. Speaker, I yield such time as she may use to the distinguished gentlewoman from Missouri, the chairman of the Committee on Merchant Marine and Fisheries.

Mrs. SULLIVAN. Mr. Speaker, I am pleased to emphasize my support of H.R. 5450, as reported to this House by the Committee on Merchant Marine and Fisheries.

I will not detain the House long, but I feel that it is important to make one reference which underlines one aspect of the committee's concern expressed during the consideration of Public Law 92-532, which we are amending with this bill today.

As a part of House Report 92-361 which accompanied H.R. 9727, as reported by the committee, the following paragraph appears:

The Committee wishes to emphasize its awareness that the types of problems with which H.R. 9727 deals are global in nature. We are not so blind as to assume that in dealing with the problems created by our own ocean dumping activities, we are thereby assuring the protection of the world's oceans for all mankind. Other nations, already moving to grapple with these troublesome issues, also will and must play vital roles in this regard.

The Conference held at London from October 30 to November 13, 1972, which resulted in the Convention we now propose to implement, demonstrates that other nations, indeed, are willing to play their proper role. Eighty nations participated in that Conference, and 12 additional nations attended as observers. More than 50 of those nations have now signed the resulting Convention and many are actively engaged in the ratification process. In the United States, the President, having already obtained the advice and consent of the Senate, is prepared to ratify the Convention on behalf of the United States and is apparently awaiting only congressional implementation action represented by this bill. I urge your unanimous endorsement of this further proof that the United States is ready and willing to maintain its leadership role in making this world a better place in which to live.

GENERAL LEAVE

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

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mr. DINGELL. Mr. Speaker, I yield such time as he may use to the distinguished gentleman from Virginia (Mr. DOWNING).

Mr. DOWNING. Mr. Speaker, I rise to urge the support of all Members for the bill pending before the House today.

H.R. 5450, while simple in concept, has far-reaching implications as an indication that the international community is facing up to its responsibilities in the

protection of the marine environment. During the past several years, we have witnessed a deepening crisis affecting our food supply from the oceans. We have not only been faced with the actions of foreign fishing vessels operating close to our shores, but we have also witnessed overall threat to our fisheries resources from the pollution of our seas. Plants and animals have been killed by toxic waste, areas of ocean bottom have been suffocated and turned into ocean deserts by wholesale waste disposal, cancerous growths have been discovered on fish in areas polluted by waste material, lower reproductive activity in the fish population has occurred, constituent elements of the food chain in ocean waters have been obliterated in some areas, and shellfish beds have been closed to harvesting because of high concentrations of pollution.

During the last Congress, this House, in passing H.R. 9727, ultimately resulting in Public Law 92-532, took the first step in controlling the threat to the oceans and their resources. The bill before you today is ample witness to the fact that the leadership of the United States has been productive and that other nations are also facing up to their responsibility. The bill incorporates into our basic legislation additional features which were agreed upon at an international conference held in London last fall. The Congress demonstrated its leadership in enacting Public Law 92-532. We should continue to assert our concern and leadership by rapid implementation of the convention recently developed. I urge your support for H.R. 5450.

Mr. FASCELL. Mr. Speaker, I rise in support of H.R. 5450, legislation to provide the amendments to the Marine Protection, Research and Sanctuaries Act of 1972 which are required to enable that act to implement fully the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter. Enactment of this legislation will provide the statutory compliance with the Ocean Dumping Convention, ratified by the U.S. Senate on August 3, 1973, and will insure that the United States is doing everything possible to meet its obligations to the world and future generations to preserve our ocean resources and prevent them from becoming the world's garbage dump.

Last year the Congress enacted landmark legislation providing strict regulations for the transportation of material for dumping in our oceans. The Marine Protection, Research and Sanctuaries Act of 1972, which I cosponsored, was the result of 3 years of intensive work by the Congress to protect our oceans from becoming the receptacle for the world's unwanted waste materials.

I am proud to say that I was among the first to introduce legislation calling for strict regulation, of ocean dumping. In August of 1970, following the potentially dangerous and very controversial disposal of lethal nerve gas in the Atlantic Ocean off the coast of Florida by the U.S. Department of the Army, I introduced legislation prohibiting the

further dumping of military material in the oceans without a certification by the Council on Environmental Quality. I also introduced legislation calling on the Department of Defense to conduct an inventory of all stockpiled military material which might require disposal, and a determination of the safest method of disposal.

Hearings were held on one of my bills and similar measures by the Merchant Marine and Fisheries Committee in 1970 and 1971. The bill reported by the committee, which was enacted as Public Law 92-532, banned the transportation for disposal by ocean dumping of radiological, chemical, or biological warfare agents or any high-level radioactive waste.

Public Law 92-532 also prohibited the transportation of all other materials originating from the United States for dumping or transported from a site outside the United States for dumping in U.S. territorial or contiguous waters unless a permit is issued by the Environmental Protection Agency.

It was clear during consideration of the ocean dumping legislation, however, that unilateral action by the United States would not be sufficient to protect the world's oceans. An international commitment was required. The Congress recognized this need and directed the Secretary of State, in the Marine Protection, Research and Sanctuaries Act of 1972, to seek effective international action and cooperation to insure protection of the marine environment.

I had introduced a resolution in 1970 calling on the President to direct the U.S. delegation to the U.N. Conference on the Environment to take the lead in proposing an international agreement which would prohibit any dumping in the oceans of the world, and to provide the necessary framework for review and enforcement.

Concurrently, the executive branch was pursuing steps to achieve such an international agreement. A series of meetings under the auspices of the United Nations resulted in agreement in November of last year on the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter. On August 3, 1973, the U.S. Senate voted to give its advice and consent to ratification by the United States.

Because of the similarity between the U.S. statute and the convention, few modifications are required in our present law.

The most important amendment would expand coverage of the EPA regulatory/permit scheme to cover U.S. vessels and aircraft transporting materials from locations outside the United States for the purpose of dumping those materials into ocean waters. In order to provide the greatest protection against dumping, it is necessary for nations signatory to the convention to regulate the transportation of materials by them from all locations. As the committee points out in its report, were all countries signatory to the convention, the complete regulation of ocean dumping could be achieved by the regulation of transportation by each signatory from its own territory. How-

ever, it must be recognized that the convention will not necessarily be ratified by all countries. Therefore, the convention obligates each signatory to regulate not only the transportation of materials from its own territory, but also the transportation by its own vessels and aircraft from locations outside its territory. In this manner, the coverage of the convention requirements will be as complete as is possible under the circumstances.

Another important provision of the pending bill applies to those cases where the requirements under present U.S. law are more stringent than the requirements under the convention. H.R. 5450 makes it clear that in such cases, the Administrator of EPA must follow the basic statute and Convention requirements in all cases except where, by doing so, he would have to disregard more stringent requirements of the U.S. statute.

Enactment of the Marine Protection, Research, and Sanctuaries Act of 1972 established a strict national policy to limit, the dumping into ocean waters of any material which would adversely affect human health or the marine environment. That policy has now been approved by the international community. Enactment of H.R. 5450 would expand the U.S. regulatory scheme to the fullest extent possible, so that transportation of materials not only from the United States but from any territory by U.S. vessels or aircraft for the purpose of dumping in our oceans, would require an approved permit.

Mr. Speaker, I commend the House Merchant Marine and Fisheries Committee for its long and hard work to regulate ocean dumping, and urge all our colleagues to give their unanimous support to this crucial proposal.

If we fail to protect our ocean resources today, we may not get another chance.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill, H.R. 5450.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### REPEALING THE ACT TERMINATING FEDERAL SUPERVISION OVER PROPERTY AND MEMBERS OF MENOMINEE INDIAN TRIBE

Mr. HALEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10717) to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their status as American Indians; and for other purposes.

The Clerk read as follows:

H.R. 10717

*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 "Menominee Restoration Act".*

SEC. 2. For the purposes of this Act—

(1) The term "tribe" means the Menominee Indian Tribe of Wisconsin.

(2) The term "Secretary" means the Secretary of the Interior.

(3) The term "Menominee Restoration Committee" means that committee of nine Menominee Indians who shall be elected at a general council meeting called by the Secretary pursuant to section 4(a) of this Act.

SEC. 3. (a) Notwithstanding the provisions of the Act of June 17, 1954 (68 Stat. 250; 25 U.S.C. 891-902), as amended, or any other law, Federal recognition is hereby extended to the Menominee Indian Tribe of Wisconsin and the provisions of the Act of June 18, 1934 (48 Stat. 984; 25 U.S.C. 461 et seq.), as amended, are made applicable to it.

(b) The Act of June 17, 1954 (68 Stat. 250; 25 U.S.C. 891-902), as amended, is hereby repealed and there are hereby reinstated all rights and privileges of the tribe or its members under Federal treaty, statute, or otherwise which may have been diminished or lost pursuant to such Act.

(c) Nothing contained in this Act shall diminish any rights or privileges enjoyed by the tribe or its members now or prior to June 17, 1954, under Federal treaty, statute, or otherwise, which are not inconsistent with the provisions of this Act.

(d) Nothing contained in this Act shall alter any property rights or obligations, any contractual rights or obligations, including existing fishing rights, or any obligations for taxes already levied.

(e) In providing to the tribe such services to which it may be entitled upon its recognition pursuant to subsection (a) of this section, the Secretary of the Interior and the Secretary of Health, Education, and Welfare, as appropriate, are authorized from funds appropriated pursuant to the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), the Act of August 5, 1954 (68 Stat. 674), as amended, or any other Act authorizing appropriations for the administration of Indian affairs, upon the request of the tribe and subject to such terms and conditions as may be mutually agreed to, to make grants and contract to make grants which will accomplish the general purposes for which the funds were appropriated.

SEC. 4. (a) Within thirty days after the enactment of this Act, the Secretary shall announce the date of a general council meeting of the tribe to nominate candidates for election to the Menominee Restoration Committee. Such general council meeting shall be held within ninety days of the date of enactment of this Act. Within sixty days of the general council meeting provided for herein, the Secretary shall hold an election by secret ballot, absentee balloting to be permitted, to elect the membership of the Menominee Restoration Committee from among the nominees submitted to him from the general council meeting provided for herein. The ballots shall provide for write-in votes. The Secretary shall approve the Menominee Restoration Committee elected pursuant to this section if he is satisfied that the requirements of this section relating to the nominating and election process have been met. The Menominee Restoration Committee shall represent the Menominee people in the implementation of this Act and shall have no powers other than those given to it in accordance with this Act.

(b) In the absence of a completed tribal roll prepared pursuant to subsection (c) hereof and solely for the purposes of the general council meeting and the election provided for in subsection (a) hereof, all living persons on the final roll of the tribe published under section 3 of the Act of June 17, 1954 (25 U.S.C. 893), and all descendants, who are at least eighteen years of age and who possess at least one-quarter degree of Menominee Indian blood, or persons on such roll shall be entitled to attend, participate, and vote at such general council meeting and

such election. Verification of descendancy, age, and blood quantum shall be made upon oath before the Secretary or his authorized representative and his determination thereon shall be conclusive and final. The Secretary shall assure that adequate notice of such meeting and election shall be provided eligible voters.

(c) The membership roll of the tribe which was closed as of June 17, 1954, is hereby declared open. The Menominee Restoration Committee, under contract with the Secretary, shall proceed to make current the roll in accordance with the terms of this Act. The names of all enrollees who are deceased as of the date of enactment of this Act shall be stricken. The names of any descendants of an enrollee shall be added to the roll provided such descendant possesses at least one-quarter degree Menominee Indian blood. Upon installation of elected constitutional officers of the tribe, the Secretary and the Menominee Restoration Committee shall deliver their records, files, and any other material relating to enrollment matters to the tribal governing body. All further work in bringing and maintaining current the tribal roll shall be performed in such manner as may be prescribed in accordance with the tribal governing documents. Until responsibility for the tribal roll is assumed by the tribal governing body, appeals from the omission or inclusion of any name upon the tribal roll shall lie with the Secretary and his determination thereon shall be final. The Secretary shall make the final determination of each such appeal within ninety days after an appeal is initiated: *Provided*, That the time for making a final determination may be extended by mutual agreement of the Secretary and the appellant.

SEC. 5. (a) Upon request from the Menominee Restoration Committee, the Secretary shall conduct an election by secret ballot, pursuant to the provisions of the Act of June 18, 1934, as amended, for the purpose of determining the tribe's constitution and bylaws. The election shall be held within one hundred and eighty days after enactment of this Act.

(b) The Menominee Restoration Committee shall distribute to all enrolled persons who are entitled to vote in the election, at least thirty days before the election, a copy of the constitution and bylaws as drafted by the Menominee Restoration Committee which will be presented at the election, along with a brief impartial description of the constitution and bylaws. The Menominee Restoration Committee shall freely consult with persons entitled to vote in the election concerning the text and description of the constitution and bylaws. Such consultation shall not be carried on within fifty feet of the polling places on the date of the election.

(c) Within one hundred and twenty days after the tribe adopts a constitution and bylaws, the Menominee Restoration Committee shall conduct an election by secret ballot for the purpose of determining the individuals who will serve as tribal officials provided in the tribal constitution and bylaws. For the purpose of this initial election and notwithstanding any provision in the tribal constitution and bylaws to the contrary, absentee balloting shall be permitted and all tribal members who are eighteen years of age or over shall be entitled to vote in the election. All further elections of tribal officers shall be as provided in the tribal constitution and bylaws and ordinances adopted thereunder.

(d) In any election held pursuant to subsections (a) and (c) of this section, the vote of a majority of those actually voting shall be necessary and sufficient to effectuate the adoption of a tribal constitution and bylaws and the initial election of the tribe's governing body, so long as, in each such election, the total vote cast is at least 30 per centum of those entitled to vote.

SEC. 6. (a) The Secretary shall negotiate with the elected members of the Menominee



Common Stock and Voting Trust and the Board of Directors of Menominee Enterprises, Incorporated, or their authorized representatives, to develop a plan for the assumption of the assets of the corporation.

(b) The Secretary shall, subject to the terms and conditions of the plan negotiated pursuant to subsection (a) of this section, accept the assets (excluding any real property not located in or adjacent to the territory, constituting, on the effective date of this Act, the county of Menominee, Wisconsin) of Menominee Enterprises, Incorporated, but only if transferred to him by the Board of Directors of Menominee Enterprises, Incorporated, subject to the approval of the shareholders as required by the laws of Wisconsin. Such assets shall be subject to all valid existing rights, including, but not limited to, liens, outstanding taxes (local, State, and Federal), mortgages, outstanding corporate indebtedness of all types, and any other obligation. The land and other assets transferred to the Secretary pursuant to this subsection shall be subject to foreclosure or sale pursuant to the terms of any valid existing obligation in accordance with the laws and the State of Wisconsin. Subject to the conditions imposed by this section, the land transferred shall be taken in the name of the United States in trust for the tribe and shall be their reservation. The transfer of assets authorized by this section shall be exempt from all local, State, and Federal taxation.

(c) The Secretary shall accept the real property (excluding any real property not located in or adjacent to the territory constituting, on the effective date of this Act, the county of Menominee, Wisconsin) of members of the Menominee Tribe, but only if transferred to him by the Menominee owner or owners. Such property shall be subject to all valid existing rights including, but not limited to, liens, outstanding taxes (local, State, and Federal), mortgages, and any other obligations. The land transferred to the Secretary pursuant to this subsection shall be subject to foreclosure or sale pursuant to the terms of any valid existing obligation in accordance with the laws of the State of Wisconsin. Subject to the conditions imposed by this subsection, the land transferred shall be taken in the name of the United States in trust for the Menominee Tribe of Wisconsin and shall be part of their reservation. The transfer of assets authorized by this section shall be exempt from all local, State, and Federal taxation. All assets transferred under this section shall, as of the date of transfer, be exempt from all local, State, and Federal taxation.

(d) The Secretary and the Menominee Restoration Committee shall consult with appropriate State and local government officials to assure that the provision of necessary governmental services is not impaired as a result of the transfer of assets provided for in this section.

(e) For the purpose of implementing subsection (d), the State of Wisconsin may establish such local government bodies, political subdivisions, and service arrangements as will best provide the State or local government services required by the people in the territory constituting, on the effective date of this Act, the county of Menominee.

SEC. 7. The Secretary is hereby authorized to make such rules and regulations as are necessary to carry out the provisions of this Act.

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The SPEAKER. Is a second demanded?

Mr. SAYLOR. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Florida (Mr. HALEY).

Mr. HALEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Speaker, and Members of the House, the purpose of this legislation is to repeal the Menominee Termination Act and to restore the Menominee Indians of Wisconsin to trust status.

Throughout the history of this Nation we have had a varied history in our dealings with the Indian people; initially, and until the late 1800's the concepts in this country was that the only good Indian was a dead Indian. After the reservation system started in the 1800's the concept was to herd all of the Indians onto reservations in the least hospitable parts of the United States, where they were out of sight and out of mind.

Then I think probably we had some pangs of conscience, and we decided that what we really ought to do was to do everything for the Indians. We ought to provide fully for them. We ought to tell them how to run their business, and we ought to be totally paternalistic toward them. And that concept lasted, Mr. Speaker, until the late 1940's or the early 1950's, at which time we adopted a new and different policy, and that policy was that we treat the Indians as much like white people as we could. We were to try and integrate them totally into society. We were to bring their tribal structures and economies up, and then we were to terminate them; that is to say, cut them off from Federal relationships. And that is the policy of termination which the Menominee Indians fell victim to in the 1950's.

The Menominee Indians were one of the chosen tribes to receive termination, ironically, Mr. Speaker, because, first of all, they had a very high degree of acculturation of their tribal members; secondly, they had in all probability the highest economic development of any tribe of Indians in the entire United States. They had a sustained yield forest and a fine operating sawmill which provided income for the tribe, and indeed they were at the time of the passage of termination in the 1950's supplying all of the services which the BIA was supplying to other tribes, and which the BIA had previously been providing for the Menominee Indians.

And then, unfortunately, Mr. Speaker, there was a third element, an element of coercion. When one of our colleagues presented to the House a bill authorizing per capita distribution of some \$10 million in judgment funds for the Menominee Indians, when that bill reached the floor of the other body one of the Members of the other body went to Wisconsin and, in several meetings with the Menominee Indians, told them that unless they were prepared to accept termination there would be no payment of this per capita award. He managed to convince the Menominee Indians that, indeed, if they refused termination, not

only would they not receive their per capita award, but there was not even any use in fighting what the Member of the other body told them was certain. That was termination. So by act of June 17, 1954, termination was set about and completed in 1961.

Since that termination, Mr. Speaker, the Menominee Tribe of Indians has gone steadily downhill until today they totter as a tribal entity on the brink of economic collapse from one of the wealthiest and best sustained tribes of the United States. Under this policy, they have gone steadily downhill.

Indeed, a 1973 BIA economic report said that Menominee County will go under without massive help or restoration, that is to say, this act, or both.

This legislation, Mr. Speaker, would resolve that problem by repealing the termination act and restoring Federal recognition to the Menominee Indians, which would then provide an array of Federal services which are available to other federally recognized tribes and which are not now available to the Menominees, including, and most importantly, the ability to have their land held in trust so they will not have to pay property tax on it.

The legislation calls for the recasting and the recreation of tribal government and the reestablishment of tribal control. I maintain, Mr. Speaker, that it will reestablish pride of the Menominee Indians in themselves and in their tribe.

The legislation before us, Mr. Speaker, is sponsored by the gentleman from Wisconsin (Mr. FROELICH) in whose district Menominee County and what is composed of the totality of the Menominee Reservation is located. It is co-sponsored by all of the members of the Wisconsin delegation. It is supported by some 53 other cosponsors and has the strong support of not only the Bureau of Indian Affairs and the Department of the Interior but of the White House and of Melvin Laird, the Special Adviser to the White House. It is supported by all of the State and local government officials of Wisconsin, of which I am aware.

Indeed, Mr. Speaker, I know of no opposition to this legislation. Most importantly, Mr. Speaker, it is supported by the Menominee Indians and by other Indians in this Nation. Termination has been a dreaded sign to all Indian tribes in the Nation. This body can most effectively terminate the policy of termination by the passage of this legislation, which will restore to the Menominee Indians those Government services to which other Indian tribes are entitled, and remove the fear of termination from them and some other Indians, so that they can make progress and may have, indeed, their self-dignity and their tribal dignity restored.

Mr. Speaker, I urge the passage of this legislation.

Mr. Speaker, I yield to the gentleman from Florida (Mr. HALEY).

Mr. HALEY. Mr. Speaker, I thank the gentleman from Washington for yielding.

Mr. Speaker, I rise in support of this legislation. This is one of the unfortunate moves that the Congress made in terminating this tribe. I stated so at the time,

and, as it turned out, at least I was partially right.

I am glad that the gentleman from Washington made it amply clear that the misleading information that these Menominees received did not come from this side of the House. It was a year and a half later when I found out what had actually transpired on the Menominee Reservation. Had I known what I know now, or what I knew a little later, I certainly would never have brought a termination bill to the floor of this House and asked that it be passed.

I want to say this, however, in defense of the position of the House that the Menominees did have an opportunity to vote, and regardless of the fact that somebody held out a carrot, so to speak, and said that "you must do this or you are not going to get your money on the judgment you have," that was a very unfortunate situation.

I think that the only real justice that we could do here is to receive our brethren back into the many benefits that they are entitled to as Indians.

Mr. Speaker, I urge support of this bill.

Mr. MEEDS. I certainly agree with the esteemed chairman of the Interior Committee. I am certain he is correct.

Mr. SAYLOR. Mr. Speaker, we come today to the final chapter of a tragedy that was authored in the other body and approved by this House 19½ years ago. The bill before us, H.R. 10717, is not a panacea nor a permanent solution to the problems of the Menominee Tribe of Indians, nor does it undo the human suffering and economic damage imposed on these people over the past 20 years. It is not a perfect bill, Mr. Speaker, but it is a better bill than the monstrosity that was rammed through this House in 1954 as part of the mistaken "termination policy" of those times.

Those of us who stood on this floor and argued against that bill—the Menominee Termination Act—can take no pleasure today in pointing our finger at the disastrous results of that act. There is no satisfaction in saying "We told you so." Time and fate and circumstance have acted in concert with that 1954 act, and the results are all too painfully evident today in Menominee County, Wis. Compare the Menominee Tribe today, after 20 years of our grand termination policy, with the Menominee Tribe of 1954, just prior to termination.

In 1954, the Menominee Tribe was economically ahead of all other tribes in the Nation. It had more than \$10 million in trust and was realizing an annual profit from its lumber business. In less than 7 years after termination, they were on the verge of bankruptcy, and they are today financially destitute. The \$10 million is gone and the operating costs of the mill exceed its income.

In 1954, the Menominee Tribe was entitled to the full range of Federal Indian services and programs, and it was utilizing most of them. But, unlike most other tribes, the Menominees were also paying for those services. The total cost of this tribe to Uncle Sam in the year preceding termination was \$59,000. The tribe was reimbursing the American taxpayers for all other services received.

Today, Menominee County has not only cut back on those services to its people but it cannot pay for the services it does provide.

In 1954, there was a well-equipped and well-staffed hospital on the reservation. Today there is none. The people must go to the surrounding county hospitals when they are sick—and you can imagine how welcome they are in those institutions.

In 1954, the land holdings of the Menominee Tribe amounted to 234,000 acres. Today, after having been forced to sell off portions of their valuable lake fronts in order to survive, the Menominee Tribe have about 8,000 acres less than they had in 1954.

In 1954, there were more than 3,000 members of the Menominee Tribe living on their reservation. Today, after hundreds have been forced to leave home in search of employment, there are fewer than 2,500.

The sad tale goes on and on. These people have suffered economically, culturally, socially, educationally and politically over the past 20 years as the result of the mistaken policy of termination.

Today we have a chance to rectify a part of the harm we have done. This bill, restoring the tribe to Federal recognition and services, will not only provide the people with the health and education programs they gave up 20 years ago, but it will save the rest of the land from being sold off to developers and speculators. More importantly, it will permit them to save their tribe from extinction and salvage their own personal identities.

Mr. Speaker, I think the most telling argument in favor of this bill is the fact that the Menominees themselves want it passed. What kind of circumstances must these people be living under if they feel that life under the Bureau of Indian Affairs will be better? But the important thing is that this is their choice, not a choice being forced upon them as we forced termination upon them.

This administration has rejected the old termination policy and has enunciated a new Indian policy of self-determination. Under this policy, tribes will be given the opportunity to administer and operate as many of the current Federal Indian programs as they are capable of handling. The idea is to open new doors of opportunity ahead of them rather than to close doors behind them. This Congress has a number of bills pending in committee to implement this policy, and I am confident these bills will pass.

When they do, and when those new doors of opportunity are being opened to all recognized tribes, the Menominee Tribe of Wisconsin will be right there to grasp the opportunities and move ahead. I am confident that within a very few years they will have regained the position they held in 1954, before termination. And from there on, they will progress swiftly as a people.

I am also confident, Mr. Speaker, that this House today will make certain the Menominees are eligible for those opportunities and that this bill, H.R. 10717 will have the support of every Member

of this body. I urge that we pass this bill unanimously, not only for the Menominee Indians but to demonstrate to all Indians that this Congress rejects the entire idea of termination, now and for all time to come. Thank you.

Mr. Speaker, I yield such time as he may desire to the gentleman from New Mexico (Mr. LUJAN).

Mr. LUJAN. Mr. Speaker, this bill will bring some 2,500 Menominee Indian people back under Federal recognition and make them eligible again for Federal Indian programs and services. But it will do much more than that.

Prior to termination, the Menominees owned their tribal lands and its resources collectively. Their thousands of acres of prime timber lands were held intact as an economic unit.

The termination act changed the status of the land from that of tribal-owned reservation land to that of private property. And it placed the control of that property into the hands of a private corporation. Stock in that private corporation is owned by individual Menominees. The termination act provided that the stock could not be sold for 20 years.

That 20-year period ends next year, and the individual Menominees may then sell their stock. And whoever gains control of that corporation through stock purchases will gain control of one of the finest stands of timber left intact in the United States today.

Some of the land has already been sold by the corporation, as economic pressures have mounted over the years. Unless this bill is passed, the rest of the forest land, and particularly the highly desirable land around the lakes and along the Wolf River will be broken into small parcels and sold off to private interests.

I would point out that the Nation already is in the midst of a lumber and paper pulp shortage, and this is no time to be dissipating our timber resources.

The water resources of Menominee County have also suffered under termination, and this bill will stop the development pressures that threaten the Wolf River and its tributaries.

The greatest waste that has been caused by termination has been the waste of human resources. The Menominees, prior to termination, were almost totally self-sufficient. Today, hundreds of their young people have gone to the big cities to seek work. As employment declined at the lumber mill, the spirit of the people declined also, and when you visit the area today you can feel a lack of purpose among the people. This bill will restore a tribal identity that the people badly need.

But more than that, I have always believed that the answer to most men's problems lies in a good job. If a man is gainfully employed and earning a decent salary, most of his problems fall into place and he is able to work himself out of them. The lumber mill has been a borderline operation for a number of years, but the amount of taxes it is paying to local, State, and Federal governments is just about the difference between profit and loss. After restoration, the tribe will again be able to operate the



mill profitably, pay for the renovation it needs, and provide jobs for many more of their people who are now on welfare.

I submit, Mr. Speaker, that this bill represents a good economic investment for the United States, and I urge its swift passage. Thank you.

Mr. MEEDS. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I would first of all like to especially thank both the subcommittee chairman, Mr. MEEDS and the ranking Republican on the subcommittee, and Mr. LUJAN, for the personal attention which they have given to this matter.

As the chairman of the subcommittee has already indicated, back in the 1950's many people thought termination of tribal status for the Indians for the final solution to the Indian problem, so the Congress began with a number of tribes, including the Menominees.

I was in high school in 1954 when the Termination Act passed. I can remember the consternation which that act generated at the time, not only among the Menominees, but among many communities surrounding Menominee County as well, including my own. I think, as the gentleman from Pennsylvania has indicated, the facts clearly showed that the Termination Act as far as the Menominees were concerned was a failure.

I recall that in 1969, I was up in Menominee County at a county fair about 4 months after I was first elected to this body. I was asked by a number of Menominees what I thought of the chance of reversing termination. I told them that frankly I did not think at that time the chances were very good.

Well, what has happened, in short, is that in just 4 short years since that time the economic conditions have become so clearly bad in that area that the BIA has recognized the necessity to reverse termination, and I think today so has the House of Representatives.

It was as a result of that meeting in Menominee County in 1969 that as a member of the Interior Appropriations Subcommittee, I arranged with the Subcommittee chairman, Mrs. HANSON for the committee to direct the BIA to make a report to our committee on the economic status of Menominee County as a result of termination. She did that, and we all know what that study shows. I think this study is the reason this bill is here today.

Even though the Menominee County was removed from my congressional district by reapportionment and placed in the district of the gentleman from Wisconsin (Mr. FROELICH) the Eighth District, my commitment to the Menominees remains, and that is the reason I continue my involvement.

I do not want to take further time of the House to express the thoughts I believe everyone feels on this bill. The committee is for it. The Menominees are for it. The administration is for it. The BIA is for it. Mel Laird, who represented that district at the time the termination originally took place, is for it.

I hope the Members are for it now.

Again I express my thanks to the chairman of the subcommittee and the full committee and the members of both the full committee and the subcommittee, who have dealt with the problem and have given the House an opportunity to rectify a 20-year mistake.

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

Mr. OBEY. I yield to the gentleman from Washington.

Mr. MEEDS. The gentleman is aware, of course, of the recent letter from President Nixon to the National Congress of American Indians in which President Nixon indicated his very strong support for this measure.

Mr. OBEY. That is correct.

Mr. SAYLOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. FROELICH).

Mr. FROELICH. I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, the consideration of this bill today represents a historic moment in the Indian history of the United States. If the bill is approved, it will symbolize a confession of error on the part of the U.S. Government and a formal repudiation of the policy of termination that characterized the Federal Government's approach to Indians during most of the 1950's.

This bill is a carefully drafted attempt to restore Federal recognition of the Menominee people and to balance the rights of the non-Menominee minority group now living in Menominee County, Wis.

At the outset, I want to express my thanks to the distinguished chairman of the Interior Committee (Mr. HALEY) and the very able chairman of the Subcommittee on Indian Affairs (Mr. MEEDS) for the expeditious manner in which they have processed this legislation.

I also want to thank the many Members who joined me in sponsoring this legislation and my original bills, H.R. 7421 and H.R. 9078. With their timely support, they have performed a great service for the Menominee people and for Indians throughout our country. I would like to acknowledge specifically the contribution of Congressman DAVID OBEY, who introduced the first restoration bill in 1972, when he represented Menominee County in the Congress, and Congressman MANUEL LUJAN, the ranking minority member of the Subcommittee on Indian Affairs who came to the hearings in Keshena and who has been a great source of assistance and support.

Mr. Speaker, the facts developed by the Subcommittee on Indian Affairs in its consideration of this bill amply demonstrate the need for remedial legislation.

In 1951, the Menominees won a judgment of \$8.5 million against the United States for mismanaging the assets of the tribe. According to law, this judgment was deposited for the tribe in the U.S. Treasury. A decision was then made by the tribe to seek legislation authorizing distribution of part of this judgment to individual tribal members. Such legislation was introduced by former Representative Melvin R. Laird, and was passed by the House.

In the Senate, however, this per capita distribution bill was altered to reflect the policy of termination established in the House Concurrent Resolution 108, passed by the 83d Congress in 1953. The prime mover in this effort was the late Senator Arthur Watkins, who fervently believed that the U.S. Government, notwithstanding its treaty obligations to various Indian tribes, should "get out of the Indian business," close tribal roles, and withdraw from tribal members the services and assistance accorded to Indians because of their unique status.

For various reasons the Watkins version of the bill was enacted, and Federal supervision over the Menominees was terminated in 1961.

In reality, termination was "forced" upon the Menominee people. The only vote that could be construed as supporting termination came on the heels of Senator Watkins' visit to the reservation, amid great confusion and misunderstanding. At stake in the vote was the carrot of a \$1,500 per capita distribution that was tied, apparently inextricably, to something vague called termination, which Senator Watkins had said was inevitable.

At a later date, when the meaning of termination became more clear, the tribe voted unanimously to reject termination.

There was even less confusion among officials of the State government and the board of supervisors of Shawano County. They were against termination, said so repeatedly, and tried first to prevent it and then to repeal it. These efforts were discontinued only after termination became an accomplished fact that was seemingly irreversible.

In 1961, Menominee County was created by the State of Wisconsin to provide civil government for the former reservation. Menominee Enterprises, Inc., was established as the entity to control and manage the tribe's assets—primarily a sawmill and the forest land within the county. One hundred shares of stock in the corporation and one income bond were issued to each member of the tribe on the final roll.

Since 1961, for various reasons, Menominee Enterprises has been pushed to the brink of bankruptcy. Over a period of years virtually all the corporation's profits have gone into property taxes for education and other local services in the poorest county in Wisconsin.

In order to stave off financial disaster, a decision was made in the mid-1960's to begin selling Menominee land to non-Menominees. This course was designed to secure new income for the corporation and a new tax base for the county. In time, however, the decision generated great controversy.

It was highly unpopular among many Menominees, who have a deep feeling for their ancestral land; and it led eventually not only to an upheaval in the tribal leadership but also to strained relations and frictions with the new property owners.

Regrettably, the sale of Menominee land created new problems, but it did not totally lift the corporation or the county from their serious economic dif-

ficulties at this time. These acute problems remain.

In 1970, in his recommendations for Indian policy, President Nixon rejected the policy of termination, citing its "bad practical results" in the few instances in which it had been tried. Writing with the Menominees in mind, the President declared:

The removal of Federal trusteeship responsibility has produced considerable disorientation among the affected Indians and has left them unable to relate to a myriad of Federal, State, and local assistance efforts. Their economic and social condition has often been worse after termination than it was before.

Last April, in a special report, the Bureau of Indian Affairs rendered an even more sobering assessment of the crisis in Menominee County:

The economic instability of MEI combined with the elimination of public funds to the county make the situation perilous. Unless relief is made immediately available in the form of either a massive infusion of public funds or restoration, MEI will no longer be economically viable and Menominee County will go under.

These are some of the serious considerations that prompted me to introduce and strongly support the Menominee Restoration Act.

That a majority of Menominees support restoration has been evident to me for a long time. Nonetheless, I wanted to be absolutely certain that I was acting in line with majority opinion. Consequently, I distributed a questionnaire by postal patron mailing to residents of Menominee County. The question was asked:

Do you support restoration of the Menominee Tribe so that the Menominee people will be recognized as Indians and eligible for federal benefits?

Ninety-eight percent of the people who responded answered this question "yes."

Another question I asked was this: "Do you support reestablishment of a Menominee Indian Reservation?"

Eighty-three percent of the people who responded answered this question "yes."

The results listed above indicate very strong popular support among the Menominee people in Menominee County for the major objectives contained in this legislation. At no time during my involvement with this legislation have I encountered any substantial opposition among the Menominee people to the major objectives of Menominee restoration and a return to reservation status.

There is a sound constitutional basis for this legislation.

First, Congress has always enjoyed expansive authority over the affairs of Indian tribes. Were it not for the Termination Act of 1954, the Menominees of Wisconsin would today be a federally recognized tribe, with land in trust and Federal benefits. If the Congress had power to terminate the special trust relationship between the Menominees and the Government, it should also have power to restore that relationship.

Among its power, Congress has the power to enforce and implement treaties with Indian tribes. These treaties with once sovereign tribes resulted in the acquisition of vast tracts of land from

the Indians. It is these treaties which provide the primary basis for the unique status of Indians in the American system.

Second, Congress has an entirely legitimate interest in preserving the land and the forest of the Menominee Tribe of Wisconsin. Congress possesses the power to establish national forests and national parks and to preserve and protect the environment. It should also possess the power to preserve intact the land of the Menominees by placing it in trust, thereby preventing its dissipation.

Third, Congress has an interest in preserving different cultures in our pluralistic society. The restoration of an Indian reservation is one constitutional means of helping a group of individuals to preserve their heritage and to maintain rich cultural diversity in our national life. This is a proper social purpose that benefits not only the subject tribe but also the country as a whole.

Finally, Congress has the power to promote economic development among a disadvantaged people. Restoration is designed to reestablish the Menominee Reservation, fully recognize the Menominees as Indians under Federal law, and accord them the benefits that accrue to other Indians because of their unique status. Restoration should provide the setting for a much-improved economic situation among the Menominee people. My hope is to promote self-determination and self-sufficiency of the tribe through a new trust relationship.

Mr. Speaker, with one exception, I approve the description of the bill in the committee's report. I do take issue, however, with the description of the function and purpose of section 6(e), which differs markedly from my intent in sponsoring this legislation.

This subsection first appeared in my bill, H.R. 9078, after it was suggested and requested by the Menominee Indian Study Committee of the Wisconsin Legislature and it became part of H.R. 7421 as a result of an amendment offered in the subcommittee by the gentleman from New Mexico. Is that correct?

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

Mr. FROELICH. I yield to the gentleman from New Mexico.

Mr. LUJAN. That is correct. The subsection to which the gentleman refers is a part of the amendment I offered in the nature of a substitute to H.R. 7421 and appears in this legislation now. It is exactly the same language as appeared in H.R. 9078, to which the gentleman refers.

Mr. FROELICH. Mr. Speaker, I will then refer to page 6 of the committee's report, and in the fifth paragraph will read the explanation of this subsection. I quote:

Subsection (e) was included in the legislation to make clear that nothing in the Act is meant to affect in any manner the authority of the State of Wisconsin, under its laws, to make provisions for local government structures.

Would the gentleman from New Mexico expand on that interpretation as he understands the intent of that subsection?

Mr. LUJAN. I will be very happy to. As I see the section, it provides that for the purposes of implementing subsection (d) the State of Wisconsin may take appropriate action with respect to local governing bodies and political subdivisions, as it deems necessary.

I think what the gentleman from Wisconsin is driving at, and I would say the thinking behind this section, was that the Congress, in passing this bill, is handing the State of Wisconsin a congressionally created problem. My intent in including the language was to try to give the State as much leeway as Congress can give to the State in solving the problem. The main thing is to get this act implemented for the best benefit of all the citizens of Menominee County, and any tools we can provide to do that we have tried to provide in this legislation.

Mr. FROELICH. Mr. Speaker, I thank the gentleman for his interpretation.

I would like to emphasize what the gentleman said—that this subsection is for the purpose of giving the Wisconsin State Government such authority regarding local government restructuring as the State of Wisconsin deems necessary.

It was my intention, as the principal sponsor of this bill and the author of subsection 6(e) in particular, to give the State of Wisconsin the authority to restructure local government in Menominee County in the interests of the people residing therein, without resorting to a referendum vote as may be contemplated in article XIII, section 7, of the Wisconsin Constitution.

This is the intent I have always had with respect to this subsection, and it was the intent of the Menominee Indian study committee of the Wisconsin Legislature which suggested and requested the language in this provision.

I would like to set out why this provision was included in the bill.

As I noted earlier, part of the problem that led to the current drive for restoration was the sale of Menominee land by Menominee Enterprises, Inc., to non-Menominees.

The sale of tribal land was offensive to many Menominees who felt that, whatever the need or motivation for the sale, it represented a diminution of their birthright as Indians. In recent years, the sales have been discontinued; and I have reason to believe that after restoration, the tribe will seek to include in its constitution a prohibition on the sale of tribal property.

In the meantime, however, several thousand acres of land have been sold in the southeast portion of the county and are now in the possession of private owners.

One of the chief effects of restoration will be the transfer of property controlled by Menominee Enterprises into tax-exempt trust with the Secretary of the Interior. This bill also provides for the voluntary transfer into trust of property owned by individual Menominee Indians.

Inasmuch as Menominee County is not abolished by any language in this bill, it is clear that the tax base of Menominee



County and Menominee Township will consist of the property of non-Menominees, plus the property of those few Menominees who do not turn their property into trust.

The legislative history will show that I have always been concerned about the impact of restoration upon the property owners—Menominee and non-Menominee alike who will remain after restoration.

During my testimony before the Indian Affairs Subcommittee in Keshena, I stated:

We cannot enact legislation to restore the Menominee Tribe to full Indian status and reestablish the reservation in trust, without carefully considering the impact of these profound developments on all the parties who will be affected and protecting their interests.

During my testimony before the subcommittee on June 28 in Washington, I stated:

In Wisconsin, the funds to support town and county governments and the public schools are raised primarily from taxes on real property. Consequently, the cost of government in Menominee County and Menominee Township will be borne almost entirely by a small group of predominantly non-Menominee property tax payers. The taxes and assessments on the property of these people would be set by the men and women who control the government in the county (that is, the Menominee majority).

From the outset I perceived in this relationship the seeds of inequity and unfairness. I came to the conclusion that the best plan would be to abolish Menominee County at the time of restoration, and to restore the town and county lines that existed prior to termination.

Under the Wisconsin Constitution, the people of Menominee County possess the power to reject absolutely the abolition of their county. One way to induce them to abolish their county would be to make abolition a prerequisite of restoration.

Some Menominees have resisted the idea of abolishing the county. They argue the desirability of complete self-determination for the members of the tribe.

They also assert that the concern about the tax load of non-Menominee taxpayers, after restoration, is not justified because the costs of county government will dramatically decrease.

I appreciate the desire for self-determination. It is understandable and reasonable. But I cannot support a situation in which a majority of people are placed in a position to totally dominate the government and to impose their views on a small minority, without bearing any of the responsibility or burden of their actions. Representation without taxation would produce tension, if not tyranny. Pious expressions of good will, however sincere they may be, do not provide the kind of assurances and protections to which minorities are traditionally entitled in our country.

The key co-sponsor of this bill would not agree to any provision that conditioned the effective date of complete restoration upon the abolition of Menominee County. I would not agree to a bill that did not provide protection for minority property owners. Consequently, we compromised on Section 6(a), which prohibits the Secretary of the Interior from accepting Menominee land into trust for two years after enactment.

This provision would permit an orderly period of transition from the date of enactment to the time when the great bulk of the land is removed from the tax rolls of local government. During this period, all the Federal assistance for education and other gov-

ernmental functions to which the Menominees will be entitled, will be available. This should reduce the cost of local government. During the transition period, all concerned parties would be able to assess the impact of this federal assistance on the tax load of property taxpayers in Menominee County.

Dr. Rupert Theobald, the Chief of Wisconsin's Legislative Reference Service, suggests a different approach to the problem. If the bill contained a clause authorizing the State of Wisconsin to establish local government bodies to implement this Act, the constitutional referendum veto power of Menominee County residents would be superseded. In that event, no immediate restructuring of county government would be necessary. The people who controlled government in Menominee County would know that they could be put out of business if they did not conduct themselves in a responsible manner. This salutary check is lacking in the present bill. [H.R. 7421]

A provision to authorize a restructuring of local government by the State is acceptable to me. If such a provision were included in the bill, I believe Menominee land could go into trust almost immediately.

At that same hearing, State Senator Reuben LaFave, chairman of the Menominee Indian Study Committee, submitted a statement, from which I excerpt the following:

First, I want to stress the fact that the Menominee Indian Study Committee has unanimously endorsed the concept of restoration. However, it is the feeling of the committee that the future of Menominee County should not be a matter of federal determination but rather a state-local one. Accordingly the Menominee Indian Study Committee has taken the position that H.R. 7421 should be amended to include Section 6(f) as follows:

"For the purpose of implementing subsection (e), the State of Wisconsin may establish such local government bodies, political subdivisions and service arrangements as will best provide the state or local government services required by the Menominee Indian tribe."

In addition, the references made to "Menominee County" in Section 6 (c) and (d) and Section 8 should be changed to "the territory constituting, on the effective date of the Act, the County of Menominee." If the language is not amended in H.R. 7421, it will be impossible to alter the present county structure.

The record will also show that Dr. Theobald appeared at the June 28 hearing of the subcommittee, and in response to questions he explained his position on the language that is now contained in section 6(e) of this bill.

At this hearing, Chairman MEEDS expressed his opinion that such a provision would not be constitutional.

On the following day—June 29—I introduced a bill, H.R. 9078, that embodied the provision suggested by Mr. Theobald and endorsed by the Menominee Indian Study Committee. I also asked the Library of Congress to comment on the constitutionality of this proposed subsection.

I insert at the conclusion of my remarks the responsive memorandum received from the American Law Division of the Library of Congress.

Prior to the markup session of the subcommittee on July 26, a copy of the Library of Congress memorandum was conveyed to Chairman MEEDS. During the markup session the amendment was of-

fered by Mr. LUJAN and accepted by the subcommittee.

My intent is certainly made clear in the first paragraph of the Library of Congress memorandum.

There should be nothing particularly shocking about the concept of Federal supremacy advanced in this section. For instance, in 1954, when the Menominee Termination Act was passed, Congress might have authorized the State of Wisconsin to establish a new county for the Menominee Indians, to be made up of the land in the former reservation. The reservation was located in two counties—Shawano and Oconto. No congressional authorization to create a county was needed because no referendum by the people of Shawano and Oconto Counties was mandated by the Constitution before taking their land. Both Shawano and Oconto Counties exceeded 900 square miles, so that the referendum was not necessary. The people in these counties had no veto power.

Without section 6(e) in this bill, the State of Wisconsin, acting through its legislature, might not be able to dissolve a governmental structure that it created some 12 years ago.

Mr. Speaker, Congress was responsible for the problems that resulted from the Menominee Termination Act, and Congress will be responsible for any problems created by the Menominee Restoration Act. I am doing my utmost to prevent problems, and that is why section 6(e) is one of the most important provisions in the act.

If the State legislature decides that governmental services will be impaired by continuing the present local government structure in Menominee County, or if the legislature decides, at some point in the future that governmental services in Menominee County have been impaired or the rights of property owners have been jeopardized, the legislature should be authorized to correct this situation. The Menominees make up the overwhelming majority of voters in the county. If an act of the legislature is vetoed by a referendum vote or by a failure of people to vote, Congress will have created a situation in which non-taxpayers can prevent taxpayers from seeking a remedy from a congressionally-imposed problem. That is why section 6(e) is included in this bill. It provides the "check" that is needed to deter any abuse of power.

Mr. Speaker, I also wish to make a few observations with respect to section 3(d):

Nothing contained in this Act shall alter any property rights or obligations, any contractual rights or obligations, including existing fishing rights, or any obligations for taxes already levied.

Individually owned property is concentrated along the shores of several lakes in the southeast portion of Menominee County: the Legend Lakes, LaMotte Lake, Round Lake, and Moshawquit Lake. The Menominees have unlimited access to these lakes and all other lakes in the county pursuant to their treaty rights. Non-Menominees also have access to these lakes under regulation by the State of Wisconsin.

The section in question does not alter existing rights or determine existing rights, but I want to state for the record that I expect this section to preserve the rights of individual property owners to fish on these lakes without regulation by anyone except the State of Wisconsin.

It must be remembered that notwithstanding the treaty rights enjoyed by the Menominee people, Menominee Enterprises operated as a private business. It subdivided land along several lakes and it provided public access to these lakes, as required by Wisconsin law. The people who purchased lakefront property from Menominee Enterprises in good faith were largely interested in free access to the waters near their property, subject only to regulation by the State. It would be unconscionable now to subject property owners to additional regulation. A tribe that is authorized to regulate access and charge fees for fishing would be in a legal posture to take stronger action.

Although Congress should restore to the Menominee Tribe rights that were taken from them by legislation, it may not under this section restore rights that were diminished by voluntary action.

Mr. Speaker, I urge the adoption of this bill.

The material referred to follows:

THE LIBRARY OF CONGRESS,

CONGRESSIONAL RESEARCH SERVICE,

Washington, D.C., July 9, 1973.

To: Honorable Harold V. Froehlich. Attention: Mr. David Prosser.

From: American Law Division.

Subject: Indian Law; Menominee Termination Repeal; Federal Supremacy.

This is in response to your inquiry regarding the constitutionality of a provision in a bill designed to repeal the act terminating Federal supervision over the Menominee Indian Tribe of Wisconsin so as to authorize "the State of Wisconsin to restructure local government, including county government, without the necessity of holding a referendum in Menominee County, as is required by Article 13, Section 7 of the Wisconsin Constitution."

The provision, which would become renumbered subsection (e) in H.R. 7421, reads as follows:

"For the purpose of implementing subsection (d), the State of Wisconsin may establish such local government bodies, political subdivisions and service arrangements as will best provide the State or local government services required by the people in the territory constituting, on the effective date of this Act, the County of Menominee."

Article 13, Section 7 of the Wisconsin Constitution provides:

"No county with an area of nine hundred square miles or less shall be divided or have any part stricken therefrom, without submitting the question to a vote of the people of the county, nor unless a majority of all the legal voters of the county voting on the question shall vote for the same."

On its face, of course, the proposed subsection (e) does not require Wisconsin to take action which would be violative of the Constitutional provision, as other means to "restructure local government" would seem to exist which would not involve action comprehended under Article 13, Section 7. Furthermore, that article of the State Constitution seems to have been given a narrow construction by the courts. See annotations following Article 13, Section 7 in *Wisconsin Statutes Annotated*; *United States v. 2271.29 Acres, Etc.*, 31 F.2d 617 (W.D. Wis. 1928). This memorandum will proceed, however, on

the basis that under subsection (e), the State of Wisconsin would be authorized to take action involving the structure of county government which would violate the Constitutional requirement of a referendum.

Article 6, Clause 2 of the United States Constitution provides:

"This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding."

The bill to repeal the Act terminating Federal supervision over the Menominee Indian Tribe and to restore federal services to the Tribe would seem to clearly be a proper exercise of Congress' power over Indians. This power is very broad, oftentimes described as plenary. *United States v. Kagama*, 118 U.S. 375 (1886); *Morrison v. Work*, 266 U.S. 481 (1925); *McClanahan v. State Tax Commission of Arizona*, 41 U.S.L.W. 4457 (March 27, 1973); Cohen, *Handbook of Federal Indian Law*, 21-24, and has its source in several Constitutional provisions. Art. 1, § 8, cl. 3, Art. 4, § 3, cl. 2; Art. 2, § 2, cl. 2. "Congress alone has the right to determine the manner in which this country's guardianship over the Indians shall be carried out." *United States v. McGowan*, 302 U.S. 535 (1938). Furthermore, in a case involving a Federal statute whereby Oklahoma State Courts were vested with jurisdiction to determine heirship in Indian lands and to partition the lands, the Supreme Court held that the "authority of Congress to select state tribunals to perform such functions is clear." *United States v. Hellard*, 322 U.S. 363, 365 (1944). The Court went on:

"Since the power of Congress over Indian Affairs is plenary, it may waive or withdraw these duties of guardianship or entrust them to such agency—state or federal—as it chooses." 322 U.S. at 367.

Therefore, to entrust to the State of Wisconsin the authority to establish governmental entities to promote the interests of, and provide needed services to, post-termination Menominees would seem to be within the power of Congress and a legitimate exercise of its role as guardian of Indian tribes. Since it is a law made in pursuance to the constitutional power granted to Congress, it is the "Supreme Law of the Land" and state courts are bound by its dictates, "and Thing in the Constitution or Laws of any State to the Contrary notwithstanding." Article 6, Clause 2.

The classic statement of the principles of the supremacy of federal law is contained in *McCulloch v. Maryland*, 4 Wheat 316 (1819). Chief Justice Marshall stated:

"The States have no power, by taxation or otherwise, to retard, impede, burden, or in any manner control, the operations of the constitutional laws enacted by Congress to carry into execution the powers vested in the general government. This is, we think, the unavoidable consequence of that supremacy which the Constitution has declared." 4 Wheat at 436.

State constitutional provisions are subject to the supremacy of federal law. As the court in *American Federation of Labor v. Watson*, 60 F. Supp. 1010 (S.D. Fla. 1945), stated:

"The authority of the United States is supreme on all subjects which the Constitution has committed to it, and a state constitution, like a state statute, must fall if it is contrary to any provisions of the Federal organic law, or if it is in conflict with any provisions of the Federal statutes that were enacted within the scope of the power conferred upon the Congress by the Constitution." 60 F. Supp. at 1014.

See also, *Nistendirk v. McGee*, 225 F. Supp. 881 (W.D. Mo. 1963). This is not to say, however, that if the State of Wisconsin takes ac-

tion, under the authority delegated to it by Congress, which if done without such authority would violate a provision of the state constitution that the constitutional provision is therefore void. Federal law displaces state law only to the extent necessary to effectuate the federal purpose, otherwise the state law (or, in this case, constitutional provision) remains. See *Hamm v. City of Rock Hill*, 379 U.S. 306 (1964).

We have been unable to find case law concerning the specific situation envisioned by H.R. 7421. The subsection in question is entirely permissive and the State of Wisconsin, even if it chooses to take the type of actions described in the subsection, will not invariably come in conflict with the state constitutional provision (Art. 13, Section 7). In exercising the authority lawfully delegated to it by Congress, though the state is arguably authorized, by the broad terms of the subsection in question, to act in a manner which under normal circumstances would have to conform to the requirements of the state constitution. This also seems to be the intent of the provision.

The subsection does not, by its terms, excuse the State from conforming to its constitution, however, and an argument could be made that such requirements (in this case, local referendum) must still be met. It is not entirely clear, for instance, how the submission of a state proposal in this area to local referendum as required by Art. 13, § 7 would frustrate the federal purpose presently enunciated in the act. This is not a situation—at least as the bill is presently written—where a local referendum could serve to effectively nullify a federally mandated program. Subsection (e) permits the state to make governmental arrangements that will best provide the services needed by the people and, in turn, implement the termination repeal bill; it does not decree that specific projects must be undertaken (in which case, the possibility of local nullification by referendum might not be permitted) nor does it outline a course of action for the State of Wisconsin which could only be accomplished, consistent with the purposes of the federal law, by violating state constitutional requirements.

In *United States v. 2271.29 Acres, Etc.*, supra, the court was confronted with an act of Congress which authorized the Secretary of Agriculture to condemn lands within Wisconsin for use as game refuges. However, the act required the consent of the state legislature before the lands could be taken. The court, noting this requirement, stated:

"The consent required is presumably a valid consent, within the constitutional powers of the [State] Legislature. And hence the validity of the consent of the Wisconsin Legislature is a pertinent inquiry." 31 F.2d at 620. [The court went on to conclude that Art. 13, Section 7 of the Wisconsin Constitution was not a bar to the particular consent given by the state legislature in this situation].

The situations are somewhat analogous, in that the form of consent required by the game refuge act was not described by the terms of the act and, therefore, the state legislature conceivably could consent in such a way as to violate the state constitution. However, the court presumed that a valid consent was what was being required by the federal act and held the state to conformity to the state constitutional provision. In subsection (e) of the termination repeal act no action by the state is required, much less action which would trigger a requirement of the state constitution. But if action should be taken under the authority of the act which would be of the type governed by a particular provision of the state constitution, it would seem that the presumption that such action must be "valid" in terms of state law would be applicable in the same way (if



not more so) as in *United States v. 2271.29 Acres, Etc.*

For the purposes of federal supremacy the subsection might be clarified by explicitly noting that the power to take the actions outlined in the act rests exclusively with the state and that its actions—whatever they might be—can be taken notwithstanding Article 13, Section 7. The power of Congress to excuse the state from this particular requirement of its Constitution would seem to exist, assuming Congress' view that this would be the best way to facilitate its post-termination policies and fulfill its guardianship responsibilities. The assertion of federal supremacy would seem to be much clearer in this case and the state could more confidently proceed with a course of action it felt best to fulfill the responsibilities delegated to it by Congress.

Given this more spelled-out situation, the Supreme Court's decision in *James v. Valtierra*, 402 U.S. 137 (1971) is relevant to a consideration of the validity of a state constitutional provision in light of a conflicting federal statute. This was a suit by citizens of localities where housing authorities could not apply for federal low-rent housing funds because such housing proposals had been defeated at local referenda. The federal Housing Act authorizes loans and grants to state agencies for slum clearance and low-rent housing projects. The California constitution, however, required a referendum before low-rent housing could be constructed by any state public body. The Court briefly discussed the supremacy Clause argument raised by the plaintiffs:

"The three-judge court found the Supremacy Clause argument unpersuasive, and we agree. By the Housing Act of 1937 the Federal Government has offered aid to state and local governments for the creation of low-rent public housing. However, the federal legislation does not purport to require that local governments accept this or to outlaw local referendums on whether the aid should be accepted." 402 U.S. at 140.

The implication of the Court's statement is that if the federal legislation required localities to accept housing aid or if it outlawed local referenda on whether the aid should be accepted, the California constitutional provision requiring referenda in such circumstances would be inoperative in light of this federal statute. The Supremacy Clause would operate to displace the state constitutional requirement just as it would arguably serve to displace the Wisconsin constitutional requirement in light of a bill explicitly excusing the state from compliance.

We hope this discussion serves your needs. If further information is desired, please contact us.

RICHARD EHLKE,  
Legislative Attorney.

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

Mr. FROELICH. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate very much the yielding to me by the gentleman from Wisconsin. I wish particularly to join in paying respects to the Committee on the Interior for reporting this substantive and symbolic bill on the American Indians. What we are doing today in passing this bill is reversing the termination policy of 1950, not only for Menominees but for Indians across the United States, inasmuch as it has much meaning for them.

I would also want, Mr. Speaker, to note for the RECORD and before the House the extraordinary efforts which the gentle-

man from Wisconsin (Mr. FROELICH) who is now in the well, has performed in working with his constituents in Menominee County, and also with some who are my constituents and the constituents of other members of the delegation from Wisconsin, who through the years have developed a close relationship with the Menominees and with Menominee County.

Mr. Speaker, the bill is a balanced bill. I believe the two gentlemen from Wisconsin (Mr. FROELICH and Mr. OBEY) together who have led the way for this action by the House today ought to be commended and recognized for the Herculean efforts they have undertaken to make it possible to bring this kind of well-reasoned, balanced, effective bill to the floor of the House.

Mr. Speaker, I support it. I urge its passage, and I commend the gentleman for their efforts.

Mr. FROELICH. Mr. Speaker, I thank the gentleman from Wisconsin.

Would the gentleman from New Mexico (Mr. LUJAN) agree with me that this bill in its present form neither diminishes any contract rights nor adds any contract rights; it leaves everything stand, as far as contract rights are concerned, between Indians and non-Menominees, as though this bill were never passed?

Mr. LUJAN. Mr. Speaker, that certainly is my understanding. The gentleman is correct.

Mr. MEEDS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I hate to do so, but I am compelled at this point to disagree with my friend, the gentleman from Wisconsin (Mr. FROELICH) and with my friend, the gentleman from New Mexico (Mr. LUJAN) the ranking minority member of the committee.

If I understand what they are saying, it is that the language of 6(e) would authorize the State of Wisconsin to violate its own constitution.

Now, I think there is no doubt, Mr. Speaker, that this Congress has the authority to pass legislation which would do that in an area where we have plenary power as we do with regard to Indian affairs.

That, however, certainly was not the intent of the chairman of the subcommittee, and I do not think it should be the intent of this Congress to undertake that lightly.

As a matter of fact, the gentleman from Wisconsin (Mr. FROELICH) and I both asked for an opinion from the Reference Service of the Library of Congress on this question, the specific question which has been raised here, and I would like to quote from portions of that opinion.

The opinion first states as follows:

On its face, of course, the proposed subsection (e) does not require Wisconsin to take action which would be violative of the Constitutional provision, as other means to "restructure local government" would seem to exist which would not involve action comprehended under Article 13, section 7.

Later in the same opinion it is stated that—

That subsection does not—

Referring again to section 6(e)—

That subsection does not outline a course of action for the State of Wisconsin which could only be accomplished consistent with the purpose of the Federal law but violating State constitutional requirements.

Finally it also states again—

But if action should be taken under the authority of the Act which would be of the type governed by a particular provision of the State Constitution, it would seem that the presumption that such action must be "valid" in terms of State law would be applicable in the same way (if not more so) as in the U.S. vs. 2271.29 Acres.

The committee accepted this amendment, it seems to me, with the understanding that it meant to insure no Federal restriction on the action of the State regarding local government was imposed rather than attempting to say to the State of Wisconsin that you can override your own constitution on this issue. We said to them there may be some novel forms of government required and please create these forms of government, but we did not say that they should go ahead and do it despite the provisions of their own constitutional provisions.

So in the final analysis this is to insure there was no Federal restriction on the action of the State regarding local government imposed by this legislation. In doing so we relied on the interpretation of the Library of Congress Reference Service which I have just quoted.

Mr. SAYLOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. FROELICH).

Mr. FROELICH. Mr. Speaker, this reservation, this county, is in my district. I have worked long and hard to balance the interests of all parties involved in restoration.

Upon termination the State legislature set up a body called the Menominee Indian Study Committee, made up of Menominees, State officials, and State legislators. This committee upon seeing the first draft of a Menominee Indian restoration bill suggested the amendment, section 6(e), which is under dispute.

The purpose of that section very clearly was to circumvent the article in the Wisconsin State constitution which requires a referendum to change county lines or to abolish counties.

When we terminated the Menominee Reservation the State legislature created Menominee County. That reservation was located in two counties which were both over 900 square miles in size. So it was within the power of the State legislature to create that county and take the land away from the other two.

However, now, since Menominee County itself is under 900 square miles in size, the State legislature, in order to meet the requirements of the State constitution, cannot by legislation alone change the local structure. So a request was made by the Menominee Indian Study Committee and by myself to circumvent the referendum requirement of the State constitution.

The Menominee Indian Study Committee proposed the wording on the suggestion of Dr. Rupert Theobald from the Wisconsin Legislative Drafting Bureau, and they understand it to mean that the State legislature can act without a refer-

endum in the county. I understand it to mean that, and that is what the gentleman from New Mexico (Mr. LUJAN) and I were having a colloquy about. I would like to know the understanding of the gentleman from New Mexico (Mr. LUJAN) with respect to that.

Mr. LUJAN. Will the gentleman yield?

Mr. FROELICH. I yield to the gentleman.

Mr. LUJAN. There is certainly no question in my mind that that is the exact reason why this wording was put into that bill. I agree with the gentleman that that at least was my understanding at the time the bill was passed.

Mr. FRENZEL. Mr. Speaker, I strongly support H.R. 10717, repeal of termination of Federal supervision of the Menominee Indian Tribe.

Termination was popular in its time and I wish it had been more successful. But, now all parties concerned, including the BIA, and, hopefully, the Congress, feel that termination should be repealed.

A vote in favor of this bill will not only be helpful to the Menominees, but it will also show this country's Indian citizens that our Government is not reluctant to change either law or policy when the welfare of our people is the principal concern.

Mr. DERWINSKI. Mr. Speaker, as a cosponsor of the Menominee Indian restoration legislation, I am very pleased that it is before the House today, and I urge the Members to support its passage.

Mr. Speaker, I am personally familiar with the problems which the Menominee Indian Tribe has faced since the termination of Federal supervision over their property. I have observed first-hand the failure of the 1954 law which terminated this supervision, as my family and I have spent many vacations in Wisconsin near the Menominee Reservation.

My distinguished colleague, the gentleman from Wisconsin, Mr. FROELICH, main sponsor of this bill, deserves your support today, and I urge your vote for enactment of H.R. 10717, which would be of great benefit to the Menominee Indians.

Mr. KASTENMEIER. Mr. Speaker, as a cosponsor of the Menominee Restoration Act, I am pleased to rise in support of this important legislation.

In 1954, the Federal Government terminated the tribal and reservation status of the Menominee Indians of Wisconsin. Under the guise of providing an opportunity for self-determination, the Government totally abandoned the tribe. All of the longstanding provisions for the protection and maintenance of the Menominee life-style were discarded with no substantive discussion with the Menominee people, and a complicated corporate life-style was thrust on them. In effect, an experiment was conducted on the Menominee, an experiment that has had tragic and disheartening results. The time has long since come for a total and speedy restoration of tribal status to the Menominee.

The termination policy, begun following a deceptive and superficial explana-

tion to the Menominee, has been a complete disaster to the tribe. Under the federally ordered plan, the Menominee have lost their liquid assets. They have lost their hospital and school. They have been economically forced to start selling portions of their land. Unemployment in the Menominee community is around 26 percent, the highest of any Wisconsin county. The average per capita income of the tribe is \$1,028, less than a third of the Wisconsin average. More than 75 percent of the Menominee children never finish high school. Proper medical and dental care is no longer available in the community. Home value in Menominee County is one-third of the State's average. What was once the Menominee Indian Reservation, a reservation full of hope and possibilities, has become Menominee County, Wisconsin's poorest. The Menominee have even been denied their most valued possession, their cultural and historical identity. Termination has ordered that no new names be added to the official Menominee tribal roll. Termination, in effect, has brought cultural genocide to the Menominee people.

The Menominee Restoration Act will return to the Menominee people their old treaty rights, services, and protections. It will return all services provided by the Bureau of Indian Affairs, including education, health and medical services. The Act will reestablish Indian tribal status, opening the rolls for continued growth of the tribe.

Mr. Speaker, passage of the Menominee Restoration Act will bring an end to the monumental mistake that termination has been for the Wisconsin Menominee, and it will repudiate a senseless policy that is abhorrent, not only to the Menominee, but to the majority of the Indian people.

Mr. COLLINS of Texas. Mr. Speaker, at this time, I wish to express my concern over possible repercussions to the Menominee Indian people should H.R. 10717 be enacted as Federal law. Although I am aware that the intentions of those supporting this measure are to help those most deserving Americans, this legislation would, in fact, have the opposite effect. By reestablishing the Menominee Indian Reservation, we would be encouraging an environment that has a proved record as a loser.

In the vital area of education, Indian reservations show an alarming deficiency. Based on current 1970 census figures for people 25 years of age and older, Indians living on reservations show an anemic figure of 22 percent who have completed at least 4 years of high school, while the Menominees now show 26 percent in that same category. The national figure for that educational level just among rural people is 44 percent. These figures clearly show Indian reservations to be educationally inferior to both what the Menominee Indians have now and what the average rural American experiences.

Regarding employment, of the total population of Indians 16 years old and

older on reservations, only 19 percent work 50 to 52 weeks a year. The Menominees' figure shows that 31 percent of their 16 year olds and older work 50 to 52 weeks a year. The rural figure for that category is 36 percent.

Without exception, these figures show Indian reservations to be the most backward solution possible for aiding the Menominees. It should be noted that:

First. The Menominees' accomplishments on their own are currently far superior to Indian reservations in the fields of education and employment.

Second. In every case, the figures for Indian reservations were below both the current Menominee figures and the figures for all rural Americans.

Why send the Menominee Indians down to a reservation? Give them the square break and opportunity of an Irishman. Let them be a full-time American.

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Why send the Menominee Indians down to a reservation? Give them the square break and opportunity of an Irishman. Let them be a full-time American.



Mr. RUPPE. Mr. Speaker, I wish to support H.R. 10717, a bill to repeal the act terminating Federal supervision over the property and members of the Menominee Indian tribe of Wisconsin as a federally recognized, sovereign Indian tribe, and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians because of their unique status.

In 1954, by an act of Congress, the tribal status of the Menominees was terminated and Federal protection of their lands ended. Today that decision has been shown to be a mistake, and we have the opportunity to correct it. Since termination, serious financial and cultural losses to the tribe have occurred. We now have an opportunity to restore Federal recognition to the tribe, repeal the termination legislation, and hopefully, restore the faith of the Menominees in the Federal Government.

It is painful to recount the difficulties that have beset the Menominees since their federally recognized tribal status was terminated. Clearly, the tribe is in dire economic straits. The unemployment rate for their county in Wisconsin is more than twice that of the State average, and, overall, the county is the poorest in the State. The lack of adequate services to the residents is equally distressing: a school dropout rate of 75 percent and a county and its residents with hardly any medical facilities. The per capita income of Menominee County is less than a third of the State average. It is not a pleasant picture.

Although individual incomes were modest, the Menominee tribe was one of the most prosperous and self-supporting tribes in the Nation prior to their termination. It is indeed ironic that now in 1973 when the policy of Indian self-determination is enjoying its strongest support by the Federal Government, that this tribe should find itself in a poorer state of economic and community development than was the case a decade ago.

These are among the reasons why this legislation is so important. We are renewing our commitment to a tribe that was once one of the most financially responsible in the country. Moreover, we are making a statement to the other tribes in this country that is in effect a statement of conscience.

Mr. Speaker, the legislation would reverse the termination of Federal responsibility and once again make the Menominees a federally recognized tribe. I believe that this restoration of tribal status will provide the Menominees with the resources for true self-sufficiency and independence.

Mr. DON H. CLAUSEN. Mr. Speaker, I am pleased to be a cosponsor of H.R. 10717, the Menominee Restoration Act, and I strongly urge the House to give the bill its approval today.

The bill rescinds a 20-year-old bid policy of termination that has proven to be poorly conceived and short-sighted.

Enactment of this legislation will relieve great burdens from the Menominee tribe and give them the opportunity to

achieve their full potential. In addition, it will return a degree of justice to our relationship with the Menominees.

Let me stress, Mr. Speaker, that we must not confine our attention to those Indians who remain on reservations which is sometimes the easy and convenient course to take. Dealing with Indians who are geographically identifiable will not help those who have left the reservation for one reason or another or those whose tribe does not have a land base.

About as many Indians do not live on reservations as do. More than half of the Indians living in urban areas off the reservation are living below Federal poverty levels. And, yet, programs designed to assist them are often not helpful since the anonymity of urban life can prevent locating and identifying those Indians who are in need of the available assistance.

Cultural differences compound the problems of the urban Indian and most particularly those who may have grown up on the reservation. The transition to urban dweller is generally much more difficult for an Indian and we must recognize and work to alleviate the hardship involved.

I wish to be brief in my remarks today, Mr. Speaker, but I do want to express my view that the Menominee legislation, and others we have considered are merely parts of a broader, far more important problem—what is to be the relationship between the Federal Government and the native Americans?

The smothering paternalism of the past is certainly to be rejected. And, likewise, the brute force of the 19th century. But we have yet to define in any formal or informal way the direction we should take.

This is true both of the Federal Government and of the Indians. The frustration, distrust, and mutual suspicion of the past must be replaced in a comprehensive, rather than piecemeal, way.

I hope the new Assistant Secretary of the Interior for Indian Affairs can serve as the focal point for a thorough review by all Federal agencies of policies affecting the American Indian in order to determine where we are to go from here.

Again, Mr. Speaker, I urge strong support for the Menominee Restoration Act, a continued interest on the part of all Members of Congress in the needs of Indians and a renewed recognition of the contributions they have made to our Nation.

#### GENERAL LEAVE

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks at this point in the RECORD.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. HALEY) that the

House suspend the rules and pass the bill H.R. 10717.

The question was taken.

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 404, nays 3, not voting 27, as follows:

[Roll No. 532]

YEAS—404

Abdnor	Corman	Hanley
Abzug	Cotter	Hanna
Adams	Coughlin	Hansen, Idaho
Addabbo	Crane	Hansen, Wash.
Alexander	Cronin	Harrington
Anderson, Calif.	Daniel, Dan	Harsha
Andrews, N.C.	Daniel, Robert	Harvey
Andrews, N. Dak.	W. Jr.	Hastings
Annunzio	Daniels	Hays
Archer	Dominick V.	Hébert
Arends	Danielson	Hechler, W. Va.
Armstrong	Davis, S.C.	Heckler, Mass.
Ashbrook	Davis, Wis.	Heinz
Ashley	de la Garza	Helstoski
Aspin	Delaney	Henderson
Badillo	Dellenback	Hicks
Bafalis	Dellums	Hillis
Baker	Denholm	Hinschaw
Barrett	Dennis	Hogan
Bauman	Dent	Holifield
Beard	Derwinski	Holt
Bell	Devine	Holtzman
Bennett	Dickinson	Horton
Bergland	Dingell	Hosmer
Bevill	Donohue	Howard
Blester	Dorn	Huber
Blackburn	Downing	Hudnut
Boggs	Drinan	Hungate
Boland	Dulski	Hunt
Bolling	Duncan	Hutchinson
Bowen	du Pont	Ichord
Brademas	Eckhardt	Jarman
Brasco	Edwards, Ala.	Johnson, Calif.
Bray	Edwards, Calif.	Johnson, Colo.
Breaux	Ellberg	Johnson, Pa.
Breckinridge	Erlenborn	Jones, Ala.
Brinkley	Esch	Jones, N.C.
Brooks	Eshleman	Jones, Okla.
Broomfield	Evans, Colo.	Jones, Tenn.
Brotzman	Evins, Tenn.	Jordan
Brown, Calif.	Fascell	Karth
Brown, Mich.	Findley	Kastenmeier
Brown, Ohio	Fish	Kazen
Broyhill, N.C.	Fisher	Keating
Broyhill, Va.	Flood	Kemp
Burgener	Flowers	Ketchum
Burke, Calif.	Flynt	King
Burke, Fla.	Foley	Kluczyński
Burke, Mass.	Ford	Koch
Burleson, Tex.	William D.	Kuykendall
Burlison, Mo.	Forsythe	Kyros
Burton	Fountain	Latta
Butler	Fraser	Leggett
Byron	Frelinghuysen	Lehman
Camp	Frenzel	Lent
Carey, N.Y.	Frey	Litton
Carney, Ohio	Freohlich	Long, La.
Carter	Fuqua	Long, Md.
Casey, Tex.	Gaydos	Lott
Cederberg	Gettys	Lujan
Chamberlain	Gialmo	McClary
Chappell	Gibbons	McCloskey
Chisholm	Gillman	McCollister
Clancy	Ginn	McCormack
Clausen	Gonzalez	McDade
Don H.	Goodling	McEwen
Clawson, Del.	Grasso	McKay
Clay	Green, Oreg.	McKinney
Cleveland	Green, Pa.	McSpadden
Cochran	Gross	Macdonald
Cohen	Grover	Madden
Collier	Gubser	Madigan
Collins, Ill.	Gude	Mahon
Conable	Gunter	Mallory
Conlan	Guyer	Mann
Conte	Haley	Maraziti
Conyers	Hamilton	Martin, Nebr.
	Hammer-	Martin, N.C.
	schmidt	Mathias, Calif.

Mathis, Ga.	Regula	Stuckey
Matsunaga	Reuss	Studds
Mayne	Rhodes	Sullivan
Mazzoli	Riegle	Symington
Meeds	Rinaldo	Symms
Melcher	Roberts	Talcott
Metcalfe	Robinson, Va.	Taylor, Mo.
Mezvinisky	Robison, N.Y.	Taylor, N.C.
Michel	Rodino	Teague, Calif.
Milford	Roe	Teague, Tex.
Miller	Rogers	Thompson, N.J.
Minish	Roncallo, Wyo.	Thomson, Wis.
Mink	Roncallo, N.Y.	Thone
Minshall, Ohio	Rooney, Pa.	Thornton
Mitchell, Md.	Rose	Thornan
Mitchell, N.Y.	Rosenthal	Towell, Nev.
Mizell	Rostenkowski	Treen
Moakley	Roush	Udall
Mollohan	Roy	Ullman
Montgomery	Roybal	Van Deerin
Moorhead, Calif.	Runnels	Vander Jagt
Moorhead, Pa.	Ruppe	Vanik
Mosher	Ruth	Veysey
Moss	Ryan	Vigorito
Murphy, Ill.	St Germain	Waggonner
Murphy, N.Y.	Sarasin	Waldie
Myers	Sarbanes	Walsh
Natcher	Satterfield	Wampler
Nedzi	Saylor	Ware
Nelsen	Scherle	Whalen
Nichols	Schneebell	White
Nix	Schroeder	Whitehurst
O'Bye	Sebellius	Whitten
O'Brien	Seiberling	Widnall
O'Hara	Shipley	Wiggins
O'Neill	Shoup	Williams
Owens	Shriver	Wilson, Bob
Parris	Shuster	Wilson,
Patten	Sikes	Charles H.,
Pepper	Skubitz	Calif.
Perkins	Slack	Wilson,
Pettis	Smith, Iowa	Charles, Tex.
Peyser	Smith, N.Y.	Winn
Pickle	Snyder	Wolff
Pike	Spence	Wright
Poage	Staggers	Wyatt
Podell	Stanton,	Wydler
Powell, Ohio	J. William	Wyllie
Preyer	Stanton,	Wyman
Price, Ill.	James V.	Yates
Price, Tex.	Stark	Yatron
Pritchard	Steed	Young, Alaska
Quie	Steele	Young, Fla.
Quillen	Steelman	Young, Ga.
Railsback	Steiger, Ariz.	Young, Ill.
Randall	Steiger, Wis.	Young, S.C.
Rangel	Stephens	Young, Tex.
Rarick	Stokes	Zablocki
Rees	Stratton	Zion
	Stubblefield	Zwach

NAYS—3

Collins, Tex. Hanrahan Landgrebe

NOT VOTING—27

Anderson, Ill.	Ford, Gerald R.	Mills, Ark.
Biaggi	Fulton	Morgan
Bingham	Goldwater	Passman
Blatnik	Gray	Patman
Buchanan	Griffiths	Reid
Clark	Hawkins	Rooney, N.Y.
Culver	Landrum	Rousslot
Davis, Ga.	McFall	Sandman
Diggs	Mailliard	Sisk

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Gerald R. Ford.

Mr. Culver with Mr. Hawkins.

Mr. Fulton with Mr. Rousslot.

Mr. Bingham with Mr. Patman.

Mr. McFall with Mr. Gray.

Mr. Mills of Arkansas with Mr. Goldwater.

Mr. Morgan with Mr. Anderson of Illinois.

Mr. Biaggi with Mrs. Griffiths.

Mr. Passman with Mr. Landrum.

Mr. Reid with Mr. Blatnik.

Mr. Clark with Mr. Mailliard.

Mr. Davis of Georgia with Mr. Buchanan.

Mr. Diggs with Mr. Sisk.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### APPOINTMENT OF CONFEREES ON S. 2408, TO AUTHORIZE CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2408) to authorize certain construction at military installations, and for other purposes, with House amendments thereto, insist on the House amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? The Chair hears none and appoints the following conferees: Messrs. HÉBERT, PIKE, BENNETT, STRATTON, BRAY, KING, and WHITEHURST.

#### EMERGENCY PETROLEUM ACT OF 1973

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 593 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 593

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9681) to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation for authority; and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 9681, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1570, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 9681 as passed by the House.

The SPEAKER. The gentleman from Indiana is recognized for 1 hour.

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

Mr. Speaker, House Resolution 593 provides for an open rule with 1 hour of general debate on H.R. 9681, a bill requiring the President of the United States to implement a mandatory allocation program to minimize dislocations in the distribution of crude oil, residual fuel oil, and refined petroleum products.

House Resolution 593 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment.

House Resolution 593 also provides that after the passage of H.R. 9681, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1570, and it shall then be in order in the House to move to strike out all after the enacting clause of S. 1570 and insert in lieu thereof the provisions contained in H.R. 9681 as passed by the House.

H.R. 9681 requires the President to adopt within 10 days of enactment and to implement within 15 days thereafter a program providing for the mandatory allocation of oil and petroleum products. He must, to the extent practicable, direct allocations to be made to guarantee to independent nonbranded marketers of petroleum products a supply equal to that which they were able to obtain in calendar year 1972.

The President may also preempt State allocation programs which conflict with the national allocation scheme and he must direct the Federal Trade Commission to monitor the program and report on its effectiveness to the Congress within 60 days after implementation.

Mr. Speaker, I urge adoption of House Resolution 593 in order that we may discuss and debate H.R. 9681.

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

Mr. Speaker, House Resolution 593 provides for the consideration of H.R. 9681, Emergency Petroleum Allocation Act of 1973, under an open rule with 1 hour of general debate. This rule also makes the committee substitute in order as an original bill for the purpose of amendment, and makes it in order to insert the House-passed language in the Senate bill (S. 1570).

The primary purpose of H.R. 9681 is to establish a mandatory allocation system for crude oil, residual fuel oil, and refined petroleum products.

More specifically, this bill directs the President to adopt within 10 days of enactment and to implement 15 days thereafter a mandatory allocation program for crude oil, residual oil, and refined petroleum products. H.R. 9681 directs insofar as possible that allocations be made to guarantee to independent marketers of petroleum a supply equal to that which they were able to obtain in calendar year 1972. This bill preempts State allocation programs which conflict



with the allocation system in this bill. The FTC is directed to monitor the program and to report to the Congress within 60 days. The bill would allocate crude oil from the well level.

Enforcement may be obtained through court injunction process. In addition, private actions are permitted to compel adherence to the regulations or to recover damages for violations.

The Committee on Interstate and Foreign Commerce estimates that this bill can be fully implemented without requiring new expenditures. According to the committee report some other estimates have said that 500 lawyers would have to be hired to carry out the provisions of the bill. If these estimates are accepted, then the cost of the bill would be about \$15,000,000 over the 18 month life of the program.

Mr. MADDEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. VANIK).

(By unanimous consent, Mr. VANIK was allowed to speak out of order.)

#### PROPOSED AMENDMENT TO THE TRADE BILL

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point on the trade bill, and to include therein a copy of the amendment to the trade bill which I hope that the Committee on Rules will make in order when it considers the rule on the trade bill later this week.

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

Mr. VANIK. Mr. Speaker, on October 3, when the Ways and Means Committee reported out the trade bill, the committee voted to request a closed rule waiving all points of order and permitting the House to vote only on titles IV and V.

A week before that final vote and without prior notice—although the freedom of emigration amendment relating to favored nation status and credits was before the committee for 7 months—a point of order was raised against that portion of the amendment relating to credits. On September 26, the point of order was sustained by the chairman and by the committee on a 12 to 12 vote.

The unprecedented point of order was not made to purify the procedure process, since the bill as reported was subject to numerous points of order.

Points of order ignored by the committee and on which the committee requests a waiver involve the jurisdiction of the Rules Committee, the Foreign Affairs Committee, the Judiciary Committee, the Government Operations Committee, the Education and Labor Committee, the Banking and Currency Committee, the Public Works Committee, and the House Administration Committee—almost no committee is overlooked.

I do not concede that the language of the freedom of emigration amendment relating to credits encroaches upon the jurisdiction of another committee. It refers to the issue of credits generally

as they affect trade policy. As we discovered last year, credits are to trade what bread is to butter—you cannot have one without the other.

The point of order was interjected, because of opposition to the substantive effect of the legislation which would bar credits to nonmarket economy countries unless the President first determines that discrimination does not exist with respect to emigration.

The omission of the sections on credits shatters the amendment. MFN is largely a matter of "status." All the major deals and agreements of the past year and a half took place without MFN. The real opportunity to make the feelings of the American people known, in action, on major questions of human rights lies with the section on credits.

The credits which would have been covered by the amendment are taxpayer subsidies. There are basic questions as to the propriety of these subsidies anywhere. There is certainly serious question about the need to extend these taxpayer subsidized credits to nonmarket economy countries—and there can be no question that such taxpayer-subsidized credits are not a "right."

We must build détente—we should not attempt to buy it. But, the extent of the credits which have been granted in the past year and a half indicate that we are trying to purchase a friendship. It has been estimated that the taxpayer costs for the credit extensions already on the horizon will exceed a half billion dollars.

I can support title IV of the trade bill if it includes the language on credits as originally drafted. Two hundred and eighty-eight of our colleagues have cosponsored the language of the freedom of emigration amendment as it applies to both the most favored nation tariff status and to credits. They deserve an opportunity to vote on this issue.

When the trade bill, H.R. 10710, comes before the full House of Representatives, I will seek to offer an amendment to restore the full text of the original language of the freedom of emigration amendment. The language of the amendment which I hope to offer is as follows:

#### AMENDMENTS TO H.R. 10710, AS REPORTED OFFERED BY MR. VANIK

Page 129, line 25, after "treatment)," insert the following: "such country shall not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly or indirectly."

Page 130, line 20, strike out "and (B)" and insert the following: ", (B) such country may participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, and (C)".

Page 131, line 6, after "received", insert the following: ", such credits or guarantees extended."

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, the matter of mandatory allocation of fuel is a very

complex problem; and either way we go, I am afraid we may cause as much difficulty, or harm, as we hope to accomplish good.

During the amendment period, I am going to offer amendments, as some other Members of the House will. I wish to preface the debate on this bill, however, by pointing out some of the things about which I have reservations.

The committee has a serious problem before it, and I say that we are going to cause more damage than we are going to cause good. Now, in the first place, I do not think that it is necessary to pass this bill.

We have already given to the President the authority to impose mandatory fuel allocations, if in his judgment he thinks it should be necessary. We have given him that authority under previous legislation. We do not need to give him any more law in order to put into effect a program of this kind.

The President, in addition, has already announced an allocation program. He has said that we will have a program for propane, for heating oil, kerosene, middle distillates, and jet fuel. The proposed rules have already been published in the Federal Register and are to go into effect on November 1.

Some of the rules have already been publicized in detail, particularly that with reference to propane.

So the President, first, has the authority, and, second, he has already put into force and announced the rules and regulations for a mandatory program. So all we are doing really, if we pass this rule, and the bill, is to say that we are going to force the President to do that which he has already done.

Mr. Speaker, the desire is so intense, though, that we have "an equitable distribution of petroleum products" that I think I sense what many Members of the House will probably do, and that is we are going to say that we are going to spread these products equally throughout the United States—a very admirable goal, and pass this bill.

That is a very admirable goal, because we do have a shortage and something must be done. I presume we will have to have some kind of an allocation program. It is much better for us to have this program as announced by the President and let it be administered by the President, or a policy committee, than it is for us to put laws on the books.

Mr. LONG of Maryland. Will the gentleman yield?

Mr. PICKLE. I will when I am finished, and I hope I will have additional time.

Mr. Speaker, we have passed previous bills in the area of economic controls, hoping that this would be the proper thing to do. All of us have seen the great difficulty resulting from the Economic Stabilization Act. If we pass this bill, we are really opening up another can of worms, which is much harder to administer under the legislation we have than the program announced by the President. He has the authority and has

already announced the program. It will cause more trouble than it will help.

Some of us have a particularly serious problem about individual parts of this bill, that is, the part with reference to, in my particular instance, the producers at the wellhead. That would be an absolute nightmare to administer. They cannot do it, and the administration does not want it.

Mr. Speaker, I think it is proper at this time if I would read to the committee a letter which Mr. John Love, assistant to the President, has written to Chairman STAGGERS and which I presume was made known at the Committee on Rules hearing, because he appeared there last Thursday.

Mr. STAGGERS. Will the gentleman yield?

Mr. PICKLE. I yield to the gentleman.

Mr. STAGGERS. He did not write the letter until after he came back from the Committee on Rules meeting and then wrote me the letter, which I received the next day.

Mr. PICKLE. I am glad to have that clarification. I have not seen it until today.

On last Wednesday afternoon, at 3 or 4 o'clock, Mr. Love was asked to testify the next morning before the Committee on Rules, so he had no chance to prepare the letter then. He prepared it, I assume, to follow through on his appearance. I think it is well for the House to listen to Mr. Love.

The SPEAKER. The time of the gentleman has expired.

Mr. PICKLE. Will the chairman of the committee yield me some additional time?

Mr. MADDEN. This is an open rule with 1 hour of general debate, and I have no further time to yield.

Mr. LATTA. Mr. Speaker, I yield the gentleman 5 minutes.

Mr. PICKLE. I thank the gentleman very much.

I thank the chairman of the committee for yielding me the time at the beginning of the debate, and particularly I thank the gentleman from Ohio for yielding me this additional time.

Now let me hurriedly read you a portion of that letter. It reads as follows:

OCTOBER 11, 1973.

HON. HARLEY O. STAGGERS,  
Chairman, Committee on Interstate and Foreign Commerce, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN STAGGERS: The President has asked that I respond to your letter of September 27, 1973 which requested his views on the Emergency Petroleum Allocation Act of 1973 (H.R. 9681).

I announced on October 2 that the Administration is proceeding with a program for mandatory allocation of propane immediately and that we would announce the specifics of a program for mandatory allocation of middle distillates such as home heating oil and related fuels. We are hopeful that we can publish a detailed program for allocation of distillates sometime this week. Although we have not yet finalized the details of the program I believe that it will follow generally the format of the program which we published for comment in the *Federal Register* on August 9, 1973.

Mr. Chairman, the Administration is opposed to the enactment of H.R. 9681. I am very concerned about some of the specific provisions it contains. I believe that these provisions unduly restrict the latitude necessary to administer the program and that certain provisions will have a serious negative, although unintended, impact upon the availability of supplies. In view of the Administration's intention to allocate propane and distillates, as well as our willingness to allocate gasoline, if necessary, I urge that we be allowed to proceed with our announced plans under the authority of the Economic Stabilization Act Amendments of 1973, specifically the so-called Eagleton Amendment. I am convinced that compliance with H.R. 9681 will require major revisions and a whole new start on implementing our mandatory allocation systems, and that such a restart will have a further counter-productive impact upon the availability of supplies and the industry's ability to comply.

I believe we share a common goal. We are all interested in insuring that to the greatest extent possible all consumers in this country receive adequate supplies of clean, reasonably priced fuel. In addition, we are determined to preserve the independent sectors of the petroleum industry. However, I suggest that we also must adopt the concurrent goals of providing more energy supplies and insuring continued growth in all sectors of the petroleum industry as well as reducing demand. Our allocation programs must specifically consider the necessity of increased domestic production, construction of needed new refineries, and increased imports.

My first specific concern is with the provision of H.R. 9681 that all "branded and non-branded independent marketers" be allocated a continuing percentage or proportional share of all available refined products versus an absolute historical level. My reasons for objecting to this provision are as follows:

(1) I believe this provision constitutes a strong disincentive to obtaining needed imports and increasing domestic refinery production; refining companies would be asked to incur increased expenses and make new investments to increase an output which they could not control, a substantial portion of which would be marketed by competitors.

(2) A system which provides a constant share-of-the-market-versus-a-historical-quality insures that any individual or corporation operating in 1972 (or in the future) will be guaranteed not only his historical absolute levels of supplies, but an increasing quantity of petroleum products for sale. This constitutes an indirect subsidy system, insuring sales and almost insuring profits regardless of relative efficiency or competitiveness. It will result in the development of a substantial vested interest and considerable pressure to continue the system indefinitely.

(3) We believe that any system must have a reasonable degree of flexibility, not only for the Government, but for the industry. This will be necessary to respond to regional variations in weather severity, natural gas curtailments, and emergencies. If we must allocate all fuels, we have no slack, no ability to respond. Any shift in supplies must be taken from someone else—a difficult task. It is imperative that we allocate based on some historical period to allow the increment in growing supplies to be directed as necessary. I am extremely concerned that allocation of a continuing percentage or proportional share of all refined products will result in an administrative nightmare. With changing levels of supply, hopefully increasing, allocations to every wholesale purchaser will have to be recalculated, reassigned, and possibly even renegotiated every period. I cannot believe that such a system could

work; I am convinced that it will have a very strong negative effect on the incentive for the industry to increase imports and increase domestic refinery capacity.

I am convinced that an allocation program for distillates and probably for gasoline must be based on the principle of providing all wholesale purchasers with 100 percent of their 1972 level of supplies and to allow some supplies to flow directly to shortage areas.

I am equally concerned about the provisions which H.R. 9681 provides for allocating crude oil.

(1) Similar to my reservations about the product program expressed above, I believe that a pro-rata sharing of all new production will have a disincentive on needed new domestic production.

(2) The system implies that the President must control the production of all domestic crude oil, except that exempted by paragraph 4(d). With thousands of producers in this country and many thousands of wells, this is virtually an impossible administrative task.

(3) The exemption of stripper wells, wells that produce less than 10 barrels per day, could result in reduced production from some fields and possibly even drilling of essentially unnecessary new holes to produce wells beneath the artificial ceiling. In addition, almost every producer in the country has some stripper wells which would meet the specifications. Under the provisions of H.R. 9681 each producer would be required to separate his stripper wells from the rest of his operations for allocation and financial purposes, further complicating the administrative maze.

I strongly urge that legislation not be enacted which would require the President to regulate domestic crude oil production. Rather, given the entire domestic output, if we must control crude oil, we would prefer to attempt to distribute these supplies equitably at the refinery level (not the production level).

Further, I recommend that the Administration should be allowed flexibility in determining whether to adopt a program for mandatory allocation of crude oil. Virtually all of the comments which the Administration received from independent refiners in response to the proposed mandatory allocation for crude oil published on August 9, 1973 opposed implementation of a mandatory allocation program at this time. Our information indicates that virtually all domestic refineries are operating at or near peak capacity and that there is very little problem in securing supplies at this time, even in the independent refining sector. I shall be glad to provide additional information or to discuss this matter with you further if you desire.

Whereas I completely share the concern about the continued viability of all independent sectors of the petroleum industry, I believe that H.R. 9681 is unjustifiably imbalanced. For example, there is no provision in H.R. 9681 which allows the President to allocate fuel to new wholesale purchasers which are owned by or controlled by a non-independent refiner. I believe the lack of such provisions would be tested in the courts and found to be discriminatory. Further, I am concerned that the definition of an independent refiner is based on the arbitrary consideration of percentage of controlled domestic crude production. As it stands, this definition would include at least one major refiner and possibly exclude some small refiners. I am concerned that we will not be able to effectively administer exchanges nor sort through the intricate details of affiliated companies to make a determination as to which companies actually control how much crude oil. I recommend that under any program the definition of an independent re-



finer should be based on total corporate refining capacity, for example, 175,000 barrels per day as proposed by the Administration.

I am concerned about the statement in the report which states that the bill, as amended, can be fully implemented without requiring new expenditures or obligational authority. As described above, H.R. 9681 incorporates a number of tedious and unworkable provisions. I am convinced that we will require thousands of people to administer such a system and that the costs could easily exceed \$50 million for the 18-month life of the program. Any mandatory allocation program will require specific provision for funding.

My last objection involves my concern about changing horses in the middle of the stream. I strongly believe that the programs which we have announced will best remedy both the supply and distribution problems. I can assure you that enactment of H.R. 9681 would involve extensive changes to all current allocation systems, unnecessary delay, and considerable confusion. Such a restart will have a further counter-productive impact on the availability of supplies and the industry's ability to comply with any program.

In conclusion, Mr. Chairman, I restate the administration's commitment to proceed with allocation of both propane and distillates immediately and other fuels as necessary. I ask your very serious consideration of my reservations both about the implicit complexity of the petroleum product and crude oil programs in H.R. 9681, a complexity which I believe will not only make the system administratively unworkable, but reduce available supplies. I urge that the Administration be allowed to proceed with its announced programs as the best possible solution to our current distribution and supply problems.

Sincerely,

JOHN A. LOVE,  
Assistant to the President.

Then, Mr. Speaker, the letter goes on to point out in detail some of the portions of the bill that are very strongly objected to. I ask to make this letter a part of the RECORD, and I will discuss it later on.

Some representatives of the industry have been telling us that we are going to have a shortage of fuel. Most of those warnings have been met with either disdain or with disregard. It was contended that there is no shortage, either in the area of natural gas, or in the area of fuel, and that the shortage was contrived, and was arbitrary, and this was imaginative, and there really was not a crisis.

Obviously we are facing a critical situation. Obviously the industry, and the refining industry particularly, must see that their products are equally distributed. But to say that we do it by this particular act is the wrong approach in my judgment.

Although some have said that there has been no shortage, now the very people who have proclaimed the loudest that there is no shortage are those who are coming here and asking by a mandatory allocation program that they be given supplies that they said there was no shortage of.

Understandably, the people in their part of the country are going to want to be sure that they have a supply of fuel. The north and east have a problem of

heating fuel. I understand that. But, believe me, I have a problem in Austin, Tex., where my city has been cut off or curtailed from natural gas off and on for over a year.

So this problem is not related solely to the north or the east, or midwest—it is a national problem. Although this bill does not concern itself with natural gas, and I presume it should not under the circumstances, still this is a problem.

So the more we fiddle with this bill, and the more we will try to legislate in detail, the more problem we are going to create. If the President did not have the authority and if he had not already announced the program, then I would say that perhaps we have reached a point in Congress that we have got to take this positive action. But that is not the case. Therefore it seems to me that the proper thing is to vote against this rule and, if that fails, then I am sure we can offer some amendments that must be made so this bill can be workable under the circumstances.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I will yield to the gentleman from Maryland if I have any time left.

Mr. LONG of Maryland. I thank the gentleman for yielding.

Mr. Speaker, I am puzzled about whether or not the administration proposes to or does include gasoline in this mandatory allocation. Does it? It is my understanding that there is some question about this. Does it include gasoline?

Mr. PICKLE. I would not propose to be the spokesman for the whole arrangement. But I did read a portion of the letter just now from Mr. Love in which he said—

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

Mr. PICKLE. May I have 1 additional minute so that I may answer the gentleman from Maryland?

Mr. LATTI. Mr. Speaker, I yield 1 additional minute to the gentleman from Texas.

Mr. PICKLE. This is what Mr. Love said in his letter:

In view of the administration's intention to allocate propane and distillates, as well as our willingness to allocate gasoline, if necessary, . . .

And that is as far as he goes. I am not in a position to speak for the administration.

Mr. LONG of Maryland. I have one additional question to clarify this. As I understand, the administration is planning only on hikes of one-cent increments that may be placed, and that fractional increases are to be absorbed by the dealers. This is causing a great deal of hardship. That is my understanding. I wonder if this bill would correct that?

Mr. PICKLE. I am not in a position to comment in detail on that. I understand they have planned pass on increases, and they are going to pass on the fractional increases to the retailers, but these are details of this bill that we will have to go over later.

Mr. MACDONALD. Mr. Speaker, if the gentleman will yield, the answer to the question posed by the gentleman from Maryland (Mr. LONG) is no. Gasoline is not in the presidential plan, nor is crude oil, the two things that are the most important subjects that we have before us.

Gasoline should be in or we will be going through the same thing next summer as we went through this summer.

Mr. LONG of Maryland. This bill is a real contribution.

The SPEAKER. The time of the gentleman has expired.

Mr. LATTI. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. HEINZ).

(By unanimous consent, Mr. HEINZ was allowed to speak out of order.)

#### EMERGENCY MEDICAL SERVICES ACT OF 1973

Mr. HEINZ. Mr. Speaker, yesterday the Public Health and Environment Subcommittee reported the Emergency Medical Services Act of 1973.

I rise to compliment Chairman PAUL ROGERS on this prompt action on behalf of the American people.

There had been speculation that the bill might be bottled up to embarrass those who voted to successfully sustain the President's veto of S. 504. However, Chairman ROGERS' timely leadership clearly puts the people's interest ahead of partisan politics and paves the way for a successful bipartisan partnership to make emergency medical services a reality.

Inasmuch as the Senate has already passed a similar bill, I respectfully urge prompt consideration by the House.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution. The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. PICKLE) there were—ayes 115, noes 32.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9681) to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority; and for other purposes.

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

The motion was agreed to.

#### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9681, with Mr. CHARLES H. WILSON of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. BROWN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I rise in support of the bill H.R. 9681, a bill to mandate the equitable allocation of crude oil and certain petroleum products during times of shortage.

Mr. Chairman, we as a nation now face critical shortages in petroleum products. Farmers have been unable to obtain fuel to dry their crops. School districts are not able to secure adequate supplies of heating oil and homeowners—especially in the Northeastern quadrant of this country—face an uncertain fate in this coming winter. Distributors of petroleum products not affiliated with major oil companies are being forced out of business in increasing numbers.

The need for a mandatory allocation program is well established. Yet the President—until very recently—has failed to use the authority which Congress has given to him to implement such a program. Instead, he has relied on voluntary controls. These simply have not worked as, I am sure, your constituent mail will tell you.

This bill directs the President to implement a mandatory program for the allocation of crude oil, residential fuel oil and refined petroleum products. One week after the Committee reported this bill the President announced that he was acting to order the mandatory allocation of propane and home heating oil.

This is a much needed step but it is far too limited. Critical shortages also exist in gasoline and residual fuel oil. Moreover, experts have repeatedly told us that no allocation program can work unless it also reaches the base product, crude oil.

The committee believes that we must implement a comprehensive allocation program and that is what is called for in this legislation. A partial program such as was recently announced by the President will create more problems than it will solve.

Mr. Chairman, the President has already assembled the necessary staff. A full-scale mandatory allocation program such as is called for in this bill has been drafted and awaits only the President's decision to implement it.

We can wait no longer for that decision. We must act now to get an equitable distribution of these short supplies.

The legislation which the committee has reported can be briefly summarized. Under its terms, the President is directed to adopt a mandatory fuel allocation program within ten days of enactment and to make it effective fifteen days thereafter. The program is to encompass crude oil, residual fuel oil and refined petroleum products, and must be structured to accomplish specifically defined congressional objectives which establish priority needs and goals.

The Federal Trade Commission is di-

rected to monitor the program and report on its effectiveness.

The committee has attempted to cast this legislation in very general terms. The committee well recognizes that the petroleum industry is very large and complex. Great care was taken in the drafting of this legislation to give the President adequate flexibility to develop and amend the allocation program in a manner which can be responsive to changes in the industry while at the same time assuring that economic forces do not act so as to defeat the goals set forth by the Congress.

I know that several of my colleagues in the House are concerned that specific needs are met under the allocation program and intend to offer appropriate amendments to the bill. I ask my colleagues to recognize, however, that there is a substantial risk that in defining the goals in more specific terms we will deny the President needed flexibility to accomplish our overall objectives.

In this bill we are trying to see that all parts of the country are treated fairly. This is not a permanent bill. This is intended only to take care of the crisis. We hope the problem will be solved and we believe it can be. This bill expires in 18 months, on February 28, 1975. We think we must do this. We have to put this into effect.

Regardless of what the gentleman from Texas said, all Americans should be treated fairly. We hope to do that and we intend to do just that so we can take care of the welfare of all Americans and not favor just one section of America. The only way we can do it is by this bill.

We allow the President all the latitude in the world. We tell him certain things shall be done but we do not tell him to do those things. We know it will be impossible to tell him by statute how these things must be done. We tell him it must be done.

They have been working on this program for a long time. We were assured by the then Assistant Secretary of the Treasury that within 7 days we would have before us a mandatory allocation program. I saw him at the White House reception last week and he apologized to me several times and said he was not able to keep his promise because of different opinions from different people, but he said again he thought it was an approach which was still needed in this land.

If we do not do this there is going to be a great deal of hardship in this land. A great many industries will be closed. The farmers need the feed grains for their stock and chemicals and plastics are needed and if we do not supply the fuel or energy all these things will suffer.

My good friend, the gentleman from Texas—and he is my good friend—said we do not need this bill. He would agree, I think, that allocations of propane are needed but the gentleman does not believe allocations of crude oil and other things are required. We are trying to take into consideration the whole spectrum of fuel and not just one thing.

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

Mr. STAGGERS. I do not yield to the gentleman.

Mr. PICKLE. Mr. Chairman, if the gentleman will yield, I challenge that statement. Of course I hope I speak for the producers of Texas but I also speak for the people of America just as much as the gentleman from West Virginia. The gentleman does not have to give me his "Edgar Guest" speech at this point.

Mr. STAGGERS. Fine, but I am telling the gentleman I am trying to talk for all the people of America and talk for all the sections of this land. I am not saying the gentleman is not and I do not blame him for talking about the interest of his own section. I would if it were in the interest of my people, people from West Virginia. We are elected to represent our own areas. If we do not do that we are not going to be sent back. I know that.

Mr. PICKLE. That has nothing to do with this bill. The gentleman can make that speech and I know it will be accepted in some spirit of amusement here on this floor, but that is not a fact.

Mr. STAGGERS. Mr. Chairman, I do not yield.

I do not intend to be derogatory to the gentleman from Texas at all. I do talk to represent the interest of the people of my district because I realize if I do not they will not be represented.

Mr. Chairman, I want to conclude by saying that if we allow this situation to continue there will be thousands more of independent gasoline dealers in this land who will have to close, many sections of the country will not have heating oil for this winter, which is almost upon us now, and there will be many farmers as well as others who will not get the fuel needed if we do not do something now. This problem has to be solved now.

I think we can be pretty sure if the House passes this bill today that the Senate will take it. They know the seriousness of the problem. I believe every congressman in this House has heard about it and about the seriousness of this situation from constituents in his own district and from every district in America.

I think the time has come now. This has been considered by all of our committee, I think wisely, and all of the amendments which probably will be offered have been submitted to the committee. They were defeated overwhelmingly, because at the time we considered that we should get something done now.

Mr. BROWN of Ohio. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am speaking today in support of H.R. 9681, the bill that would authorize and direct the President of the United States to develop and implement a program for the mandatory allocation of crude oil, residual oil and refined petroleum products.

#### THE BILL

First, I should emphasize that H.R. 9681 is a directive to the President which requires him and his designees in the administration to develop a mandatory fuels allocation program within 10 days of the enactment of this act. Second, this bill requires him to implement that program 15 days thereafter. Third, the legislation recommends that the President,



insofar as is practicable, adhere to certain broad and general objectives, outlined in the bill, in formulating the allocation program. Note that these objectives are not offered in any priority order. Hopefully, as conditions allow, each objective can be attained in the program. Fourth, the bill mandates the President to attempt to insure that direct allocations be made to guarantee to independent marketers a petroleum supply equal to that which they were able to obtain in 1972, with equitable adjustments. Fifth, H.R. 9681 would preempt State allocation programs which conflict with that program to be issued by the President. Finally, the bill directs the Federal Trade Commission to monitor the program, and report on its effectiveness to the Congress within 60 days after implementation. The program would end February 28, 1975.

#### FUELS INCLUDED IN DIRECTIVE

Specifically, this legislation directs the President to include in the allocation program crude oil, residual oil (powerplants) and refined petroleum products. "Refined petroleum products" is defined to include gasoline, kerosene, distillates—including No. 2 fuel oil—propane, butane, refined lubricating oils and diesel fuel. "Distillates" includes naphtha and benzene, with the intent of restoring and fostering competition in the petrochemical sector of the industry.

#### THE NEED

The need for congressional action on allocations is clear. We now face actual and imminent shortages in crude oil, residual fuel oil and refined petroleum products. Whatever their origins—and this legislation does not fix blame—the shortages are real and severe. Our bill focuses on an emergency situation.

We risk significant shortages this coming winter. The Interior Department Office of Oil and Gas projects a 10.4-percent increase over last year's winter in our Nation's requirement for distillate fuel oil. At the same time, it is estimated that the supplies of distillate fuel oils available this winter will fall about 20 percent below those available last winter.

A September, 1973 staff study of the Joint Economic Committee notes that "local shortages will crop up unless inventories are optimally distributed about the country and among various sectors of the distribution system, including independent distributors. In the absence of effective Federal policy, disastrous shortages could strike certain regions of the United States."

The Joint Committee emphasizes that "prospects of grave problems in these regions are very high and it for this reason that mandatory allocation of fuels is now essential and must not be delayed any longer." By last July, over 2,000 retailers and distributors of gasoline products had been forced out of business, according to testimony before our committee.

And the statistics hold little hope of relief for the future. With 6 percent of the world's population, we consume 33 percent of its energy. In fact, our total energy consumption has more than doubled since 1950. And, by 1990, our energy needs will be double what they were in 1970.

Obviously, we cannot create new sources of energy overnight. But we can act now to help assure that existing supplies are equitably distributed throughout the Nation to meet needs and preserve competition. The administration's present program covers only middle distillates, excluding gasoline, crude, and residual oil.

#### OUR ACTION

Our action in this legislation directs such short-term allocation, yet leaves the President with essential flexibility at the administrative level. The complexity of the petroleum industry simply precludes freezing any allocation into law.

The committee also took explicit action in H.R. 9681 to extend the allocation program to the refiner and producer level. A number of our witnesses testified that an allocation program simply would not work unless crude oil was included.

#### CONCURRENT GOALS

In urging passage of the Emergency Petroleum Allocation Act, a necessity now, I concurrently urge congressional support of measures to increase our future energy resources.

We must scrutinize incentives that can stimulate further exploration. We must carefully examine the balance between energy needs and environmental constraints. We must support research and development of other energy sources such as the gasification of coal and harnessing of solar energy.

#### BUT, NOW

But for now, the immediate need is to help resolve an emergency situation equitably. And H.R. 9681 will do just that. I urge my colleagues to support this bill.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. STAGGERS. I am happy to yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I thank the gentleman for yielding.

As the chairman of the committee will recall, I raised a question in the Rules Committee relative to the tourist industry in Hawaii, which is so vital to Hawaii.

I wish to congratulate the distinguished gentleman from West Virginia for bringing this vital legislation to the floor. Although my own State of Hawaii has so far escaped the direct effects of the petroleum products shortage, it is clearly necessary to provide for what may be a severe shortage this winter due to the expected increased demands throughout the United States.

If I may impose upon the gentleman, I would like to have the point I raised in the Rules Committee clarified.

As the gentleman knows, the visitor industry is vital to the economy of Hawaii. It generates more than \$800 million of economic activity each year. Yet, in the voluntary allocation program for fuel products announced earlier this year by the administration, the priority classification of mass transit specifically excluded vehicles serving the visitor industry.

Under the bill before us today, Congress makes the finding that fuel shortages threaten to cause "severe economic dislocations and hardships." The bill provides for a mandatory allocation sys-

tem which would to the maximum extent practicable permit the "maintenance of all public services." In its report on the bill, the committee emphasizes that "public services" are to be defined very broadly.

I would appreciate the comments of the distinguished chairman of the Committee on Interstate and Foreign Commerce as to whether "public services" as defined in H.R. 9681 are meant to include vehicles such as privately owned buses, taxis, and limousines, which are vital to the tourist industry in Hawaii.

Mr. STAGGERS. In answer to the gentleman I would have to say yes, because, as we say in the report, the committee wishes to emphasize that its intent is to include in the broad sense all those privately owned activities and services which serve the public at large.

Mr. Chairman, this would be my reply in answer to the gentleman.

Mr. MATSUNAGA. Mr. Chairman, I certainly thank the gentleman. I had contemplated offering an amendment had I not received the response I had hoped for.

Again I thank the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield 5 minutes to the chairman of the subcommittee, the author of the bill, the gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD. Mr. Chairman, obviously I rise in support of this bill.

At the outset I would like to say I hope that the debate does not get emotional and that we do not start talking about producing States and consuming States. We all know that we are really all consumers. We all need the very valuable product that comes out of the great Southwest, and I believe we are all here for the same purpose, which is to give the people of the United States and this industry a chance to take a stable look at what is coming down the road.

So, first of all, I think I ought to set forth what is actually in the bill, not what we read about concerning what is in the bill or what has been talked about as being in the bill, but the actual content of the legislation.

The bill mandates the President to, within a period of 25 days, adopt and implement a mandatory allocation plan after consultation with the Congress. This is not a surprising directive to the President. His advisers have been working on this for ever so long. This bill was originally introduced as an emergency measure back in May of this year. We have had any number of promises from the administration that immediate action would be forthcoming.

We on the committee were promised in public session that mandatory allocation would be implemented because it was acknowledged that voluntary allocation just simply was not working. So the President within 25 days of the passage of this bill will report back to us a mandatory allocation program that covers crude oil, residual oil, gasoline, and the so-called middle distillates, which include home heating oil.

Mr. Chairman, the bill also tries to preserve the ability of independent re-

finers and independent dealers to stay in business on the basis of their 1972 level of allocations unless other factors have entered into the picture to expand local needs. We also give the President a good deal of flexibility, which obviously he needs in putting together a program of this sort.

The current fuel shortage did not just come upon us. It is water over the dam now, but shortsighted policies from administrations in the past, not just this administration, but other administrations, have led to this crisis. And it is a crisis.

That is why I urge that we do not begin dickering here about this program, that we do go forward, and that we see to it that the needs which are listed in the bill are cared for.

The specter has arisen that by some sort of magic formula and that in some way this bill is going to slow down the procedure for mandatory allocation, that is just simply not so, because the philosophy behind this mandatory allocation bill and the mandatory allocation program that the administration has put forward is somewhat similar. There are two important variances as I see it, that I think hit every Member of this Congress directly in the district from which he comes, I do not care what State that district is in, and that is as follows: H.R. 9681 requires the allocation of crude oil and gasoline, both of which are imperative if the program is to work. There is also a price pass-through, which will be discussed later, I am sure, during that section of the bill when it comes up, that will permit dealers to pass on costs and not be driven out of business due to price controls, number one, or, second, the arbitrary and really capricious treatment which they have received from the major oil companies.

It has been said here earlier that the administration is not for this bill. The administration is for the philosophy behind the bill. They put a mandatory allocation program at long last after a number of months of delay. They have put into effect mandatory allocations; but up to now only for one commodity, which is propane. The fuel oil program is still forthcoming. Plans have been made, but they have not been put into effect.

So I for one am tired of waiting for the administration and the White House to come forward. They have been making only a series of empty promises to the Congress and through us to the people at home. I do not think it is fair to the public.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MACDONALD. I do not think it is fair to anybody to keep this industry in a state of upheaval when at one point a certain gentleman, William Simon who seemed to be in charge promises a program and then Governor Love comes in as the energy czar and changes the policy.

Unless we make this mandatory by legislation, the program will depend on the philosophies and ideas of men downtown,

which can be overruled at any point of time, if there is legislation on the books to prevent that.

The allocation plans have changed with each man. We have had people in charge of this program downtown who felt that voluntary allocation would work. Then we had somebody who felt that mandatory allocation would work. Then we had a third man who did not know whether he thought voluntary allocation or mandatory allocation would work. Finally they have come out with a plan. In light of the rapid changeover in personnel and thinking on this very important subject we must have some stability both for the benefit of the public so that they will know that they can heat their homes and drive their cars, and for the benefit of the independent businessman who is in the business of selling gasoline and fuel oil and heating the homes of this country.

I am not waving the flag, either, when I say it is easy to face your constituents about anything with which you may have differences, but it is very difficult to explain why you failed to vote for an allocation program which would help assure that your constituents' homes would be heated and that they would have sufficient gasoline so that they could go to and from their jobs, and so that the farmers would have enough fuel to harvest their crops and so that the trains and trucks would continue running.

It is up to us. We have waited long enough. We have to go forward with this program today.

Mr. KYROS. Will the gentleman yield? The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. I yield the gentleman 1 additional minute.

Mr. MACDONALD. I yield to the gentleman from Maine.

Mr. KYROS. Thank you, Mr. Chairman, and I thank the gentleman for yielding.

Referring to page 2 of the bill, which speaks of utilities, in reading the committee print, it is my understanding that one of the purposes is to direct the President to extend priorities to utilities to insure the continuation of utilities services without interruption or disruption. It includes LPG, propane, butane, and naphtha as well as gasoline and heating oil.

Therefore am I correct to assume it is the intent of this legislation that these utilities in the Middle West, New England, and elsewhere who are faced with natural gas shortages will be allocated sufficient feedstocks for their synthetic gas plants so as to permit a full allocation to be made and have a sufficiency of supply in pipeline gas?

Mr. MACDONALD. The gentleman is absolutely correct.

Mr. STAGGERS. I believe the gentleman has time remaining.

Mr. MACDONALD. Mr. Chairman, I yield to the gentleman from Texas (Mr. CASEY) whatever time I have remaining.

Mr. CASEY of Texas. Mr. Chairman, what I am interested in is the chemical industry. Of course, I am going to mention Texas.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MACDONALD. Mr. Chairman, would the gentleman yield me additional time?

Mr. STAGGERS. I yielded additional time to the gentleman, but I would say to the gentleman from Texas that I will yield myself a sufficient amount of time to answer the gentleman's question. I will put in a committee amendment which will take care of this situation.

Mr. CASEY of Texas. I want to be assured of that, and I want the gentleman to know that it also affects the gentleman from Massachusetts.

Mr. BROWN of Ohio. Mr. Chairman, I yield 6 minutes to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, there is a critical shortage of oil and gas in this country today. With the recent developments in the Middle East, Congress must take some positive, immediate action. As oil demand in the United States increases, the shortages will continue to get worse. We are now heavily dependent upon the Arab Middle East Nations and this source may very well be limited in the very near future.

Facing this dilemma, Congress shuts its eyes to the real problem. Instead of developing means of producing additional oil and gas supplies within our own country, here we are today talking about how to allocate our energy resources through some type of a confused, bureaucratic system.

Today, this country goes from one energy crisis to another. The power plants may "black out" on electricity. This summer, we were worried about whether we would have enough gasoline for our automobiles. Now we are worried about enough fuel oil for heating. Tomorrow the situation will concern enough energy to keep our factories operating. Will we be able to keep our schools heated this winter?

What so many people fail to understand is the fact that the price of the natural gas is a small part of what the consumer pays. It roughly runs from a dime to a quarter out of a dollar. Let me give you some figures that I have here from New York City in 1970. It showed that when the consumer paid a dollar and 84 cents, 142 cents of this went to the local utilities, 25 cents to the pipe lines, and only 17 cents to the producing company. The cost of running the local utility and pipe lines would probably remain constant, but in order to discover additional gas we must increase the price substantially.

Let me give you another example. In order to get additional gas in Boston we are now bringing in from Algeria a liquefied gas known as LNG. We can import this Algerian gas to Boston for 60 cents more than we pay for our natural domestic gas. Now let us suppose that we raise the price of gas at the wellhead in the United States by 30 cents. This would only amount to one-half of the difference that we are paying with the higher price for importing this Arab gas. Isn't it better to put our money into more exploration for deeper sands to find gas which in turn might cost 30 cents addi-



tional? But even at that it is one-half of the differential we have now on the imported gas that we are receiving to offset our shortages. Over and over one comes to a basic conclusion. It has been a mistake to try to keep down the price of oil and gas because what has happened is we have literally eliminated the new sources of production, and we have failed to generate the oil and gas reserves that are so heavily needed in this country today.

The real challenge facing Congress is to find ways of developing more internal crude oil production within these United States. Let me suggest seven ways to provide a better balance in our oil and gas availabilities.

First. Remove price controls from the wellhead on new discoveries of gas. The cost of drilling has increased like everything else. The average cost of drilling a well in 1971 was \$94,708, compared to the cost of 10 years ago, \$54,518. Pipe labor and transportation are all up. Actual raw gas itself makes up a fraction of the price delivered. To increase it a few pennies would again make it profitable to go out exploring for new gas.

Second. Reestablish the equitable incentive of 27.5 percent for oil and gas depletion. The latest figures show that fewer oil wells are being drilled. Back in 1962 when they had 27.5-percent depletion, there were 43,779 wells drilled. In 1972, there were only 27,291 wells drilled on a 22-percent depletion basis. We are not collecting more taxes, we are actually collecting less tax. We have fewer people working; we have less exploration. This 27.5-percent depletion was an incentive that encouraged people to go out looking for oil.

Third. Establish Federal jurisdiction and provide legislation against harassing law suits for all off-shore drilling. There are tremendous fields of oil and gas reserves located off of the shorelines of our Eastern and Western States. We should develop these reserves just as we have developed the oil reserves off the shores of Texas and Louisiana. Many of the States that are shouting the loudest about the oil shortage will not permit oil development or exploration off their shores.

Fourth. Remove the sulfur requirements by the Environmental Protection Agency until the fuel oil shortage is completely solved. We are all interested in seeing sulfur under control; but at this time, it is more essential that we have adequate fuel oil and that people are warm and not suffering through the winter.

Fifth. Reduce the emission standards to be imposed on 1977 model cars. Most new cars now require bigger engines and therefore greater and greater amounts of gasoline because of the pollution controls.

Sixth. Prohibit financing of central air-conditioning of homes from Government-financed loans. Today, on many FHA and VA loans there is a requirement that the entire house be centrally air-conditioned. This situation should be exactly the opposite. We

should require that there be no central air-conditioning, but that the house be wired for window air-conditioning. By cooling only the key rooms in the house, the power load and air-conditioning load could be one-third of the present requirements.

Let us review the operating results that have been achieved by the oil industry. The oil refineries in this year of 1973 have produced more oil than they have ever produced in history. Production has been up 886,000 barrels a day. They are running at capacity. The only limitations were plant breakdowns or maintenance requirements schedules.

Seventh. Generate more gas from coal. We have the coal. We know how to process it. The issue is price and we must allow natural economics to have a price escalation for this gas from coal.

We need to face the realities of adequate pricing. A barrel of sweet crude oil in west Texas in 1963 sold for \$3.08. A barrel of crude in west Texas in 1973 sold for \$3.90. At the outbreak of hostilities the Arabs have posted a \$4.90 a barrel price in the Middle East. With the pressures of the Middle East we can anticipate a rapid rise in this Middle East price. Our domestic pricing on oil and gas has not realistically been allowed to adjust to the basic inflation of the diminishing purchasing power of the dollar.

The net income of the oil industry was 9½ percent of revenue in 1966, but by 1972, it had dropped to where the net income was only 6½ percent of revenue.

Taxes have cut into oil companies' operating margins as taxes were up 112 percent in the past 4 years. Interest on borrowed funds for operations had also risen as much as 98 percent during the past 4 years. Costs go up every day and yet regulatory agencies keep an uneconomical ceiling on retail prices of oil and gas.

The oil industry has progressive, intelligent management. The present harassment policy of Congress is causing executive diversion of attention. We cannot depend upon the Middle East with their giant tankers. We must free the executives of the oil companies from this program of harassment so they can concentrate on stimulating domestic oil production so that America can become self-sufficient.

The oil allocation bill was written as a political panacea for all current crises. In our committee hearings it was brought out by one Congressman that he wanted more fuel for his sugar beet factory and for his powerplant, as well as his schools. Another man spoke of the problem that industry had. Still another wanted to have adequate fuel for drying crops. Another spoke of the gas shortage that he was having in his local community. Someone was worried about the fuel oil for the cold winter in his home town. Simply creating this allocation law does not solve problems. All it does is provide more bureaucrats to confuse it.

I recommend that we vote to table this ill-conceived, hastily concocted emergency allocation of petroleum bill. Let

us take the progressive position of working toward a permanent solution for America. Let us bring positive legislation to the floor that will serve to provide an encouraging economic basis for new petroleum to be discovered.

A major issue before our committee was whether the President or Congress should be in charge of this program. This is the most far-reaching, dictatorial, economic complex that has been extended to our economy during peace time. There is no justification for passing this economic chaos to the President. The problem is caused by the lack of Congress taking any positive action. Allocations do not produce crude oil. I know a lot of people in the oil business. This program of mandatory oil allocations appeals to many oil executives. In fact, most of the oil people would like to see this responsibility of allocating the shortages passed on to some Government official. Whomever is assigned this impossible task will become the most unpopular individual in America. I can well understand how oil officials are glad to have this albatross off their necks.

But we in Congress are the ones who have caused this oil shortage. In 50 years we have never adequately provided the incentives and encouragements needed to keep pace with our expanding demands for oil and gas. Today we should be talking about how to increase our own domestic energy supplies. Instead, we weasel out with a weak allocation bill.

In the troubled times in the world today, with the world crisis that we are now facing from the Middle East, Congress needs men of courage. I call on you to vote against this allocation bill and come out with a positive, legislative action program to give fair pricing, more flexible regulatory measures, with all of the other pluses that are needed to increase and expand our own domestic oil and gas production.

Mr. BROWN of Ohio. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Chairman, I rise in support of H.R. 9681.

According to predictions, this country is facing its most severe winter in many years. Our fuel oil supplies are inadequate to meet the increasing demand from dealers across the Nation. A number of communities are already experiencing the uncomfortable reality of a fuel shortage.

I feel, as I am sure many of my colleagues do, that it is important to insure an equitable distribution of fuel. I, myself, have received numerous calls from small businessmen throughout my district urging me to work for an allocation system. I know many of you have heard those same words from desperate men. Are we to drive the small businessman out of business? Are we to seal his fate?

This measure, while not being the complete answer, is a positive step in the right direction. I believe it is the duty of Congress to help achieve an equitable distribution of fuel oil gasoline, propane throughout the country, and to preserve

competition in an industry vital to the economic well-being of every American.

Mr. Chairman, I yield back the balance of my time.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I strongly endorse this bill and only regret that it did not come before us much sooner.

Because the mandatory debate time is as scarce today as our fuel supply, I will allocate my remarks to just a few spots where the consumer is over the barrel.

First of all, it must be understood that the passage of this bill should in no way interfere with, or delay, the implementation of the administration's announced mandatory allocation program for distillate fuels. It must still go into effect November 1. This program is all ready to go. It is sorely needed. And there is absolutely no excuse for any further delay.

As the title of this bill states, this is an emergency situation. This bill should be the beginning, not the end, of congressional action on the energy crisis. Our first priority is to get through the winter. So I ask my colleagues to get busy with as many energy conservation measures as are feasible.

Let us make daylight saving time a year-round feature. It would give us an extra hour of daylight in the afternoon and would cut electricity consumption.

Let us get rid of all the Federal limousines. The American public will not take the energy crisis seriously as long as they see an army of Federal bureaucrats cruising up and down Pennsylvania Avenue on their way to lunch in the back seat of a gas-guzzling monster.

Let us see how many Federal buildings throughout the country can be put on a 4-day workweek. We could save a lot of fuel by closing down office buildings 3 days a week.

These are just three ideas to save energy that would be highly visible and would show America that Congress means business about the fuel shortage.

Mr. Chairman, serious shortages of heating fuels are already striking my district in western Massachusetts. A shortage of No. 4 fuel threatens to close several school districts, a county jail, many small businesses and a religious seminary. Supplies of home heating oil, natural gas, and propane are low and could become critical by January or February.

On top of that, the Arab-Israeli war has disrupted the delivery of oil imports. France, Spain, and Italy have embargoed oil exports to the United States until the Middle East situation is clarified. Holland and Germany are considering similar moves. In Great Britain, rationing books are being printed for oil consumers. All these countries are supplied by Middle Eastern or North African oil, and they are beginning to feel the pinch.

If the Arab nations turn off our oil spigot, then our energy crisis could become a real catastrophe. One-third of the oil this Nation now consumes is imported, and one third of our imported oil comes from the Middle East or Africa. The Office of Oil and Gas reported that during the second quarter of 1973, the

United States received these oil imports:  
Amount (crude and product)  
[Barrels per day]

Origin:	
Middle East.....	760,000
West Africa (Nigeria).....	480,000
North Africa (Algeria, Libya).....	358,000
Caribbean refineries (crude oil from Middle East or North Africa).....	400,000
Total imports from Middle East and Africa.....	
	2,000,000

Total oil imports into the United States during that period were 5,762,000 barrels a day. While total consumption of all oil products is about 17 million barrels a day.

Mr. Chairman, the scope of the problem we face was spelled out in greater detail in a speech I delivered last week at the annual convention of the Association of Massachusetts Town Selectmen. At this time, I would like to include this address in the RECORD and urge that my colleagues take the time to read it:

REMARKS OF REPRESENTATIVE SILVIO O. CONTE

I thank all of you for the kind invitation to address this gathering of the Massachusetts Association of Selectmen. I also commend you for selecting such a nice setting for your conference. With all respect to Congressman Studds, I would say you could only have done better if you had decided to go west to the beautiful Berkshires in my congressional district.

At the outset, I will make you one promise. That is that I did not come here tonight to give you a lot of high-sounding advice. The way things are going in Washington these days, I don't think the giving of advice is the federal government's strong suit.

In fact, a lot of people believe the only good thing that's been done in Washington all year was lifting the ban against televising home football games.

In recent months the major exports from the nation's capital have been scandals, inflation, skyrocketing food prices and oil and gas shortages. After taking such a battering, it is understandable that the public is wondering whether the federal government has a heart.

It reminds me of the story about the fellow who had a bad heart and went to a specialist to get a heart transplant.

The doctor said to him, "I've got three hearts available for transplant. One from an astronaut, one from a decathlon champion, and one from an 83-year-old Republican banker."

After thinking a moment, the patient decided to take the heart of the banker. Surprised, the doctor asked why. "Well," the patient said, "I figure that one's never been used."

Well, like the old banker, the federal government in some cases hasn't used its heart much in dealing with the people and their needs. Worse yet, it hasn't used its head.

There is no better example of this than the government's handling of the energy crisis in general, and the pending fuel shortage in particular.

Put very simply, the major mistake the government made in the entire energy area was that it abdicated its authority.

This Administration and past Administration gave every break imaginable—and some that even boggle the imagination—to a handful of fabulously wealthy and powerful major domestic oil companies.

And those rich oil barons, it has now become clear, merely dedicated themselves to stamping out what little independent competition existed here, grabbed the big profits,

and paid damn little attention to the coming crisis that should have been apparent to them.

Finally, the government woke up and realized it had to start taking some action. I would like to report that once the alarm clock went off, the government reacted with speed and intelligence. Unfortunately, it did not.

But the energy crisis is an extremely broad topic. I have been deeply involved in it in the Congress and I would like nothing better than to explore the entire matter with you. But if we did, I'm afraid we'd be here through Halloween.

So what I will do here tonight is to limit myself to one aspect of the crisis, the one that, for you selectmen and your townspeople in Massachusetts, is really the cutting edge of the crisis—the fuel shortage that threatens our state and all of New England this winter.

I am sure you have all heard of this threat, but has it struck home? This is not just some scare rhetoric by a politician. It is not the figment of some headline writer's imagination. It is real. And it is going to affect everyone in New England this winter.

Businesses and schools may close; homes may go without heat; and, of course, prices for whatever fuel oil you can get will be higher.

For the homeowner now paying 25 cents a gallon for heating oil, the price may soon be over 40 cents a gallon. Depending on the size of his house, a homeowner may pay an added \$200 to \$400 for heat this winter.

I expect a parallel increase in the price of gasoline, up to 48 cents a gallon for regular and 52 cents for premium.

Even after we get through this winter, the fuel shortage is going to keep hounding New England through the end of this decade. Next summer, another gasoline shortage will hit, this time a little harder. Then another heating oil shortage will breeze in next winter. Already inadequate supplies of natural gas, propane, diesel and other petroleum fuels will steadily get scarcer. And these seasonal shortage cycles will get progressively worse.

In an effort to head off a real disaster this winter, the Administration this week finally announced a mandatory allocation program for home heating fuel. It also readjusted its Phase IV price controls on the oil industry to give the small independent retail dealers a break. And it imposed a mandatory allocation program on propane gas which is in heavy use by Bay State homeowners.

These rationing programs should ensure that New England gets a fair share of the available fuel supplies and that independent marketers and consumers alike will be treated fairly.

That's the good news. Now the bad news. The fuel shortage is much worse than you probably think, and mandatory controls won't be the cure-all for our supply ills.

Recently the Department of the Interior released a special report showing how serious the fuel oil supply situation will be this winter. I find the conclusions alarming.

Demand for fuel oil is expected to be up ten percent this winter. But supplies now in stock are down 2 percent from last year, and 16 percent from two years ago.

Because there is no new refinery capacity in the United States, every drop of new demand for oil must be imported. Along the East Coast, imports of European oil would have to increase by 65 percent to meet the expected demand for a normal winter. But the oil available from abroad will only meet half of that new demand. The shortfall, equal to about one-sixth the daily fuel oil consumption in New England, is enormous.

To better illustrate this problem, consider the following statistics:

With a mild winter, New England will need at least 650,000 barrels a day to keep our homes warm and businesses operating. A



cold winter will boost the demand to a whopping 800,000 barrels a day. However, only about 550,000 barrels a day are expected to be available this winter from foreign sources.

Therefore, we are facing a shortage of anywhere from 100,000 to 250,000 barrels a day.

A sustained period of cold weather in the Northeast would seriously aggravate our supply problems. Last winter was unusually mild, otherwise many fuel oil dealers would have exhausted their stocks by late January.

This year, my Farmer's Almanac tells me that a cold winter can be expected. If it is a harsh New England winter, which typically strikes about every fifth year, the supply of heating oil will become critical about New Year's Day, and the months of January, February and March could be disastrous.

Federal mandatory allocation programs will not cure the supply shortages, but they should offer some relief to those communities in the worst straits. The slogan is: "Share the Shortages." They will also save many independent fuel dealers, who can't otherwise get supplies, from going out of business.

I mentioned that the Administration has just imposed a mandatory allocation program for propane gas. This propane program also is important to New England because our natural gas utilities use propane as a supplemental fuel during periods of peak demand.

On this matter, I am pleased to report that I was able to get two last-minute changes in the Administration's regulations that will make a great difference for many New England residents. At my suggestion, natural gas utilities were granted "priority" status so that they will be given first consideration in the distribution of propane supplies. I also persuaded the Administration to delete a contract clause in the regulations that would have, in effect, shut off many small gas utilities.

I am striving to achieve the same success with the heating fuel program. Although the regulations will not be published for another week, I have seen the general outline. On paper, it looks like a pretty good program.

To you Town Selectmen, I would call attention to one important provision. As they are now written, the federal regulations establish a "set-aside" program of emergency oil supplies, which are to be used for "priority" consumers. Up to ten percent of the fuel handled by local dealers will be considered to be part of this set-aside stock. This program will be run by the states, so when you need an emergency supply of fuel for a priority consumer, one of your first calls should be to the Governor's office.

Included in the list of "priority" consumers are municipal governments. They can have first call on supplies of fuel oil to keep their police, fire and sanitation facilities operating. Other "priority" consumers include farming and food processing, hospitals and health institutions, mass transit, public utilities and communications.

One of the potential trouble areas for the rationing program is the overlapping jurisdictions of federal and state governments. The Office of Oil and Gas will have jurisdiction over the entire program, and the state governments will control distribution of that ten percent of the fuel supply earmarked for priority customers.

I will be watching closely to ensure that the federal and state offices coordinate their efforts and don't work at cross purposes. Nothing would undermine the mandatory allocation program quicker than if some politician abuses it to score some cheap points with his constituents.

Home heating oil consumers are not considered "priority" customers because this program establishes rationing procedures only at the wholesale level. There won't be any ration coupon books for consumers. Customers will receive an allocation only from

what their wholesale distributor has available.

This is where too many calls from "priority" consumers for emergency supplies may hurt the home consumer. Every call for priority supplies will ultimately deplete the remaining pool of heating fuel that will be available for retail customers. This, too, I will be monitoring very closely in Washington.

Last May, in hearings here in New England on the gasoline shortage, I asked the Administration to impose a mandatory fuel allocation program. Instead, the Administration gave us a voluntary allocation system, the success of which depended upon the goodwill of the major oil companies.

I knew the voluntary program was a failure within a month. Of 11,000 fuel shortage complaints registered with the federal government, only 20 percent ever got resolved. I was told by key officials in the Administration that they realized the program was a failure, but they still remained reluctant to abandon it.

The Administration's delay in establishing this mandatory program has been inexcusable. It means the bureaucratic structure that must handle the complaints will have no time to learn its job before it is flooded with calls.

And, of course, the timing could hardly be worse. Already the first frost is setting in. The program is supposed to be implemented in two weeks—just at the time that oil deliveries into New England move into high gear. A more chaotic time cannot be imagined.

The Office of Oil and Gas, which is headquartered in the Department of the Interior, will have a regional office in the federal building in Boston. If one of the dealers in your town has run out of fuel and can't get more, he should call this office right away.

Let me illustrate how this system should work by citing a couple of examples of situations I became involved in during the voluntary program period. Last May, a construction company that is building a huge hydroelectric power station in my District had its supplies of diesel and gasoline sharply curtailed by its supplier. At stake were 1,100 jobs and a possible year's delay in the construction schedule. I went to the Office of Oil and Gas and its supply was restored within two days.

Also, the town of Cummington, located midway between Pittsfield and Northampton, recently ran out of gas. Both gas stations in town were empty, and the Town's emergency vehicles were dangerously low on fuel. Again I went to the Office of Oil and Gas, and I am pleased to say that both gas stations received deliveries within 24 hours.

Those are two examples of how the mandatory allocation program should work. But it may not work every time, and it will not function efficiently if it is asked to deliver fuel to individual consumers.

When you hear of individuals who are out of fuel, I urge you to first try to resolve the problem at the town level. I would suggest that you create a special town committee to deal with just such crises. Invite some oil dealers to be members so you can benefit from their experience.

I would also urge you to call a special Town Meeting in your communities sometime soon to discuss the coming fuel shortages. Make your townsmen aware of the message I have given you, so they can make preparations now. Stress with them the need to adopt measures to conserve energy. I can think of many that would afford enormous savings.

Urge your state representatives to lower the state speed limit to 50 miles per hour. If every state did this, the nation would save four and a half million gallons of fuel a day.

Set your home thermometers two degrees lower than usual. This will save two million gallons a day.

Launder your clothes with cold water to save 12 million gallons.

Do your dishwashing by hand to save one and a half million gallons.

Put insulation in homes that presently don't have it to save ten and a half million gallons of oil a day.

In all, about 40 percent of the oil-produced energy in this nation is squandered and could be conserved by emergency measures. But Congress can't legislate all the changes that are needed, so the initiative for most of these measures must come from the local elected officials.

I'm sorry I couldn't come here today with more cheerful news, and I certainly didn't want to spread gloom over this fine convention. But I know how serious this situation is because I have been fighting this battle for 15 years in the Congress. Until recently, it was a lonely battle. My calls to kill the oil import quota system—a boondoggle that must bear major responsibility for the position we find ourselves in tonight—those calls fell on deaf ears.

Early this year, this Administration finally recognized the truth of what I had been saying since 1959. It scrapped the quotas, but, of course, it was too late. The days of cheap and plentiful foreign oil were over.

This experience should not be wasted. I want you to know that what I have talked about tonight is deadly serious; it cannot be ignored or soft-pedaled.

The oil shortage this winter may very well present you with the toughest problems you will ever face as elected officials.

As selectmen, you are in the front lines—indeed, you are in the first trench—in the effort to make government serve the people. Being closest to the people, you will be the ones the people will go to first and most often for help.

I hope that what I have told you tonight will help you to deal with this coming threat. And I sincerely hope that before your convention here closes, you will place this fuel shortage problem at the top of your agenda for planning and action.

Thank you very much for this opportunity to discuss with you a topic which takes second place to none other on the list of priorities for Massachusetts and for all of New England.

Thank you.

Mr. SARASIN. Mr. Chairman, I rise today to urge the adoption of H.R. 9681, the mandatory oil allocation bill, the necessity for which becomes more evident day by day.

Our Nation is today faced with such a complex combination of problems in the area of energy supply and distribution that only a comprehensive and equitable system, such as embodied in this legislation, can assure us of even reasonable success in getting through this winter without major inconvenience and disruption.

As a representative from New England, I am particularly aware of the threatened heating oil shortage. These warnings of impending shortages, and even actual supply problems, are all too familiar to us from the Northeast. The specter of unheated homes, closed schools, and idled factories has crept closer to us each winter for the past 5 years.

Last winter we were only saved from a real crisis by an unusually mild heating season, and yet we still drag our feet about taking effective action to make the most efficient use of the petroleum resources we have available.

This historical record alone should be enough to demonstrate the necessity of adopting this legislation, but a new element has been introduced into the formula by the present fighting in the Mid-East and the stated Arab intention of using oil as a weapon against the friends of Israel.

I am sure that everyone in this body agrees that the United States must never allow itself to be blackmailed by aggressors and must take all necessary steps to assure our ability to withstand any such attempt with a minimum of inconvenience and disruption. We must make clear our determination to meet our obligations in the Middle East, to assure that Israel has the means to defend itself against the overwhelming numerical superiority of the Arab aggressors. In the long run, we must pursue policies of energy source development and conservation which guarantee that we could never be so dependent upon unstable foreign energy sources as to be the target of such pressure.

For the immediate future, however, the Middle Eastern situation merely introduces another compelling argument for the adoption of the legislation before us today, a proposal which would insure the most equitable, even handed and efficient distribution of present fuel supplies, the protection of the vulnerable independent segment of the petroleum marketing industry and the ultimate benefit of the American consumer.

Mr. COHEN. Mr. Chairman, I rise in support of the Emergency Petroleum Allocation Act of 1973. I sincerely appreciate the extensive work of my colleagues on the Commerce Committee in bringing this vitally important legislation to the floor for a vote.

Since coming to Congress, few problems have consumed more of my time, and justifiably so, than the problems inherent in the energy crisis. I represent a State which has experienced severe economic dislocations and personal inconveniences resulting from the deficiency in our domestic energy supplies. Maine is not only subjected to long and harsh winters, but is also at the very end of the fuel distribution supply system in this country. Equally important, the majority of Maine's retail oil and gas dealers are small, independent businessmen, and the energy deficiencies we are experiencing have hit these independents the hardest. I am sure I do not have to acquaint my colleagues with the high number of business failures that have occurred within the independent oil and gas industry due to the shortcomings of the voluntary allocation program and the uneven application of phase IV regulations. I would like to point out, however, that in New England, 75 percent of the homes are heated by fuel oil and over 80 percent of these homes are supplied by independent retailers. We have no substitute for this delivery system. If the independent has no fuel, the homes he supplies will have no heat.

I have met time and again with administration representatives, my colleagues in the New England Caucus and the Maine Congressional Delegation, numerous representatives of the oil and

gas industry, as well as with independent retailers in Maine, to seek solutions to this untenable situation. In addition, earlier this year I wrote to both Governor Love, Director of the Energy Policy Office, and Dr. Dunlop, Director of the Cost of Living Council, outlining the specific and unique problems being incurred by Maine's independent oil and gas industry under the voluntary allocation program and phase IV. I have been encouraged by recent administration efforts to address these problems, and was particularly pleased to note that the Cost of Living Council on October 15 proposed changing its regulations to allow dealers to pass along whatever cost increases they receive from the refiners effective November 1, 1973.

Hopefully, it is evident to everyone that the implementation of a mandatory allocation program it is not a panacea for our energy problems, for it will not increase production or supplies. Rather, it is simply a temporary—but critically necessary—mechanism for achieving an equitable distribution of available supply, and by doing so, preserving competition within the oil and gas industry.

Some of my colleagues have argued that, in view of the fact that the administration has already ordered a mandatory allocation program, congressional action is now unnecessary. In this regard, I want to stress that my support for this bill is predicated on the belief that the severity and complexity of this problem can best be dealt with legislatively, and that the enactment into law of a temporary mandatory allocation program more fully guarantees a definitive and comprehensive answer to our immediate problems. Additionally, I believe that the legislative approach provides a more efficient mechanism for bringing together the various constituent elements of this multi-faceted problem, so that the integral relationship between these elements can be more effectively considered and dealt with.

As Governor Love indicated to the press on October 9, the possibility is very real that the United States can expect some kind of fuel allocation program until such time as we are able to increase our domestic fuel supplies. For this reason, I do not feel that we can continue to deal with this problem on an incremental and ad hoc basis. I believe that the approach to our immediate problem which is outlined in this legislation would be the most effective and stabilizing mechanism we can employ at the present time, and I strongly urge my colleagues to support this legislation.

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

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

Mr. HUDNUT. Mr. Chairman, from the very beginning the petroleum shortage has presented all of us with judgments to make which are extremely difficult and complex. As one who abhors the necessity of imposing Government controls of any type, I had very much hoped that the voluntary petroleum allocation program would work. Unfortunately, the present program is not and apparently cannot achieve all that is required of it

if the Nation's independent distributors and even more importantly the millions of customers they serve—especially in home heating, in industry and on the farms—are to have their needs fully met.

We should not create any delusions, however, that by establishing a mandatory allocation we are somehow increasing the available supplies. We are not making any additional supplies available, but what we can do is assure an equitable distribution of the shortage of fuel among all regions in areas of the United States and all classes of users. What H.R. 9681 is attempting to do is to establish the principle that any supply deficiency is to be shared by all regions of the United States equally.

As an example of the need for a mandatory allocation program, one of my constituents wrote to me:

We are a small independent Gasoline and Fuel Marketer in the State of Indiana and at present we operate 16 service stations and employ about 60 people. We serve fuel oil to 747 families in mobile home parks, 424 homes, 4 churches, 1 school, 4 farm accounts and 21 business and commercial accounts.

At the present time we are operating the service stations with 80% of their past requirements. The fuel oil situation is much worse. At present we have requirements for 1,850,000 gallons of fuel a year. We have committed to us 64,800 gallons for the year.

On May 24, 1973, we applied for allocation to the Office of Oil and Gas. On July 17, 1973 I visited their office and was told they had exhausted their means under the voluntary program.

If the small independent businessman is to survive the energy crises, it will, in my opinion, require, first, mandatory allocations by the government until such time as legislative action solves the total energy problem.

At present, the possibility exists that 1200 homes will have no fuel oil to heat their homes this winter.

As mandatory allocation will solve only a small part of the total energy problem for such a short time, it goes without saying, we must increase our efforts in this area many times to correct this massive problem.

I am supporting this measure because I feel it is a stop-gap measure which hopefully will assure that all regions of the country and all classes of users will receive a fair share of the petroleum that is available. At the same time, I know it is imperative that we continue to work toward measures to increase available supplies. That means encouraging the search for and development of new oil and natural gas reserves here in the United States—both on land and under our Outer Continental Shelf. Also, we should act on well conceived proposals to permit the construction of offshore terminal facilities essential to the accommodation of the large tankers needed to transport more economically and with far less chance of pollution the huge volumes of oil our Nation must import to meet consumer demands in the coming years. We should also be very cognizant of the possible effects of the Mideast situation. With our available sources already short, the situation could, indeed, become even more serious.

Another matter which I have been seriously concerned about is the plight of gasoline retailers in my district. The Cost of Living Council's phase IV regulations are working a severe hardship on



them. The Congress has attempted to reach this problem through the Findley amendment to House Joint Resolution 727, the continuing resolution for appropriations, which provided that—

None of the funds made available by this act shall be used by the Cost of Living Council to formulate or carry out a program which discriminates among petroleum marketers in the method of establishing prices for petroleum products.

In H.R. 9681, we are also addressing ourselves to this problem by providing for a dollar for dollar pass through of net increases in the cost of gasoline and refined lubricating oils to all marketers or distributors of gasoline at the retail level.

In my opinion, there has been a serious injustice perpetrated on the retail gasoline dealers by the phase IV regulations and I am glad we have this further opportunity to rectify the situation.

For these reasons, I am supporting H.R. 9681, and urge my colleagues to do likewise.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. BURKE) such time as he may consume.

Mr. BURKE of Massachusetts. Mr. Chairman, I wish to associate myself with my distinguished colleague the Honorable TORBERT H. MACDONALD on this important piece of legislation. My esteemed colleague from Massachusetts is the most knowledgeable member of this House on the energy crisis. He has given unstintingly of his time to this most important problem. It would be wise for the Members of the U.S. Congress to heed his words of advice and admonition.

Mr. Chairman, a myth has been perpetuated upon the Congress by the administration for so long in regard to mandatory fuel oil allocations that Congress must now react affirmatively to correct these token, ineffective gestures and empty, dilatory promises.

Under the Economic Stabilization Act Amendments of 1973 the President was empowered to compose and promulgate mandatory fuel allocations which were to be carried out on an equitable, proportional, and regional basis in the public's interest. Instead, the administration chose to follow a voluntary fuel allocation program. Pressure from a relatively small group of fuel producers, wielding a significant amount of economic power, managed to convince the administration of their benevolence and willingness to share their fuel supplies. If the administration had then implemented a mandatory fuel allocation program instead of waiting until now, the threat of regional hardship and drastic shortages would today be less than it is.

And the voluntary allocation plan of the administration only worsened the situation. Compliance to the Federal urging has deteriorated markedly during the period sharing has been in effect. On October 5 heating oil stocks in district one were 84.5 percent of the 1971 level and this is even less than the 1972 levels.

Last July the House Interstate and Foreign Commerce Committee heard testimony from administration officials who assured the committee members

that a mandatory fuel allocation plan was being investigated and would be forthcoming shortly. No word was forwarded to the committee, which withheld action in deference to a Presidential decision.

Finally, after great trial and error the administration issued the mandatory allocations on propane October 2, while simultaneously promising that guidelines on fuel oil and other distillates would become effective shortly. So we had yet another promise, but one which this time was reluctantly kept.

The administration plan is not as comprehensive as it should be. It does not include mandatory allocation of all petroleum products. Nor does it, include mandatory allocation of crude oil.

With significant fuel oil shortages anticipated this winter in the Northeast and Midwest, people in these regions face loss of work and jobs as well as the attendant problems of weakening economic strength should there be an extended fuel shortage. Only a system of mandatory allocations and controls for all petroleum products can insure that the limited supplies are allotted equitably between regions and between major and independent oil companies. Congress can neither allow capricious oil companies nor inadequate administration provisions to dictate crucial supplies of crude to any region, when and if they so desire.

Congress should take the initiative and pass the legislation before us which directs that the President allocate our fuel supplies by priority according to regional need and to preserve competition between the major and independent fuel companies. It is imperative that we act today and legislate an alternative plan to the one which is to take effect November 1, 1973.

The ineffective stopgap measures and continual promises to stabilize the energy crisis must not continue. I understand there is yet a contingency rationing plan waiting in the administration wings still to be tried should all else fail. Congress is the legislative body of our Government and must provide legislative leadership as the Constitution, the supreme law of the land, authorizes. In other words, Congress should carry the ball for mandatory fuel allocations and pass H.R. 9681 before New England and other regions are enveloped by a severe winter, and caught with short fuel supplies. A situation already anticipated can only be worsened by congressional inaction, unless we act affirmatively today.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from California (Mr. DANIELSON) such time as he may consume.

Mr. DANIELSON. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, the purpose of the Emergency Petroleum Allocation Act is worthwhile, because it will make prospective shortages of fuel less burdensome. Its purpose is not to end the fuel shortage, which it cannot, but rather to spread the fuel shortage around so that no one region or sector of our economy or consumer group gets hit too severely. The reason is that we feel it to be more

equitable for everyone to hurt a little bit than to have a few hurt a lot.

Unfortunately, this bill treats only the immediate symptoms of a very serious problem. The fuel shortage is not the entire problem. A most important part of the problem is that we Americans have not been using our limited supply of petroleum efficiently. We are but 6 percent of the world's population, but we consume a third of the world's energy resources. We have been using petroleum as though the supply were limitless—as though the wells would never run dry. The problem is that the wells do run dry, the world's supply of oil is limited, the world's supply of energy is limited, and we must learn to live within those limits.

Spreading the fuel shortage around will make the pain less hurtful to some, though somewhat hurtful to all, and may get us past the ominous prospect of a fuelless winter which even now chills the marrow of the businessman, the industrialist, and the ordinary citizen alike. But spreading the fuel shortage—allocating petroleum products—will not end it; nor will it provide lasting relief. It is like pouring a glass of milk on an ulcer.

We do not know what the long-range solutions to the problem will be, but I respectfully suggest that there are some effective, and practical ways to obtain a reasonable measure of relief, on a continuing basis, and to do ourselves some long-range good.

The simplest way to alleviate the fuel shortage is not just to spread it around, but to identify those areas in which we are using fuel efficiently, where we are literally wasting fuel, and take steps to correct them. And we need look no further than our city streets and highways to see the major cause of the fuel shortage. I am referring to the big, heavy, high-horsepower automobiles that clog our roadways. Our present-day vehicles, on the average, consume 1 gallon of gasoline for every 12.5 miles traveled, when they can, and should get 25 miles to the gallon.

If we would cut fuel consumption in our automobiles in half we would be going a long way toward solving the fuel crisis, which is another way of saying energy crisis—and the sad fact is that we already have the technology to do it.

It is nothing short of silly for American manufacturers and American consumers to continue to pour our limited fuel resources down the throats of our present-day gas-guzzling monsters when we could readily convert to smaller, more efficient, automobiles which would meet our needs and yet save half of the fuel which we burn on our streets and highways.

The inefficient use of fuel poses very serious problems for our Nation. It threatens to reverse the major gains we have made in cleaning our air, by forcing us to use fuel with a higher sulfur content than is now permissible, and by retreating from automobile emission controls which cause a reduction of automobile fuel economy of approximately 7 percent. It threatens to compromise our foreign policy in the Middle East, because of our overdependence on oil produced in

Arab nations. It seems we are even willing to live and work in homes, factories, offices, and schools that are a few degrees chillier, rather than give up gas-guzzling automobiles. The petrochemical industry, which provides us with many goods, including the fertilizer for our farms, which is so urgently needed to maintain our food supply, is threatened by the inadequacy of our current supplies of petroleum.

Mr. Chairman, this legislation is important, and I support it, but I urge the Congress to take action in the near future that will encourage greater efficiency in the use of our limited resources.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. BOLAND) such time as he may consume.

Mr. BOLAND. Mr. Chairman, I rise today in support of H.R. 9681, a bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare.

I highly commend the work of the distinguished gentleman from Massachusetts, Congressman TORBERT H. MACDONALD, for his efforts in introducing this legislation and laboring to bring it as quickly to the floor as he has done. He has taken the phrase "energy crisis" for all its most critical worth. His efforts to develop comprehensive and effective legislation to meet the challenge of our widening energy gap deserve the thanks of all of us.

Mr. Chairman, much has been said about the impact of heating oil and gasoline shortages. I highlighted the need for mandatory allocation controls to meet essential public needs on an equitably distributed basis in testimony before the Committee on Interstate and Foreign Commerce earlier this summer. I also sponsored legislation similar to that introduced by Mr. MACDONALD.

The question before us today, however, is not whether we should have mandatory controls, but what sort of controls, over what, and for how long. I support H.R. 9681 because it offers significant improvements upon the program recently—albeit belatedly—announced by the Administration.

To begin with, H.R. 9681 would provide for a continuous, uninterrupted system of controls until February 28 of 1975.

They could not be revoked or allowed to lapse as could the current administrative program. The distinction is important because the energy crisis is not just a passing phase. It is here to stay—and no appreciable improvement in either energy supplies or energy consumption can be forecast for some years to come. Accordingly, a long-term allocation program of definite continuity is required if we are to grapple with our energy problems successfully. An on-again, off-again, last minute approach such as the administration's can only compound them.

Another important feature of H.R. 9681—which differs from administration controls—is the inclusion of crude oil and gasoline along with other regulated products such as heating oil, diesel oil, and jet fuel. Imposition of crude oil controls will insure that appropriate percentages of heating oil and/or gasoline are produced in times when demand for one or another is particularly heavy. Gasoline controls provide protection in two areas. Individual gasoline retailers—whether branded or nonbranded—will be able to pass through wholesale price increases from suppliers. In addition, all retailers will be assured of equitable distribution of available supplies regardless of affiliation—or nonaffiliation—with a major oil company.

The combination of uninterrupted controls and their comprehensive coverage of all scarce petroleum products offers the brightest ray of hope from beneath the shadow of energy shortages that shrouds the Nation. In particular, New England is presently bracing for a long, cold winter. Reserves of No. 2 heating oil in energy district I, of which New England is a part, are at 84.5 percent of 1971 levels, when there was an adequate supply for an average winter, while demand is expected to increase by 10 percent. More importantly, however, available fuel oil stocks held by independent heating oil dealers—who supply 75 percent of New England's homes—are lower still. They presently stand at 77 percent of the previous 2 years' reserves. This amount, it is estimated, constitutes only 57 percent of the fuel needed to supply the 82 percent of the market serviced by the independents.

Mr. Chairman, even temperatures a few degrees colder than normal could produce fuel oil shortages in New England of up to 42 percent. At such a level many schools and businesses would have to close, and supplies for home heating would be uncertain. In addition, many independent oil dealers could be forced to shut down. This would eliminate one of the few truly competitive sectors of the petroleum industry in this country.

I think it can be seen from these figures that the possible ramifications of the energy crisis are such that no mandatory allocation program, no matter how ideally structured, could alone deal with them. H.R. 9681 is superior to the administration's program, but it is not a panacea for all our energy ills. What is needed to supplement mandatory controls is a voluntary but coordinated conservation effort if we are to weather the long, cold winter—and the prospects of other chilling energy crises—that lies ahead. I believe we can do this. It will require privations on every level of our society, but the alternatives are just unacceptable.

Mr. Chairman, I am confident that this legislation—and a positive national attitude to the energy problems we face—can keep our industries going, our schools open, and our homes heated. I therefore urge my fellow Members to vote for its passage.

Mr. STAGGERS. Mr. Chairman, I

yield to the gentleman from Oklahoma, the chairman of the subcommittee (Mr. JARMAN) such time as he may consume.

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

Mr. JARMAN. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. Mr. Chairman, today we are voting on a bill (H.R. 9681) to authorize and require the President to institute a program to allocate crude oil and refined petroleum products. While the entire country is facing an energy crisis, my home region will suffer acutely if there is no mandatory allocation program.

The reason why the New England area will receive a hard blow this winter without an allocation program is twofold. First, 75 percent of New England homes are heated by oil. Nearly 60 percent of the Nation's No. 2 fuel oil is consumed in the nine Northeastern States. But more important is the fact that 82 percent of oil-heated homes in New England are supplied by independent retailers. Without allocation to these independent dealers, New England will experience a widespread shortage of home fuel oil and will not be able to heat their homes adequately.

East coast independent deepwater terminal operators are currently facing a massive supply gap. Voluntary allocation of heating oil has been a complete failure. A recent survey of 30 oil companies serving the east coast showed that the major oil companies have 14 percent more heating oil in their storage tanks than last year while independent companies have half of last year's supply.

Last year was not an easy winter for the New England area but without mandatory allocation this year the heating oil situation will be crippling. Independent dealers are so vital to the distribution of heating oil in the New England area that they must be guaranteed a source of supplies. A mandatory program will spread the effects of our energy shortage over the entire population, with no area suffering harsh results. But without this program, New England will have to bear the rigors of winter with a vastly inadequate supply of heating oil.

I urge my fellow colleagues to consider the plight that will face New England this winter without an allocation program and vote in favor of H.R. 9681, the Emergency Petroleum Allocation Act.

Mr. JARMAN. Mr. Chairman, let me emphasize three points important to this proposed legislation.

Mr. Chairman, I am concerned that, one, it is essential that any mandatory allocation program enacted pursuant to this legislation recognize the importance of the maintenance of essential transportation services, such as those offered by the airlines, the railroads, and the truckers, by giving such transportation modes a priority status in such an allocation program.

Two, in addition to insuring adequate services for these activities, the Government must be keenly aware of the impact of fuel price increases on these regulated carriers and insure that unfair and dis-



criminatorial fuel prices are not imposed on the fuel purchased by these carriers.

Three, in developing such a program, it must also be recognized that these carriers have long-range service commitments which make it impossible to plan for fuel availability and utilization on a monthly basis.

Mr. STAGGERS. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. GETTYS).

Mr. GETTYS. Mr. Chairman, I thank the gentleman from West Virginia for yielding to me.

Mr. Chairman, I would like to take this time to propound a question to the chairman. In my district we have a good many manufacturers of polyester fibers. We have a shortage of cotton and a shortage of wool all over the country. It is my understanding that on October 2, the administration mandated an allocation of priorities in the use of propane, which put the industrial users at the lowest spot.

May I ask the Chairman, does this bill in any way supersede that order in such a way that industrial users of propane would be given an equal chance on a competitive basis to get that material which is essential to keep our textile mills operating?

Mr. STAGGERS. Mr. Chairman, I would say yes, and it is already in the bill, that it will have to be modified.

Mr. GETTYS. The gentleman says that the bill will have to be modified?

Mr. STAGGERS. No, that the other program, the President's program will have to be modified to meet the congressionally defined objectives contained in this bill. We have taken care of it.

Mr. GETTYS. That means, Mr. Chairman, that the industrial users of propane will have a competitive opportunity along with other users?

Mr. STAGGERS. That is correct.

Mr. GETTYS. Mr. Chairman, I thank the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may require to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Chairman, I want to associate myself with those who favor this bill. I commend the chairman and the committee for issuing it.

Mr. Chairman, I rise in support of H.R. 9681, the Emergency Petroleum Allocation Act of 1973. I believe that passage of this bill is absolutely necessary, both to protect millions of Americans against disastrous energy shortages this and next winter, and to preserve the continued vitality of the independent sector of the petroleum industry.

This bill will not increase the supply of petroleum. In fact, most experts suggest that the United States will have to wait 3 to 5 years before supply of petroleum increases. But this bill will insure, in a more equitable and more comprehensive way than is provided for in the administration's recently announced plan, that what energy shortages there are this coming winter do not fall exclusively upon certain regions of the country. Rather, these shortages are

spread out, their harmful impact lessened, across the Nation.

I believe, Mr. Chairman, that there is no area of the country that will not benefit from passage of this bill. To be sure, the areas most directly affected are the Northeast and the upper Middle West. But without enactment of this legislation, our country would face very ominous prospects. For example, a critical shortage of heating oil in the Northeast would cripple the industrial heart of our Nation. A shortage in the Middle West would reduce farm production, and increase food prices to American consumers.

There are those who argue that the administration's program for mandatory allocation of certain petroleum products is enough, and that there is no need for the legislation before us today. I do not agree. Despite many months of needless delay, the administration program has many serious defects that H.R. 9681 would correct. The administration program does not confront the overall shortage of all petroleum products. Specifically, it does not include either crude oil or gasoline under the mandatory allocation scheme. Nor does it affect the supply of petrochemicals, now in short supply much to the detriment of our domestic plastics industry.

Without an across-the-board allocation program, such as that provided by H.R. 9681, inequitable distribution of crude oil, not covered by the administration plan, would weaken independent refiners and marketers, as well as force certain areas of the country, such as New England, to bear the brunt of whatever shortages occur. A mandatory allocation program cannot work unless the distribution of petroleum is controlled at every step. Crude oil supplies need to be regulated so that independent suppliers and retailers, and all regions of the country receive their fair share of oil.

If gasoline is not covered by the allocation program, the result could be that the major oil companies would maximize the production of gasoline at the expense of heating oil, since gasoline would be more profitable. The result would be needlessly cold winters for millions of Americans who depend on heating oil to warm their homes, and it would also be a further blow at the independent gasoline marketers, who provide what little price competition there is in the petroleum industry. And, excessive gasoline production would further drive up the already high prices paid by consumers for heating oil. Without an allocation program for gasoline, the major oil companies could attempt to systematically squeeze out of business their independent competition, simply by denying them supplies. The mandatory allocation program provided by H.R. 9681 would eliminate these dangerous possibilities, since gasoline would be covered.

The administration program is also deficient because it only lasts until April 30, 1974, while H.R. 9681 would establish an allocation program extending through March of 1975. Given the reluctance of the administration to implement a man-

datory allocation program in the first place, after the failure of the voluntary program, there is reason to be concerned that come the spring of 1974, when the immediate pressure of winter weather is off, the administration would seek to dump the allocation program. The prospects for a significant improvement in domestic supply of oil in the next few years is dim. It appears obvious that, like it or not, the need for a mandatory allocation program will be with our Nation for quite some time. Given this need, then it is important that all parties involved in the production, distribution and consumption of oil be able to plan ahead for the winter of 1975, so that the inevitable dislocations that will occur this winter will be minimized for the next. Successful long-range planning requires assurances of controlled allocations in winters to come. Unfortunately, the administration program fails to meet this need.

The tragic events in the Middle East also give further cause for the prompt enactment of this bill. At present the United States imports 785,000 barrels of oil a day from Saudi Arabia, Kuwait, Iraq, Algeria, Libya, and Egypt. There exists a serious possibility that U.S. imports of oil from these countries might be impaired, if not halted altogether for a time, as a result of the current hostilities. A reduction of Arab oil imports would unquestionably worsen our already short supplies of petroleum resources, but I am convinced that our country could live with this reduction if need be. Still, such an eventuality would call for the most careful control of production, the distribution and consumption of fuel resources. H.R. 9681 would come closer to providing these kinds of comprehensive measures than would the administration program.

This bill is especially important to New England. New England depends more on oil than any other region of the country. 2,800,000 homes in New England are heated by No. 2 fuel oil. Nearly 75 percent of the New England population depends on this fuel for heat. In fact, nearly 60 percent of the Nation's No. 2 fuel oil is consumed in the nine Northeastern States.

It seems inevitable that we will experience serious shortages of fuel this winter. Only last year's unusually mild winter staved off serious problems at that time. There is no cause for such hope this year. Governor Love's Office of Energy Policy has estimated a nationwide shortfall of home heating oil of up to 15 percent this year—compared to last winter's nationwide 3 to 4 percent shortage.

Only substantially increased imports of oil could reduce the serious nationwide shortages that we can expect. But such import growth is limited in a number of ways. Apart from the serious situation in the Middle East, imported fuels in many instances have sulfur contents in excess of that allowed by State and/or Federal law. In addition, these imported fuels are more expensive.

New England's unique dependence on

home heating oil raises the specter that millions of New England residents will be forced not only to bear the brunt of whatever shortages occur, but also will have to pay higher prices for it as well. Already New England uses more expensive imported oil at rates well in excess of the national average.

New England also depends heavily on independent marketing of petroleum products, making a mandatory allocation program doubly necessary. As a result of shortages of gasoline and other petroleum products this year, we have already seen more than 2,000 independent marketers of gasoline fail. In New England, fully 40 percent of the fuel oil sold is brought in by independent terminal operators, and 82 percent of the oil-heated homes in New England are serviced by independent heating oil refiners. These independent marketers are finding it impossible, in most cases, to get their suppliers to sell them even a fraction of the fuel that they received in the previous year. While some of the major oil companies have reportedly honored their obligations, others have seemingly acted in a concerted fashion to deprive the independents of fuel stocks, force them out of business, and attempt to take over the market for themselves. These independent dealers must be assured, to the maximum extent practicable, of at least the same supplies of petroleum products that they received in calendar 1972. Otherwise, the millions of New England residents who depend on the independents will have nowhere else to go, and will have the bleak prospect of a very cold winter. The people of New England must not be held hostage to the anticompetitive efforts of certain major oil companies.

Last week, stocks of New England independent terminal operators were only 77 percent of the average stock levels of the two previous years when shortages occurred. Stocks with independents were only 57 percent of the desired level to carry them through the winter. Unless a comprehensive mandatory allocation program is implemented, such as that called for in the bill before us today, on the wintry horizon there looms the specter of a tragedy of national consequence. Closed schools, shut-down plants, stopped utilities, thousands upon thousands of cold Americans. We cannot let this happen. We must take whatever measures are necessary to avert this crisis. We must pass this bill.

Mr. BROWN of Ohio. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. CRONIN).

Mr. CRONIN. Mr. Chairman, I would like to rise in support of this particular legislation. We have heard for some time that the administration is going to work in this area, but they have failed to do so.

Time is running out, and we are facing a serious shortage of home heating oil this winter. Americans, however, will not be equally affected by this crisis. A 5 percent shortage nationwide could mean as much as a 40 percent shortage in New

England—where 60 percent of the Nation's fuel oil is consumed.

President Nixon took the first step, but his allocation program did not go far enough and will not reduce the disastrous probability of a cold New England winter. Congress must now take the initiative.

All petroleum products must be covered under an effective allocation program to eliminate the temptation to refine noncovered products and to insure maximum supply of No. 2 oil.

I think we should face up to the fact that the charge that has been made by many that mandatory allocations are nothing more than spreading the shortages is a poor one and does not hold water.

I believe an effective mandatory program can, indeed, ease the shortage by increasing the available supply. Under such a program, domestic refiners will be required to provide a substantial portion of their production to independents—who will, thus, be assured of an adequate source. Domestic refiners, forced to allocate their products, will have to increase their volume of crude oil by increasing their imports to assure an adequate supply for their own distributors.

If we introduce mandatory allocations, we are going to force the majors, who have had some major marketing changes, to increase the supply of oil in the United States by primarily importing it from their subsidiaries in Latin America, Africa and other parts of the world an alternative by the way that is not available to the independent retailer so that the people in the United States will have the oil that they need, so that we may continue to prosper as a nation.

Only through a total allocation program can we increase the supply to lessen the shortages.

While imported crude oil and refined products are more expensive than that available domestically, I believe the increased costs can be minimized by imposing an effective allocation program. The Cost of Living Council regulations allow increased costs of imported oil to be averaged over the entire inventory. Clearly, independents—with smaller inventories—would be at a financial disadvantage. Major refiners, however, can average costs nationwide, thus lessening the cost impact to the consumer.

Every 1-cent increase in the cost of home heating oil costs New England \$50 million per year—a severe blow to New England consumers.

Energy czar Love's "hope for the winter" lies with the weather. We cannot depend on the weather—we must take strong and swift action. An effective mandatory allocation program is vital to the future of independents in New England and to the health of the Nation's consumers, and I strongly urge the support of my colleagues on this legislation.

Mr. BROWN of Ohio. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. HARVEY).

Mr. HARVEY. Mr. Chairman, I wish to make it clear in the record of the debate on H.R. 9681, the Emergency Pe-

troleum Allocation Act of 1973, that it has been the intention of the Interstate and Foreign Commerce Committee to include the delivery and transport of mail by the U.S. Postal Service, its lessees, rural carriers, contractors, and air carriers as a priority in the allocation of fuel.

I would point out to my colleagues that the committee report, 93-531, does express on page 18 the intent of the committee to include mail transport and delivery in the category of public services.

The overriding reason for bringing this matter to the attention of this body is that the Post Office can ill-afford to be lacking of fuel for the delivery of our mail in light of its current financial difficulties. In consulting with the Postal Service on this matter, I have also learned that several factors make it essential to the well-being of the Postal Service and the Nation that such a priority be instituted.

Prompt delivery of the mail depends upon the efforts of thousands of small businessmen who hold contracts with the Postal Service for highway mail transportation and air taxi mail transportation. Without specific mention of the transportation and delivery of mail as a priority item for the allocation of fuel during the coming winter, these thousands of key contractors may not be able to obtain sufficient fuel for their vehicles and the entire mail system may be seriously impaired. In addition, many inhabitants of rural America who depend upon star route box delivery to bring them their mail may be literally cut off from the outside world.

Unless the Congress awards priority fuel allocation status to the transportation and delivery of mail, postal contractors may find themselves forced to procure their fuel piecemeal. The resulting slowdown in the carriage of mail to and from processing centers would greatly increase the costs of mail processing by disrupting the steady volume of mail necessary for the efficient operation of Postal Service facilities.

Under the previous voluntary system of fuel allocation, according to the Postal Service, they had increasing difficulty in finding dealers willing to enter long-term contracts to supply fuel for postal vehicles. The lack of specific mention of mail transportation in the list of activities enjoying priority status in the allocation of fuel was a great disadvantage in this regard.

The Postal Service supplements its own delivery fleet with up to 30,000 vehicles leased from commercial sources and from mail carriers themselves. Without priority fuel allocation, the owners of these vehicles may not be able to obtain sufficient fuel to operate them. This will not only hamper mail delivery but will also contribute to the deterioration of postal labor relations with those employees who lease their own vehicles to the Postal Service.

I am hopeful that, with the passage of this legislation, the administration will



give a priority to the Postal Service, along with the other sectors also named in this bill, for the allocation of fuel.

I should like to direct a question to the chairman of the committee, the gentleman from West Virginia. I spoke to the gentleman earlier, and told him I originally had intended to offer an amendment to make certain that the carrying of the U.S. mail was covered in our list of priorities in the bill, and the gentleman assured me, and the gentleman from Massachusetts as well, that it is covered.

I notice on page 18 of the report that in section (B) they provide it "would embrace public transportation, mail delivery," and I assume that the "mail delivery" would include all of the lessees, rural carriers, contractors, and air carriers of the Postal Service, and they all would have priority.

Mr. STAGGERS. That was our intent when the bill was written, and that is the intent of the bill to provide.

Mr. HARVEY. I thank the chairman. I am delighted to hear him say that. I certainly intend to support the bill.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Colorado (Mr. EVANS) for a question.

Mr. EVANS of Colorado. I thank the chairman. I have two brief questions.

First, is it intended that the language in section 4(b)(1)(A) providing for "protection of public health, safety and welfare," would include fuels for residential heating?

Mr. STAGGERS. Yes; that is clearly intended.

Mr. EVANS of Colorado. The next question is in relation to some facts that exist in the refining, sale, and resale of oil. Sales by the eight large refiners to the other refiners every year is large. These net sales are in turn resold by the smaller refiners to their branded marketers as well as to unbranded independent retailers.

Section 4(c)(1)(A) of this bill requires that the structure of the program result in allocation of a quantity proportional to 1972 volumes to each class of marketer. It seems to me that this cannot be accomplished unless interrefinery sales are covered by the authority granted in this bill. Am I correct in assuming that this bill, therefore, mandates allocations which will include interrefinery transactions?

Mr. STAGGERS. The answer is "yes." On page 17 of the report, at the top we so state:

First, it is the committee's intent that this authority specifically extend to compel interrefinery transfers and exchanges.

Mr. EVANS of Colorado. I thank the gentleman for his assurance. I congratulate him on the bill, and indicate I certainly will support this legislation.

Mr. STAGGERS. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, the passage of H.R. 9681, directing the mandatory allocation of petroleum products, is an urgent necessity in order to assure the equitable distribution of the

oil and gasoline products which help warm our homes, fuel our cars, and generate our power. It would also help insure against the threat of black-oil blackmail by the Arab nations.

This bill does not provide for price controls, which I have always opposed and continue to oppose. This bill provides for a sharing—a fair and equitable distribution—of our increasingly scarce petroleum resources. For months, the administration tried to cope with the petroleum shortage with an inadequate voluntary allocation program. Under this program, the major oil companies managed to protect their profits and expand their share of the market. By contrast, independent marketers of gasoline and oil were left in a precarious and vulnerable situation. Independents were forced by the Cost of Living Council to absorb wholesale price increases while, at the same time, they were confronted by a reduced supply of product. Shrinking profit margins and shrinking supplies brought many independent marketers to the brink of financial disaster. Indeed, thousands of small businessmen across the Nation were forced to close their doors.

I met with many independent gasoline and fuel oil dealers from my home district of Baltimore County concerning this situation. They have been angered and rightfully so. For months, under the administration's voluntary allocation program, they have been denied their fair share of the available supply of petroleum as well as a fair margin of profit.

I have had a lot of dealers come to see me, as other Members have. I believe I know the difference between people who are genuinely desperate and those who are crying all the way to the bank. These gasoline station men came to me wearing their work clothes. If ever I have seen desperate people, they were. Some of them told me that on a \$400,000 a year gross they were netting \$6,500, including their own salaries and those of their wives.

In recent days, the administration has finally responded to the outcry of thousands of small businessmen across the Nation and to the Members of Congress who have looked into this situation. Just this morning, the administration published guidelines for the mandatory allocation of heating oil and other middle distillates. And yesterday the Cost of Living Council agreed that gasoline dealers should be allowed to pass along wholesale price increases rather than absorbing these costs themselves.

The administration's actions are too little and too late. Thousands of small businessmen have suffered from economic losses and uncertain supply. Millions of consumers have been needlessly inconvenienced because their gasoline or oil dealer could not service their needs or had even been forced out of business.

The administration's announcement of mandatory allocation referred only to heating oil, diesel fuel, kerosene, propane, jet fuel, and related products. The administration excluded gasoline from its allocation program. Since the production

of all petroleum products is interrelated—because increased production of gasoline necessitates a corresponding decrease in heating oil—the administration plan could result in further economic dislocation rather than equitable allocation.

In addition, the administration's decision to permit gasoline dealers to pass along wholesale price increases is not the same as the dollar-for-dollar pass-through mandated by H.R. 9681. Under the administration plan, dealers can pass along costs only when these increases have accumulated to a full 1-cent-per-gallon increase. If the major suppliers increase wholesale prices by a fraction of a cent, retailers must absorb these increases until the prices go up even more.

H.R. 9681 provides that the Nation's current petroleum crunch will be shared equitably and that no one will be cold this winter or be stranded in his car because of a lack of fuel. It also irons out the market inequities inherent in the administration's plan. Mr. Chairman, I urge the passage of H.R. 9681, the Emergency Petroleum Allocation Act of 1973.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. MARTIN).

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

Mr. MARTIN of North Carolina. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I rise in support of H.R. 9681.

Mr. Chairman, I am not only interested in the allocation of oil but also in insuring the continued production of crude oil from the 353,000 stripper wells in the United States that produced more than 423 million barrels of oil in 1971 and that tap nearly 5 billion barrels of oil, approximately one-sixth of the Nation's crude oil reserves.

Stripper wells are those that produce less than 10 barrels of oil daily. They are, in the main, operated by small, independent entrepreneurs primarily because such wells are not economically profitable for the large multinational oil companies. They become profitable for small operators only when the price of crude is such, as it has been recently, that a margin remains after paying for the pump, the cost of propane to operate the pump, and the cost of hauling the oil to a purchasing refinery.

More than 94 percent of the 42,000 oil and gas wells in Kansas are stripper wells. The national average production from a stripper well is 3.59 barrels per day and it is about the same in Kansas. But of the 39,552 stripper wells in Kansas, several thousand produce only 1 barrel or even less per day.

In 1971, the latest figures available to me, stripper wells produced something over 51 million barrels of oil in Kansas alone; an important factor in total domestic production in these times of oil shortages.

In the 5-year period from 1967 through 1972 some 9,100 wells were plugged in Kansas because the price for crude oil did not pay the cost of pumping the small production from such wells. In 1971 alone, more than 18,000 stripper

wells were permanently plugged throughout the United States, costing the Nation not only millions of barrels of domestic oil production but losing forever the reserves of oil under these wells.

Under present price regulations, little or nothing has been done to encourage independent producers to seek new sources of oil. For example, as of January 1, 1973, there is no ceiling on new oil. Prior to January 1, 1973, regulations established two categories of oil—new oil and old oil. New oil has been defined as any increase in production over the level of oil produced in the corresponding month of 1972.

Now—what does this mean?

If a stripper well produced five barrels of oil in September, 1973, and in the corresponding month of 1972 produced four barrels—then the producer has no ceiling price on the one additional barrel produced and as a bonus one barrel of old oil can be considered as new oil.

Hence, under regulations—the three remaining barrels remain under ceiling plus 35 cents. What justice is there under such a regulation?

Furthermore—the history of stripper well production shows that such wells do not produce more oil but in fact produce less oil each year with increased costs.

On May 15, 1973, the price of oil in Kansas was \$3.85 a barrel—in October, 1973, the price was \$3.85 plus 35 cents or \$4.25 a barrel. Compare this with the fact that Libyan crude oil laid down at Big Springs, Texas, is bringing \$6 a barrel. And this week the Arab nations are meeting in Kuwait to determine what the prices of crude will be next week.

Let us take the handcuffs off our small producers and encourage them to seek new sources of oil in the United States and they will do it if given half a chance.

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

Mr. MARTIN of North Carolina. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the distinguished gentleman for yielding. I, too, rise in support of H.R. 9681.

Mr. Chairman, I rise today in support of a mandatory fuel allocation program. The necessity for Federal supervision has long been obvious.

On February 5, I and a number of my Midwestern colleagues introduced a proposal calling for the immediate implementation of an oil allocation system. Between late February and May 12, when the voluntary program was announced, many of us continued to speak out for mandatory allocation. After the voluntary program was initiated I again urged that a compulsory delivery system be initiated.

The fuel situation continued to worsen. Many Members of this body and large segments of the Nation, began pushing harder for mandatory controls. The culmination of these efforts and of the long consideration by the administration was the announcement of the administration's mandatory program which will be fully in operation on November 1.

On September 20 with my colleagues Mr. McKINNEY and Mr. HEINZ and a

number of other cosponsors, I introduced a bill which would have amended the economic stabilization act, as does this bill, to compel the administration to implement the program which they had proposed. They have done so. Their proposal appears to be a practical solution to a part of the problem.

As I see it now, the principal difference between this bill and the administration's mandatory program is that the bill includes more types of petroleum products.

The bill may have served its purpose in forcing the administration to develop a mandatory allocation system. Nevertheless, the bill still deserves support. I hope it is passed.

Mr. MARTIN of North Carolina. Mr. Chairman, I favor the passage of H.R. 9681, but I would say that as we consider the fuel allocation of petroleum, we must also recognize the vital nonenergy uses of these materials as raw materials. I would add momentum to the point which has already been made by the gentleman from Texas (Mr. CASEY), and by the gentleman from South Carolina (Mr. GETTYS) as further justification for the good work done by the committee in extending the oil allocation umbrella to petrochemical feedstocks.

As a chemist, of course, I came by this interest quite naturally. I do, however, assure my colleagues that I do not intend to use this time to reveal to the House the mysteries and intricacies of organic chemistry, although I do believe the Members would find it quite fascinating.

Mr. CASEY of Texas. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Texas.

Mr. CASEY of Texas. Mr. Chairman, the gentleman made a very good point that the entire country was affected by the shortage of feedstocks and petrochemicals. When I talk about the need for feedstocks in Texas, that is just the beginning of the line, because when we come down to the consideration of these products from these plants, these products go to all parts of the United States. They go into the districts up in Massachusetts for textiles, for plastics, and for other manufacturing industries, and many jobs depend upon these industries.

Mr. MARTIN of North Carolina. Mr. Chairman, I thank the gentleman for his contribution.

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

Mr. MARTIN of North Carolina. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, I would like to assure the gentleman that, as we discussed the matter earlier in the day with the gentleman from Texas (Mr. CASEY) under the bill the President is required to allocate fuels, which guarantees the preservation of competition in the petrochemical industry, and inasmuch as literally thousands of petrochemical-devised products are made from petroleum, such as plastics and synthetic rubbers, et cetera, the committee believes and has stated both in the

hearings and here that these uses are very important end uses. Therefore, we expect the President to equitably distribute short supplies among priority users, including the industry which the gentleman is talking about.

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

Mr. MARTIN of North Carolina. I yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I, too, would like to commend the gentleman for bringing up this particular aspect of this subject.

A good many people are not aware of the fact that not only are all plastics products but most of the tires they roll on are made of synthetic rubber and synthetic fiber, both of which are made from petrochemicals.

If we do not do something to preserve the petrochemical industry, we are going to be out of transportation even if we do not run out of gasoline.

Mr. Chairman, I wish to commend the gentleman for his attention to this subject. I hope that the committee will make the bill clear.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

Mr. BROWN of Ohio. Mr. Chairman, I yield 2 additional minutes to the gentleman from North Carolina (Mr. MARTIN).

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

Mr. MARTIN of North Carolina. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I thank the gentleman for yielding.

I wish to commend him for raising this question. I have in my hands a telegram from a plant in my district, the Marco Chemical Division of W. R. Grace & Co., at Swanton, Ohio.

The telegram reads as follows:

SWANTON, OHIO.

October 15, 1973.

Representative DELBERT LATTA,  
Rayburn House Office Building,  
Washington, D.C.

The W. R. Grace and Company plant in Swanton, Ohio, produces 50,000,000 pounds of polyester resin per year in which 100 percent of its major raw materials are based on petrochemicals including styrene and propylene. We understand that the proposed mandatory allocation program of the Office of Oil and Gas would sharply reduce or eliminate supplies of our raw materials, jeopardizing the operation of our plant where we employ 50 people. We urge you to insure that the petrochemical industry receives a high priority for use of petroleum based feedstock. Since we feel jobs are more important than indiscriminate public use of gasoline.

The majority of our 2,500 customers are small business concerns, totally dependent upon, polyester resin supply to produce automotive parts, boats, construction items such as bathtubs and shower stalls, sewer pipe and a broad range of products. Curtailment of supplies would have a falling domino effect on many key business segments. Thousands of small businesses in this industry would be forced to close by this action.

Mr. FLOYD E. HARPER,

Plant manager, Marco Chemical Division,  
W. R. Grace and Co., Swanton, Ohio.



Mr. Chairman, I certainly hope that this legislation which we have before us will adequately take care of this situation or of situations similar to this.

Would the gentleman care to comment on that?

Mr. MARTIN of North Carolina. Mr. Chairman, I have examined additions to the bill that were added to it by the committee which make express reference to the allocation for petrochemical feedstocks. I concur with the gentleman from South Carolina that the administration's program was inadequate in this respect.

I hope that this provision will be sustained during the 5-minute rule and the amendment process today and that we will be able further to strengthen the measure in that regard.

I want to make one additional illustration which I think points this out even more dramatically.

Propane is a raw material for the manufacture of ethylene. If that were the only process we were concerned with, it involves only a few hundred jobs. But ethylene is used in the manufacture of polyethylene, which involves thousands of jobs. Ethylene also is a vital starting material in the manufacture of ethylene glycol, which is used for the manufacture of anti-freeze and is also an irreplaceable ingredient in the manufacture of polyester fiber. Now we are talking about 40,000 or 50,000 jobs in that latter industry. And the pyramid of dependency expands further if we consider the 150,000 jobs in the textile industry which are dependent on the manufacture of polyester fiber. So this extends to a quarter of a million jobs of Americans and their families. If only 10 percent of those jobs are sacrificed through neglect of this end use problem, we would have an enormous impact on the economy. Equity dictates that we retain and strengthen this language in the bill to provide for the allocation of petroleum products for necessary petrochemical feedstocks.

Mr. STAGGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. ECKHARDT), a member of the committee.

Mr. ECKHARDT. Mr. Chairman, I, too, am concerned about the question of feed stocks. I come from a district which I suppose has more refineries and more chemical plants than any other district represented in this House, but I also come from a district in which a great number of persons are concerned about the distribution of gasoline. I think we all have more gasoline distributors than any other industrial group that is affected by this bill.

Furthermore, regardless of what the constituency of my district is, I feel there is a great need for an equitable distribution of fuel and gasoline in this country.

What this bill does in section 4(c) is provide for a pro rata sharing amongst persons engaged in the marketing and a pro rata sharing amongst the refiners of crude for the purpose of establishing a fair distribution of these materials

throughout the United States.

Wherever we come from we ought to be for that.

When the time comes, I understand the gentleman from Texas (Mr. PICKLE) has an amendment which he will offer which I do not think hurts the bill and which I will support.

However, whether that amendment is passed or is not passed, I shall support the bill, because I think the bill is a good bill and is a necessary bill.

Whatever defects our system has developed in the past in preventing these materials from getting to the people of the United States, the crisis exists now. This bill addresses that crisis, and in my opinion the bill should be passed.

Mr. GROSS. Will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman.

Mr. GROSS. According to the report accompanying this bill, certain administration spokesmen said that it would require 500 lawyers to be hired in order to take care of the bill, whatever their function would be. Is this a lawyers' welfare bill, or what is it?

Mr. ECKHARDT. The only difference between this bill and what the President's authority would be without this bill is that this bill does set certain standards by which both distributors and refiners would receive their supplies. I do not see that it does anything but clarify the question of entitlement rather than confusing it.

Mr. BROWN of Ohio. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, if the weather this year, this coming winter, is like it was last year, and the year before, the winter population in Florida will be about the same as it was last year and the year before, but if the weather is very severe then the population in Florida during the winter months could easily be many times what it was last year, or the year before, because the constituents of the Members of the House are going to come to my State—and we welcome them, and we are glad to have them—but we will need fuel to keep them warm while they are there.

As I announced in the RECORD of yesterday, I had intended to offer an amendment on page 14 that would reword the language in the bill to take into consideration population or industrial growth. The amendment is as follows:

An amendment by Mr. YOUNG of Florida to H.R. 9681: Page 14, line 22, strike out "and" and insert the following: "or (iii) to take into consideration population or industrial growth, and".

In discussing this proposed amendment with the chairman of the full committee, and the chairman of the subcommittee, and the ranking Republican member on the committee, I am advised that language already in the bill is intended to do just that.

So, Mr. Chairman, for the purpose of creating the intent of the Congress, and for establishing the legislative history in

this matter, I wonder if the chairman of the full committee or the chairman of the subcommittee would be willing to respond to the question as to whether or not such an amendment is necessary to accomplish my intent?

Mr. STAGGERS. Mr. Chairman, if the gentleman will yield, the amendment is not necessary because we have made it clear and explicit in the bill that we would take care of any expansion or growth of any districts or parts of the country in which such expansion or growth has taken place, and that it shall be taken into consideration in making the allocation.

Mr. YOUNG of Florida. And the problem that I have just mentioned about a State like Florida or Hawaii would be covered by that language?

Mr. STAGGERS. That is right.

Mr. YOUNG of Florida. Would the chairman of the subcommittee, the gentleman from Massachusetts (Mr. MACDONALD) agree with that statement?

Mr. MACDONALD. Mr. Chairman, if the gentleman will yield, I agree 100 percent that it is covered specifically in the language the gentleman uses, expanding economies.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentlemen very much.

Mr. Chairman, I wonder if the ranking minority member might respond to that same question also for the purpose of establishing legislative history. As to whether or not there is any necessity for my amendment, or does the language of the bill cover it?

Mr. BROWN of Ohio. Mr. Chairman, I would be delighted to concur with the other gentlemen as to the language, whatever it is.

Mr. YOUNG of Florida. I thank the gentleman.

Mr. LENT. Mr. Chairman, I rise in support of this legislation because it is a positive step toward fulfilling the pressing fuel needs which confront us at the present time, especially on Long Island and throughout the Northeast.

Gov. John Love, Director of the White House Energy Policy Office recently stated that, realistically, we will face the need for some system of fuel allocation in this country for the next 5 years. In light of this observation, H.R. 9681, the Emergency Petroleum Allocation Act is an equitable solution, given the circumstances, for several reasons.

First, this is a truly comprehensive bill which goes to the heart of the problem. It covers a wide range of petroleum products including crude oil, home heating oils, gasoline, propane, and some lubricating oils. In addition, it applies to marketers, distributors, and refiners; and specifically includes the independent as well as the nonindependent segments of the industry.

Second, the requirements for domestically produced fuels to be distributed within the United States and the provisions allowing the retailer to pass on price increases on certain products to their customers help to insure an equita-

ble distribution on a domestic-consumption-first basis.

Third, the enforcement provisions allow for the same procedures and penalties presently being used under the Economic Stabilization Act of 1970. This feature will allow this act to be integrated with Energy Policy Office planning.

The time to act is now. The need for an allocation program has been demonstrated beyond any doubt. The crisis is upon us. Voluntary allocation on the part of the petroleum industry has proven to be inadequate. This legislation is not perfect, but it does present a comprehensive, domestically oriented, and enforceable program which is of the utmost importance if we are to have adequate fuel supplies to meet our needs for the next 5 years.

Mr. BROWN of Ohio. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Chairman, on page 15 of the committee report there is a particular statement of interest to me, and I would like to have the attention of someone on the committee to respond to it.

The statement is:

In the Committee's opinion a mandatory allocation program such as is called for in this bill gives the best opportunity in the short term for meeting our energy requirements. . . .

I can understand how a bill might share the pains of short supply and I can understand how a conservation program would ease the petroleum shortage, but for the life of me I do not understand, frankly, how the legislation itself is going to meet our energy requirements, and I would like to have some help in this area, if I might.

Mr. STAGGERS. Mr. Chairman, if the gentleman will yield, where is the gentleman reading from in the report?

Mr. RUPPE. I am reading from page 15.

Mr. STAGGERS. It is a large page.

Mr. RUPPE. It is on page 15, just before section 3, about four lines up from there.

Mr. STAGGERS. Mr. Chairman, in answer to the inquiry of the gentleman from Michigan, may I say that we are trying to make the most efficient use of our energy to see to it that our limited supplies are allocated in the places where they are needed, and not just being squandered in some other areas. That is the purpose of the bill.

Mr. RUPPE. You are trying to fairly allocate the resources we have, recognizing that we do have a shortage, and we will face an almost impossible task in trying to supply all of the users this year. But there is no way of meeting all of our energy requirements in the short term?

Mr. STAGGERS. That is correct.

Mr. RUPPE. I thank the gentleman.

Mr. STAGGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, again I point out to the House that this bill, well-intentioned as it is, does not get to the problem, and does not solve the problem, which is our lack of a supply of energy. All this bill does is just spread

the butter. It does not attack or treat the basic problem, namely, how do we get more domestic oil produced? How do we get more natural gas produced for the various cities?

And it seems to be the feeling throughout the House today that all we have to do is pass this bill and everything and everybody is going to be taken care of. There have been 15 or 20 Members today rising and asking, "Now, does the bill take care of my situation?" And the committee says, "Yes, it does."

Well, saying so does not solve the problem. Let us take, as an example, propane, and the petrochemical industry.

They wanted to give the petrochemical industry the priority over and above what has been announced now, by the administration and the administration at this point would not agree to it. I doubt they are going to do it, even if we pass this bill, that is, give them a higher priority. Even though these industries need the supply, if we do, we take propane away from the homes and we take it away from the farms. That is also true of gasoline. We help a little dealer keep from going out of business where the big refineries might be squeezing him a bit, but we hurt 100 other contract dealers, gasoline dealers, who have been working with their companies for years and years as a contract dealer.

This bill says there are no binding contracts and, therefore, the Government and the companies can just cancel all of these requirements and do whatever they wish. In other words, we are going to let the Government—the fuel allocation control committee—be running this entire thing.

Mr. ROSTENKOWSKI. Mr. Chairman, there is little doubt that despite the perfunctory allocation efforts of the present administration an "energy crisis" of frightening magnitude is glaring at us as the winter months approach.

Throughout our Nation, millions of our citizens have already been seriously affected. Emergency services in municipalities in all areas of our country have found themselves with startlingly low reserves of the fuel. Our farmers have been unable to obtain adequate supplies and thus, have at times, been forced to resort to "black market" procurement of the fuel needed to operate their tractors and harvesting equipment. Homeowners, especially in the northern segments of our Nation, have been frantically searching for alternative methods of obtaining heating oil, since their historical "supplier" can no longer obtain petroleum. In many areas, even the supplier himself has been forced out of business due to this lack of product.

The school systems of this country are presently faced with the possibility of complete disruption. In Illinois, the superintendent of public instruction, after an extensive energy survey has advised me that 17 percent of the State school districts are without guaranteed heating fuel supplies. In my city of Chicago alone, 231 of the district's 581 school buildings use heating oil. At present, no bids have been received. If these schools do not obtain fuel, 550,000 students will be deprived of their education.

To illustrate the complex problems of

an area of our society affected by the fuel shortage, I would raise the considerations necessarily made by our State superintendent of schools.

If an administrator is unable to purchase the requisite fuel supply he must make arrangements for additional busing of his students to other school districts. However, the gasoline to operate these buses often cannot be obtained. In Illinois, presently, 24 percent of the State districts have not received bids for transportation fuel. Mr. Chairman, yet even if busing could be effected, further complications arise in the overcrowding of classrooms, redrafting of teaching contracts, and redistribution of school financial aid. All these repercussions stem from one basic fact—sufficient fuel cannot be obtained.

The administration while grappling with this situation for many months has presented the American people with a number of unacceptable and unproductive alternatives. The voluntary oil allocation program has failed. The most recent mandatory controls on propane and middle distillate fuel have still not confronted the entire problem, as gasoline is peculiarly absent from these programs.

Mr. Chairman, we as responsible representatives of the people must confront the entire problem, as the distinguished majority of the other body did so successfully on June 5, 1973.

We must guarantee our citizens the fuel they so desperately need. I would, therefore, urge all my colleagues to strongly support H.R. 9681, the Emergency Petroleum Allocation Act of 1973 not as a panacea but rather as a realistic approach to insure limited fuel supply.

Mr. HARRINGTON. Mr. Chairman, I rise to support H.R. 9681, the Emergency Petroleum Allocation Act of 1973. Consideration of this bill today follows 6 months of continuous congressional study of the allocation concept as a means of preserving competition in the petroleum industry and insuring an adequate supply of fuel. I congratulate my colleague, Mr. MACDONALD, for the skill and care he has taken to guarantee that this legislation accomplishes its intended ends.

It seems to me that the allocation act is vital because this is one of the first times Congress has acted with relative promptness and effectiveness on an aspect of the energy crisis facing this country. Its impact certainly does not represent a final answer to the fundamental question of ending the energy shortage, however. The fundamental questions of producing sufficient energy for this country in the future without sacrificing environmental values and legitimate foreign policy commitments have yet to be adequately confronted by Congress. They must be so confronted in the near future if Congress is to provide the leadership needed in this area.

In a specific sense, I am particularly pleased with two aspects of the legislation.

First, the bill places clear priority on the protection and enhancement of independent competition in the petroleum field. The bill directs that mandatory allocations specifically serve the "preservation of an economically sound and competitive petroleum industry; includ-



ing the priority needs to restore and foster competition in the producing, refining, distribution, marketing, and petrochemical sectors of such industry and to preserve the competitive viability of independent refiners, nonbranded independent marketers, and branded independent marketers."

The bill also permits a dollar-for-dollar passthrough of net increases in the cost of refined products to all marketers or distributors at the retail level. It also requires the President, through the Cost of Living Council, to use the same date in the computation of markup, margin, and posted prices for all marketers or distributors of refined products. Such a requirement, coupled with a similar provision passed last Thursday in the legislation providing appropriations for fiscal year 1974 for Federal agencies, safeguards independents against the kind of discriminatory pricing regulations which the Cost of Living Council has previously imposed.

These two features of the allocation bill, Mr. Chairman, are concrete means of aiding the independent marketer. I would like to reiterate my feeling, however, that permanent justice for the independent small businessman in the petroleum industry can come only by divestiture legislation—the divorce of marketing activity from the other components of the petroleum industry and the effective breakup of the monopolistic petroleum majors now dominating the industry. In a recently completed 2-year study, the Federal Trade Commission concluded that the industry was indeed beset with a situation of monopoly in which the major oil firms cooperated rather than competed with each other.

Pending this kind of long-term assistance to the cause of free and genuine economic competition, this allocation bill is critical to the survival of independent marketers, and I urge my colleagues to support it.

Mr. ANNUNZIO. Mr. Chairman, I rise in support of H.R. 9681, a bill which authorizes and requires the President to allocate crude oil and refined petroleum products to deal with present and future shortages.

The United States has been a Nation uniquely endowed with energy resources. In the past, these resources had been available at reasonable prices. Indeed, the development of natural resource policy in this country centered on the problem of surpluses, not of shortages. Now, however, it appears the era of energy shortages appears to have arrived. We no longer can satisfy natural energy demands with our domestic fuel supplies and must import instead.

While some will debate whether the problems we are now experiencing in the supply of energy resources have reached "crisis" proportions, it is obvious we have encountered serious shortages of essential fuels. Last winter, for example, schools were closed for lack of fuel, and other public buildings cut back hours or closed. Farmers experienced difficulty in getting natural gas to dry their crops and operate farm machinery. In addition, independent fuel oil and gasoline dealers faced serious shortages of supplies.

In April 1973, the Congress enacted

Public Law 93-28 directed to these problems. Section 2 of the Economic Stabilization Act Amendments of 1973 provides the President with discretionary authority to allocate the distribution of crude oil and petroleum products to "meet the essential needs of various sections of the Nation and to prevent anti-competitive effects resulting from shortages of such products." An essential foundation to this legislation was the principle that mandatory allocation of scarce fuel supplies was the best method to deal with fuel shortages in the short run.

Unfortunately, the President did not agree with this concept. Instead, he chose not to use this power and relied on the voluntary allocation program. This program has not worked. During last spring and summer, shortages of gasoline became critical. Independent fuel marketers began to shut down their pumps and some went out of business. The best indication of the voluntary fuel allocation program's failure is the fact that over 2,000 independent marketers of gasoline were forced out of business by July of this year.

Throughout the summer months, many Members joined me in urging the administration to use the power granted to it under the Economic Stabilization Act amendments and get on with mandatory fuel allocation. Our words went unheeded and shortages developed to crisis proportions. In Illinois, over 500 independent gasoline stations out of some 4,000 in the State closed their doors. Chicago suffered the major difficulty because 30 percent of the city's gasoline needs are supplied by independents.

At the same time, the earnings of the five biggest oil companies jumped by 26 percent between the first quarters of 1972 and 1973, and the largest company's earnings jumped by an amazing 43 percent. At a time when the American consumer could not get sufficient supplies of gasoline and when independents were being put out of business, the fact that the oil company earnings, while under price controls, were increasing rapidly, highlights the need for action now.

The fuel supply problems of last summer are now over, but it appears we will experience similar problems this winter. The Department of the Interior points out that domestic distillate fuel supplies will need to be supplemented by a very high level of imports—up to 650,000 barrels a day. Unfortunately, the Department predicts the maximum supply available for importation is 550,000 barrels a day.

Should the winter be particularly severe our demand could rise to 850,000 barrels a day. Thus, we could experience a shortage of 100,000 to 250,000 barrels a day—see House Report 93-531, page 8. These statistics translate into cold houses, cold offices, cold schools, cold factories. Last spring and summer I felt the voluntary fuel allocation program was not the answer to the problem of fuel supplies. I felt then, and I feel now, that mandatory allocation is the only equitable solution to this problem. Thus, I was proud to introduce legislation to implement a mandatory allocation program. This legislation, the Independent Oil Marketers Supply Act of 1973 (H.R.

8089), would have assured that tight supplies and rising prices would not eliminate independent businessmen by prohibiting refiners from reducing the share of available supplies to independents. Since the independents have suffered the most from the voluntary allocation program, this legislation would have gone a long way toward solving the problem.

Mr. Chairman, today we are considering H.R. 9681, a bill which is an outgrowth of legislation my colleagues and I introduced earlier this year. H.R. 9681 represents the consensus of the Committee on Interstate and Foreign Commerce. It has been thoroughly examined and debated in committee. It is a fair bill and I strongly urge that it be enacted.

Briefly, the bill would authorize and direct the President to adopt within 10 days of enactment, and to implement within 15 days, a mandatory allocation program for crude oil, distillate and residual fuel oils, and other refined products. The bill does not outline a detailed mandatory allocation program; rather, it outlines congressional objectives which the executive branch would achieve. In addition, to the extent practicable, the bill directs allocations to be made to guarantee to independents supplies equal to that which they received in 1972, allowing for equitable adjustments to provide for new market entry and other changes. Finally, the bill calls for the Federal Trade Commission to monitor the program.

Every indication points to shortages of fuel oil for this winter and gasoline next summer. The only solution to these problems which can preserve competition in the industry is a mandatory allocation program. There are, however, several things I think we should try to avoid in solving this problem. First, any legislation we enact must be flexible because the oil industry is large and complex, and conditions will change. Second, prices must be equitable, so that one segment of the industry is not discriminated against. Third, the legislation should be inclusive—dealing with all aspects of the industry. Finally, we must insure that the program is properly monitored.

Mr. Chairman, I feel H.R. 9681 meets all of these objectives. It is flexible and it is equitable. In addition, it is inclusive and provides for the necessary monitoring of the program.

Last winter and summer we saw the impact that fuel shortages can have on this Nation. We saw the results of a voluntary fuel allocation program and none of us was pleased with the results.

Although the administration finally acted on October 2 to institute mandatory controls on bottled gas, and promised similar controls on heating oil, the mandatory controls do not extend to gasoline, an area where the greatest shortages have occurred in past months. It is simply a case of "too little, too late" as far as the administration is concerned, and it is up to the Congress to take action fairly and squarely as far as all segments of the fuel industry are concerned. The time for action is now and I am confident we will take that action today.

Mr. LEGGETT. Mr. Chairman, a recent cartoon in a national news maga-

zine showed a whimsical portrayal of a long line of cold Americans lined up in the snow in front of a "Heating Oil Allocation Center" receiving their ration of fuel oil in tincups. I say whimsical because such lines occasioned by shortages are foreign to the experience of the majority of Americans alive today—they are not old enough to remember the breadlines of the thirties, and have lived in an age of affluence such that shortages like this are unimaginable.

And yet, shortages like this are exactly what we face as a Nation.

There has been a great deal of finger pointing, blame placing, weeping, wailing, and gnashing of teeth, but it does not alter the fact that a shortage is upon us. The committee chaired by the distinguished gentleman from West Virginia has presented what I feel is an excellent statement of our problem:

A projected 12-percent growth of demand for heating fuel over the next 2 years;

A relatively inelastic ceiling on imports of refined products which may already have been reached; and

A ceiling on domestic refining capacity, which we have already been operating against for most of this year. The Office of Oil and Gas projects 96.5 percent utilization of our refinery capacity this year.

In addressing this third point, which is the proximate cause of our immediate problem, it should be noted that in the last 5 years there has been built in this country precisely one new oil refinery. There has been no expansion of existing facilities, and until last April not one major oil company had announced plans either for new construction or for expansion of existing facilities.

From some points of view this conduct on the part of the oil giants may be excusable in light of circumstances surrounding refinery construction; however, before we allow these companies to make a whipping boy of environmental standards, some facts bear scrutiny:

As early as 1966, refinery utilization figures began to show that growth of new facilities was starting to lag behind the growth of demand for refined products. In the 8 years from 1958 to 1965 refinery utilization averaged only 85.6 percent, while utilization for the 8 years, 1966 to present, has averaged 90 percent. This is about as clear an indication of an impending crunch as one could wish for; yet in that time period, no effort was made to forestall the shortage we face today.

The other salient point here can be found on page 7 of the committee's report, which cites one reason for zero growth of refinery capacity as "tax incentives and disincentives together with world market conditions made it more profitable to invest abroad rather than in the United States." Here we are faced with the fact in bold print that the oil companies long ago consciously abandoned American consumers to our current plight, not because it was unprofitable to invest in the United States, but because it was more profitable to invest elsewhere. It seems that for these oil giants the American flag has two uses: they can wrap themselves in it when

seeking to defend the depletion allowance or to deregulate gas prices, or they can make it into a shroud for the consumers when it appears that their profits may be affected.

I submit that these facts make it clear that big oil interests have forfeited their standing to complain about any action we take here. On the other hand, the American people are long overdue for reasonable management. Let us enact this legislation today or we may go back to our districts to find our constituents red with anger, white with frustration, and blue with the cold.

Mr. PRICE of Illinois. Mr. Chairman, I support H.R. 9681, the Emergency Petroleum Allocation Act of 1973. By taking the lead on this important public policy question, the Congress is once again demonstrating its willingness to act when the Administration is not on such matters of crucial importance to the American people.

It is unfortunate that we have to establish a rationing system for petroleum products. Until this Nation establishes a coherent energy policy, however, we have little choice. The bill is a short-term emergency measure that is designed to assure that available supplies are shared equitably among all sectors of the economy.

We as a nation are vast consumers of energy. With only 6 percent of the world's population, we manage to consume 33 percent of the world's energy production. And in the past two decades, our energy demand has virtually exploded. Total energy consumption more than doubled from 37 trillion Btu's in 1950 to 76 trillion Btu's in 1972. Our demand for energy is growing at an annual rate of about 4 percent and by 1990 our energy needs will be double those of 1970. Within this spectrum the consumption of gasoline is rising at even a more startling rate of 7 percent annually. The fundamental problem we face today as a nation is that our supplies have not increased with our demand.

This winter may not be like other winters. We all know it will be cold outside; what we fear is the cold inside. The scarcity of petroleum products may leave some American homes literally "out in the cold." It is my belief that the Emergency Petroleum Allocation Act of 1973 will provide the mechanism to equitably allocate fuel resources for consumer satisfaction.

The allocation is designed to stabilize the market thus avoiding the shutdown of the independent dealers experienced this summer. Under the Economic Stabilization Act of 1973 the President had the power to prevent these shutdowns through the mandatory allocation program. Instead of imposing a mandatory allocation, the President decided to rely on voluntary programs to encourage the big oil companies to share oil with their chief competitors. Asking the large oil firms to voluntarily share fuel with competitive companies was not a practical idea. The voluntary program began on May 10, 1973. Figures released on September 19, 1973, show that 10,963 fuel-shortage incidents have been reported to the Office of Oil and Gas. The President's voluntary controls do not work. Manda-

tory allocation is required. The Emergency Petroleum Act of 1973 creates a system that would guarantee the independent refiners and marketers the same share of petroleum enjoyed in 1972 with a provision for prorated increases.

H.R. 9681 directs the President to devise and institute a system of national mandatory allocation of crude oil, residual fuel oil, and refined petroleum products. The bill would permit the President flexibility to avoid any unforeseen adverse effects by requiring him to accomplish the fuel allocation objectives as mandated by Congress "to the extent practicable."

We are now experiencing and can expect to experience in the next 18 months significant shortages in crude oil, residual fuel oil, and refined petroleum products. The failure of the voluntary allocation is evident with over 2,000 independent dealers being forced out of business. For these reasons legislated allocation is necessary for equitable pricing and consumer supply. I call upon my colleagues to join me in my vote for the Emergency Petroleum Allocation Act of 1973.

Mr. HARSHA. Mr. Chairman, I have discussed with the minority staff on the Committee on Interstate and Foreign Commerce and the distinguished chairman of the full committee the problems with this legislation that an industry in the congressional district I have the privilege of representing have with it and I have been assured that the chairman will offer an amendment he feels will alleviate their problem. With this assurance I will not offer the amendment I intended to offer to assure this industry a technically feasible alternative in the event the type of fuel they normally used is curtailed.

In the Sixth Congressional District of Ohio is an industry that is one of the world's leading manufacturers of packaging products. Its products include glass containers, semirigid plastic containers, closures, corrugated shipping containers, and specialized glass products—such as scientific and laboratory glassware. This industry which shall remain nameless has 106 manufacturing facilities throughout the United States and has more than 66,000 employees.

Some manufacturing operations require the use of gaseous fuels, that is, natural gas or propane. Other manufacturing operations require the use of a gaseous fuel or fuel oil. Special recognition should be made of these manufacturing operations in allocating refined petroleum products. An objective of any legislation allocating fuels should be to provide manufacturers with technically feasible alternate fuels when the type of fuel they normally used is curtailed.

H.R. 9681 must require consideration of alternate fuels. To do less may lead to high unemployment and economic chaos for the industry. The industry is rightfully concerned about the propane allocation program announced October 2, 1973, by the White House and the expected fuel oil allocation program. The propane program fails to consider adequately that in some industrial operations propane is the only technically feasible alternate to natural gas, and this industry is working with people in the



administration in an effort to correct this oversight. In short, the problem is simply that the propane allocation formula fails to consider the shortage of natural gas. Any allocation program for a specific fuel must consider and be related to other fuels and that a piecemeal approach will not work.

H.R. 9681 should express such a policy which would require the President to consider the nonavailability of technically feasible alternate fuels when he acts to allocate propane and fuel oil pursuant to H.R. 9681. Accordingly, I was prepared to offer an amendment to include such a policy in the law.

However with the assurance of the chairman there is no necessity to offer this amendment.

One other area of concern with the company seems to be the subject of plant protection.

The policy objectives of H.R. 9681 as stated in section 4 speak of protection of health and safety and avoidance of economic distortion in very broad terms. We believe that there is at least one critical area where these policies need to be much more explicit. Certain industrial operations are continuous 24 hours per day, 7 days per week. Such operations cannot be closed down on short notice without danger to human life and property. We believe that H.R. 9681 must give a high priority to plant protection.

However, the staff again has indicated to me that in their judgment this does not pose a problem and the language of the bill with the legislative history is explicit enough to take care of their problem. I wish to thank the chairman for helping me clear up these very serious problems that affect an industry in my district that contributes so much to the economic welfare of that district.

Mr. CAMP. Mr. Chairman to my mind, H.R. 9681, the Emergency Petroleum Allocation Act of 1973, is a dangerous piece of legislation with far-reaching implications. Let us look at some of the provisions of the bill as reported by the Interstate and Foreign Commerce Committee.

First, the bill requires the President to promulgate allocation regulations for crude oil and petroleum products within 10 days of enactment, to become effective within the following 15 days.

While specific priorities are left to the President, the committee report on H.R. 9681 states that to the maximum extent possible, the regulations must provide for: Protection of public health, safety, welfare, and the national defense; maintenance of all public services; maintenance of agricultural operations; preservation of an economically sound and competitive petroleum industry; equitable distribution and equitable prices throughout the United States; economic efficiency; and minimization of economic distortion.

To the greatest extent possible, the regulations must, according to H.R. 9681, provide that each branded and non-branded independent marketer receives product and each independent refiner receives crude oil in the same amount as they did in 1972.

The President must allow a dollar-for-

dollar passthrough in costs for gasoline and lubricating oil.

The new program will preempt any State allocation programs.

Criminal and/or civil penalties will be levied for violations of the President's regulations.

The bill allows companies to confer together on matters dealing with allocations with the approval of the President and in the presence of a representative of the Justice Department, notwithstanding antitrust laws. Compliance with regulations shall be available as a defense against antitrust actions or breach of contract.

Mr. Speaker, the above provisions do not comprise the whole of the bill and some have been altered according to the will of the House. Basically, however, the thrust of H.R. 9681 remains the same.

My argument against the bill remains the same, as well: it is simply not needed at this time. The President already has authority to implement a mandatory allocation program, and in fact has done so for propane and heating oils.

Further, legislative action could lead to the creation of a new bureaucracy to carry out provisions of this bill, and might result in a never-ending series of controls and regulations over the petroleum industry—witness the Cost of Living Council and the economic stabilization program.

I am against this legislation and feel the House of Representatives and the Congress will be making a mistake in approving this bill.

The CHAIRMAN. The time of the gentleman has expired.

All time has expired.

Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Petroleum Allocation Act of 1973".*

#### FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby determines that—

(1) shortages of crude oil, residual fuel oil, and refined petroleum products caused by inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent;

(2) such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods; and

(3) such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis which is a threat to the public health, safety, and welfare and can be averted or minimized most efficiently and effectively through prompt action by the Executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States and direct him to exercise specific temporary authority to deal with shortages of crude oil, residual fuel oil, and refined petroleum products or dislocations in their national distribution system. The authority granted under this

Act shall be exercised for the purpose of minimizing the adverse impacts of such shortages or dislocations on the American people and the domestic economy.

#### DEFINITIONS

SEC. 3. For purposes of this Act:

(1) The term "branded independent marketer" means a person who is engaged in the marketing or distributing of refined petroleum products pursuant to—

(A) an agreement or contract with a refiner (or a person who controls, is controlled by, or is under common control with such refiner, to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner (or any such person), or

(B) an agreement or contract under which any such person engaged in the marketing or distributing of refined petroleum products is granted authority to occupy premises owned, leased, or in any way controlled by a refiner (or person who controls, is controlled by, or is under common control with such refiner),

but who is not affiliated with, controlled by, or under common control with any refiner (other than by means of a supply contract, or an agreement or contract described in subparagraph (A) or (B)), and who does not control such refiner.

(2) The term "nonbranded independent marketer" means a person who is engaged in the marketing or distributing of refined petroleum products, but who is not a refiner or a person (A) who controls, is controlled by, is under common control with, or is affiliated with a refiner (other than by means of a supply contract), or (B) who is not a branded independent marketer.

(3) The term "independent refiner" means a refiner who (A) obtained, directly or indirectly, in the calendar quarter which ended immediately prior to the date of enactment of this Act, more than 70 per centum of his crude oil refinery input from producers who do not control, and are not controlled by or under common control with, such refiner, and (B) marketed or distributed in such quarter and continues to market or distribute (i) a substantial volume of gasoline refined by him through nonbranded independent marketers, and (ii) a substantial volume of other refined petroleum products refined by him directly to the ultimate user.

(4) The term "refined petroleum product" means gasoline, kerosene, distillates (including Number 2 fuel oil), LPG, refined lubricating oils, or diesel fuel.

(5) The term "LPG" means propane and butane, but not ethane.

#### MANDATORY ALLOCATION

SEC. 4. (a) Not later than ten days after the date of enactment of this Act, the President shall promulgate a regulation providing for the mandatory allocation of crude oil, residual fuel oil, and each refined petroleum product, in amounts and at prices specified in (or determined in a manner prescribed by) such regulation. Such regulation shall take effect not later than fifteen days after its promulgation.

(b) (1) The regulation under subsection (a), to the maximum extent practicable, shall provide for—

(A) protection of public health, safety, and welfare, and the national defense;

(B) maintenance of all public services (including facilities and services provided by municipally, cooperatively, or investor owned utilities or by any State or local government or authority);

(C) maintenance of agricultural operations, including farming, ranching, dairy, and fishing activities, and services directly related thereto;

(D) preservation of an economically sound and competitive petroleum industry; including the priority needs to restore and foster competition in the producing, refining, dis-

tribution, marketing, and petrochemical sectors of such industry, and to preserve the competitive viability of independent refiners, nonbranded independent marketers, and branded independent marketers;

(E) equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners, nonbranded independent marketers, branded independent marketers, and among all classes of users;

(F) economic efficiency; and

(G) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

(2) In specifying prices (or prescribing the manner for determining them), such regulation shall provide for—

(A) a dollar-for-dollar passthrough of net increases in the cost of gasoline and refined lubricating oils to all marketers or distributors of gasoline at the retail level; and

(B) the use of the same date in the computation of markup, margin, and posted price for all marketers or distributors of gasoline or refined lubricating oils at all levels of marketing and distribution.

(c) (1) To the extent practicable and consistent with the objectives of subsections (b) and (d), the mandatory allocation program established under the regulation under subsection (a) shall be so structured as to result in the allocation during each period during which the regulation applies of each refined petroleum product to each branded and each nonbranded independent marketer, and of crude oil to each independent refiner, in an amount equal to the amount sold or otherwise supplied to such marketer or refiner during the corresponding period of 1972, adjusted to provide—

(A) a pro rata sharing among persons engaged in the marketing or distributing of a refined petroleum product of any amount of such product produced in excess of the amount produced in calendar year 1972, or a pro rata reduction in the amount allocated to such persons if lesser amounts are produced than those produced in calendar year 1972; and

(B) a pro rata sharing among refiners of any amount of crude oil produced in excess of the amount produced in calendar year 1972, or a pro rata reduction in the amount allocated to such refiners if lesser amounts are produced than those produced in calendar year 1972.

(2) The President may, by order, require such adjustments in the allocations of refined petroleum products and crude oil established under the regulation under subsection (a) as may reasonably be necessary—

(A) in the case of refined petroleum products (i) to take into consideration market entry by branded independent marketers and nonbranded independent marketers subsequent to calendar year 1972, or (ii) to take into consideration subsequent expansion or reduction of marketing or distribution facilities of such marketers, and

(B) in the case of crude oil (i) to take into consideration market entry by independent refiners subsequent to calendar year 1972, or (ii) to take into consideration subsequent expansion or reduction of refining facilities of such refiners.

Any adjustments made under this paragraph may be made only upon a finding that, to the maximum extent practicable, protection of the objectives of subsections (b) and (d) of this section is attained.

(d) The regulation under subsection (a) shall require that crude oil, residual fuel oil, and all refined petroleum products (other than refined lubricating oils) which are produced or refined within the United States shall be totally allocated for use by ultimate users within the United States, to the extent practicable and necessary to accomplish the objectives of subsection (b). For purposes of

this subsection, the term "United States" includes the States, the District of Columbia, Puerto Rico, and any territory or possession of the United States.

(e) No regulation under this section may provide for allocation of, or specify (or prescribe a manner for determining) the price of, crude oil produced in a calendar month by any well, the average daily production of which did not exceed 10 barrels per day during the month preceding such calendar month.

(f) The regulation promulgated and made effective under subsection (a) shall remain in effect until midnight February 28, 1975, except that the President or his delegate may amend such regulation so long as such regulation, as amended, meets the requirements of this section. The authority to promulgate and amend the regulation and to issue any order under this section, and to enforce under section 5 such regulation and any such order expires at midnight February 28, 1975, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight February 28, 1975.

#### ADMINISTRATION AND ENFORCEMENT

Sec. 5. (a) Sections 205 through 213 (other than 212(b)) of the Economic Stabilization Act of 1970 (as in effect on the date of enactment of this Act) shall apply to the regulation promulgated under section 4(a) or order under section 4(c)(2) and to any action taken by the President (or his delegate) under this Act, as if such regulation had been promulgated, such order had been issued, or such action had been taken under the Economic Stabilization Act of 1970; except that the expiration of authority to issue and enforce orders and regulations under section 218 of such Act shall not affect any authority to amend and enforce the regulation or to issue and enforce any order under this Act.

(b) The President may delegate all or any portion of the authority granted to him under this Act to such officers, departments, or agencies of the United States as he deems appropriate.

#### EFFECT ON OTHER LAWS AND ACTIONS TAKEN THEREUNDER

Sec. 6. (a) All actions duly taken pursuant to clause (3) of the first sentence of section 203(a) of the Economic Stabilization Act of 1970 in effect immediately prior to the effective date of the regulation promulgated under section 4(a) of this Act, shall continue in effect until modified or rescinded pursuant to this Act.

(b) The regulation under section 4 and any order issued thereunder shall preempt any provision of any program for the allocation of crude oil, residual fuel oil, or any refined petroleum product established by any State or local government if such provision is in conflict with such regulation or any such order.

(c) (1) Except as specifically provided in this subsection, no provisions of this Act shall be deemed to convey to any person subject to this Act immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

(2) As used in this subsection, the term "antitrust laws" includes—

(A) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.);

(B) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.);

(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.);

(D) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other pur-

poses", approved August 27, 1894 (15 U.S.C. 8 and 9); and

(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(3) The regulation promulgated under section 4(a) of this Act shall be forwarded on or before the date of its promulgation to the Attorney General and to the Federal Trade Commission, who shall, at least seven days prior to the effective date of such regulation, report to the President with respect to whether such regulation would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws, and propose any alternative which would avoid or overcome such effects while achieving the purposes of this Act.

(4) Whenever it is necessary, in order to comply with the provisions of this Act or the regulation or any orders under section 4 thereof, for owners, directors, officers, agents, employees, or representatives of two or more persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil, or any refined petroleum product to meet, confer, or communicate in such a fashion and to such ends that might otherwise be construed to constitute a violation of the antitrust laws, such persons may do so only upon an order of the President (or of a person to whom the President has delegated authority under section 5(b) of this Act); which order shall specify and limit the subject matter and objectives of such meeting, conference, or communication. Moreover, such meeting, conference, or communication shall take place only in the presence of a representative of the Antitrust Division of the Department of Justice, and a verbatim transcript of such meeting, conference, or communication shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission, where it shall be made available for public inspection.

(5) There shall be available as a defense to any action brought under the antitrust laws, or for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange crude oil, residual fuel oil, or any refined petroleum product, that such delay or failure was caused solely by compliance with the provision of this Act or with the regulation or any order under section 4 of this Act.

(6) There shall be available as a defense to any action brought under the antitrust laws arising from any meeting, conference, or communication or agreement resulting therefrom, held or made solely for the purpose of complying with the provisions of this Act or the regulation or any order under section 4 thereof, that such meeting, conference, communication, or agreement was carried out or made in accordance with the requirements of paragraph (4) of this subsection.

#### MONITORING BY FEDERAL TRADE COMMISSION

Sec. 7. (a) During the forty-five-day period beginning on the effective date of the regulation first promulgated under section 4, the Federal Trade Commission shall monitor the program established under such regulation; and, not later than sixty days after such effective date, shall report to the President and to the Congress respecting the effectiveness of this Act and actions taken pursuant thereto.

(b) For the purposes of carrying out this section, the Federal Trade Commission's authority, under sections 6, 9, and 10 of the Federal Trade Commission Act to gather and compile information and to require furnishing of information, shall extend to any individual or partnership, and to any common carrier subject to the Acts to regulate commerce (as such Acts are defined in section 4 of the Federal Trade Commission Act).

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as



read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Page 15, insert after line 7 the following:

(3) To the extent practicable and consistent with the objectives of subsections (b) and (d), the mandatory allocation program established under the regulation under subsection (a) shall not provide for allocation of LPG in a manner which denies LPG to any industrial user if no substitute for LPG is available for use by such industrial user.

Mr. STAGGERS. Mr. Chairman, this amendment would direct the President to take steps to assure that to the extent practicable and consistent with the objectives of this act, he does not allocate LPG in a manner which denies an industrial user access to a fuel for which there is no alternative available. Let me illustrate what is intended. Propane is a liquefied petroleum gas in critically short supply. People in rural areas need it to heat their homes; farmers use it to dry their crops; the petrochemical industry uses it as a feed stock; and the glass industry uses it as the only acceptable or feasible substitute for natural gas. The President is going to have to find an equitable balance among these priority uses. The amendment which I offer to this bill directs the President in this situation, to the extent practicable and consistent with the objectives of the act, to make sure that in allocating propane to farmers and others he does not force petrochemical and glass plants across the country to close their doors. In administering this program the President must be ever watchful to discover the unintended and undesired consequences of his acts. Clearly it is not in the public interest to allocate fuels in such a way as to result in large scale closings of industry, significant unemployment or serious economic stress in specific areas or regions of this Nation. I believe my amendment will serve as an admonition to the President to avoid that result.

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

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

Mr. MILFORD. I thank the gentleman for yielding.

Mr. Chairman, there is one thing that bothers me. The gas that the gentleman speaks of is used by farmers. It is also used by hula-hoop manufacturers. Is it my understanding by this that the hula-hoop manufacturer will have the same priority in obtaining this as farmers?

Mr. STAGGERS. Mr. Chairman, we have asked him to strike a reasonable balance. If it meant putting out of work thousands of people, or something like that, I would say he would have to strike a balance and allow them something to keep that plant running, if possible. We give him flexibility, but we do say that we do not want these petrochemical plants closing their doors because they are allocating this propane gas to other

groups. It is important that we keep them running, too.

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

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

Mr. MILFORD. Will the gentleman yield further?

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

Mr. MILFORD. Mr. Chairman, I am wondering if, in writing this law, should it be that specific or should there be a definite priority established by classification?

Mr. STAGGERS. I do not think we can possibly do that. We have struggled over that and we run into thousands of questions that would have to be answered. We would have to write the bill with thousands of pages here if we tried to cover each industry. We have to leave some flexibility to the President. In this amendment we say to him, the industrial users, that those that have the chemical plants of this Nation and who need this, shall be taken into consideration and get their fair share.

Mr. CASEY of Texas. Will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Texas (Mr. CASEY).

Mr. CASEY of Texas. Mr. Chairman, is this the amendment the gentleman spoke to me about earlier?

Mr. STAGGERS. Yes, sir.

Mr. CASEY of Texas. The gentleman said that he thought this might alleviate the fears I might have with respect to the petrochemical plants.

Mr. STAGGERS. That was my purpose.

Mr. CASEY of Texas. Of course, my colleague from Texas referred to hula-hoop manufacturers; but all we need to do is look around in our homes and we will find plastic everywhere.

Mr. STAGGERS. The gentleman is correct.

Mr. CASEY of Texas. They will find plastics in their telephones, in their table tops, or what have you. We are talking about hundreds of thousands of jobs. The gentleman referred to them as pyramids.

I have one plant in my district, just one plant which makes 5 percent of the total benzene production which goes to a plant in St. Louis, which in turn makes a product—it is Monsanto in my district—it goes to another plant in Texas and then the two products wind up in Massachusetts to be made into a final product. So we are talking about the pyramiding of jobs.

I just want to thank the gentleman for introducing this amendment that will assure these jobs not only for my people, but as I say, it originates in Texas, but it affects people all over America.

Mr. STAGGERS. All over America, that is right.

Mr. SEIBERLING. Will the gentleman yield?

Mr. STAGGERS. I would be happy to yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, at the bottom of page 12 the bill provides for: "equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all classes of users."

That would take into consideration, for example, the home consumers of fuel oil for heating purposes as a class.

But is there anything in this bill that will require the distributors of heating oil, for example, to make equitable allocation among specific users, so that we do not have a specific situation where someone builds a new home and he cannot get fuel oil, because no producer will supply him?

Mr. STAGGERS. I would answer the gentleman, the answer is "No," because it takes into consideration public health, welfare and safety, and, of course, the heating of private homes and things like that. We have to leave some discretion here, as I told the gentleman from Texas. If we start to name them all, we would have a book that we couldn't put on this table; so we kept away from that. So we had to provide for that generally and leave some discretion.

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

Mr. Chairman, I do not know whether I am for or against this particular amendment. I am conscious that we cannot write a bill that takes care of everybody; but the net effect of this amendment is to preclude the President under the authority granted him in this bill from being able to establish priorities where, indeed, priorities might be necessary.

I want the chairman of the full committee to listen to this. If this amendment is adopted, the President cannot attach a priority to the needs of heating homes across this land or providing farmers fuel to plow their lands, if they use propane, if the President is required to do what he is asked to do in this amendment.

It would be much better for us, if we really want the President to do what he thinks is best, to scrap this bill and all of us sign a letter, all 435 of us saying, "Mr. President, do the best you can with this tough situation."

I am a little more than surprised that the chairman of the committee would challenge the gentleman from Texas (Mr. PICKLE) a little bit earlier for looking after the interests of what he said were Texas interests and then introducing an amendment here that is intended to take care of the glass plants of West Virginia.

Mr. STAGGERS. Will the gentleman yield?

Mr. WAGGONER. I would be happy to yield to the gentleman from West Virginia, because I would like the gentleman to have his words read back.

Mr. STAGGERS. I never mentioned the name of Texas once. The gentleman mentioned it.

Mr. WAGGONER. The gentleman said his district, and the gentleman is from Texas.

Mr. STAGGERS. That is right, but I did not say Texas.

Mr. WAGGONER. The gentleman said the gentleman from Texas.

Mr. STAGGERS. I did not say Texas.

Mr. WAGGONER. The gentleman said the gentleman from Texas.

Mr. WAGGONER. Mr. Chairman, I guess we can get unanimous consent to have the reporter read the words back

if he wants to be embarrassed now, or be embarrassed tomorrow when he reads the Record, but the gentleman's amendment provides for the glass plant needs of West Virginia. He said so earlier in introducing this amendment and speaking to it.

Mr. STAGGERS. Mr. Chairman, not one glass plant in my district asked me about this amendment or this bill in any way.

Mr. WAGGONNER. I did not say that. I just said it met the needs of glass manufacturers in West Virginia.

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

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

Mr. STAGGERS. Mr. Chairman, I put this amendment in because of the request of gentlemen from Ohio, from Texas, and from different other parts of the country, and not for me.

Mr. WAGGONNER. Let us let the gentlemen from Ohio say if they asked. Which one of the gentlemen from Ohio asked for that special consideration?

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

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

Mr. LATTA. Mr. Chairman, I am happy to answer that question. I was one of those who discussed the need for such an amendment for industrial users with the chairman. You will note that the chairman's amendment is applicable to "any industrial user if no substitute for LPG is available." It does not apply solely to the glass industry. Everyone must realize, I am sure, it is an important industry and especially since the demand for glass jars for canning food seems to be on the increase.

Mr. WAGGONNER. If the gentleman will let me just comment there: I have not seen much food in glass jars lately. I have seen an awful lot of alcohol and some other things in glass jars, so I do not know what the interest might be.

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

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

Mr. PICKLE. The Chairman, in attempting to chastise me, I think he did honor me by saying I was sticking up for my people. The odd thing seems to be that the producer states are the villains, because we are a producer state.

People want to assume that we are asking help just for Texas. I accept that in a good-natured way, but I do say the gentleman from West Virginia did make the remark, referring to the gentleman from Texas. I assume that when he said he, the Chairman was speaking for "America." I would presume that America meant the glass industry of Ohio.

I would suggest, Mr. Chairman, that it might be better, instead of considering a glass jar factory, we get propane and fuel to the farmers who grow the fruit in the first place.

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

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

Mr. MILFORD. Mr. Chairman, my objection to this amendment is based on the fact that it prevents the President from establishing priorities. I specifically asked the question, using Hula-Hoop manufacturers as an example, if such a manufacturer's demand would be treated equally with a farmer's demand. His answer and the wording of this amendment both gave an affirmative answer.

Right this moment farmers are short of fertilizer. In other parts of the Nation farmers have already experienced, and are continuing to experience, shortages in butane and propane.

We cannot live without food. I think we can survive without hula-hoops as well as many other nonessential industrial products.

My point is simple: If we do not have enough fuel for essentials, this bill should not mandate that the scarce supplies be shared with nonessential industries.

I urge you to vote against the amendment and against the bill.

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

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

Mr. ROBERTS. Mr. Chairman, will the gentleman be kind enough to explain how much additional fuel this bill is going to provide the American people?

Mr. WAGGONNER. Mr. Chairman, let us get one thing clear. We are talking about meeting the energy needs of this country, and this bill does not provide one barrel of anything more than we have now.

Mr. ROBERTS. Mr. Chairman, what we are talking about is spreading the shortages, not spreading the fuel.

Mr. WAGGONNER. We are talking about a welfare program.

Mr. Chairman, I shall yield back the balance of my time. I am going to take some time in a minute to talk about some things I want you to remember, because this bill is going to make things worse, not better. If there is any wagering man in the Chamber who wishes to make a little wager on the side that it does not, he can meet me behind the rail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The question was taken; and on a division—demanded by Mr. STAGGERS—there were—ayes 31, noes 19.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Page 13, line 8, strike out "gasoline and refined lubricating oils" and insert in lieu thereof "refined petroleum products".

Page 13, line 13, strike out "gasoline or refined lubricating oils" and insert in lieu thereof "refined petroleum products".

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

Mr. STAGGERS. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. The amendment

which has just been read is a very short one. If Members have the bill in front of them, section (A) under (2) on page 13 has the dollar-for-dollar passthrough of net increases in the cost of gasoline and refined lubricating oils to all marketers or distributors of gasoline at the retail level.

The committee, after thinking about it, concluded that perhaps this did not go far enough, that it discriminated against the other products, and we expanded the passthrough to include refined petroleum products.

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

Mr. STAGGERS. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, regardless of how each Member stands on the final passage of this bill, I believe no one would want language in this bill which discriminates against some segments of the petroleum industry.

On page 13, line 7, the bill before us provides for a "passthrough of net increases in the cost of gasoline and refined lubricating oils."

The bill omits such a passthrough for crude oil, diesel fuel, kerosene, No. 2 fuel oil, propane and butane.

Mr. Chairman, it is not fair—it is not equitable to tell the businessman selling gasoline that he can pass through his cost increases, and in the same breath, tell the same businessman, or other businessmen, that they cannot pass through their cost increases for other petroleum products.

This amendment corrects that inequity. The wording of the bill is changed on page 13 line 8 to "crude oil and refined petroleum products" which by the definition on page 11, line 13, includes the other related products.

In the interest of fairness I urge the adoption of this amendment.

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

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

Mr. ZION. I am pleased the gentleman read the "Dear Colleague" letter I sent out this morning, in which I advocated this amendment and the reasons for it.

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

Mr. STAGGERS. I am happy to yield to the gentleman from Washington.

Mr. ADAMS. I should like to ask the author of the amendment, the subcommittee chairman, a question. On page 12 of the bill it provides for maintenance of all public services. I notice the amendment, which I support, provides in effect for a passthrough dollar-for-dollar only, so that there will not be price gouging.

Under the bill, under these two sections, with respect to preexisting contracts for entities such as hospitals, public transportation units, local governments—the ones grouped as (A), (B), (C)—set forth in the report on pages 12 and 13, I understand it is the intent of the report and of the committee that this regulatory program would keep in effect the presently existing contracts to the



greatest degree possible, in other words that those contracts would not automatically be abrogated, because these people are in a position of producing and providing public services, and they are to be taken care of first in this program. Is that correct?

Mr. MACDONALD. That is correct.

Mr. ADAMS. Another thing which is provided in the bill is equitable pricing, and that ties to the amendment on passthrough.

Am I correct that it is the intent of the committee to prevent there being excessive or unfair prices during this period of time when we are having to allocate these things, and that the prices set forth in these preexisting contracts for these public services, including public transportation, hospitals and other things listed in the committee report, to the maximum extent possible would remain valid?

Mr. MACDONALD. That is correct.

Mr. ADAMS. I thank the subcommittee chairman.

Mr. CONTE. Mr. Chairman, I rise in support of the amendment.

It is necessary to extend the cost passthrough privilege to heating oil and diesel dealers as well as gasoline retailers, as this amendment provides. Otherwise, we will wake up one day to find that our independent heating oil dealers and truck stop operators have gone out of business and there is no one around to take their place.

In New England, 2,600 independent retail heating oil dealers deliver 82 percent of the fuel oil consumed. These independent dealers provide heating fuels to 74 percent of the homes in New England.

Hopefully, with this amendment, we will see the last of the overly stringent phase IV oil regulations that have wreaked havoc on petroleum retailers and their customers not only in the Northeast, but also in the other areas of this Nation that have relied so heavily on the services provided by these dealers.

Even in the face of today's seemingly encouraging news that the Cost of Living Council is proposing new pricing rules for oil products come this November 1, we cannot afford to sit idly by resting assured that these proposals will correct the situation which has so long been fermenting.

I need not remind you that the situation with heating oil in New England and the Northeast is now so disturbing that it almost makes me wish for a return of the bad old days of the oil import quota program. Back then, we only had to worry about getting an adequate supply.

But the phase IV price regulations added to our worries. I am concerned about getting enough fuel oil for our area this winter. But I am also worried about keeping our independent retail dealers from going out of business so they can supply consumers with fuel oil.

Phase IV has spelled disaster for many retail marketers. The original phase IV regulations discriminated against independent dealers in six ways:

First. The 7 cents a gallon markup al-

lowance in many cases was inadequate. Many dealers who traditionally operated on higher margins were caught at a low point by the regulations.

Second. The passthrough treatment of produce cost increases discriminated against small independent retailers. It infuriated me to see Exxon, Mobil, and some of the other big oil barons passing on penny-a-gallon product increases to local retail dealers who had to absorb this added cost. And this came just after the big oil companies had reported record semiannual profits.

Third. The refusal to give the small business exemption from phase IV regulations to small oil retailers was discriminatory. This was the only group of small businessmen singled out for such treatment under phase IV. As the ranking minority member of the House Select Committee on Small Business, I was especially disturbed by this flagrant disregard for the plight of these small businessmen.

Fourth. The prohibition against adjusting prices to reflect passthrough cost increases until the end of each month was another discrimination against the retail dealer.

Fifth. The dating for nonproduct cost increases and profit margins was another unfair burden on the heating oil dealer. Use of the inventory cost as of August 1 along with the January 10 markup for retailers, while the "refiner-retailers" were allowed the more advantageous May 15 date, worked to the disadvantage of the independent.

Sixth. The final inequity of the phase IV regulations, which the Cost of Living Council has not yet acted upon, has been the imposition of the "under-the-table" charges by the major oil companies on their independent branded outlets. The majors have terminated historical discounts, added new finance charges, demanded payment on delivery, imposed unprecedented storage charges, and demanded unreasonable minimum purchases of heating oil during the non-heating season. In addition, many dealers' contracts are being terminated without justification.

As ranking minority member of the Small Business Committee, I am vitally interested in these problems. Next Wednesday, my committee has scheduled hearings on price regulations for the oil industry, and we have invited Dr. Dunlop to testify.

Last spring, hundreds of oil retailers were here to press the administration and the Congress to clear up the supply problem by Labor Day. Have we tried to do our part in the Congress? We can answer this question in the affirmative by passing this amendment, along with this overdue mandatory allocation measure.

Mr. Chairman, the snows are already falling in Montana. Let us not rest complacent until that time in the very near future when the snow falls here. We must act now, lest we suffer tremendously this winter.

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

I should like to ask the chairman of

the committee a question about this section (2) (A) which is to be amended by the amendment. I should like to ask either the gentleman from Massachusetts or the gentleman from West Virginia as to the meaning of the words on page 13, "dollar-for-dollar passthrough." Does that imply it has to reach a full, round dollar before there can be a passthrough or are we talking about any amount of increase?

Mr. STAGGERS. We are talking about any amount of increase, a penny or a mil or whatever it might be.

Mr. SEIBERLING. I thank the chairman. I support the amendment.

Mr. MALLARY. Mr. Chairman, I move to stike the last word.

Mr. Chairman, If I may inquire briefly of the gentleman from West Virginia and the gentleman from Massachusetts, I will ask the following question:

As I read the amendment, on page 13 it would purport to change the words, "gasoline and refined lubricating oils" to "refined petroleum products," and yet on the next line of the bill we see the words, "marketers or distributors of gasoline."

Would it be the intent of the gentleman to also amend that in order to remove the words, "of gasoline."?

Mr. STAGGERS. No; that is included in the wording.

Mr. MALLARY. Mr. Chairman, I read the manner in which the proposed amendment would read, it would protect the dollar-for-dollar passthrough for all plant petroleum products, but only for marketers and distributors of gasoline.

I would move to amend the proposed amendment in line 9, on page 13, by striking out the words "of gasoline."

Mr. MACDONALD. Mr. Chairman, is the gentleman talking about the wording on line 9?

Mr. MALLARY. On line 9, page 13, by striking the words, "of gasoline."

AMENDMENT OFFERED BY MR. MALLARY TO THE AMENDMENT OFFERED BY MR. STAGGERS

Mr. MALLARY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MALLARY to the amendment offered by Mr. STAGGERS: On page 13, line 9, strike out "of gasoline."

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

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

Mr. STAGGERS. Mr. Chairman, we would be glad to accept the amendment to the amendment on our side.

Mr. BROWN of Michigan. Mr. Chairman, speaking for the minority side, we will be glad to accept the amendment to the amendment, and we would be glad to accept the basic amendment, if that will help.

Mr. WAGGONER. Mr. Chairman, will the gentleman from Massachusetts yield for a question?

The CHAIRMAN. The gentleman from Vermont (Mr. MALLARY) has control of the time.

Mr. WAGGONER. Mr. Chairman, will the gentleman from Vermont yield?

Mr. MALLARY. I yield to the gentleman from Louisiana.

Mr. WAGGONER. Mr. Chairman, I thank the gentleman from Vermont for yielding.

The amendment offered by the gentleman to (2) (A) speaks to the dollar-for-dollar passthrough at the retail level.

Now, (2) (B) speaks to the question of other levels. Is it intended that this dollar-for-dollar passthrough would apply to wholesalers as well?

Mr. MACDONALD. Mr. Chairman, will the gentleman from Vermont yield?

Mr. MALLARY. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, the gentleman is correct. In section (A) we talk about retailing, and in section (B) we talk about and use the same base for wholesaling.

Mr. WAGGONER. Mr. Chairman, I thank the gentleman.

**SUBSTITUTE AMENDMENT OFFERED BY MR. ZION TO THE AMENDMENT OFFERED BY MR. STAGGERS**

Mr. ZION. Mr. Chairman, I offer a substitute amendment to the amendment offered by Mr. STAGGERS.

The Clerk read as follows:

Substitute amendment offered by Mr. ZION to the amendment offered by Mr. STAGGERS: On page 13, line 8, after "in the cost of" strike out "gasoline and refined lubricating oils" and insert in lieu thereof "crude oil and refined products" and on the same page at line 13, after "distributors of" strike out "gasoline and refined lubricating oils" and insert in lieu thereof "crude oil and refined products".

The CHAIRMAN. The gentleman from Indiana (Mr. ZION) is recognized for 5 minutes in support of his substitute amendment.

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

Mr. ZION. Certainly, I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, unfortunately we do not have a copy of the substitute amendment.

Mr. ZION. Mr. Chairman, the difference between this amendment which I circulated in the "Dear Colleague" letter this morning and the amendment offered by the gentleman from West Virginia is that this includes "crude oil and refined petroleum products," whereas the gentleman's amendment did not include "crude oil."

The problem we have is that there is no ceiling on imported oil, for example, and in order to pass on those costs to the user, we would have to have crude oil included as well as derivatives thereof.

Another problem I understand is that the Committee on Merchant Marine and Fisheries is planning to introduce a bill that would require some 20 to 30 percent of American imports come in American ship bottoms, and if that is true, it would increase the cost of crude.

In other words, what we are trying to accomplish is to take care of everybody. The cost of crude is probably the most important factor, and it was not included in the gentleman's amendment.

I hope that it would be included in mine.

Mr. MACDONALD. Speaking for myself, I have no objection to it. The spirit is the same.

I point out to the gentleman that my language was put in there to make sure that the President would do exactly what the gentleman is talking about. We gave him the flexibility to do it.

I think the amendment is unnecessary, but I have no great objection to it.

Mr. ZION. I appreciate the gentleman accepting it, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. MALLARY) to the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The amendment to the amendment was agreed to.

Mr. MALLARY. Mr. Chairman, at this point it would be important, I believe, since the same deficiency exists in the substitute offered by the gentleman from Indiana, I would move to amend the substitute in the manner in which the amendment just acted on is worded.

The CHAIRMAN. An amendment to the substitute would be in order, but it has to be in writing.

Mr. MALLARY. Mr. Chairman, I wonder if the Clerk would be willing to use the language in the amendment to the amendment in order to make the correction. In view of the vote on the amendment, I ask unanimous consent that the substitute amendment of the gentleman from Indiana be amended as we have just amended the amendment to the amendment.

The CHAIRMAN. The Clerk will report the Zion amendment as proposed to be amended.

#### PARLIAMENTARY INQUIRY

Mr. KAZEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KAZEN. Has the committee adopted the amendment as substituted by the gentleman from Vermont?

The CHAIRMAN. The first vote, as the Chair indicated, was on the amendment offered by the gentleman from Vermont to the amendment offered by the gentleman from West Virginia. The next vote would have been on the amendment in the nature of a substitute offered by the gentleman from Indiana, (Mr. ZION).

Mr. KAZEN. That is correct, Mr. Chairman. Is this a pending amendment to the same amendment or a substitute for the same amendment?

The CHAIRMAN. This is an amendment to the substitute at the present time.

Mr. KAZEN. In the nature of a substitute? That is what the language was.

The CHAIRMAN. The Chair does require that the gentleman from Vermont put his amendment in writing because it is out of order in the way it has presently been submitted.

Mr. MACDONALD. Mr. Chairman, the perfecting amendment to the Zion amendment on line 3, where it reads "in-

sert in lieu thereof the following: crude oil and refined products" should be nailed down and say "refined petroleum products." I so move.

The CHAIRMAN. The substitute offered by the gentleman from Indiana is pending at the present time, the Chair has recognized the gentleman from Vermont to offer a perfecting amendment.

Mr. MALLARY. Mr. Chairman, I ask unanimous consent to include the words "refined petroleum products" in the substitute amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Vermont to the amendment in the nature of a substitute offered by the gentleman from Indiana (Mr. ZION).

The Clerk read as follows:

Amendment offered by Mr. MALLARY to the substitute amendment offered by Mr. ZION to amendment offered by Mr. STAGGERS:

On page 13, line 9, strike "of gasoline".

#### PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROWN of Ohio. Mr. Chairman, my parliamentary inquiry is this: If the gentleman from Vermont (Mr. MALLARY) asked unanimous consent for the acceptance of that amendment, and if the gentleman did, could it be accepted by unanimous consent?

The CHAIRMAN. The Chair will state that if the gentleman from Vermont will state his unanimous consent request the Chair will put the unanimous consent request.

Mr. MALLARY. Mr. Chairman, I ask unanimous consent that the amendment to the substitute amendment offered by the gentleman from Indiana (Mr. ZION), for the amendment offered by Mr. STAGGERS, be agreed to.

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

There was no objection.

So the amendment to the substitute amendment was agreed to.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Indiana (Mr. ZION) as amended, to the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

#### PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROWN of Ohio. Mr. Chairman, my parliamentary inquiry is this: Can the substitute amendment offered by the gentleman from Indiana be amended by unanimous consent to contain the words of the gentleman from Massachusetts (Mr. MACDONALD)?

The CHAIRMAN. The Chair will state that we can dispose of it just as easily by voting.

The question is on the amendment offered by the gentleman from Indiana as a substitute for the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

Mr. CASEY of Texas. Mr. Chairman,



I must say that, with all of the written and unwritten amendments being offered here, I wonder if we can have the amendment reread by the Clerk so that we can know what we are voting on?

The CHAIRMAN. The Clerk will read the substitute amendment offered by the gentleman from Indiana (Mr. ZION).

The Clerk read as follows:

Amendment offered by Mr. ZION of Indiana as a substitute for the amendment offered by the gentleman from West Virginia, Mr. STAGGERS:

On page 13, line 8, after "in the cost of" strike out "gasoline and refined lubricating oils" and insert in lieu thereof "crude oil and refined products" and on the same page at line 13, after "distributors of" strike out "gasoline and refined lubricating oils" and insert in lieu thereof "crude oil and refined products", and on page 13, line 9, strike "of gasoline".

#### PARLIAMENTARY INQUIRY

Mr. MACDONALD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MACDONALD. Mr. Chairman, my parliamentary inquiry is this: I thought we had adopted, when we were defining products, that we inserted the words "petroleum products" to the substitute amendment offered by the gentleman from Indiana (Mr. ZION) to the amendment offered by the gentleman from West Virginia (Mr. STAGGERS). But the amendment was just read without "petroleum products" in there.

The CHAIRMAN. Does the gentleman from Massachusetts (Mr. MACDONALD) have a further substitute to the Zion substitute?

Mr. MACDONALD. I have one amendment. I do not know the status of it. I wonder if the Chair could let me know?

The CHAIRMAN. The gentleman from Massachusetts has no amendment pending.

AMENDMENT OFFERED BY MR. MACDONALD TO THE AMENDMENT OFFERED BY MR. ZION AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Amendment offered by Mr. MACDONALD to the amendment offered by the gentleman from Indiana, Mr. ZION, as a substitute for the amendment offered by the gentleman from West Virginia Mr. STAGGERS:

To insert the word "petroleum" before the word "products" in the Zion substitute wherever the term "refined products" appears therein.

#### PARLIAMENTARY INQUIRY

Mr. TREEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. TREEN. My parliamentary inquiry is this, Mr. Chairman: What is going to happen to residual fuel oil? We placed in crude oil, and refined petroleum products. Residual fuel oil, as I understand it, was not included in the amendment offered by the gentleman from Indiana.

Mr. ZION. Mr. Chairman, if I may respond, residual fuel oil is included. Petroleum and refined petroleum products, everything from crude oils comes in.

Mr. TREEN. If what the gentleman says is true, the gentleman believes that residual fuel oil is necessarily included in the term "refined petroleum products," if that is what the gentleman says, then I think that line 19 on page 8 might suggest that residual fuel oil is different from refined petroleum products.

Mr. ZION. It is crude oil and every derivative thereof.

The CHAIRMAN. The Chair will state that the inquiry made by the gentleman from Louisiana (Mr. TREEN) has been answered by the gentleman from Indiana (Mr. ZION).

The question is on the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD) to the amendment offered by the gentleman from Indiana (Mr. ZION) as a substitute for the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The amendment to the substitute amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. ZION) as a substitute for the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The substitute amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. STAGGERS), as amended by the substitute amendment offered by the gentleman from Indiana (Mr. ZION).

The amendment, as amended, was agreed to.

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

Mr. Chairman, I take this time to ask a couple of questions of the chairman of the committee. One is whether or not this legislation has a provision which will take care of new users, be they industrial users or be they home users, since we do have the allocations based on past history.

Mr. STAGGERS. I should like to have the gentleman look on page 12, because it says that the allocation program must to the extent practicable provide for the "maintenance of all public services (including facilities and services provided by municipally, cooperatively, or investor owned utilities or by any State or local government or authority);" and then "farming, ranching, dairy, and fishing activities."

And so forth. It does not say whether new or old, but this does mean new or old users who are engaged in activities which contribute to the accomplishment of these objectives.

Mr. LATTA. Mr. Chairman, my real concern here is that northwestern Ohio, for example, had a tremendously wet October and November last year. In fact, many farmers could not harvest their crops. As a consequence, they did not need to purchase too many petroleum products during October and November. This year they need these products during these months. If they are going to base the history on last year, these farmers are going to come up short and not

have the required petroleum products to harvest and dry their crops.

My concern is, are there provisions in this bill to take care of these cases?

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

Mr. LATTA. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. I will say to the gentleman that the President has complete flexibility. While the base period is 1972, if in his wisdom or in his experts' wisdom they feel that that is not a fair base period, they can move the base period around. In the case of the gentleman's farmers, when it rained and they did not use this material, they do not necessarily have to use the base period of 1972 when it did rain. They could go back a year and use the period when there was no rain, and the gentleman's farmers would be cared for.

Mr. LATTA. I have one further question. Let us take a case where one was not using heating oil a year ago. He is a new user this year. Will these individuals qualify for oil, or will the President have the flexibility in this bill to permit them to qualify?

Mr. MACDONALD. The President has the flexibility in this bill to permit them to be treated equally, and if he feels that the new user should be cared for, he will be cared for on the same basis, no more or no less than the old user.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. In the first place, let me say that the gentleman's example by which agricultural users might for a number of reasons have an increasing demand this year or a different demand from last year. But I think the bill specifically takes care of agricultural users in item (C) on page 12. That priority is set out in "maintenance of agricultural operations, including farming, ranching, dairy, and fishing activities, and services directly related thereto;"

The gentleman has spoken of the agricultural problem directly. In the case of additional usage because of other movements in the market, it seems to me that the President has that authority to make adjustments, and if he does not, there is in all likelihood going to be an appeal authority given by the President, as is the case even now in the price structure mechanism.

Mr. LATTA. I thank the gentleman. I asked these questions to establish legislative history for the guidance of those individuals charged with the responsibility of administering the program.

Mr. SEIBERLING. Will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. I was trying to get a little more specific even than this in my question earlier to the chairman of the committee.

At the bottom of page 12 it provides that there shall be equitable distribution among all classes of users.

My question is what about distribu-

tion equitably within a class of users? There will be situations where people have built new homes, for example. I know in my district some of them have not been able to get any supplier of heating oil to commit to supply their homes.

It seems to me that there must be an equitable allocation within classes, as well as between classes.

I wonder if the chairman can answer this question.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTI) has expired.

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

I wonder if the Chairman can answer a question as to whether the provision at the bottom of page 12 provides for equitable allocation within members of a class of users.

Mr. STAGGERS. If the gentleman will yield, I think personally that the answer again is yes.

We could say "and within" if we wanted to or anything like that; but I think it is clear enough the way it is.

Mr. SEIBERLING. I think it would be clearer if we said "among all users and classes of users."

Mr. STAGGERS. It would be all right with me. There is nothing wrong with that. I think it is clear enough the way it is. If the gentleman wants to present an amendment, he can.

Mr. SEIBERLING. If the chairman will state that it is his interpretation of this language that it also requires equitable allocation and distribution within each class of users. I do not think it is necessary to write it in.

Mr. STAGGERS. If the gentleman wants to, he can do that; but I think it is clear enough.

Mr. BROWN of Ohio. If the gentleman will yield, for the benefit of the minority will the gentleman state his point of reference in the bill?

Mr. SEIBERLING. I am speaking about the last 3 words on page 12 of classes of users.

The chairman has stated it is his interpretation that the effect of paragraph (e) with that language is to require equitable allocation within classes of users and not just to a class.

Mr. BROWN of Ohio. I think that is correct among all classes, but I assume it would be not only among all classes, but within a class.

Mr. SEIBERLING. That is what the gentleman from West Virginia said is his interpretation, which is satisfactory as far as I am concerned.

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

Mr. Chairman, if I may for a moment a colloquy between the ranking minority member, the gentleman from Ohio (Mr. BROWN), and the chairman of the full committee, in some recent pronouncements by the Cost of Living Council, there has been a general discussion on the middle-level distillates and what is called fuel oil primarily for heating purposes, and so forth.

It is a fact, of course, that the most efficient transportation system in this country, the jet airplane, does not use

sophisticated fuel, it uses kerosene, which is a middle-level distillate.

Would the chairman of the committee and the ranking minority member state it is their intention that this legislation will be intended to separate the middle-level distillates that are used for purposes of transportation in interstate commerce from that which is used for straight burning or heating purposes?

Mr. STAGGERS. If the gentleman will yield, if I might read from the report:

I am reading from part of the report:

The Committee considers the term "kerosene" to also encompass jet fuel and the term diesel fuel to also refer to light commercial heating oils.

Mr. KUYKENDALL. May I ask this of the chairman: Do you feel that the language in the report clearly states that they are to be separated then between that which is used for transportation, as opposed to the part that is used for heating of the middle-level distillates?

Mr. STAGGERS. I do not know what the gentleman means. We have identified collective goals and we are trying to distribute equitably among the listed priority uses.

Mr. KUYKENDALL. Mr. Chairman, I would ask the gentleman from Ohio (Mr. BROWN) to comment on that.

Mr. BROWN of Ohio. Mr. Chairman, in response to the gentleman from Tennessee, I realize that not everybody has the opportunity to be present during general debate, but during general debate I said specifically that this legislation directed the President to include in the allocation program crude oil, residual oil, and refined petroleum products, which are defined as gasoline, kerosene, and distillates including No. 2 fuel oil; propane, butane, distillates which include benzene, methadene, kerosene—which, of course is a jet fuel and is covered by the legislation.

Mr. KUYKENDALL. Mr. Chairman, I want to make it clear that I thank the gentleman from Ohio, because the Cost of Living Council has chosen to lump all these middle level distillates together, and I thank the gentleman from Ohio and the chairman for clearly stating that they should be separated.

#### AMENDMENT OFFERED BY Mr. PICKLE

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

The Clerk read as follows:

Amendment offered by Mr. PICKLE: Page 15, line 18, insert "(1)" after "(e)".

Page 15, insert after line 23 the following:

(2) The provisions of the regulation under subsection (a) which allocate crude oil and specify (or prescribe a manner for determining) the price of crude oil, shall not apply at the producer level, unless the President determines that it is necessary to apply such provisions at the producer level in order to attain the objectives of subsection (b), (c), and (d) of this section.

Mr. PICKLE. Mr. Chairman, this amendment is an effort to hope that we might reach a compromise on the producer problem in this bill. I would hope that the Chairman of the committee and the Chairman of the subcommittee would accept it, and similarly on the other side.

We have an almost impossible bill to

administer if we keep in producers, as such, in the bill. There are 10 or 12 thousand producers in the United States. If we say to each one of those producers, "Every barrel of oil that comes out of that well-head must be controlled by the government and directed to whom it goes and to whom it cannot go," I think the Members can see, as the administration says, this would be a veritable nightmare.

We have not yet been able to reach an accord on the producer problem because many want to be sure the refineries can get the products they need, both majors and independents. This amendment simply says that producers would not be subject to the provisions of this bill unless the President determines that it is necessary to apply such provisions at the producer level in order to attain the objectives of sections b, c, and d.

Thus, producers would not be covered, but they would be if, in carrying out the objectives of the bill, the President felt there was no other way to do it. Producers do not want to be in the measure and have plainly said that they do not want this in the bill, but they would accept this approach. While I would like to take all the producers and crude oil out, I would say that I have offered this amendment because it would clearly say that producers would not be covered unless the President so deemed that it was necessary.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. Mr. Chairman, I would like to say to the gentleman in the well that the bill is mandatory only that it mandates the President to set up a system for allocation. If the gentleman feels that he would not be comfortable with the legislation without the language in here, I have no particular objections to it, but obviously if the President, in setting up this method of allocation that we mandate, feels that he should go into the crude oil operation and mandate specifically how they ought to be distributed to the market, then I assume he will do so.

I assume he will do so because it is necessary in order to obtain the objectives of subsections B, C, and D of this section. That is what we are faced with.

I would be glad to accept the language, but obviously the President, is not likely to prescribe methods of allocation unless he feels they are necessary.

Mr. PICKLE. I will yield to the chairman of the subcommittee, if he so desires.

Mr. MACDONALD. I was going to wait and get my own 5 minutes to oppose the amendment. Does the gentleman want me to go ahead now?

Mr. PICKLE. No. If the gentleman is going to oppose the amendment I will continue.

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

Mr. PICKLE. I yield for a question.

Mr. CONTE. Is the gentleman trying to say here with his amendment that this bill requires mandatory allocations in regard to crude oil right from the well-



head, and the gentleman is trying to say he would give this discretionary power to the President of the United States whenever he wants to go for mandatory allocation of crude oil?

Mr. PICKLE. Yes. If he wants to extend it to the producer level.

Mr. CONTE. I strongly oppose this amendment, and I will speak on my own.

Mr. PICKLE. Mr. Chairman, that is very interesting. I thought we had an amendment everyone could probably agree to, but I do not believe some want to agree to anything except that which is going to make the bill impossible to administer, so I will continue.

There is the feeling, Mr. Chairman, that oil is produced and put in a pipeline and sent straight to the refinery. That is not the case. Most oil is brought out of the ground and put into some kind of a gathering station, or a pool. It might be the oil of the major or of the independent. It would probably not go straight from the wellhead to the refiner, as is hoped, and as I think has been indicated to the House.

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

(By unanimous consent, Mr. PICKLE was allowed to proceed for 3 additional minutes.)

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

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

Mr. ECKHARDT. The gentleman's amendment would in no way prevent a requirement for the allocation of crude in the hands of a distributing pipeline company, would it?

Mr. PICKLE. No, it would not.

Mr. ECKHARDT. Since refineries, including independent refineries, receive nearly all of their crude stock through a pipeline network, they would still be protected under the gentleman's amendment, would they not?

Mr. PICKLE. That is exactly correct. This is a point most seem to miss.

Mr. ECKHARDT. All the gentleman's amendment would do is to require that the allocation apply at the only place it can practically apply, that is either at the refinery or at the gathering pipeline level instead of going to these 14,000 independents.

Mr. PICKLE. That is correct.

When the bill was first introduced it did not include producers. Really, this summer all we wanted to do was to take care of gasoline, so that the tourists could move about America, and to be able to get the farmers enough gasoline to get their crops in. Then it was expanded later to include crude, and also to extend down to the producer level. I personally do not believe it ought to be at the crude level, but since the committee and the gentleman from Massachusetts said we must control it at the refinery level, this is the intent. Therefore, I did accept that.

The crude has to get to the refinery. By controlling at the wellhead it does not help this cause a bit. It really helps the independent more than it impedes him.

Mr. ECKHARDT. The gentleman's

present amendment does not go nearly so far as his amendment in the committee, as I understand it.

Mr. PICKLE. No. The amendment in the committee just said that the provisions in this act would not apply to producers, period. So in an effort to try to find some kind of ground we could have some accord on, I extended that provision and had the committee draft it so that it would say unless the President felt it was necessary.

Now, if the situation becomes intolerable or it becomes unworkable and we have to extend it to the producers' level, then the President would get his authority under this provision. He might have it, and he might not have it; as I say, he might not want it. There was testimony on that before the committee.

Mr. Chairman, we have an absolutely unworkable bill if we leave in the provision now that does not try to find some accord on the producers' level. This is a well-intentioned amendment. It does not do any violence to the committee's bill. The committee, I believe, would do well to accept this amendment.

It would at least show that the Members are not trying to be negative in their approach, and that they are trying to vote on a bill that both the industry and the administration agree is workable, one that will pass.

Mr. Chairman, I ask for approval of the amendment.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from West Virginia is recognized for 5 minutes in opposition to the amendment.

Mr. PICKLE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred five Members are present, a quorum.

The gentleman from West Virginia (Mr. STAGGERS) is recognized for 5 minutes in opposition to the amendment.

Mr. STAGGERS. Mr. Chairman, I oppose the amendment, because if we knock out the price control of crude oil at the wellhead and they charge a hundred dollars a barrel, how are we going to regulate the price of gasoline or any of the other products that come from it?

I just think this is absurd. We have got to start some place, and at the very beginning we should regulate producers. If we do not, and we say to them that they can charge any price they want to charge, how are we going to say they should charge less than they get at the refinery?

How are we going to assure them that the refinery has a reasonable profit, or any of the rest of them?

The retailer, for instance.

Mr. Chairman, we have done this fairly well with natural gas. It has been regulated for 20, 30, or 40 years at the wellhead, and one of these days we will take that up and see if we cannot regulate it. But they say there is a cost of living increase in it, and they say they need it, and we know that gas is being held back. We know that. But that is in the future.

We need to keep it where it is produced at the start, because the lines are permanent. We know that. If it just goes in these lines they do not go to the different refineries.

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

Mr. STAGGERS. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, I will ask the gentleman, is it not true that this would work a hardship on the independent refiners which do not produce all the oil they refine, and that it would put many of them out of business?

Mr. STAGGERS. The gentleman is correct.

Mr. CARTER. Mr. Chairman, I thank the distinguished chairman for yielding.

For the reason I stated, I oppose the amendment, and I urge every one of the Members to oppose the amendment. The refineries are dependent on producers, and I urge defeat of the amendment.

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman.

Mr. BROWN of Ohio. I do not understand why the gentleman feels the amendment would put out of business refineries which do not produce their own oil. Could you explain that to me?

Mr. CARTER. If the gentleman will yield, yes, I think I can.

Some refineries in this country do not produce all of the oil they refine. In some instances they produce only 30 percent of the oil they refine. They receive oil not only by pipeline but also by barges. If we limit the amount or if we take their quotas off on the crude oil and do not determine a distinct allocation, then these independent refineries, which produce only a small amount of the oil they refine, will be cut down greatly.

Mr. BROWN of Ohio. If the gentleman will yield further, I would say to the gentleman that it goes on to say in the amendment—

Unless the President determines it is necessary to apply such provisions at the producer level in order to attain the objectives of subsections (b), (c), and (d) of this section.

Those objectives provide for the coverage of all classes of users and also all classes, I assume, of refineries. Is that correct?

Mr. CARTER. If the gentleman will yield, I thank the distinguished gentleman, but I hardly think he is correct. We are passing this bill because we want to assist the President to make it possible for him to go ahead with his allocation program.

Mr. BROWN of Ohio. If the gentleman will yield further, but if those objectives are not being met, then the President makes the determination that he must control crude oil.

Mr. CARTER. If the gentleman will yield further, if we read this into the law, it could very well bind his hands so that many independent refiners in this country would not receive their allocations of crude oil as they are doing now, and it would put many of the refineries out of business.

Mr. BROWN of Ohio. I am sorry, but

I do not interpret it in the same way, Mr. Chairman.

Mr. ECKHARDT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I would hope that this House will not consider everyone from Texas as one who necessarily is controlled by oil interests. I intend to vote for this bill; I intend to vote for it whether the Pickle amendment is passed or not. But I want to tell you, as one who maybe knows a little bit more about crude oil and its distribution than perhaps some out of our area, that this amendment does no violence to the bill but, rather, is an absolutely necessary amendment for the practical administration of this bill.

In the first place, Mr. Chairman, if this amendment were passed, it would not decontrol crude oil but, rather, it would decontrol producers. Crude oil does not get out of the well and to refiners by instantaneous process. It goes into a pipeline which has purchased the crude oil and into a gathering system which and at that level both the quantity and the price can be controlled under the Pickle amendment. For that reason the independent refiners are adequately protected under the Pickle amendment as they are under the bill.

Now let me point out one other thing to you here. There is another concern that the Pickle amendment takes care of.

Just as the ultimate small distributor may be the captive of his supplier, in the same manner the original producer of oil is to a certain extent the captive of the distribution system. If you do not put the Pickle amendment in this bill, then this means that the little independent producer may be forced to let his oil flow into a distribution system over which he has no control. You may destroy the little man at the top of the scale while attempting to protect the little distributor at the other end.

So I urge this body to consider this amendment seriously. Do not consider it just as a kind of a Texas product that must be rejected for that reason, but consider it as an amendment that makes the act work. It permits control at the level where control can be effective instead of at 14,000 little orifices from which oil originally flows.

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

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

Mr. SEIBERLING. Mr. Chairman, would it not be considered, though, that this amendment would result in an integrated company which owns its own sources of oil and owns its own pipeline having an advantage over a company that has to buy a portion or all of its crude oil on the open market?

Mr. ECKHARDT. Let me say this: that what we are really talking about is a bunch of small producers who always feed their oil into the pipeline. An oil pipeline, unlike a gas pipeline, is a common carrier. That means the oil pipeline must accept everybody's oil. So that there is an entire system for gathering

oil, one in which a great number of producers flow their oil into a large supply pool. As soon as it gets into this distribution system, as soon as the pipeline company buys the oil from the producer, under the Pickle amendment, the supply may be controlled. It may be controlled just as it could be if this amendment were not agreed to. The only thing the Pickle amendment says is that you do not go back to the little producer and require him to flow his oil into a particular pipeline. The Pickle amendment, in addition to all of this, provides that if for any reason this does not work, the President may nevertheless control supply and price at the production level.

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

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

Mr. PICKLE. Mr. Chairman, I want to point out that all but two or three of the major oil companies are now purchasers of crude because they cannot get enough crude oil from their own wells, their own supply, every one of them is out buying oil, trying to get hold of crude. It is a great fallacy that the big refineries are going to be automatically taken care of. That is not the case.

The President already has announced under his guidelines of his allocation program that under that program any refinery that is operating at at least 90 percent of capacity would automatically have to send the balance of its crude to an independent refinery.

I think that percentage would be better set at 80 percent, because I do not want a particular percentage, but it is best that we let it be done at the refinery level, and not at the wellhead.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. SEIBERLING, and by unanimous consent, Mr. ECKHARDT was allowed to proceed for 3 additional minutes.)

Mr. ECKHARDT. Mr. Chairman, let me remark briefly, I know that the gentleman from Kentucky (Mr. BRECKINRIDGE) has been on the committee as one of the most stout defenders of the supply of oil to the independent refiners. I think that I can assure the gentleman that the Pickle amendment protects the gentleman's amendment to the bill in two ways. One, the Pickle amendment does not exempt crude oil. I think that was what the effect of the original Pickle amendment was. The Pickle amendment applies to the crude, but simply does not apply this at that early a point in the process. If the independent refinery is receiving crude oil from the pipeline gathering company, under that basis the Breckinridge amendment applies. If for some reason there is no intermediary gathering facility, then the exception to the Pickle amendment could apply, that the President may apply controls on the producer directly, and this would take care of the Breckinridge amendment.

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

Mr. ECKHARDT. I yield to the gentleman from Kentucky.

Mr. BRECKINRIDGE. I thank the gentleman for yielding. To state it another way to the gentleman from Texas, would the gentleman agree that under the Pickle amendment the independent refiner would stand in the same position as all other refiners, and that crude oil deliveries to him would be allocated and priced accordingly?

Mr. ECKHARDT. Precisely. The gentleman is exactly correct.

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

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

Mr. PICKLE. I referred to the letter Mr. Love has written. As I recall, they made a survey of the independent refiners, and they the independent refiners do not want this bill to include the producer level. Under the present condition right now, the independent refiners, in bidding for that crude oil out in the field, outbid the majors, and they do pretty well. I do not think they, the independent refiners, are the ones who want it.

I agree with the gentleman, I do think the independents and the majors should be put on an equitable basis.

Mr. ECKHARDT. Mr. Chairman, I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I think it is sometimes helpful to go back and look at the original language. The amendment says:

The provisions of the regulation under subsection (a) which allocate crude oil and specify . . . the price of crude oil, shall not apply at the producer level, unless the President determines that it is necessary to apply such provisions at the producer level in order to attain the objectives of subsection (b), (c), and (d) of this section.

Subsection (b), as the gentleman from Ohio (Mr. SEIBERLING) pointed out, says:

The regulation under subsection (a), to the maximum extent practicable, shall provide for—

And then down to:

(E) equitable distribution of crude oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners, nonbranded independent marketers, branded independent marketers, and among all classes of users;

It seems to me that that provides exactly what the gentleman's objection is about.

Mr. MACDONALD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, to preface my remarks, I should like to point out to the gentlemen from Texas that this certainly is no war between the States. Nobody has anything against people from Texas.

What I do feel is that this goes to the very basis of the bill. I agree with the gentleman from Texas (Mr. PICKLE) that he has retrenched his original provision as spelled out both in the committee and later before the Committee on Rules, for which he is to be commended. Mr. PICKLE originally wanted crude oil not to be included within the purview of this bill at



all, and that position was soundly beaten in the committee. Then today, when that did not work, he indicates that he still is opposed to the bill, as has been discussed with him, but he pointed out that the President should be given the authority to allocate at the wellhead, if he felt it necessary.

I point out to everybody—and I say this, that Mr. ECKHARDT and Mr. PICKLE are very valuable members of our committee and have contributed greatly, so this is nothing against them—it is obvious to everybody that the essence of allocations of petroleum starts at the wellhead.

When we think of the fact that just 20 companies control this entire industry, 20 producing companies control 70 percent of the total oil production and these same 20 companies have control over 95 percent or more of all proven reserves here in the United States, we cannot just be talking about the widows and orphans when we talk about producers. If the oil allocation program can control the industry by riding herd on 20 of these companies, then they should be made to do so.

The history of the influence of oil in the city of Washington under successive administrations is one that would bear looking into and perhaps an article or two could be written about it.

I do not buy the argument that we are picking on the producers of petroleum. I think it is very necessary, if we are to have reasonable prices and to have the independent refiner guaranteed his fair share of fuel oil products, that we should reject this amendment and take the bill as reported out of our committee.

Mr. WAGGONER. Will the gentleman yield for one comment at this point?

Mr. MACDONALD. I yield to the gentleman from Louisiana (Mr. WAGGONER).

Mr. WAGGONER. The gentleman has just said he does not mind the independent refiners being guaranteed crude stock for his refining purposes. Does the gentleman realize that if we pass this bill we are saying to the independent refiner that without ever again making an investment, without ever again assuming any risk, he can sit on his can and we are going to bring it to him at somebody else's expense? He actually will have an advantage.

Mr. MACDONALD. I am surprised, if the gentleman will permit me to say so, I am surprised that the gentleman feels that way, inasmuch as fuel is in such short supply.

Mr. WAGGONER. This bill does not do anything to produce any more energy.

Mr. MACDONALD. The gentleman is obviously correct when the gentleman says this will not produce any more oil. It is going to distribute it equitably and nobody with any responsibility has ever told this House it will supply more oil or more gasoline. What it is going to do is alleviate some of the discomfort of the energy crisis.

If we are going to come to grips with the energy crisis, and I for one am ready

to come to grips with it, then the time to do that is at another hearing on another bill on another day, not when we are talking about mandatory distribution, but we are not talking about exploration.

Mr. COLLINS of Texas. I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the chairman of the Oil Committee this question. He spoke about price, which is certainly basic to this whole subject here. Is it the intention of the chairman to bring to the floor a bill in the near future that would deregulate the price of gas and oil at the wellhead?

Mr. MACDONALD. As the gentleman well knows, the chairman of the committee makes that final decision; but I would like to point this out to the gentleman, inasmuch as I have heard so much about how much more energy we would get if natural gas could be deregulated.

I met with all the major oil companies and their representatives and asked them, if we were to deregulate, that the extra amount of profit they would receive would be put back into exploration for gas on the North American Continent, instead of relying on the Middle East.

Would the gentleman believe that each one of those major companies did not agree that if we would deregulate, that the companies would not use that extra money to go exploring. They would not use that money to go looking for more oil on the North American Continent.

Mr. COLLINS of Texas. I would emphasize that in this country we have a shortage of oil and gas. I heard the particular discussion to which the gentleman refers. If he will remember, there was not at that time a single refinery, which was being built in America. The oil companies have just so much money, and they may use some of it for refineries, pipe lines and other capital needs.

In 1966 the oil and gas companies made 9½ percent return on their revenues. In 1972 they earned only 6½ percent on their revenues.

What I want to know, is how we are going to get more oil and gas, until we recognize that we have to get back to the basic issue of making prices more realistic.

I want to address the chairman of the Commerce Committee and ask him this: Can we anticipate a realistic solution, which is to deregulate at the wellhead for the price of new gas? Does the gentleman anticipate that will be done? That is the best solution that keeps coming up over and over again.

Mr. STAGGERS. Will the gentleman yield?

Mr. COLLINS of Texas. I am glad to yield to the gentleman from West Virginia.

Mr. STAGGERS. I do anticipate that probably during the next session there will be something of giving a cost of living mandate to the agency which does regulate it now. I cannot see turning it completely loose. If we do, will the price of natural gas go completely out of rea-

son for anybody to use it at all. Historically the price of gas at the wellhead has been regulated, and I believe it should be. There should be some relief given, I would agree with the gentleman on that. I believe it should be done and I believe it should be done as early as we can.

Mr. PICKLE. Mr. Chairman, I take the gentleman from Massachusetts at his word that he would hold meetings on the natural gas situation.

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

Mr. PICKLE. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, I would just like to point out to the gentleman that he does not have my word. I never gave my word about it and I never discussed it with the gentleman.

Mr. PICKLE. Mr. Chairman, I just thought the gentleman from Massachusetts had a colloquy with the gentleman from Texas in which he said if they would put money back in exploration, I assume he would have hearings on the subject.

Mr. MACDONALD. Mr. Chairman, I do not know what the gentleman is talking about on that subject. I will repeat what I said. If the price can be solved that way, and if they need more money to explore and if they will keep that gas within this country and not export it—because they still are exporting oil products from the United States even though they are screaming about a shortage of energy here—if they will live up to certain requirements, we will be more than happy to take a look at what their plans and ideas are.

Mr. PICKLE. Mr. Chairman, as the gentleman knows, his subcommittee a year ago or 2 years ago did hold hearings on the sanctity of contract approach for natural gas. That bill has not even seen the light of day. The chairman will not even close the hearings, bring it before the committee for yea and nay, so it is hidden under the basket.

The natural gas shortage is a different subject, and we will have to consider it at some other time, but may I point out that one of the really great problems in the shortage of fuel is that there is now a shortage of natural gas, and thus there is now a greater demand for fuel oil. They are related. As far as natural gas goes—and fuel oil—when we try to divorce one from the other, I know that we cannot.

Mr. Chairman, I ask for a vote on the amendment.

AMENDMENT OFFERED BY MR. BRECKINRIDGE TO THE AMENDMENT OFFERED BY MR. PICKLE

Mr. BRECKINRIDGE. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Texas (Mr. PICKLE).

The Clerk read as follows:

Amendment offered by Mr. BRECKINRIDGE to the amendment offered by Mr. PICKLE of Texas: At the end of the amendment, add the following: "But the President shall apply such provisions at the producer level when necessary to achieve the objectives of subsections B, C, and D."

Mr. BRECKINRIDGE. Mr. Chairman,

starting at the words "producer level" in the fourth line of the Pickle amendment, and the words "unless the President determines," striking those words and all thereafter, and then insert the language: "But the President shall apply such provisions at the producer level when necessary to achieve the objectives of subsections B, C, and D."

The CHAIRMAN. Does the gentleman ask unanimous consent that his amendment to the amendment be corrected to read as he has just stated?

Mr. BRECKINRIDGE. I do, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

Mr. BROWN of Ohio. Mr. Chairman, reserving the right to object, and I shall not object, but whatever the amendment is, the minority table would like to have the opportunity to look at it. Therefore, could we have a copy sent to this table?

Mr. STAGGERS. Mr. Chairman, the minority is not the only one which does not have a copy.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BRECKINRIDGE to the amendment offered by Mr. PICKLE: After the words "producer level" on line 4 of the amendment, strike the remainder of the amendment and insert: "But the President shall apply such provisions at the producer level when necessary to achieve the objectives of subsections B, C, and D."

Mr. BRECKINRIDGE. Mr. Chairman, during the explanation of the amendment offered by the gentleman from Texas (Mr. PICKLE) and during the colloquy that took place with the gentleman from Texas (Mr. ECKHARDT) it became apparent that the question bothering the committee members is the permissive nature of the discretion which is vested in the President.

All my amendment does is to provide that in the event they effect the purposes of subsections (B), (C), and (D) of the act, the President shall make the necessary allocations. So that the effect of the language is merely to mandate rather than be permissive in that action.

It is my understanding, as a matter of fact, and as a matter of law, that the language in its present shape accomplishes that objective, and that crude would be allocated to refiners, including independent refiners. However, I believe this makes it absolutely and unequivocally clear.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to direct a question to the gentleman from Texas (Mr. PICKLE).

I wonder whether the gentleman approves of the State prorationing system of the Texas Railroad Commission which applied regulations to each well in the State of Texas?

Mr. PICKLE. Yes. It has been a system that has worked well for my State.

Mr. CONTE. Then, Mr. Chairman, I wonder why the gentleman objects to the Federal Government doing what the State of Texas has already done?

Mr. PICKLE. We are talking about—

Mr. CONTE. We are talking about exactly the same thing.

Mr. PICKLE. Mr. Chairman, I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. CONTE. Mr. Chairman, I do not yield.

The CHAIRMAN. The Chair will state that the gentleman from Massachusetts (Mr. CONTE) has the time.

Mr. PICKLE. Mr. Chairman, I would like to have the gentleman from Texas (Mr. ECKHARDT) make a statement on that.

Mr. CONTE. The gentleman from Texas (Mr. PICKLE) has given a fine answer, and that is it.

Mr. Chairman, if crude oil is not covered, some refineries, particularly independent refineries, may not get adequate supplies to process into heating oil. Many of these refineries are equipped to handle only "sweet crude" or low sulfur oil. But supplies of sweet crude are tight and largely controlled by the major oil companies. Only Government intervention will insure that these refineries get the crude oil stocks they need.

If this amendment, offered by the gentleman from Texas (Mr. PICKLE) passes, the big losers will be Midwest consumers. Crude oil must be allocated to insure that independent refiners in the Midwest get adequate feedstocks. As my Midwestern colleagues will attest to, the Midwest is very dependent upon independent retail oil marketers—and these marketers depend upon the independent refiners for their supply.

It is bad enough that the Northeast must worry about the shutoff of oil deliveries due to the Arab-Israeli war. But now I understand, from press reports, that the States along the gulf coast might try to grab some of the heating oil stocks produced in their State which historically have gone to the Northeast.

Texas, for instance—and there is no wonder that every Texan has gotten up here to speak in favor of this amendment—Texas, for instance, has had a tremendous growth of oil storage facilities this past year.

A week ago today, the chairman of the Texas Railroad Commission, Jim Langdon, predicted that out-of-State shipments of distillate fuels would have to be reduced by 50 percent—or between 300,000 to 500,000 barrels a day—so new storage facilities in Texas could be filled.

Without the strict language of the committee's mandatory allocation bill, the consumption of distillate fuels in Texas will rise abruptly, at the expense of the Northeast and the upper Midwest.

This would be unfair. I hope we can blunt the destructive impact of regional rivalry. I think it is pretty obvious to the House to see which Congressmen are here on the floor today pumping for this bill.

I tell my colleagues from the rest of the United States vote down the Pickle amendment if you want some oil this winter.

Mr. MILFORD. Mr. Chairman, I move

to strike the requisite number of words.

Mr. Chairman, my colleagues, I know you are tired, but there are a couple of things I do not believe that we have quite made clear.

First, the Texas delegation is not opposing crude allocation. All we are trying to do is to find some means whereby we can live with the allocation procedures whereby allocation can be done.

I think perhaps what we are failing to get across is an understanding of the oil production system. I believe this might require a short 3-minute lecture on oil. Please let me define an oil producer, because I do not think some of you fully understand what he is.

An oil producer may be an individual, or may be a community group that has gotten together to put in a well, or it may be a large company. Most of the producers, incidentally, are small. The larger companies buy their crude from the producing wells.

Second, it is important that you understand our collecting system, whereby we collect crude oil to get it to the refineries. This is extremely important, and it is not the same in every case. In fact, it is usually very dissimilar. These systems may vary from producer-owned small pipelines to a collecting point—which may be nothing more than a large tank—or the oil may be shipped by truck or the small pipes may join a main pipeline.

There is a third very important point: We now have numerous minimum producer wells or scrub wells, as some folks call them. These have been shut down in past times because they were not economical producers. Due to the shortages they have been revived. But if there is any tampering at all with these, due to the fact that they are so close to not being economical, we may lose a considerable source of energy.

These wells produce only a few gallons a day. However, by keeping them active we increase our total output of crude.

So, ladies and gentlemen, what we are trying to say is go ahead with crude allocation, but put it on at a place where the industry can cope with it and handle it. The best place would be the main line collector points or the refineries. That is all we are asking you to do.

Mr. ECKHARDT. Will the gentleman yield?

Mr. MILFORD. I yield to the gentleman.

Mr. ECKHARDT. There is one point I would like to have cleared up with the gentleman from Massachusetts.

The gentleman was talking about the giant storage facilities in Texas. Does the gentleman not agree with me that as soon as oil gets into these facilities, under the Pickle amendment it is subject to the allocation?

Mr. MILFORD. Yes. I would say to the gentleman from Massachusetts that the only oil that Texans ever drink is castor oil, and that does not come out of the ground and we cannot drink it.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.



Mr. Chairman, I am just going to say what I said before. This amendment passes the price on from the wellhead to the consumer, which can run into billions of dollars for all Americans across the land.

I would like to read from a letter from the director of the Cost of Living Council which just came in the latter part of September. From January through August 1973 the fuel oil component of the wholesale price index increased at an annual rate of 72.5 percent. For gasoline the rate of increase has been 63.5 percent. For all refinery and petroleum products it has been 56.8 percent. These figures contrast sharply with those of all products, which increased at the rate of 8 to 10 percent.

I think this ought to be a story for the Members of this House to consider. Additionally, I say that this is just a backdoor approach, and I am against the amendment to the amendment.

Mr. PICKLE. Mr. Chairman, if the gentleman will yield, the wire services this afternoon said that the Arabian oil producers have just raised their price from \$1 to \$1.50 a barrel. That was announced this afternoon. I would hope the gentleman would not bring prices into this, but it works both ways. And why the gentleman objects to someone in the country making a profit but would be for the Arabian companies to bring oil in at \$2 or \$3 a barrel in excess of the present price, I do not know. I do not understand who the gentleman is for.

Mr. STAGGERS. I am for the people of this country.

The CHAIRMAN. The time of the gentleman has expired.

The questions is on the amendment offered by the gentleman from Kentucky (Mr. BRECKINRIDGE) to the amendment offered by the gentleman from Texas (Mr. PICKLE).

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PICKLE).

The question was taken; and on a division (demanded by Mr. PICKLE) there were—ayes 49, noes 60.

## RECORDED VOTE

Mr. PICKLE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 136, noes 245, answered "present" 2, not voting 51, as follows:

## [Roll No. 533]

## AYES—136

Abdnor	Burgener	Davis, S.C.
Andrews, N.C.	Burleson, Tex.	de la Garza
Archer	Camp	Denholm
Arends	Casey, Tex.	Dennis
Armstrong	Cederberg	Derwinski
Ashbrook	Chamberlain	Devine
Bauman	Chappell	Dickinson
Blackburn	Clawson, Del.	Dorn
Bowen	Cochran	Downing
Breaux	Collins, Tex.	Eckhardt
Breckinridge	Conable	Erlenbue
Brinkley	Conlan	Eshleman
Brooks	Crane	Fisher
Brown, Mich.	Daniel, Robert	Flynt
Brown, Ohio	W., Jr.	Ford, Gerald R.

Forsythe	McCollister
Froehlich	McEwen
Gettys	McSpadden
Ginn	Mahon
Gonzalez	Mann
Goodling	Martin, N.C.
Hammer-	Mathis, Ga.
schmidt	Melcher
Hanrahan	Millford
Harsha	Miller
Henderson	Mizell
Hicks	Montgomery
Hinshaw	Moorhead,
Hogan	Calif.
Holt	O'Brien
Hosmer	O'Hara
Huber	Owens
Hunt	Patten
Ichord	Pettis
Jarman	Pickle
Johnson, Pa.	Powell, Ohio
Jones, Okla.	Price, Tex.
Jordan	Pritchard
Kazen	Railsback
Kemp	Rarick
Ketchum	Rhodes
Kuykendall	Roberts
Landrum	Roncallo, Wyo.
Latta	Rousset
Long, La.	Runnels
Lott	Ruppe
Lujan	Saylor

## NOES—245

Abzug	Edwards, Ala.	Litton
Adams	Edwards, Calif.	Long, Md.
Addabbo	Ellberg	McClary
Alexander	Esch	McCloskey
Anderson,	Evans, Colo.	McCormack
Calif.	Fasell	McDade
Anderson, Ill.	Findley	McKay
Andrews,	Fish	McKinney
N. Dak.	Flowers	Macdonald
Annunzio	Foley	Madden
Aspin	Ford,	Malillard
Badillo	William D.	Mallory
Bafalis	Fountain	Maraziti
Baker	Fraser	Mathias, Calif.
Barrett	Frelinghuysen	Matsunaga
Beard	Frenzel	Mayne
Bennett	Frey	Mazzoli
Bergland	Fuqua	Meeds
Bevill	Gaydos	Metcalfe
Blester	Gialmo	Mezvisinsky
Blatnik	Gibbons	Mink
Boggs	Gilman	Mitchell, Md.
Boland	Grasso	Mitchell, N.Y.
Bolling	Gray	Moakley
Brademas	Green, Oreg.	Mollohan
Brasco	Green, Pa.	Moorhead, Pa.
Bray	Gross	Morgan
Brotzman	Grover	Moss
Brown, Calif.	Gubser	Murphy, Ill.
Broyhill, N.C.	Gude	Myers
Burke, Calif.	Guyer	Natcher
Burke, Fla.	Haley	Nedzi
Burke, Mass.	Hamilton	Nix
Burlison, Mo.	Hanley	O'Beay
Burton	Hanna	O'Neill
Butler	Hansen, Idaho	Pepper
Byron	Hansen, Wash.	Perkins
Carter	Harrington	Peyser
Clancy	Hastings	Pike
Clausen,	Hays	Podell
Don H.	Hechler, W. Va.	Price, Ill.
Clay	Heckler, Mass.	Quile
Cleveland	Heinz	Quillen
Cohen	Helstoski	Rangel
Collier	Hillis	Rees
Collins, Ill.	Holifield	Regula
Conte	Holtzman	Reld
Corman	Horton	Reuss
Cotter	Howard	Riegle
Coughlin	Hudnut	Rinaldo
Cronin	Hungate	Robinson, Va.
Daniel, Dan	Hutchinson	Robison, N.Y.
Daniels,	Johnson, Calif.	Rodino
Dominick V.	Johnson, Colo.	Roe
Danielson	Jones, N.C.	Rogers
Davis, Wis.	Jones, Tenn.	Roncallo, N.Y.
Delaney	Karth	Rooney, Pa.
Dellenback	Kastenmeier	Rose
Dellums	Keating	Rosenthal
Dent	King	Rostenkowski
Diggs	Kluczynski	Roush
Dingell	Koch	Roy
Donohue	Kyros	Roybal
Drinan	Landgrebe	Ruth
Dulski	Leggett	Ryan
Duncan	Lehman	St Germain
du Pont	Lent	Sarasin

Sarbanes	Studds	Widnall
Satterfield	Symington	Williams
Seiberling	Talcott	Willson, Bob
Shipley	Taylor, N.C.	Wilson,
Shuster	Teague, Calif.	Charles H.,
Sikes	Thompson, N.J.	Calif.
Sisk	Thomson, Wis.	Wolff
Slack	Thone	Wyatt
Smith, Iowa	Tiernan	Wylder
Smith, N.Y.	Towell, Nev.	Wylie
Snyder	Udall	Wyman
Staggers	Ullman	Yates
Stanton,	Van Deerin	Yatron
James V.	Vanik	Young, Fla.
Stark	Vigorito	Zablocki
Steele	Waldie	Zwack
Stokes	Walsh	
Stratton	Whalen	

## ANSWERED "PRESENT"—2

Bell	Randall
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## NOT VOTING—51

Ashley	Gunter	Patman
Blaggi	Harvey	Poage
Bingham	Hawkins	Preyer
Broomfield	Hebert	Rooney, N.Y.
Broyhill, Va.	Jones, Ala.	Sandman
Buchanan	McFall	Scherle
Carey, N.Y.	Madigan	Schneebell
Carney, Ohio	Martin, Nebr.	Schroeder
Chisholm	Michel	Stanton,
Clark	Mills, Ark.	J. William
Conyers	Minish	Stuckey
Culver	Minshall, Ohio	Sullivan
Davis, Ga.	Mosher	Whitten
Evins, Tenn.	Murphy, N.Y.	Winn
Flood	Nelsen	Young, Alaska
Fulton	Nichols	Young, Ga.
Goldwater	Parris	
Griffiths	Passman	

So the amendment was rejected.

The result of the vote was announced as above recorded.

## AMENDMENT OFFERED BY MR. ECKHARDT

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

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT: On page 15, immediately following section 4(e), add the following new subsection (f):

"(f) The regulation promulgated and made effective under subsection (a) shall not apply to any producer of crude oil during any calendar quarter if such producer produced during the preceding calendar quarter net to such producer's working interests not more than an average of 2,500 barrels per day." and renumber subsection (f) as (g).

Mr. ECKHARDT. Mr. Chairman, this is a very much milder amendment than the one which was offered by the gentleman from Texas (Mr. PICKLE) although I thought that amendment was watered down to the point that it was extremely innocuous.

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

Mr. ECKHARDT. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, does the gentleman have any copies of the amendment?

Mr. ECKHARDT. I had supplied one copy for the desk. This is my last one, and the gentleman may have it.

Mr. Chairman, all this amendment does is this: It says that producers who are producing less than 2,500 barrels a day shall not be subject to the limitations of the act.

Now, to put this in perspective, if I had gone up to 10,000 barrels per day, I still would not have even touched the skirts of the major oil companies; it would not have included majors if the figure had been four times as great.

I do not have the exact statistics today, but the last time I studied the situation—and that was a good many years ago—there were 3,300 producers in Texas that produced approximately half of the oil in Texas. There were about 11 majors that produced the other half. In States such as Louisiana and California the majors produced approximately 90 percent of all the oil.

So at most we are touching a very small amount of the total oil produced in the United States, perhaps 5 percent, perhaps less, certainly not enough crude oil to affect the supply to the East, to the Midwest, or to any refinery in the country.

Why, then, is this amendment so necessary?

If we do not exclude the small producer, we make the producer subject to capture by the large company gathering lines. The small producer ought to be permitted to operate within his own marketing system, and when we disturb that marketing system and tell him that he has to flow his oil into the pipelines of majors and into a total system over which he has no control and which may ultimately control him, we do this:

In protecting the little distributor at the tail end of the operation, we hurt the little producer at the top end.

Now, the producer that I am talking about, producing 2,500 barrels a day, is a fellow who is running the kind of risk that brings oil to the surface. He is the man who takes a chance. He is the man who deserves, if anybody does, a depletion allowance. For this is the man who takes the risks and this is the man who, in my opinion, should not be forced into a gathering system by mandatory legislation that may destroy his own contracts concerning distribution. He may be supplying independent refineries. Why should he be forced to flow his oil into another system that affords oil to the larger refineries?

If this amendment were one that influenced, let us say, 50 percent of the production in this country and if it were one in which certain sections of the country could be cut off from oil, then maybe you should go the way you did on the last amendment; you might be running some risk that your area would be depleted with regard to oil. Not so under this amendment.

We are talking about such a minuscule amount of the total amount of oil in the United States that it could not possibly affect the question of price and supply. These are not controllers of price. They are not monopolies who can control the supply. They are the victims of monopoly. We have already protected under the amendment offered by the gentleman from Kansas (Mr. SKUBITZ) the stripper well: That is, we excluded wells producing 10 barrels or less, but all this does is say the little fellow who may have a number of stripper wells but may also have a few more productive wells should not be included in this massive system.

The amendment has this one other extremely salubrious effect: It reduces

greatly the number of people who have to be policed by the act, because there are so many people producing so little oil.

Mr. SEIBERLING. Will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman.

Mr. SEIBERLING. The gentleman's amendment does not define the word "producer," and I wonder therefore if it would make it possible to evade the intent of the amendment by breaking up production among a host of small subsidiaries.

Mr. ECKHARDT. That is the reason why I have used the term "net."

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ECKHARDT was allowed to proceed for 2 additional minutes.)

Mr. ECKHARDT. I am entirely conscious of this fact, and when the term is used "net to such producer's working interests" that is a term of art that defines a producer, because it is used uniformly with respect to a particular entity involved.

Mr. SEIBERLING. I thank the gentleman for his clarification.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment. I will not take the 5 minutes.

This is a temporary bill wherein the House is acting to take care of an emergency and it expires on February 28, 1975. It is necessary at this time because of the conditions we are living under and we find ourselves in today.

We were asked to take care of the stripper wells and we have taken care of all the stripper wells in the country that produce less than 10 barrels a day. When this question was brought up in an amendment in the committee, we did take care of the stripper wells, so I do urge defeat of the amendment.

Mr. CONTE. Will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman.

Mr. CONTE. You took care of these little stripper wells that produce less than 10 barrels a day.

Mr. STAGGERS. That is right.

Mr. CONTE. And now the gentleman is trying to bring it up to 2,500 barrels. I am very much opposed to the amendment, and I hope it is voted down.

Mr. ECKHARDT. Will the gentleman yield?

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

Mr. ECKHARDT. I want to correct that. We are not raising that to those who are pumping 2,500, but this had to do with the total production of all of a producer's wells.

Mr. GROSS. Mr. Chairman, I move to strike the next to the last word.

Mr. Chairman, I take this time before it is too late to ask the chairman of the committee his question: In view of the fact that the administration has set up agricultural food production and home heating as the top priorities in the allocation of fuel, I would like to know how the committee arrived at the pri-

orities to be found under the subhead of Mandatory Allocations to be found on page 12 of the bill where agriculture is relegated in the line of priorities to third place.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. As I understand the question raised by the gentleman from Iowa, the list does not establish priorities 1, 2, 3. These are things, without any particular priority about them, which are to be given attention in the allocation.

Mr. GROSS. Then that is not to be construed as a list of priorities for guidance of the administration?

Mr. BROWN of Ohio. If the gentleman will yield further, this is the total list of priorities and not a list of priorities 1, 2, 3, 4. As a matter of fact, they are not listed that way, they are listed a, b, c, d. And "a" is not necessarily the first priority, "b" is not necessarily the second priority, and "c" is not necessarily the third priority, they are all priority items.

Mr. GROSS. Whether they are stated a, b, c, or 1, 2, 3 is beside the point. Why is it presented in this fashion? Did the committee not take recognition of the fact that the administration established, as top priorities, food production, agriculture, and home heating?

Mr. BROWN of Ohio. They are all in there.

Mr. GROSS. That may be true, but I am surprised that food production and home heating was not at the top of this list.

Mr. BROWN of Ohio. They have been put in alphabetically, I might say, or they have been put in paragraph form; they are just listed in this way.

Mr. GROSS. One final question, while the gentleman from Ohio is still on his feet: Is there anything in this legislation that the administration cannot accomplish under its present powers and in the absence of this legislation?

Mr. BROWN of Ohio. There is nothing they cannot do, but what this legislation does specifically mandates them to use the powers which they have not chosen to use up to this point.

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

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

Mr. PICKLE. It should be repeated again for the benefit of the Members who have not been present during this entire debate that the administration has announced a program for heating oil, for propane, for kerosene, and for jet fuel, and they have full authority to do all that this bill wants. It is just going to make the situation impossible to administer. We are just saying to the President, "We want you to do what you have already done."

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

Mr. Chairman, I rise in support of the gentleman's amendment. My district is



one of the areas that is targeted in. We have many, many wells that have been producing for 30 or 40 years that produce more than 10 barrels a day, but are marginal in their operation. If we cut these wells off, and the opportunity for these men to even break even in the operation of these wells, this is simply going to mean that you will have less oil and gas to carry out the very thing that it states in this bill, to preserve on an economic foundation a competitive petroleum industry. How can the small individuals compete with the major industries if we are going to put these types of restrictions on them?

It just makes common sense that a man is not going to invest his money to take over these marginal wells if he cannot make a profit, and as a result that man will not produce oil and gas any more. The oil and gas will stay there, and we will be left with less oil and gas at a time when we need all of the energy we can get.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT).

The question was taken; and the chairman being in doubt, the committee divided, and there were—ayes 68, noes 74.

So the amendment was rejected.

Mr. VAN DEERLIN. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, the Arab States are talking tough again, threatening to cut off petroleum shipments to us.

Perhaps it is time we gave them—and their Soviet mentors—a lesson on what hard-nosed diplomacy is really all about.

The bill before us, H.R. 9681, the Emergency Petroleum Allocation Act, may not be the ideal vehicle for striking back at those who would use their petroleum reserves to attempt extortion. But the fact that such a bill is now before us at all attests to the fuel shortage which already confronts us.

Imports from the Middle East account for only about 6 percent of our petroleum consumption, but at this juncture we cannot afford to lose any of these supplies.

Since Russia has become so inextricably involved in the Arab-Israeli war, it might be that a little pressure properly applied could cause the Soviets to help the Arabs see the sweet light of reason.

Mr. Chairman, our notorious wheat deal with the Russians is of course widely known. In the past year and a half we have sent more than 600 million bushels to Russia, under terms that have shot up the price of wheat and wheat products in this country and abroad.

Perhaps we should let the Russians know that we will stop the wheat sales if their Arab friends go through with the threat to shut off the flow of oil.

Granted, the circumstances of the trade in these two commodities—wheat and petroleum—are entirely different.

But why not, for once, look after our own national interest first? If we terminate the wheat exports, we would be contributing to the economic well-being

of our own country and its citizens. And if the Russians can be prevailed on to persuade the Arab States to be sensible in regard to their oil, we will be ahead on that count, and the fuel shortage will not be quite so acute.

I do not profess to know the details of our wheat arrangement with the Russians, or of the subsidies and credits which helped the deal gain momentum.

And I am not certain that abruptly ending these shipments would be classic diplomacy in the traditional sense. But at least it would, in the words of an erstwhile Presidential candidate, "send 'em a message" the Soviets could hardly ignore. And the threatened loss of this windfall just might have the desired effect.

AMENDMENT OFFERED BY MR. HUNGATE

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

The Clerk read as follows:

Amendment offered by Mr. HUNGATE: amend section 3 (4) on page 11, line 15 by adding after the word LPG the words "Ethyl Glycol".

Mr. HUNGATE. Mr. Chairman, the sole purpose of this amendment is to include within the mandatory allocation antifreeze, which is in very short supply in many parts of our country and will become more acute as the weather gets colder. That is the sole purpose.

Mr. Chairman, I urge support of this amendment.

Mr. MACDONALD. Mr. Chairman, I rise in opposition to the amendment. Unfortunately, everybody in the Congress more or less has some pet item they would like to have included in the priority listing. It is unfortunate that we have had not one word of testimony about this particular item. I am sure it is needed. I am told that it is made from propane. Propane is covered under the bill. I oppose the amendment, inasmuch as we have to cut this off somewhere.

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

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

Mr. HUNGATE. In hearings regarding small businessmen, there has been considerable testimony from those who need antifreeze, and in my own district there are several industries who are quite concerned that they do not have sufficient antifreeze.

Mr. MACDONALD. I am just stating to the gentleman that if they were so concerned, they did not testify before our committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. HUNGATE).

The amendment was rejected.

AMENDMENT OFFERED BY MR. HAMMERSCHMIDT

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

The Clerk read as follows:

Amendment offered by Mr. HAMMERSCHMIDT: Page 13, insert after line 14 the following:

(3) The President in promulgating the regulation under subsection (a) shall give consideration to allocating residual fuel oil

and refined petroleum products to any person whose use of fuels other than crude oil, residual fuel oil, and refined petroleum products has been curtailed by, or pursuant to a plan filed in compliance with, a rule or order of a Federal or State agency.

Mr. HAMMERSCHMIDT. Mr. Chairman, this amendment could be important to at least 23 States that might be adversely affected with the promulgation of this bill by the Executive agency.

Mr. Chairman, I believe that the amendment I am offering further carries out the intent of the legislation in insuring the establishment of legislative history for purposes of regulations which will result from its enactment. This bill will provide authority for the President to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare. The purpose of my amendment is to call attention to the specific situation, affecting industry and utilities in 23 States, whereby the Federal Government has mandated a switch from natural gas to other energy sources. In most cases, this other source is fuel oil. In my judgment, our legislation for a program of equitable distribution should at least single out the fact that any allocation system should provide for adjustments which give consideration to curtailment directed or approved by order of a governmental agency.

For the 1973-74 season beginning this past April, the Federal Power Commission has mandated curtailed service of natural gas which is resulting in switches to fuel oil as an alternate source in the States I will read to the Members in case they are interested.

Mr. STAGGERS. Will the gentleman yield?

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

Mr. STAGGERS. I would have to say to the gentleman that I would oppose the amendment. I hope the gentleman will withdraw it, because I believe it is fully covered in our bill. I can say it is the intent of the committee that this should be covered. We leave it up to the discretion of the President now.

Mr. HAMMERSCHMIDT. Mr. Chairman, I realize it is the intent of the committee, but I would rather see it written into the bill.

Mr. STAGGERS. I would have to oppose that.

Mr. HAMMERSCHMIDT. If the gentleman will permit me to finish my statement, I would like to call off the names of the States that are affected: Alabama, Arkansas, Arizona, California, Florida, Delaware, Georgia, Louisiana, Kentucky, Maryland, Mississippi, Nevada, New Mexico, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee and Texas.

Although the legislation provides discretionary authority under which extenuating circumstances may be taken into account, the allocation program is structured on amounts of crude oil or refined

products sold or otherwise supplied to marketers or refiners—respectively—during the corresponding period of 1972.

Thus, if we are mandating historical demand as a factor in determining allocation, we should also emphasize that administrative regulations need to provide for adjustments for our many utilities and industries which were relying on natural gas during calendar year 1972 and have little or no usage history of fuel oils due to their federally mandated switch-over. I am concerned because their current fuel oil utilization will not appear, at any point in the petroleum marketing chain, in 1972 statistics.

This is not a regional issue and certainly not a partisan one. The natural gas curtailment problem, as well as any other government-caused energy switch, merits mention in H.R. 9681. All of the 10 regions will be impacted by natural gas curtailments during the forthcoming winter. The areas hardest hit, in order of amounts cut back, are the gulf coast, Pacific Southwest, Appalachia, Great Lakes and Southeast regions. The problem is compounded by the fact that these same regions are also faced with severe shortages of suitable alternative fuels, such as propane and distillate fuel oil. Many industrial plants will be forced to operate part time or shut down completely if they are not able to obtain alternate fuel. This would be devastating from an economic standpoint but, from a strictly human standpoint, the consequences would be tragic if public utilities cannot secure adequate alternative fuel.

We are faced with a most complex problem, and I do not presume to think that my amendment is any kind of cure. Rather, it serves as some kind of assurance that attention will be directed toward the pressing need for adjustments—in any type of program adopted—to compensate for the loss of natural gas.

Public utilities purchase their fuel oil both from refiners and the spot market, direct from independents. It is therefore crucial that their increased—and in many cases very recent—demands for fuel oil receive adequate consideration. When an industry or a utility is forced to give up natural gas as a power source, the general procedure is to adapt to No. 2 fuel oil. The supply situation there is critical and, after a conversion process, the industry or utility will go to No. 6 fuel oil or equivalents. For those concerns which have relied on natural gas in the past, alternative sources are limited. Existing stations cannot be converted for coal use. New facilities must be built.

In view of the foregoing, I hope my colleagues will also deem my amendment as necessary recognition of a unique problem and support its adoption.

I hope the committee chairman and the ranking minority member feel that they can accept this clarifying amendment.

Mr. MACDONALD. Mr. Chairman, I rise in opposition to the amendment.

The amendment would do what the bill already does in giving the President flexibility in allocating residual fuel oils.

I quite agree with the gentleman that the President should give consideration in line with the gentleman's amendment. The President is already instructed to do that in the language of the bill.

I think the gentleman is correct about the action of the FPC in their curtailment.

I am sure the President is aware of this and I can assure the gentleman it is the wish of the committee that the President does take into consideration the objections outlined in the gentleman's amendment, but I oppose the amendment because it is unnecessary.

Mr. ALEXANDER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I simply would like to say that I rise in support of the amendment of the gentleman from Arkansas (Mr. HAMMERSCHMIDT). It is true that the bill intends, or states to intend to cure the situation that is offered by the amendment of the gentleman from Arkansas, but we in states such as Arkansas simply cannot afford to take a chance.

Mr. Chairman, I rise in support of the amendment, and I urge my colleagues to support the amendment.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it could be said that this amendment was written by the utilities to protect the utilities. It provides that any user forced to curtail its use of natural gas, or ordered to switch to oil by the Federal Power Commission, or ordered to comply with Environmental Protection Agency regulations could ask during the next 6 months that any shortfall of fuel be made up in heating oil instead of another fuel.

Most of the companies subject to these orders are utilities.

Therefore, the effect of this amendment would be to create a substantial diversion over the coming winter months of fuel from homes to utilities.

I estimate that this will create an additional shortfall of heating oil in the Northeast of at least 20 percent.

Utilities can take care of themselves in the heating market. Homeowners cannot.

I urge my colleagues to defeat this amendment.

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

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

Mr. HOSMER. Mr. Chairman, what about the homeowners who heat with electricity? What about the homeowners who heat with electricity?

Mr. CONTE. Mr. Chairman, the utilities can take care of themselves, but the little homeowners cannot. The big utilities have the tools and staff to take care of them.

The gentleman can take care of them. I will take care of my little people.

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

Mr. Chairman, I would like to ask the chairman of the committee or the chairman of the subcommittee for their views on a matter that affects the basic period as outlined in the bill. Originally, the bill pertained to the year 1972, and then the chairman of the subcommittee introduced in a committee print and spoke in terms of a historical period, and gave some leeway about what would be the base period.

As we have it now, it still makes reference to 1972, and the gentleman says that considerable leeway should be given to the President to interpret what the base period is.

The reason I raise the question is this, and I do not wish to be personal about it, but I will bring out a situation that has happened in my district. The city of Austin, Tex., in the fall of 1972 was curtailed on its supply of natural gas, and for the last year we have had two or three dozen curtailments all the way down sometimes to 50 and 60 percent. So, my city of Austin, the capital of the State, and my river authority has not had enough natural gas, and consequently my city has been curtailed. It seems a bit ironic that people in the Northeast think this bill must be passed to give them help when we in the Southwest are having great difficulty because our supplier does not have enough gas. When we were curtailed on natural gas, we had to go out and buy fuel oil.

We bought as much as we could, and we are maintaining as much as we can buy with the storage capacity which we have. It is very difficult now. The fuel is costing us 6 and 7 times what our natural gas would cost, so we have a double problem.

If we are limited to the year 1972, and we would be given only 2 months, November and December for a base period, obviously my city is not going to be entitled to go out and buy but very little fuel oil. This is the same problem that would apply to the Lower Colorado River Authority.

Consequently, if we are limited to that small period, inadvertently perhaps the House is doing great disadvantage to my city and the people involved.

Now, I notice that in the committee report, on page 18, they did say as follows:

The Committee also specifically intends to include services provided by authorities which have been formed by government, including river authorities. The Committee wishes to emphasize that the term public services is intended in the broad sense of including also those privately owned activities and services that serve the public at large.

The report goes on to say as follows:

The Committee would expect the President in fashioning the mandatory allocation program called for in this bill to pay special attention to the need of continuing these services without disruption or interruption.

Now, it gets to be a critical matter if



we leave in that base period which was changed in the committee at the last minute. If that is left in the bill, then my city, the city of San Antonio, is literally ruined, and I know that would not be the committee's intent.

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

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

Mr. GONZALEZ. Mr. Chairman, I rise merely to emphasize the importance of what the gentleman is saying.

What the distinguished Texan is saying is something that every Member here had better heed, and I think we had better heed it very seriously, because otherwise this House and ultimately this Congress could very well be doing the very opposite of what the legislation is supposed to be achieving and what the intention of the committee was supposed to have done and what the intention of this body is supposed to be now in deliberating on this matter.

The CHAIRMAN. The time of the gentleman from Texas (Mr. PICKLE) has expired.

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent that the gentleman from Texas (Mr. PICKLE) be allowed to proceed for 1 additional minute.

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

Mr. TEAGUE of California. Mr. Chairman, I object.

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

Mr. Chairman, I yield to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, will the gentleman yield to the gentleman from Texas (Mr. GONZALEZ)?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I thank the gentleman from California for yielding me this time to correct an obvious injustice on the part of another colleague from California. All I asked for is 1 minute so that the position of the gentleman from Texas (Mr. PICKLE) who has taken the lead on this matter, will be given some serious attention and so this House will not commit the error and sin of falling victim to sectionalism that is based on a falsified premise.

I believe that unless this error is corrected in the way the bill is written now, a most serious injustice will be heaped upon the average municipality in the United States which depends for its fuel energy on the gas supply and on the oil supply.

Mr. Chairman, I thank the gentleman for yielding.

Mr. PICKLE. Mr. Chairman, I appreciate the gentleman's comments.

The CHAIRMAN. The Chair will inform the gentleman from Texas that the gentleman from California (Mr. ROUSSELOT) has control of the time.

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

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

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding.

At this time, I would like to have an expression from the chairman of the subcommittee.

Mr. MACDONALD. Mr. Chairman, I did not quite understand the gentleman's question, but I did understand his statement.

First of all, inasmuch as the gentleman brought up the question of the utility in Austin. I agree that it is peculiar to have Austin run out of natural gas, because they have an awful lot of natural gas in and around Austin. It seems to me that is one thing the people of Austin should have in abundance.

Mr. PICKLE. Mr. Chairman, I did not understand. What did the gentleman say about natural gas?

Mr. MACDONALD. The natural gas in and around Austin. And, therefore, I am surprised that Austin would be cut off.

Mr. PICKLE. There is not any natural gas—or practically no natural gas in my district. My district is not an "oil or gas" district. We must depend on other intrastate shipments.

Mr. MACDONALD. Mr. Chairman, I shall ask the gentleman this question:

Is it not the fact of that situation that Austin picked a rather poor utility, and the utility went to the Texas Railroad Commission, and they asked the Texas Railroad Commission for an increase in price, and the commission refused to grant the increase, and they cut back their service? Is that about correct?

Mr. PICKLE. No. The supplier tried to get some kind of relief through the legislature a year before. Now the supplier says it can get more gas if given a permanent rate increase, and matter is still pending before the commission. I do not know what the Railroad Commission will rule on the permanent rate increase request. However, that has nothing to do with this problem.

Mr. MACDONALD. Mr. Chairman, the gentleman raised the question, and I thought I would remind him about this Texas utility.

Mr. PICKLE. The problem, as stated, is that under the base period, as outlined in this bill, if we take the year 1972, my river authority and city—and San Antonio would have only a 2-month history of buying fuel oil.

I am not talking about natural gas, but I am talking about the cutting off and curtailing of us to a matter of 50 percent of the natural gas that we were receiving. We now have to buy fuel oil, and if you limit the base period to a period of 2 months, obviously my whole city will get cold—not just cool but cold.

Mr. MACDONALD. I understand the gentleman's predicament and his point has been made time and time again during the afternoon. All this bill does is to give the President the greatest flexibility we can give him. On page 12, (b) (1), we

say to the President to the maximum extent practicable he shall provide for maintaining all public services and, of course, municipally owned utilities are included. Utilities would be included in this bill, and the President would be directed to do everything to the maximum extent practicable to take care of your problem.

Mr. PICKLE. I thank the gentleman.

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the amendment by the gentleman from Arkansas.

I think the gentleman from Texas (Mr. PICKLE) and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) have made an excellent point. It does no good to allocate or reallocate fuels if in doing that you do damage to those who have to produce electricity. That is exactly what will happen under this bill unless this amendment passes.

It is one thing to talk about reallocating shortages all over the country, and I do not believe in that, but to deny to those areas the right to produce electricity because it will be badly cut down or curtailed I think is totally wrong.

Mr. Chairman, let me list the States that would be badly hurt if the amendment by Mr. HAMMERSCHMIDT is not passed: Alabama, Arkansas, Arizona, California, Florida, Delaware, Georgia, Louisiana, Kentucky, Maryland, Mississippi, Nevada, New Mexico, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Texas.

I rise in support of the position taken by the gentleman from Arkansas and the gentleman from Texas.

I will be glad to yield to the gentleman from Texas.

Mr. ECKHARDT. I thank the gentleman for yielding.

If I understood the gentleman from Texas correctly, what he was trying to get is an assurance from the committee that his situation in Austin would not be cut off because there is flexibility in the bill, and I understand that there is such flexibility. The base period relates only to section 4(c) of the bill that has to do with the distribution of gasoline and fuel oil, but it has nothing to do with the general supply of crude to a plant which produces electricity or gas or other utilities. Is that correct?

Mr. MACDONALD. That is correct.

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

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Arkansas (Mr. HAMMERSCHMIDT). Without this amendment, many of the electric powerplants in the Southwest would be in distress. We are asking for no more, nor no less, in the way of fuel allocations. We are simply asking for an equal share. You see, the way the bill is presently written, it would discriminate

against some Southwest States. The reason is quite simple. Texas for example, is one of the leading producers of natural gas. In past years we have had an abundance of this fuel. Now it is in short supply due to the demands of other States where the fuel is used for heating and cooking. Most of our electric utility companies have always used natural gas for the generation of electricity in the past. As a matter of fact, many of our utility companies did not even have burners that could use fuel oil until 1972. Therefore, since allocation quotas are going to be based on amounts used during the year 1972 Texas will not receive its fair share. Mr. HAMMERSCHMIDT's amendment would correct this inequity and assure that each State receives its fair share. I would urge you to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

The amendment was agreed to.

Mr. STAGGERS. Mr. Chairman, I rise to propose a time limit here, because I think we have spent a great deal of time in yielding to others and things are getting a little bit out of hand. I believe we should dispose with the main purpose of this bill. I would like to ask unanimous consent that all debate on the bill and all amendments thereto close at 8:30.

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

Mr. ASHBROOK. Mr. Chairman, I object.

Mr. STAGGERS. Mr. Chairman, I move that all debate on the pending amendments to the bill and the bill close at 8:30.

The CHAIRMAN. The question is on the motion offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. STAGGERS) there were—ayes 117, noes 53.

#### RECORDED VOTE

Mr. ASHBROOK. Mr. Chairman, I demand a recorded vote.

#### PARLIAMENTARY INQUIRY

Mr. PICKLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PICKLE. Mr. Chairman, my parliamentary inquiry is this: I would like to inquire how many amendments are at the desk?

The CHAIRMAN. The Chair will state that there are five amendments pending at the desk.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 161, noes 214, not voting 59, as follows:

[Roll No. 534]

#### AYES—161

Adams	Beard	Bray
Addabbo	Bell	Burke, Calif.
Alexander	Blackburn	Burleson, Tex.
Annunzio	Blatnik	Burton
Aspin	Bowen	Byron
Badillo	Brademas	Carter
Barrett	Brasco	Casey, Tex.

Cederberg	Johnson, Calif.	Reid
Chamberlain	Johnson, Colo.	Reuss
Chappell	Johnson, Pa.	Rhodes
Clancy	Jones, N.C.	Riegle
Cochran	Jones, Tenn.	Roe
Cohen	Karth	Rogers
Collins, Ill.	Kastenmeier	Roncallo, Wyo.
Corman	Kluczynski	Rooney, Pa.
Cotter	Kuykendall	Roy
Daniels	Kyros	Runnels
Dominick V.	Latta	Ryan
Danielson	Leggett	St Germain
Delaney	Lehman	Seiberling
Denholm	Long, Md.	Shipley
Diggs	McCormack	Shriver
Donohue	McKay	Shuster
Downing	Macdonald	Sikes
Drinan	Malillard	Skubitz
Duncan	Mayne	Slack
Ellberg	Mazzoli	Smith, N.Y.
Eshleman	Meeds	Staggers
Fascell	Metcalfe	Stanton
Findley	Miller	James V.
Fisher	Mitchell, Md.	Steed
Flowers	Moakley	Steiger, Ariz.
Ford	Mollohan	Stephens
William D.	Montgomery	Stratton
Frey	Moorhead, Pa.	Stubblefield
Gaydos	Morgan	Teague, Calif.
Ginn	Moss	Thomson, Wis.
Grasso	Murphy, Ill.	Tieman
Gray	Myers	Towell, Nev.
Green, Oreg.	Natcher	Udall
Green, Pa.	Nedzi	Van Deerlin
Haley	Nix	Vanik
Hamilton	O'Neill	Vigorito
Hanley	Patten	Williams
Hanna	Pepper	Wolf
Harrington	Perkins	Wyatt
Hastings	Peysner	Wydler
Hays	Pike	Wyllie
Hechler, W. Va.	Podell	Yates
Helstoski	Price, Ill.	Yatron
Hicks	Pritchard	Young, Ill.
Hillis	Quillen	Zablocki
Holtzman	Rallsback	Zion
Hosmer	Rangel	Zwach
Hudnut	Rees	

#### NOES—214

Abdnor	Davis, Wis.	Huber
Abzug	de la Garza	Hungate
Anderson	Dellenback	Hunt
Calif.	Dellums	Hutchinson
Anderson, Ill.	Dennis	Ichord
Andrews, N.C.	Dent	Jarman
Andrews	Derwinski	Jones, Okla.
N. Dak.	Devine	Jordan
Archer	Dingell	Kazen
Arends	Dorn	Keating
Armstrong	du Pont	Kemp
Ashbrook	Dulski	Ketchum
Bafalis	Eckhardt	King
Baker	Edwards, Ala.	Koch
Bauman	Edwards, Calif.	Landgrebe
Bennett	Erlenborn	Lent
Bergland	Esch	Litton
Bevill	Evans, Colo.	Long, La.
Blester	Fish	Lott
Boggs	Flood	Lujan
Boland	Flynt	McClory
Bolling	Foley	McCloskey
Breaux	Forsythe	McCollister
Breckinridge	Fountain	McDade
Brinkley	Fraser	McSpadden
Brooks	Frelinghuysen	Madigan
Broomfield	Frenzel	Mahon
Brotzman	Fruehlich	Mallory
Brown, Mich.	Fuqua	Mann
Brown, Ohio	Gaiamo	Maraziti
Broyhill, N.C.	Gibbons	Martin, N.C.
Burgener	Gilman	Mathias, Calif.
Burke, Fla.	Gonzalez	Mathis, Ga.
Burke, Mass.	Goodling	Matsunaga
Burlison, Mo.	Gross	Melcher
Butler	Grover	Mezvisinsky
Camp	Gubser	Milford
Clausen	Gude	Mink
Don H.	Guyer	Mitchell, N.Y.
Clawson, Del	Hammer-	Mizell
Clay	schmidt	Moorhead,
Cleveland	Hanrahan	Calif.
Collier	Hansen, Idaho	O'Brien
Collins, Tex.	Hansen, Wash.	O'Hara
Conable	Harsha	Obey
Conlan	Heckler, Mass.	Owens
Conte	Heinz	Pettis
Crane	Henderson	Pickle
Cronin	Hinsaw	Powell, Ohio
Daniel, Dan	Hogan	Price, Tex.
Daniel, Robert	Holt	Quie
W., Jr.	Horton	Randall
Davis, S.C.	Howard	Rarick

Regula	Snyder	Waldie
Rinaldo	Spence	Walsh
Roberts	Stark	Wampler
Robinson, Va.	Steele	Ware
Robison, N.Y.	Steelman	Whalen
Rodino	Steiger, Wis.	White
Roncallo, N.Y.	Stokes	Whitehurst
Rose	Studds	Widnall
Rosenthal	Symington	Wiggins
Rostenkowski	Symms	Wilson, Bob
Roush	Talcott	Wilson
Rousselot	Taylor, Mo.	Charles H.,
Roybal	Taylor, N.C.	Calif.
Ruppe	Teague, Tex.	Wilson
Ruth	Thompson, N.J.	Charles, Tex.
Sarasin	Thone	Wright
Sarbanes	Thornton	Wyman
Satterfield	Treen	Young, Fla.
Shaylor	Ullman	Young, S.C.
Shoup	Vander Jagt	Young, Tex.
Sisk	Veysey	
Smith, Iowa	Waggoner	

#### NOT VOTING—59

Ashley	Griffiths	Nichols
Biaggi	Gunter	Parris
Bingham	Harvey	Passman
Brown, Calif.	Hawkins	Patman
Broyhill, Va.	Hébert	Poage
Buchanan	Holifield	Preyer
Carey, N.Y.	Jones, Ala.	Rooney, N.Y.
Carney, Ohio	Landrum	Sandman
Chisholm	McEwen	Scherle
Clark	McFall	Schneebeli
Conyers	McKinney	Schroeder
Coughlin	Madden	Sebelius
Culver	Martin, Nebr.	Stanton
Davis, Ga.	Michel	J. William
Dickinson	Millis, Ark.	Stuckey
Evins, Tenn.	Minish	Sullivan
Ford, Gerald R.	Minshall, Ohio	Whitten
Fulton	Mosher	Winn
Gettys	Murphy, N.Y.	Young, Alaska
Goldwater	Nelsen	Young, Ga.

So the motion was rejected.

The result of the vote was announced as above recorded.

Mr. STAGGERS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CHARLES H. WILSON of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9681) to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority; and for other purposes, had come to no resolution thereon.

#### ALL-VOLUNTEER FORCE STATUS REPORT

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

Mr. DAN DANIEL. Mr. Speaker, the all-volunteer Armed Force experiment is now between 3 and 9 months old, depending on whether one starts counting with the end of inductions or the end of induction authority. This program is of vital interest since its success or failure will shape this country's defense in the future.

It also, however, shapes the military force of the present. In view of the current Middle East hostilities, and the far-ranging significance those hostilities may have for the United States, I believe it is



essential that we closely monitor the progress of the all-volunteer experiment.

To that end I insert in the RECORD at

this point the most recent statistics with regard to the recruitment of an all-volunteer Armed Force. These statistics, and

the explanations attached thereto, come from the Department of Defense and are inserted without further comment:

#### MALE ENLISTMENTS—NONPRIOR SERVICE

(In thousands)

	September 1973			January-September 1973 enlistments	Fiscal year—	
	Objectives	Enlistments	Percent		1973 enlistments	1974 objectives
Army.....	17,800	14,544	82	102,600	170,000	181,000
Navy.....	8,300	7,775	94	54,300	92,000	75,000
Marine Corps.....	6,515	4,128	63	36,300	56,000	52,000
Air Force.....	5,586	5,663	101	57,800	87,000	65,000
DOD total.....	38,201	32,110	84	251,000	405,000	373,000

Both Army and Marine Corps experienced significant recruiting shortfalls during September. The September shortfall for the Army is attributed to two factors. First, the residual effect of an abnormally low non-high school graduate intake is still being experienced even though the restriction to 30% was removed in July. Second, the Army field recruiter forces are still below authorized levels. The Army has taken action to insure recruiter strength will be at the authorized level by December 1.

The Marine Corps shortfall appears to be related to two factors: A high recruiting objective and low proportion of Mental Group IV enlistments. The Marine Corps objective for September was increased in late August by 1,375 or 27% over the original plan. The increase came too late for recruiters to adjust their recruitment activity. The Marine Corps limited intake of Mental Group IV's to about 7% of its September enlistments, well below their historical average of 20%.

#### NONPRIOR SERVICE FEMALE ENLISTMENTS

	September		Fiscal year—	
	Objectives	Enlistments	1973 enlistments	1974 objectives
Army.....	1,000	1,143	8,700	12,000
Navy.....	439	465	4,800	5,000
Marine Corps.....	110	122	1,100	1,200
Air Force.....	716	729	6,200	8,000
DOD total.....	2,265	2,459	20,800	26,200

Continuing the performance of past months, all Services achieved their female enlistment objectives. The combined FY 1974 Service Female Enlistment Plans are 26% above the total achieved in FY 1973. The accelerated accession plans are expected to provide a 20% increase in enlisted female end-strengths, from 42,300 in FY 1973 to 50,100 in FY 74.

While the accession and resulting end-strength increases are significant, past suc-

cesses in attracting women to military service suggest that those objectives are attainable. It is planned to continue the policy which requires all female enlistees to be high school graduates.

#### MILITARY PERSONNEL STRENGTH

(In Thousands)

	August 1973			
	June 30, 1973, actual	Actual (preliminary)	Apportionment plan	Actual as percent of plan
Army.....	801	794	815	97
Navy.....	565	564	579	97
Marine Corps.....	196	192	198	97
Air Force.....	691	684	689	99
DOD total.....	2,253	2,235	2,282	98

Note: Totals may not add due to rounding. At the end of August, total military strength was within 2 percent of the Services' apportionment program for that month.

#### NONPRIOR SERVICE ENLISTMENTS BY MENTAL GROUP

(In thousands)

	September 1973		January-September 1973		Fiscal year total (percent)		
	Enlistment	Percent	Enlistment	Percent	1973	1972	1971
Army:							
I-III.....	11.8	80.0	85.6	84	83	83	77
IV.....	2.8	20.0	17.0	16	17	17	23
Navy:							
I-III.....	7.5	97.0	52.6	97	84	80	86
IV.....	.3	3.0	1.7	3	16	20	14
Marine Corps:							
I-III.....	3.8	93.0	33.1	91	84	78	79
IV.....	.3	7.0	3.2	9	16	22	21
Air Force:							
I-III.....	5.6	99.5	56.2	97	96	91	82
IV.....	.03	.5	1.6	3	4	9	18
DOD:							
I-III.....	28.7	90.0	227.5	91	86	83	81
IV.....	3.3	10.0	23.5	9	14	17	19

<sup>1</sup> Excludes inductees.

In September, Navy and Air Force obtained over 96% of enlistees within Mental Groups I through III—those in the "average" and "above average" mental groups. This is close to the historical peaks for the enlistment of average and above average personnel in these Services.

Both the Army and the Marine Corps limited the percentage of Mental Group IV's who entered in September. Mental Group IV's accounted for 19.5% of Army and 6.6% of Marine Corps September enlistments. The Army's input was in line with historical trends. The Marine Corps input of 6.6%, however, was well below their historical trend of about 20% Mental Group IV's.

The Services endeavor to maximize the number of high school graduate enlistments because high school graduates, on the average, have better disciplinary rates than non-high school graduates. For example, 19 out of 20 high school graduates complete their initial enlistment terms compared to 16 out of 20 non-high school graduates.

The proportions of high school graduates

entering in September 1973 compared favorably to past proportions in Navy, Marine Corps, and Air Force.

#### HIGH SCHOOL GRADUATE ENLISTMENTS—NONPRIOR SERVICE MALES

(In thousands)

	September 1973		January-September 1973		Fiscal year 1973	
	Number	Percent	Number	Percent	Number	Percent
Army.....	7,700	53	63,700	62	99,000	58
Navy.....	5,700	73	39,400	72	63,500	69
Marine Corps.....	2,400	59	17,800	49	27,900	50
Air Force.....	5,400	96	51,100	88	75,100	87
DOD total.....	21,300	66	172,100	69	265,500	66

<sup>1</sup> Totals may not add due to rounding.

The Army combat arms enlistments for September exceeded their August total of 2,836 by 2%. In August, the Army met 68%

of its combat arms objective, while achieving 62% in September.

#### ARMY GROUND COMBAT ENLISTMENTS—NONPRIOR SERVICE

	September 1973		Fiscal year—	
	Objective	Enlistments	1973 enlistments	1974 requirements
Number.....	4,683	2,887	35,500	41,900

Of the total that selected the combat arms, four-year bonus recipients accounted for 44%, which is approximately the same proportion as last month but below the average of 70% bonus enlistments for FY 1973.

The unfilled portion of the recruiting objective is made up by assigning enlistees to the combat arms who did not select a specialty or were not permitted to select a specialty because they enlisted for only two years.

## BLACK MALE ACCESSIONS—NONPRIOR SERVICE

(In thousands)

	September 1973		July-September 1973		January-September 1973	
	Black enlistments	Percent of male enlistments	Black enlistments	Percent of male enlistments	Black enlistments	Percent of male enlistments
Army.....	4.4	30	13.0	32	27.3	26
Navy.....	.7	10	2.3	10	5.3	10
Marine Corps.....	.7	18	2.5	18	7.4	20
Air Force.....	.7	12	2.6	14	8.1	16
DOD total.....	6.6	20	20.7	21	49.1	20

Note: Totals may not add due to rounding.

The four Military Services recruited 6,600 or 20% black enlistees in September. This total number is 1,400 lower than the 1972 September figure.

For the Army, the number of blacks who enlisted is only 100 more than for the same month last year. However, the proportion increased from 20% for September 1972 to 30% for September 1973. Thus, the percentage change resulted primarily from a decline in white enlistments.

Blacks entering service meet the same standards of entry and performance as whites. The performance of blacks within skills for which they qualify and are trained is about the same as the performance of

whites who qualify for and are assigned to the same skills. A significant disproportion of blacks entering score below the average on mental aptitude tests. A high proportion of blacks, therefore, qualify for and are assigned to less technical jobs, such as ground combat, supply handling and cooks.

## MANNING THE SELECTED RESERVE

Although strength in the Guard and Reserve continues to decline, there are signs that the intense effort by unit commanders and by the parent Services are resulting in an improved picture of recruiting and retention. The total shortfall at the end of August was 66,820 against a mobilization objective of 971,066, a shortfall of less than 7 percent.

The net decrease in strength during August was 942 for all DoD Guard and Reserve Components.

Prior service accessions during FY 73 were 65 percent greater than the number which were programmed for the year. Non-prior service accessions, while far below the numbers required or the numbers attained during the years of high draft motivation, indicate a significant improvement in recruiting effectiveness. Non-prior service enlistments in the third quarter of FY 73 were 95 percent higher than the number of true volunteers recruited in the third quarter of FY 72 while the increase in the fourth quarter was 103 percent over the same period in the previous year.

## FISCAL YEAR 1974 SELECTED RESERVE STRENGTHS

	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD total
Mobilization manning objective.....	411,979	260,554	116,981	39,488	92,291	49,773	971,066
Actual strength June 30, 1973.....	385,600	235,499	126,204	37,509	90,371	43,785	918,968
Actual strength July 31, 1973.....	384,424	234,061	119,915	36,688	89,891	43,442	908,421
Actual strength Aug. 31, 1973.....	384,754	233,014	120,214	36,399	89,809	43,289	907,479
Net change from previous month.....	+330	-1,047	+299	-289	-82	-153	-942
Net short/over mobilization manning objective.....	27,225	-27,540	+3,233	-3,089	-2,482	-6,484	-66,820
Percent short/over.....	-7	-11	+3	-8	-3	-13	-6.9

## PRIOR SERVICE ACCESSIONS

	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD total
Fiscal year 1973 program.....	24,000	9,800	13,663	2,208	7,128	14,735	71,534
Fiscal year 1973 actual.....	41,119	28,467	25,772	3,042	9,244	10,767	118,411
July/August 1973 program.....	4,560	5,000	2,645	394	1,839	2,254	16,692
July/August 1973 actual.....	10,164	1,994	5,582	765	1,695	1,768	21,968

## NONPRIOR SERVICE ENLISTMENTS

	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD total
Fiscal year 1973 program.....	56,625	23,700	23,891	8,500	9,450	4,253	126,419
Fiscal year 1973 actual.....	27,300	9,403	19,858	8,074	4,139	1,605	70,379
July/August 1973 program.....	5,300	1,700	955	1,426	1,530	714	11,625
July/August 1973 actual.....	3,819	522	206	672	410	195	5,824

Note: All figures are unaudited preliminary reports from services.

## SELECTED RESERVE RECRUITING TRENDS

	3d quarter, fiscal year 1972	3d quarter, fiscal year 1973	Percent change	4th quarter, fiscal year 1972	4th quarter, fiscal year 1973	Percent change
Nonprior service recruiting:						
Total NPS accessions.....	17,361	9,396	-46	12,152	10,690	-12
True volunteers.....	4,810	9,396	+95	5,249	10,690	+103
	June 30, 1971	June 30, 1972	Percent change, fiscal year 1972	June 30, 1973	Percent change, fiscal year 1973	Percent change, fiscal years 1972-73
Minority participation:						
Black members.....	16,792	23,240	+38	38,800	+67	+131
Women members.....	3,975	4,679	+18	7,311	+56	+84

## THE PRESIDENT SHOULD RELEASE THE TAPES

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

Mr. ERLBORN. Mr. Speaker, I have read the summary of the opinion of the U.S. Circuit Court of Appeals for the District of Columbia in the case rela-

tive to the President's tape recordings and believe it to be a good, legally sound opinion. The President would be well advised to accept it without further appeal and to follow the course of action that it prescribes.

The procedure outlined by the court would afford protection to those matters which are privileged and matters pertaining to foreign relations and na-

tional defense. Those portions of the tapes which would be given to the grand jury should then be solely recordings of relevant conversations, most, if not all, of which have been the subject of testimony in the Senate hearings.

It seems to me that the court has given the President the protection he needs—protection against flippant or arrogant invasions of White House privacy.



President Nixon has claimed the conversations are protected by executive privilege. While both the lower court and the appeals court have recognized this privilege, they do not find it to be absolute.

Some members of this House have argued that there is no such thing as executive privilege, but this flies in the face of 184 years of fact and practice as well as judicial recognition.

I have long contended that executive privilege should be defined and its limits made clear by legislative action. Failure to do so only invites any incumbent President to define it to fit whatever circumstances suit his purpose. Lack of definition also invites conflict between the executive and legislative or executive and judicial as each branch seeks to extend or limit the use of the privilege to its own advantage.

One of the pressing obligations of this Congress is the adoption of a statutory definition of executive privilege, a procedure for its exercise, and an expeditious way to settle by judicial procedure questions which arise in the future.

Several of my colleagues have joined with me in sponsoring such legislation, but our Foreign Operations and Government Information Subcommittee of the Government Operations Committee has failed, so far, to report the bill.

If we had taken such action years ago, we would have been spared the battle over the tapes this year.

#### BUTZ BLASTS HIS COLLEAGUES ON PRICE FIXING AGAIN

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

Mr. MELCHER. Mr. Speaker, Secretary of Agriculture Earl L. Butz has made another of those hell-raising speeches about the idiocy of his administration's price control policies, this time at the National Newspaper Association Convention at Hot Springs, Ark., on October 12.

This time, the Secretary recites the blunders of his associates in the past, and zeroes in on the continuing fertilizer price controls, refuting his own contention that "we have learned the hard way—politicians, bureaucrats, the press and consumers—all can see it now" that price controls will not work.

That is wrong, for obviously the light still has not dawned on the bureaucrats at the Cost of Living Council or the Secretary would not have been reporting that domestic fertilizer prices continue frozen in face of increased fertilizer needs.

This new denunciation of administration policy, out in Arkansas, underlines my recent contention here on the House floor that the Secretary ought to do his hell-raising over at the White House, where it is needed—that is where the crazy controls are imposed—rather than out in the country where no one can do anything about it until 1976.

In order to help relay Mr. Butz' views to the Cost of Living Council—I think they ought to get them—I include his

latest pertinent comments, in Arkansas, in the RECORD:

EXCERPTS FROM THE ADDRESS OF SECRETARY OF AGRICULTURE EARL L. BUTZ TO THE NATIONAL NEWSPAPER ASSOCIATION AT HOT SPRINGS, ARKANSAS, OCTOBER 12, 1973

Ours is an incentive economy. That is how it has grown. That is the basis on which it has been structured. Incentive is the fuel that keeps it burning. The private sector of the economy is the wellspring of initiative, of innovation, of production, and of well-being.

During the past two years however, and during the past few months in particular, our incentive system has been sorely tested. Government has tampered with the workings of the economy. Government tried, temporarily, to remove incentive from the driver's seat in the economy. Consumer pressures—so easily translated into political pressures—took over the wheel.

We experimented with government-administered prices. The Congress even threatened to force price rollbacks. We went through a disastrous period of retail price ceilings—and lengthier meat price controls. Certain segments of the economy continue to suffer serious distortions because of the controls. The results of all of this have not been satisfactory.

The important thing at this juncture is not to lay blame or to say I told you so—but to realize that our experiences taught us a valuable lesson as a nation. Our abdication of the incentive system—and our opting instead for government management of the economy—was clearly counterproductive.

Pork and poultry price ceilings last summer prevented grocers from paying more to processors—nor could processors pay higher prices to producers. Yet, production costs increased—in some cases exceeding what the products could be sold for. With even a dull pencil farmers quickly calculated their losses. There was no incentive to produce.

What happened? Poultry breeding flocks were liquidated. The result is fewer broilers and eggs now and in the next few months. Now that controls have been lifted, egg and poultry prices are much higher than they would have been if we had allowed the pricing mechanism to work. Heavy gilts and piggy sows were also slaughtered. The result is less pork now and this winter than would otherwise have been the case—and higher prices.

The extension of price controls on beef beyond the time when all other food price controls were relaxed is another example. The idea was to spread out the release of accumulated price pressures.

Cattlemen, however, gambled that it would pay to hold cattle until after the ceilings were lifted. That drastically reduced beef supplies. Some housewives purchased extra meat to stock away in the freezer. In turn, demand for poultry and pork multiplied, pushing those prices even higher. So extending beef price ceilings was doubly counterproductive—beef supplies dwindled, and other meat and protein food prices climbed higher than they would have otherwise.

Under this experiment with controlled prices, we have bid for less—and then we wondered why farmers did not respond by producing more. The incentive system just does not work that way. We have learned that the hard way—politicians, bureaucrats, the press, and consumers all can see it now.

I hope that we can quickly translate what we have so painfully learned about food production into wisdom throughout the economy. The fertilizer industry is one particularly significant problem area.

Price controls still remain on domestic fertilizer sales. Worldwide demand for fertilizer has increased sharply, and we need increased fertilizer for all-out food production next year.

Under controls, domestic fertilizer prices

are frozen. Yet, price is the incentive necessary for our farmers to bid fertilizer away from competitors, to encourage fertilizer producers to operate plants at capacity and to stimulate the development of new plants, and to bid the increasingly short supplies of fertilizer sources (such as natural gas) away from competing users.

Those who favor fertilizer controls believe they will help hold down food prices. They certainly will not if, as may well happen, adequate fertilizer is not available for American farmers. This lesson is beginning to become clear.

Well said, Secretary Butz. Now let us see if the administration pays attention to necessary corrections.

#### PENDING CONSIDERATION OF THE TRADE BILL

The SPEAKER pro tempore (Mr. MATSUNAGA). Under a previous order of the House, the gentleman from Georgia (Mr. BLACKBURN) is recognized for 60 minutes.

##### SOVIET TRADE—ON THE RAZOR'S EDGE

Mr. BLACKBURN. Mr. Speaker, to ask whether one is "for" or "against" trade with the Soviet Union is to pose a question unanswerable by a simple yes or no. It is like asking whether one favors freedom and authority, or new anticrime laws, or even new highways. The query only poses further questions—what kind, when, under what conditions, et cetera. Our position is: Indiscriminate trade with the Soviet Union jeopardizes the security of the United States. The fact that some U.S. firms will gain from Soviet trade—I know one that hopes to do over \$100 million worth of business with the Soviets—but that does not alter the cost-benefit calculus for the Nation as a whole. Indiscriminate trade is, in a word, suicidal. Contrariwise, certain types of trade with the Soviet Union, under specifically limited conditions, can be in the best interests of freedom and de facto détente. Unfortunately, most of the vocal proponents of "trade" seem unwilling or unable to make the distinction. The following consideration should make obvious their lack of realism.

##### HISTORICAL PROSPECTIVE

Fifty years of trade with the Soviet Union suggests that "peaceful trade" with a Communist government is a pipe dream. In 1918, the Bolsheviks only occupied part of Russia. They needed Western supplies to consolidate and extend their control. Edwin F. Gray, Chairman of the U.S. World Trade Board, argued for trade. "Economic isolation would not bring stable government in Russia," said Gray and, "If the people of the Bolshevik section of Russia were given the opportunity to enjoy improved economic conditions, they would themselves bring about the establishment of a moderate and stable order." How this line, 50 years later, in spite of all historical experience still flourishes, is one of the absurdities of the age in which we live.

Trade began, and in the 1920's, over 350 Western businessmen invested in Soviet concessions. When the time came for expropriation, only the favored few, such as Dr. Armand Hammer, present chairman of Occidental Petroleum Corp., received compensation.

American firms built the major factories of the Five-Year Plan. Henry Ford built the Gorky auto plant which today supplies trucks for the Ho Chi Minh Trail. The Stalingrad and Kharkov tractor plants produced the International Harvester 15/30 model (as well as tanks). The Chelyabinsk tractor plant produced the Caterpillar-60 tractors—and tanks using a suspension system of U.S. Christie design. Glen Martin, Sevsky, Vultee, Douglas, and Curtis-Wright provided the Soviets with the technology for an aircraft industry.

RCA transferred to the Soviets "the entire field of manufacturing and experimental activities of RCA and its subsidiaries." General Electric in the United States and Metropolitan-Vickers in the United Kingdom gave similar assistance.

Soviet jets are based on Rolls Royce, Junkers, and BMW technology.

The massive Soviet merchant marine fleet was 70 percent built outside the U.S.S.R., and all its large marine diesel engines originated outside the U.S.S.R.—from Burmeister and Wain in Denmark, Fiat in Italy, MAN in Germany. Poltava class ships—with Danish engines—carried the missiles to Cuba in 1962. None of the 96 Soviet ships used on the Hai-phong supply run has an identified Soviet design main engine. Most came from NATO allies—Denmark and Germany.

In 1959, the Bryant Chucking Grinder Co. sold 46 Centalign-B machines to the U.S.S.R. for manufacture of miniature ball bearings—almost all used in missiles. All Soviet bearings capacity was imported in the 1930's and 1940's—they had no ability to mass manufacture miniature bearings.

Late in 1971, the administration issued \$1 billion in export licenses for the giant KAMA truck plant—the largest plant in the world—to produce 150,000 multi-axle trucks per year. There is no indigenous Soviet truck technology. A U.S. Government interagency committee has concluded that multi-axle trucks are essential for war; and the Commerce Department publicly acknowledges these findings.

In brief, major American and European firms—with the knowledge and assistance of their government—have provided the technology for the Soviet economy. Soviet technology is either imported or duplicated from imported models. A decade long search at the Stanford University has identified only a handful of Soviet innovations. There is no such thing as Soviet technology. Almost all—perhaps 90 percent to 95 percent—came directly or indirectly from the United States and its allies.

The present administration opines vaguely about "peaceful trade" in agricultural commodities, consumer goods, capital equipment, and "know-how," but avoids the topic of risks involved in technology transfers to the Soviet Union.

Trucks will move ammunition as well as food. Computers will control a population, calculate missile orbits, speed up the laser beam weapon development and save the Soviets between 1½ to 2 years in perfecting their MIRV SS-18—the only area in which we have the advantage over the Soviets—as well as more peaceful equations. A ship will haul mis-

siles or wheat. A printing press will produce truth and propaganda material.

For a hundred thousand Americans and countless allied soldiers in Korea and Vietnam, "peaceful trade" has been the trade of death.

#### STUDY CLAIMS AMERICAN MATERIEL SUPPORTS ENEMY FORCES

The October 8, 1973, edition of the Indianapolis News reports that something like 100,000 Americans have been killed in battle in recent years by enemy forces equipped and moved by American technology:

That is the shocking message conveyed by researcher Antony Sutton of the Hoover Institution in a just published study of East-West trade and its impact on the Cold War struggle with the Communists. Sutton's volume, entitled *National Suicide* (Arlington House, \$8.95), is a popular rendering of the immense research embodied in his three-volume survey, *Western Technology and Soviet Economic Development*. And it drives home the policy implications of such trade with frightful clarity.

Sutton shows that the Communist powers of the world have little advanced technology of their own, and in particular have been laggard in developing any sort of transportation industry. He documents at copious length the fashion in which American and other Western sources have supplied the factories and machines producing Soviet steel, trucks, marine diesel engines, tools for arms plants, ball bearings for missiles, tanks, and other military vehicles, accelerometers for missile guidance, chemicals for the manufacture of explosives and propellants, prototypes for machine guns and other weapons, etc.

The author documents all of these transactions in great detail and shows that the Communist offensives in both Korea and Vietnam would have been impossible without the use of Soviet and other Iron Curtain technology which had been in turn provided by the West. . . .

Without these supplies, the Communists could not have sustained their aggressions in Korea and Vietnam, and the approximately 100,000 Americans who died in those two conflicts might be alive today. All this equipment was of course provided to the Communists on the grounds that it constituted "peaceful trade"—precisely the macabre argument we are hearing in favor of such trade today.

#### DÉTENTE AND THE WAR

On October 1, 1973, the New York Times in its report from Moscow by Theodore Shabad reported on an article in the Moscow city Communist Party's newspaper *Moskovskaya Pravda* by Vladimir N. Yagodka, city party secretary for ideology and propaganda. Mr. Yagodka was reported earlier this year to have defended the Kremlin's new policy toward the West on the grounds that "there was nothing wrong about signing a pact with the devil if you are certain you can cheat the devil."

In the Washington Evening Star and Daily News of October 9, there was an article headlined, "The Middle East War Is Not Inconsistent With Détente." On the same day, the American press carried a message by Soviet Communist Party leader, Leonid I. Brezhnev, urging all Arab States to provide "the greatest possible support to Egypt and Syria in their just struggle with Israel." According to the Algerian news agency, one Brezhnev message received by Algerian President Houari Boumediene exhorted that "Syria and Egypt must not remain alone

in their struggle against a perfidious enemy."

When that report reached the United Nations, Soviet rhetoric about the war noticeably hardened between Monday and Tuesday, October 8-9, 1973, and one of the U.S. representatives to the United Nations exclaimed, "So much for détente."

According to an editorial in the Washington Post of October 11, 1973, the emerging record of the Arab-Israeli war is that détente—the President's "structure for peace," or at least that part of it which rests upon a Soviet-American détente—is far from being what its American builders proclaimed it to be and that the emerging record spelled out in detail is as follows:

The Soviets unquestionably knew Egypt and Syria were about to attack but did not inform the United States as they are obligated to do under the basic principles of relations which were signed in Moscow in 1972 and reaffirmed in Washington last June.

The third "principle" affirms the special Soviet-American responsibility "to do everything in their power so that conflicts or situations will not arise which would serve to increase international tension." Faced with a choice between honoring this fundamental commitment and letting its clients start a war, Moscow chose war. It violated its solemn obligation to the United States and it did so in a context where the result was immediate, violent and tragic.

Since the war opened, moreover, Moscow has begun a military supply airlift to Syria and Egypt, and there are intelligence reports which indicate that ships with military and logistical supplies for Syria and Egypt are departing from the Soviet Black Sea Port of Odessa. These actions run directly counter to the specific promise of General Secretary Brezhnev to work for international order, and indeed, counter to the general promise of détente.

#### WARNING BY SOVIET INTELLECTUAL DISSIDENTS

Andrei Sakharov the man most responsible for the creation of the Soviet Union's first hydrogen bomb in 1960, is one of the most persistent voices of dissent in the Soviet Union today. In an interview with a Swedish radio correspondent in Moscow, he detailed his criticisms of Soviet Government policy.

Dr. Sakharov declared that large amounts of western technological aid to the Soviet Union would assist the Communist government in solving economic problems which they could not solve on their own and would enable them to concentrate on accumulating strength. He said:

As a result, the world would become helpless before this uncontrollable bureaucratic machine.

He added that unqualified Western willingness to improve relations with the Soviet Union would "mean cultivating a country where anything that happens may be shielded from outside eyes—a masked country that hides its real face. No one should ever be expected to live next to such a neighbor, especially one who is armed to the teeth."

"Détente without democratization, a détente when the West in fact accepts



our rules of the game in this process, such a détente would be dangerous.

"It wouldn't solve any of the world's problems and would mean a capitulation to our real or exaggerated strength."

Nobel Prize laureate, Alexander Solzhenitsyn, saying that his life had been threatened by the KGB reports that in the event he is imprisoned or killed, he has made provisions for publication of the main part of his works, heretofore unpublished.

Alexander Solzhenitsyn warns the United States that trade with the Soviet Union is not "friendship" or the proper way to achieve any kind of détente with the kind of regime which Solzhenitsyn knows and describes. He warns the United States that détente as carried on today—on Soviet terms—leads toward Soviet style repression as the "tomorrow of mankind." The great Soviet author and martyr of the system warns that the most threatening danger is in the "permanent state violence"—which throughout the decades it has reigned has succeeded in taking over all "judicial reforms codifying thick collections of its 'violent blows,' and draping capes across the shoulders of its 'judges'—is the most threatening danger in our world today, even if it is only barely recognized or understood."

"This violence no longer needs to place explosives under something or toss bombs. Its procedures are carried out in strict silence seldom disturbed by the final shrieks of those who are being strangled. This type of violence permits itself to take on a respectable appearance."

"There is an emotional error involved in the comprehension of what is included in the concept of 'peace.'"

"On the other hand, one must agree—as so many, many maintain—that what has happened in the Soviet Union is not just something which occurs in 'just about every country,' but is the tomorrow of mankind and is thus, in the matter of its inner processes, worth full attention by Western observers." These are the warnings by this great author to the Western world and in particular to the United States as the leading advocate of détente at any price.

#### UNFOUNDED OPTIMISM

When we look at the Soviet Union, which has not altered its totalitarian internal structure and which has never changed its foreign policy based on a doctrine of permanent incompatibility between socialism and democracy, then the present mood of optimism among some American leaders appears totally unfounded. Economic assistance given to that government is only going to further its objective of ultimately dominating the world.

Moreover, analyzing the nature of economic relationships with the Soviet Union raises a serious question of what the Soviets have to offer us. The overriding theme in the present discussion about trade with the Soviet Union involves the export of American capital goods and technology financed by huge credits and credit guarantees underwritten by American taxpayers. And this at a time when reliable Government officials estimate Soviet gold stocks at over

\$20 billion. The wisdom of further strains on our present capital resources is, to be charitable, questionable. The current prime rate of 10 percent hardly indicates a surplus of capital in the United States.

So, what exactly do we get in return? Promises of oil and natural gas a decade or so from now from the U.S.S.R. are not very encouraging. The U.S.S.R. is not an historically trustworthy source particularly when we can more quickly and cheaply pipe oil from Alaska and develop gas reserves untapped on the North American continent.

Soviet consumer goods range from nonexistent to shoddy. The Soviet non-military technology is either nonexistent or 20 years behind ours; consequently, there is no—or hardly any—Soviet technology that we can use. They do have some raw materials, but the export of raw materials earns relatively little in foreign exchange over a period of time. Americans will have to drink an ocean of Russian vodka just to balance the Pepsi account.

The essence of long-term trade is a requirement that both parties benefit. If the United States' outflow to the Soviet Union continues at more than seven times the inflow—from January through June 1973, U.S. exports to the Soviet Union totaled \$693.4 million, while imports from the Soviet Union totaled \$86.5 million—somebody will have to lend the Soviets a lot of money. Without something to trade, where will the Soviets get the dollars to repay the loans? If we just want to collect Soviet IOUs there are plenty of defaulted Russian bonds and loans around, dating back to the czar and World War II Lend Lease, which could be picked up cheaply.

Last October's United States-Soviet Commercial Agreement stipulates that the Soviets will not make any payment on their World War II debt until Congress enacts legislation giving the Soviet Union "most-favored nations" status. This is hardly an act of generosity by the Soviets since the Lend Lease debt will be settled for 6.5 cents on the greatly inflated dollar of the year 2001 on the basis of 1944-45 dollars.

In light of historic evidence, would it not be wiser to demand from the Soviets cash payments to the maximum possible extent? By denying them easy term credits, which in reality is economic aid, we can force them either to pay us in gold or sell their gold and pay us in U.S. dollars. From this, we would have a two-fold benefit: one, the soaking up of Eurodollars and, two, an immediate improvement of our balance-of-payments problem.

In the year 1972, the Soviet Union's deficit in the trade with the West was \$1.3 billion. Their outstanding long-term—10-15 years—debt of \$3.5 billion and their short-term debt of about the same amount—the two figures combined represent more than 200 percent of Soviet annual earnings of hard currency—represents an enormous dent in the U.S.S.R.'s balance of payments—and makes their ability to repay highly questionable. Reliable sources estimate that because payments are now due and also because of the one-sided nature of their trade with the West, the Soviet deficit in balance of payments for this year will be

about \$2.5 billion and will reach some \$3.5 billion in the year 1974.

The only items seriously discussed that the Soviet Union has and that we really need, are natural gas and petroleum.

However, a serious question arises regarding the validity of Soviet claims about the amount of such resources and the quantity and quality of oil and natural gas necessary to justify an American multi-billion dollar investment.

There is an absolute necessity for on-site inspection to assure Western investors of the adequacy of gas reserves and permit them to estimate production costs.

The proposals require the laying of long pipelines and the building of liquefying facilities in the Soviet Union as well as the building of fleets of liquefied natural gas tankers to carry the gas. Capital costs would be huge. Estimates of several billion dollars are being given for each project which combined could represent a figure of about \$15 billion. The investment costs—to a great extent to be underwritten and guaranteed by the American taxpayer—will undoubtedly have an elevator effect on the price of the delivered gas—presently estimated to be \$1.25 a thousand cubic feet. These are said in the industry to be 50 percent too low.

Robert Campbell, a noted American authority on world energy resources, terms the entire undertaking "a desperate gamble."

When receiving Soviet estimates of Siberian reserves, one should recall that in 1970 the Japanese, encouraged by earlier Soviet claims, were forced to withdraw from exploration for natural gas in Northern Sakhalin when the U.S.S.R. suddenly revised downward earlier estimates of "proven" reserves on the island. An ironic sequel to this episode occurred in November 1972, when a Soviet proposal for Japanese participation in the exploration of gas deposits in the Villui-skov oil field near Yakutsk, offered as a substitute for the Sakhalin project, floundered, again over the issue of the reliability of Soviet estimates of proven resources.

There are natural gas deposits in areas of the world other than the Soviet Union that look much more attractive. The huge gas reserve discovered in Canada's Mackenzie Delta near Alaska would be cheaper to deliver to the American market than those of the Soviet Union—and they would be controlled by a country with a far better history of good relations with the United States.

Once the gigantic investment is made and the latest technology and equipment installed within the Soviet Union, is there peaceful mechanism that exists to insure that the Soviet government will not raise prices or put an embargo on shipments of natural gas and oil to the United States if it suits their policy objectives?

It takes no long memory to recall Nikita Khrushchev's 'gentleman's agreement' with President Eisenhower in 1958 on a moratorium not to test atomic devices in the atmosphere. In 1961, while the United States remained in compliance with its agreement on the moratorium, the Soviets proceeded with the largest atmospheric testing programs in

world history, tests which lasted for a full 18 months.

#### POLITICAL DECISION

The theory has been advanced by the spokesman for the United States that through a greater expansion of trade between the United States and the U.S.S.R., there will evolve a "web of vested interests of mutual restraint."

This will somehow remove the pressures of confrontation and cold war as it has existed for the past 28 years. It is further advanced that this mingling of "vested interests" will prove highly beneficial in meeting the balance-of-payments deficits which this country now faces and will create a new dependable source of energy as an alternative to the instabilities of the Middle East.

We would like to point out what we consider to be clear indications that the top-level decisions in regard to trade by both the United States and the Soviet Union Governments have been dictated primarily by political considerations and to a much lesser extent by the economic rationale. Further, it should not be forgotten that political considerations which have led the leadership in this country to clasp the Soviet Union to its bosom as a profitable and beneficial trading partner is not consistent with the Soviet political and strategic objectives. The economic arguments for expanded trade with the Soviet Union are extremely questionable when viewed in the pragmatic light of experience and the realities of the world in which we live.

#### THE POLITICAL-MILITARY DIMENSION OF SOVIET TRADE

On the basis of observations gained during my years of exile, the "cultured" class of the capitalist countries of Western Europe and America, i.e., the ruling classes, the financial aristocracy, and bourgeoisie and the idealistic democrats should be regarded as deaf-mute and treated accordingly. . . (Lenin from the Lenin Archives)

The deaf-mute capitalist hoarders, their governments, the Chambers of Commerce, the federations of industries, bank groups, steel kings, rubber kings, aluminum kings and others will close their eyes to the above mentioned truths and so become blind, deaf, and dumb. They will grant us credits, which will fill the coffers of the communist organizations in their countries while they improve our armaments industry by supplying all kinds of wares, which we shall need for future and successful attacks against our suppliers. (Lenin from the Lenin Archives)

The aims of "peaceful coexistence" and "détente" may not be disregarded when the risks derived from the United States-Soviet trade are considered. Every United States-Soviet deal—and that includes passing on scientific discoveries and technology—is an act of international politics. It becomes so owing to the Communists' use of trade as a political tool. Every Western businessman, scientist, and technician in contact with the East becomes—consciously or unconsciously—an exporter of foreign policy. This is self-evident, but has not yet been generally recognized in the West.

In "Soviet Military Strategy," Marshal Sokolovsky commented:

In the present epoch, the struggle for peace and the fight to gain time depends above all on an unremitting increase in Soviet military power and that of the entire socialist camp

based on the development of productive forces and the continuous growth of its material and technological base.

It may, therefore, be assumed that the wish to import various commodities, installations, scientific discoveries, and technical processes of military value is the underlying reason for expanding trade with the West.

The security risk the West incurs through its deals is difficult to overlook, because today, hardly any goods, equipment, or processes have no military significance. According to the draft of the last 5-year plan of the U.S.S.R., one of the "chief objectives in the development of the political economy is the consolidation of the country's economic and defense potential" (Pravda, February 20, 1971). From this, it follows that in the 1970's the Soviets still considered their economic potential from a military angle.

The Soviet trade cannot realistically be viewed as a matter of normal commercial transactions. It does not mean private individuals or firms dealing with other private individuals or firms. It means dealing only with Communist government agencies which obey Communist Party policies and orders. Currently those policies aim at the massive military buildup—at the expense of consumer production. In effect, the U.S.S.R. is robbing its people to finance a terrifying war machine. "If the Soviet leadership would decide in favor of a substantially higher rate of growth, they could achieve it only by drastic reduction in defense expenditures."

But the Soviet answer was to further increase military spending investing about 50 percent of its gross national product—GNP—into defense projects. In 1969, their defense budget was \$88 billion and since then on the rise. And that is out of a GNP in that year of some \$190 billion. In the same year, the U.S. defense budget was \$77.8 billion, and for fiscal year 1974, the figure is \$78.2 billion—or about 6 percent of our gross national product.

Col. William F. Scott, who returned last fall from his second tour of duty as U.S. air attaché to the Soviet Union, writes in the March 1973 issue of the Air Force magazine that the Soviet investment in science and technology in 1972 as being the equivalent of some \$30 billion. Professors Harvey, Goure, and Prokofieff recently completed a book, *Science and Technology as an Instrument of Soviet Policy* published by the Center for Advanced International Studies, University of Miami. They write that the Soviet effort to attain supremacy in science and technology is "related especially to direct military power." The authors estimated that approximately 80 percent of the Soviet investment in science and technology went into military requirements. The \$24 billion estimate of the Soviet military R. & D. investment for 1972 should be compared with the Department of Defense R. & D. budget for fiscal year 1972 of \$8 billion.

#### THE BENEFITS TO THE SOVIET UNION

The Soviet Union stands to develop within the confines of her own geographic boundaries, resources and potential which today are denied to her by

reason of the backward nature of her nonmilitary technology and she will develop these resources largely through the investment of American capital, capital either provided directly by the U.S. taxpayer or capital invested by reason of guarantees supported by the U.S. taxpayer. In either event, the capital is provided as a subsidy to the Soviet economy, very much to the benefit of the Soviet military-industrial complex but of questionable benefit to America.

Further, the trade relationship from the Soviet point of view solves the Soviet energy crisis, a crisis which curiously enough, nobody makes mention of on our side of the spectrum.

The nature of the "deals" has its precedent in the last year's grain deal which was financed and subsidized with American taxpayer's money to the benefit of the Soviet Union and at additional cost to the Americans in terms of skyrocketing food prices and increasing inflation.

Another precedent of "a successful deal" is the Occidental Petroleum Corp. building a fertilizer complex in the Soviet Union. It turned out that it required an initial investment of \$9 for the United States for every \$1 invested by Moscow. The kind of arrangement Moscow most wants, indications are, is to borrow money for investments it would not make with its own money.

Every "deal" so far had a hangup easily definable as "financing," that is, the terms on which Americans—and Japanese—would invest the billions to produce and market Soviet gas and petroleum products.

#### SOVIET OBJECTIVES

Faced with serious economic crises, a low rate of overall growth, stagnation in terms of per capita consumption, an inefficient agricultural system, the Party Secretary Brezhnev has now opted a minor change at home economically; no change at home politically, and massive help from the West.

A study of Soviet internal and external policy suggests that there were no significant changes in Soviet long established practices and objectives. The Soviet Union is still a police state and its long term objective is to establish the Soviet Union as the unparalleled world power. In fact, Brezhnev's strategy is designed to use Moscow's new relationship with America as a double-edged sword toward that end.

The Kremlin needs and wants the American industrial knowhow, advanced technology, and massive credits to solve Soviet problems of industrial backwardness and its lag in technological advances. The Soviets are anxious for assurances that they will be able to get American grain when their abysmally inefficient agricultural system fails again. Politically, they would like to have the U.S. support in neutralizing their Communist adversary, Red China, and in stabilizing East Europe.

At the same time, its own policy with regard to its gold reserves is based on Lenin's formula: "We must save the gold in the U.S.S.R." This formula adequately explains a strange paradox being presented to the world and the American



people. A country rich in gold reserves, the Soviet Union, is seeking loans from a country, the United States, whose currency is under sustained attack and whose gold reserves are woefully inadequate. The authoritative studies about the Soviet gold reserves state the latter at over \$20 billion. Inasmuch as there are no rubles outstanding which can be presented for conversion to gold, it is fair to say that the Soviet gold reserves are free and clear. It is estimated that approximately \$88 billion—U.S. dollars—are floating in the Eurodollar and other financial markets. What possible rationale can be put forth to support the concept that a gold rich nation should be financed and subsidized by the nation which is experiencing a currency crisis and serious problems arising out of its inequilibrium in the balance of payments?

Increasing Soviet access to Western credits relieves pressure on the Soviets to sell gold for hard currency to pay for imports. And that gives them even more freedom to play the world gold market when and as they like. According to Professor Kaser, the foremost authority on Soviet gold reserves, there are definite links between the increase in the price of gold on the free market with the Soviet suspension of gold sales. London bullion dealers show that what the Soviets do has a major impact on the gold market. According to Samuel Montagu and Co., London merchant bankers that trade actively in the gold market, "renewed sales from the Soviet Union," along with other factors caused stability in the market from January to early April of last year. In mid-April, however, the report adds, "the U.S.S.R. temporarily suspended its sales" at the same time that reports circulated of a decline in South African output. These factors gave rise to a spurt in the gold prices "unprecedented since the end" of World War II, the report says.

In August, word that "The U.S.S.R. would have to sell large quantities of gold to finance its purchase of wheat led to a sharp fall in the price" of gold from record highs. Subsequent Soviet withdrawal from the market sparked a rally, Samuel Montagu says.

#### THE POSSIBLE IMPACT OF U.S.-U.S.S.R. TRADE ON THE BALANCE OF PAYMENTS OF THE UNITED STATES

Our studies on Soviet-American trade prospects over the next 10 years strongly suggest the following conjectures on the impact of this trade on the balance of payments:

First. The Soviets are unresponsive to most market criteria—but are not unresponsive to balance-of-payments troubles. They cannot run into large deficits with the United States—except in the case of barter agreements.

Second. Accordingly, they will try to control imports and push certain exports here—like diamonds, nonferrous materials, fur—oil and gas will come into consideration only after the mid-1980's.

Third. The Soviets may use more aggressive methods than before to push their products in Western Europe, Japan, and other convertible currency areas including the United States. They may

use American consultants, set up enterprises based on coparticipation for producing for U.S. markets, and so forth.

Eventually, U.S. purchases of Soviet goods may reach a quarter to half a billion dollars annually—before large imports of Soviet oil.

U.S. exports. Only U.S. credits could encourage Soviet imports other than sporadic grain purchases. Such credits would be needed for: First, entire production facilities—"turnkey" projects; second, long-term licensing agreements; third, direct investments in the U.S.S.R.—for example, for the exploration and exportation of oil and gas.

Since credits and insurance for such projects involve periods longer than 5 years, no private firm would be ready to engage in these operations without a U.S. Government guarantee. The guarantee against uncertainties would reduce the interest rates paid by the Soviets, but would imply a U.S. Government subsidy equivalent to a government-to-government aid, since all Soviet firms are state-owned.

According to our estimates, the Soviet Union could increase its imports to roughly \$1.5 to \$2 billion per year during the second half of the 1970's—with possible repayments starting in the middle 1980's in the form of oil and gas shipments.

Impact on the U.S. balance of payments. It is our feeling that such exports would have an unfavorable impact on our balance of payments—which now runs a deficit likely to grow unless the energy problem is dealt with imaginatively. Adding higher inconvertible long-term promissory bonds from the U.S.S.R. for the bilateral export surplus would further weaken the U.S. international reserves and payments position since U.S. exports are diverted from earning convertible currency.

One may finally note that:

First. The volatility of the Soviet market and of its demand patterns would further affect adversely our general trade;

Second. Pressures from Western European countries that the U.S.S.R. straighten out its balance-of-payments problems with them—that is, increase Soviet imports from these countries rather than from the United States—are likely to increase;

Third. The danger of sharp Soviet reversals will increase: 20- to 40-year agreements are easily talked about by the Soviets, but are just as easily broken by them—let us not forget their "unbreakable eternal friendship" with China, Yugoslavia, and so forth. The indebtedness of a big country to another does not always guarantee political peace.

#### SOVIET ABILITY TO SERVICE EXTERNAL DEBT

The Washington Post in its issue of October 7, 1973, under the title, "Soviet Union Seen Facing Hard Currency Shortage," writes that Western economic experts have detected signs that the Soviet Union is facing a critical shortage of hard currency and a rapidly rising external debt which threatens its credit reputation.

The Kremlin never publishes the type of financial information that most of the

countries disclose routinely; as a consequence, a number of very critical areas are completely blacked out for anyone who desires to look into them.

The Western lenders do not know how much hard currency the Soviets have in their reserves and exactly how much they earn annually. They would also like to know the size of Soviet gold holdings and the volume of annual gold production as well as a complete tabulation of the Soviet balance of payments.

It has been learned, however, that several American companies that were involved in various commercial dealings with the Government of the Soviet Union are having difficulties in collecting payments on the technology and capital transferred to the Soviet Union.

They are not alone in this area because the precedent has been set long ago. The German industrial steel giant, Krupp, experienced almost a complete collapse due to its dealings with the Soviet Union and was bailed out by governmental intervention and by being forced by financial institutions to go public. In Italy, we have the analogous story with the government controlled industrial conglomerate Montedison which had immense financial difficulties as a result of transfer of capital and technology to the Soviet Union. There is also the experience of the Fiat enterprises which came about as a result of their investment in the Fiat-Togliatti Works and its operation in the Soviet Union.

According to the Washington Post, one American company that delivered part of an order in September and will deliver another part in October has been advised by the Soviets that it will not be paid until next year.

Previously, the Soviet Union paid cash on delivery—a custom that helped it to arrange many contracts without disclosing basic financial data to creditors.

Soviet agencies that earn hard currency have already started sending out bills for services to be performed in 1974. At the same time, many Soviet governmental agencies have been warned to slow or halt their spending of hard currency. The aforementioned are absolutely clear symptoms of an emerging picture of one of the largest countries in the world with tremendous external financial obligations which it is unable to meet.

Another symptom of the Soviet credit crunch is clearly visible from Moscow's failure this summer to raise \$300 million on the European money market because of its unwillingness to pay prevailing interest rates.

Western experts estimates that the ratio of hard currency debt owed by the Soviet Union to the volume of its hard currency sales has reached 24 percent which is in most generous terms a danger point. The ratio is up from 19 percent last year, demonstrating that Soviet indebtedness has been rising much faster than hard currency export earnings.

The Soviets must pay for their imports and loans in U.S. dollars, British pounds, Japanese yen, and West German marks and other hard currencies because the ruble is not convertible and cannot

legally be used outside the Soviet Union. The issues of money and credit were high on the Agenda of U.S. Treasury Secretary George P. Shultz' current talk in Moscow with Soviet Party Leader Brezhnev, Soviet Prime Minister Kosygin and Soviet Foreign Trade Minister N. S. Patolichev. The Soviet Union needs credit and loan guarantees from the United States Export-Import Bank—Eximbank—to complete any of the big trade deals announced in the past year. Six months ago, Eximbank Chief Henry Kerns warned Soviet officials here that they could not expect large long-term credits unless they provided the same financial data that is provided by other customers.

The total amount of credits the Soviets are seeking far exceeds the authority granted the Eximbank by the Congress. The Administration seeks legislation to raise the credit ceiling.

For one proposed gas development deal in Siberia that the Soviets are eager to make, the required Eximbank credit is \$1.5 billion—more than the Bank has granted any other customer. The Soviet Union has already received Exim credits of about \$350 million without disclosing financial data. The Soviets have also used all of the \$750 million in the United States Commodity Credit Corporation—CCC—credits they were allowed for grain purchases.

Western experts estimate that Moscow—this year—will be paying about \$740 million in principal and interest on its foreign debt, or 24 percent of its hard currency exports which are estimated at about \$3 billion.

It comes as no surprise last week's warning by the retiring President of the Export-Import Bank, who said:

It would be short-sighted if the Bank, under a new leader, decided to provide massive credits to the Soviet Union without getting full disclosure of how much gold and hard monetary reserves the Soviet Union holds." (The Washington Post and the New York Times, October 13, 1973).

Prof. Michael Kaser, an Oxford University economist and foremost British expert on Soviet gold and foreign exchange reserves, wrote a very pertinent study in the periodical, "International Currency Review," published in London. Professor Kaser stressed that the Soviets had a deficit last year of \$1.3 billion in trade with hard currency countries. The significance of this deficit is in the fact that this was a ninefold rise in the deficit of the previous year.

Dr. Kaser used official Soviet statistics, which do not include such significant "invisibles" as ship charter and insurance. Professor Kaser said the Soviet Union's payment deficit touched \$2 billion in 1972 but that \$325 million of this was covered by gold sales.

The Soviets have not published 1972 figures for grain imports, other than for rice, but Professor Kaser said the cost could well have been above \$1.1 billion.

He observed that the cost would have been higher but for the Soviet's discrete buying policies and the enormous subsidies on wheat and transportation given by the U.S. Government.

Even though only one-third of the grain committed for Soviet purchase was

actually paid for during 1972, the year's total imports in convertible—non-Soviet bloc—currencies rose by 40 percent, Dr. Kaser said. By contrast, exports for convertible currencies rose by only 4 percent. Professor Kaser estimated from official and unofficial Western and Soviet sources, that the Soviet foreign debt stood at \$4 billion in 1971 and had risen to \$8.5 billion by the end of 1972.

For 1975 Professor Kaser projects a debt of \$12.5 billion and for 1980, \$29 billion, plus service costs—interest and amortization—of \$2 billion.

We have called attention already to the fact that for the first 6-month period of this year the U.S. outflow to the Soviet Union continues at more than seven times the inflow—from January through June 1973, U.S. exports to the Soviet Union totaled \$693.4 million; while imports from the Soviet Union totaled \$86.5 million—which suggests that someone will have to lend the Soviets a lot of money. However, without something to trade, and with their tremendous debt increase, which no economy in the world would be able to handle, the question is, "Where will the Soviets get the dollars to repay their loans?"

#### THE ONLY KIND OF TRADE THAT MAKES SENSE

The Soviet Union's strategic rationale, which is behind their present policy of extension of international economic relationships, is based on three objectives. Namely, to obtain from the United States and developed nations of the West, advanced technology, industrial know-how, massive credits necessary for the build up of their economic base in which the military/industrial complex predominates.

The past has demonstrated that there can be change in Moscow's tactics, manners, and theatrics. But the goal—that of attaining preeminent world power—never changes. Therefore, in order to insure a defacto détente and a "generation of peace," we believe that our Government must deny the Soviet Union transfer of any American technology relevant for the development of sophisticated weapons systems—laser beam weapons and MIRV SS-18. The Soviet Union must accept some liberalization of her internal domestic policies and must discontinue to promote instability and subversion around the world as the price which she must pay for the benefits to be received by her for greatly-expanded trade. Without such liberalization of domestic policies, any hope of a permanent peace between our countries will be a sad and tragic illusion.

One of the best ways to insure the desired liberalization will be to require that the Soviets accept the presence of American commercial and financial enterprises within her borders. Here we envision a paramount role of importance for the American business community. By insisting on long established and mutually beneficial international commercial and financial practices in dealings with the Soviet Union, the American business community can be the major contributor toward world peace.

Let us stop playing the Soviet kind of game, providing them with what they need in return for nothing, and let us get

down to the serious business of extracting concessions. The essence of trade is that each side seeks something it wants. The side that it is most eager to acquire benefits from the other must make the larger concessions—that is, pay a high price. We should demand from recipient Soviet Government that it declare a moratorium on dumping, adopt above-board marketing methods, invest in export industries, create dealer and service agencies abroad, make their ruble convertible, join the International Monetary Fund, drop the secrecy about free exchange and gold reserves, develop confident relationships with United States business firms. This last would require protection of United States property rights, whether in the Soviet Union or outside the Soviet Union, and honest dealings under the patent laws.

Further, we should refuse to deal with communist cartels and instead demand to deal with individuals or private firms or be allowed to set up our own corporate subsidiaries within the communist nations. Trade will never foster appreciation of free enterprise if we do not reach the average Soviet citizen.

If our goal is to motivate liberalizing reforms within the Soviet Union, the pressure can come only from the people, who must experience the superior benefits of free enterprise first-hand.

Last, but not least, to prevent American credits in the Soviet economy from being defacto subsidies for increasing military development and the financing of subversion abroad, we must insure that the Soviets match each dollar in United States credit or credit guarantees with an equal dollar amount from the Soviet Government.

In closing, we would like to point to the words of Patrick Henry when he said:

I have but one lamp by which my feet are guided, and that is the lamp of experience. I know no way of judging of the future but by the past.

The past history of the Communist government of the U.S.S.R. serves to illuminate a tragic future for those who would accept her blandishments of good will and ignore her steady determination to conquer.

Mr. GOLDWATER. Mr. Speaker, it is the prayerful hope of this Nation and all peace-loving nations of the world that a peaceful solution can be reached in the current Middle East crisis. But, regardless of the eventual military outcome, it should be obvious to all of us that the Soviet Union continues to play a dominant role in instigating the hostilities in the Middle East.

The Soviet Union indicates that it is ready for so-called peaceful coexistence. It preaches détente. It asks for trade concessions. But what assurances do we have that the Soviet Union really means what it says? I submit that other than lofty phrases and a few trade deals such as the Pepsi-Cola agreement, we have no concrete assurances that Soviet Russia is willing to act responsibly in promoting lasting peace, and I place emphasis on "lasting" peace.

The Soviet arms buildup in the Middle East in the past 15 years has been spectacular. Its cynical disregard for both



Arab and Israeli lives is appalling. Let us not delude ourselves. The Soviets want control over the Middle East, and due to the confidence placed in Soviet military might by extreme Arab nationalists, the chances for a peaceful settlement are dimmed.

Mr. Speaker, the House will soon consider the matter of trade. There has been a great deal of discussion about granting most-favored nation status to Russia. The administration favors the MFN approach as well as granting credits to the Russians through the Export-Import Bank. But, in my judgment the Russians are totally undeserving of this preferential treatment.

If the Russians want to take advantage of American technology through trade, then they have an obligation to demonstrate their sincerity in achieving a lasting peace in the Middle East. Such a peace cannot be achieved as long as the Soviet Union perpetuates the arms build-up in the Middle East as well as rejecting reasonable American initiatives for peace.

Just recently news accounts on the diplomatic front indicated that both Moscow and Peking blocked an attempt by the British to have the Security Council President issue a cease-fire appeal. Does this sound like a nation interested in peaceful coexistence and détente?

I agree with the recent statement made by Secretary of State Kissinger to the Soviet Union that in order to achieve détente, it is necessary to act responsibly. But, the Secretary overplayed his hand when he chided Congress on the issue of MFN and Export-Import Bank credits to the Soviets.

As I pointed out in testimony before the Ways and Means Committee during hearings on the trade bill, Russia can provide very little in the way of trade with the exception of a few furs and low-grade chrome ore. Russia stands to gain everything from MFN, and based on past history it certainly will not repay any credit extended by the American taxpayer to facilitate trade.

Mr. Speaker, we will never achieve a lasting and viable peace in the Middle East until the Soviet Union shows willingness to support the United States in its efforts to settle the existing shooting war, and in turn, negotiate a permanent settlement. Until the Russians do this, then this House should withhold giving them any trade concessions.

#### GENERAL LEAVE

Mr. BLACKBURN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

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

Mr. BLACKBURN. I will be happy to yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, there are several major points which I would like to clarify regarding my own opposition, and the opposition of many of my colleagues, to the extension of most-fa-

vored-nation status and credits and loan guarantees to the Soviet Union.

First, I would like to make it clear that the Mills-Vanik amendment, which I am proud to cosponsor, is only the beginning of the conditions upon which we must insist before we can in good conscience permit the expansion of trade with the Soviets. There has, as you know, been a movement to strip this amendment of its prohibition against the extension of credits and loan guarantees and to limit its applicability to most-favored-nation status alone. The credit and loan guarantee prohibition is essential if the amendment is to have more than a cosmetic effect, for only such a prohibition can deny to the Russians the credits and loan guarantees which are responsible for the outrageous wheat and truck plant deals. No American businessman in his right mind would make such a deal if the American taxpayer were not standing by to bail him out in the inevitable event of a Soviet default.

As I have indicated above, however, we need more than Mills-Vanik alone. If the Soviets were to allow all of the Soviet Jews and others who want to emigrate to leave tomorrow, I would still be concerned about the fact that Soviet currency is not convertible into the so-called hard Western currencies. I would demand that the Soviets pay for whatever nonstrategic commodities we might sell to them in gold, timber, or other commodities which the Soviets produce and which we sorely need. There is no need for us to subsidize their purchases, and there is no excuse for doing so in light of the fact that any additional resources we provide reduce the burden of the enormous Soviet military effort, which proceeds apace despite the so-called détente.

I would insist that the Soviet Union provide detailed information regarding its financial condition and credit worthiness so that we might fairly evaluate its ability to pay market rates of interest on the loans which it has been seeking, not to say demanding. I would want to find out what assurances we could obtain that the Soviets will not "dump" their goods on American markets. Such assurances are almost impossible to obtain with respect to nonmarket economies, but we must satisfy ourselves concerning this issue before expanding Soviet trade.

Finally, I want to emphasize that the conditions which I would impose are not designed to discourage the expansion of American exports. Rather, they are only the conditions which any prudent business would insist upon and which are necessary if the Soviet Union is not to become a "more-favored-nation" than any of our longstanding allies.

A recent article, which appeared in the October 7, 1973, edition of the Washington Post, is highly informative regarding the current Soviet financial predicament, and I strongly commend it to the attention of my colleagues.

The article follows:

SOVIET UNION SEEN FACING HARD  
CURRENCY SHORTAGE  
(By Murray Seeger)

Moscow.—Western economic experts have detected in recent weeks signs that the Soviet Union is facing a critical shortage of hard currency and a rising external debt

which threatens its reputation as a good credit risk.

Since the Kemlin never publishes the type of financial information that most other countries disclose routinely, the Soviet monetary problems cannot be precisely judged.

It has been learned, however, that one American company that delivered part of an order in September and will deliver another part in October has been advised that it will not be paid until next year.

Previously, the Soviet Union was scrupulous about paying cash on delivery, a custom that helped it to arrange many contracts without disclosing basic financial data to creditors.

Soviet agencies that earn hard currency have already started sending out bills for services to be performed in 1974. Many Soviet agencies have been warned to slow or halt their spending of hard currencies.

Part of the Soviet cash crunch stems from Moscow's failure this summer to raise \$300 million on the European money markets because the Russians were unwilling to pay prevailing interest rates.

Western experts estimate that the ratio of hard currency debt owed by the Soviet Union to the volume of its hard currency sales has reached 24 percent, a danger point. The ratio is up from 19 per cent last year, demonstrating that Soviet indebtedness has been rising much faster than hard currency export earnings.

The Soviet must pay for their imports and loans in U.S. dollars, British pounds, yen or West German marks and other hard currencies because the ruble, is not convertible and cannot legally be used outside the Soviet Union.

To earn all the hard currency possible, the Soviets peg the ruble exchange rate artificially high. In September, the U.S. dollar was valued at .72 rubles, the same as the Cuban peso, by the Soviet foreign trade bank.

The biggest victims of this artificial rate for the dollar were American visitors. In the middle of this summer's tourist season, the Soviet travel agency Intourist doubled the dollar price of most of its hotel rooms. An American company that had been paying the equivalent of \$35 a day to maintain a hotel suite here was told that the price was \$110.

U.S. companies dealing with Soviet authorities have been finding recently that their hosts are interested in working out a different kind of joint venture approach that would earn them more hard currency than the usual barter deals made with Westerners.

The issues of money and credit are thought to be high on the agenda of U.S. Treasury Secretary George P. Schultz's current talks here with Soviet Foreign Trade Minister N. S. Patolichev and other officials. The big American delegation also includes Commerce Secretary Frederick Dent.

Most public attention in their talks has been directed to Moscow's intense interest in legislation now before the U.S. Congress to grant the Soviet Union the same status as most of America's other trading partners.

Most-favored-nation tariff treatment in the U.S. market would bring Moscow little immediate financial benefit, however. Its biggest exports to the United States are raw materials for which there is no duty and exotic ores and minerals for which there is a limited market. Vodka and electrical generating machinery are two items on which reduced tariffs might bring increased sales.

But the Soviet Union needs credits and loan guarantees from the U.S. Export-Import Bank to complete any of the big trade deals announced in the past year. Six months ago, Exim Bank chief Henry Kearns warned Soviet officials here that they could not expect large long-term credits unless they provide the same financial data that other customers do.

Under the terms of the 1972 Soviet-American trade pact, the Exim Bank can give the Soviets credits up to \$10 million per deal.

Larger items must be approved by the inter-agency National Advisory Council, the U.S. government's gatekeeper group on the granting of large foreign credits.

The total amount of credits the Soviets are seeking far exceeds the authority Exim has from Congress. The administration seeks legislation to raise the credit ceiling.

For the proposed oil and gas development deal that the Soviets are eager to make, the required Exim credit is \$1.5 billion, more than the Bank has granted any other customer.

The Soviet Union has already received Exim credits of about \$350 million without disclosing financial data. The Soviets have also used all of the \$500 million in U.S. Commodity Credit Corp. credits they were allotted for grain purchases.

Western experts estimate that Moscow this year will be paying about \$740 million in principal and interest on its foreign debts, or 24 percent of its hard currency exports, estimated at about \$3.1 billion.

This figure is still considered "reasonable" for the Soviets to carry, but any higher level would add pressure for disclosure of basic information and raise the interest rates asked of the Kremlin.

Western lenders would like to know how much hard currency the Soviets have in their reserves and exactly how much they earn annually. They would also like to know the size of Soviet gold holdings and the volume of gold production, as well as a complete tabulation of the Soviet balance of payments.

Western experts have recently lowered their estimates of the volume of Soviet gold production but still feel that the Russians can sell about 200 tons a year without reducing their reserves. The experts estimate that the Soviets sold 150 tons in 1972 and received \$250 to \$300 million for it.

Soviet trade experts have also proposed to some American companies that they build factories in Russia and take payment in goods for U.S. sale.

Although the Soviets would own the factories, unlike most joint ventures, they would pledge a given percentage of production for debt repayment. Most other barter deals the Soviets have signed involve giving up raw materials like chemicals and gas or oil for manufactured goods and technology or a known Russian product like vodka for Pepsi-Cola.

American businessmen have been skeptical about the new Soviet suggestions. American labor unions would probably object to such deals, just as they have fought against the "exporting of jobs" to other low-wage countries such as Mexico, Taiwan and Hong Kong.

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman's observations on Soviet trade. Of course, the gentleman and the Members of this body are aware that I requested this time in order to present to the Nation and to the House some of the arguments which should be presented against opening the floodgates of American technology and capital to the Soviet Union.

It is also notable that the principal author of the greatly expanded trade with the Soviet Union and the transporting of American technology and capital goods to the Soviet Union is our Secretary of State, Henry Kissinger, who today I understand was nominated for the Nobel Peace Prize along with Le Duc Tho. That impresses me as a rather strange combination of people. Since the effective date of the peace agreement in Vietnam over 100,000 deaths have occurred, which is a strange sort of peace.

I can understand where Mr. Le Duc Tho might receive the Lenin Peace Prize, but

to bring him into the Nobel Peace Prize is something I cannot fathom.

I also recall when Mr. Kissinger assumed the office of Secretary of State he initiated a series of meetings with Arab diplomats and Israeli diplomats and announced to the world that the Middle East turmoil was the No. 1 priority on his list of things to be settled. If we look at conditions in the Middle East today and if that is the result of his giving this his No. 1 priority attention, then heaven help us if he turns his attention to many other things in the world that face our Nation today.

Mr. DERWINSKI. Will the gentleman yield?

Mr. BLACKBURN. I am glad to yield to the distinguished gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, I believe it is absolutely necessary that we emphasize in this discussion the legitimate reservations that we have concerning the bill as it was approved by the Ways and Means Committee.

May I first emphasize my agreement with the point so effectively made this afternoon that we should propose open rule on the bill so that all Members with varying points of view will have the opportunity to offer amendments to the bill.

As a matter of principle, I favor the freest possible flow of trade since by increasing our export we stimulate our economy while the imports benefit our consumers. We must, however, have a national trade policy requiring nations which export to us to, in turn, permit entry of American products into their markets.

We have nothing to fear from the free flow of trade but it must be a two-way street. Quotas or restrictions against American products must be eliminated.

It is interesting to note that while there is an interesting coalition of those in favor of the bill, there is an equally interesting and formidable number of those that oppose the bill in its present form.

I believe that the events in the Middle East have a direct relationship to that section of this bill insofar as the problem in that area is concerned which would indicate that it would be more prudent to set this bill aside for a period of time rather than to process it next week.

There are several questions that I feel should be asked at this time. What results can the European Security Conference achieve in seeking free exchange of ideas and people between East and West, if freedom should surrender these principles in bilateral agreements with the Soviet Union? On the other hand, how happy can the American people be when buying Soviet imports and knowing that at least part of the goods had been produced by slave labor under inhuman conditions?

The Jackson-Mills-Vanik amendment which is pending before Congress has so often become misconstrued as applying only to cases of the emigration of Soviet Jews. I believe that the Members should also keep in mind the millions of non-Russians within the U.S.S.R., the Esto-

nians, Lithuanians, Ukrainians, Armenians and others who have been denied their basic rights by an oppressive government.

The House can well ponder giving the executive branch any amendment which would see Secretary of State Kissinger manage to so interpret the language as to obtain his wish of granting the U.S.S.R. a "most favored nation status" and credits at low interest rates.

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman's remarks and comments.

The real purpose of this discussion is to call the attention of the American people to the fact that there are extremely valid economic bases which embrace greatly expanded trade with the Soviet Union and make it seem an extremely questionable venture and not a matter of wise business practice.

Mr. KEMP. Will the gentleman yield?

Mr. BLACKBURN. I yield to the gentleman.

Mr. KEMP. I appreciate the gentleman yielding to me.

I would also like to join my colleagues on the floor and compliment the gentleman for his efforts in bringing to the attention of the American people this extremely important issue.

I would like to say further, Mr. Speaker, that there are those who say, both in these chambers and outside of them, that we should not meddle in the affairs of Soviet Russia. I am sure in the 1930's there were people who said we should not meddle in the affairs of Nazi Germany. I would suggest to my friends and to my colleagues that it is a proper consideration in this House and in our country when it comes to the moral question of freedom and the moral question of the rights of all people, both Christian and Jew alike, to emigrate and return to a country, that there should be some meddling.

That there should be some meddling when we are talking about American technology and American capital in the form of credits, certainly it seems to me that this country should at least have a very strong interest in what happens in Soviet Russia. Perhaps had we done so in the 1930's we would not today have suffered the many problems that we did, certainly during the holocaust of World War II.

I would also like to compliment the gentleman in the well for bringing to the attention of the House and to our colleagues the very thoughtful remarks about the hypocrisy of awarding to Lee Duc Tho the Nobel Peace Prize. It is hard indeed for me to believe. And I just, in reading the paper tonight, was shocked that that prize would go to someone of such disrepute in the world community.

Again I compliment the gentleman in the well, and I appreciate the gentleman yielding to me.

Mr. BLACKBURN. I appreciate the remarks of the gentleman from New York (Mr. KEMP).

I think it particularly appropriate, the reference the gentleman from New York made to Nazi Germany.

As I recall, Adolph Hitler wrote a book in which he promised the world that he



was going to attempt eventually to dominate the world with his military forces. We did not pay any attention to Hitler, and we paid a very high price indeed for that.

Today, Mr. Brezhnev stated in his discussion before the Soviet Central Committee that he assured the Soviets that détente was a temporary thing in which the Soviets are attempting to gain superiority, and economic superiority over the world, and that once they have obtained that superiority they will then move with strength, and they will not be catering to us. We did not pay any attention to Mr. Hitler, but I do not think we should make the same mistake now.

Mr. KEMP. Mr. Speaker, if the gentleman will yield for just one further comment, and that is about Nazi Germany, it reminded me of another Nobel Prize winner who happens to come from Soviet Russia by the name of Alexander Solhenitsyn. He said, as the gentleman in the well has pointed out, that the spirit of Munich that existed in the late 1930's was very much alive in the world today, and that to be concerned for the moment with ethical principles only in one's home country, or in one's own experience, can really deny the world the opportunity to see manifest for the future those principles that we hold true, not just for ourselves, but for those who come after us, and for the world itself.

So we prize what Solhenitsyn has said, and we respect what he means to the Western World, and it is important that we take into consideration both his remarks and those of Professor Sakharov, the great physicist, and that it is important for the world that we give great consideration to this, and that we pass the Jackson-Vanik-Mills bill.

Mr. BLACKBURN. I agree with the gentleman from New York, and certainly where Soviet citizens are risking their very lives and risking very really the possibility of being incarcerated under forced and trumped-up charges of insanity, and those other citizens who stand in such fear of being adjudged insane just because one has a tendency to resist the regime. Yet men such as these speak, and formulate their opinions within the Soviet Union, and who are trying to tell Western civilization, including the United States, that we are only boosting the dictatorial and brutal regime of that Communist government when we assist them economically. I think we should listen to these gentlemen.

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

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

Mr. RONCALLO of New York. Mr. Speaker, I too would like to compliment the gentleman in the well, and to associate myself with the remarks of the gentleman. I think it is about time that we find out and begin to learn that the enemy in the Near East is the same as the enemy in the Far East.

I think we are learning the true nature of Communist thinking, and I thank the gentleman for bringing this out.

Mr. BLACKBURN. I appreciate the gentleman's remarks.

I yield to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Speaker, I praise Mr. BLACKBURN for his efforts in this area and for the leadership he is giving us.

I have an article I want to include in the RECORD for the Members to share from: "Human Events" entitled "Must We Feed the Soviets?"

Congressman Ben Blackburn, lively Republican lawyer from Atlanta, leaned down from the elevated platform where the Joint Economic Committee sat. He labelled David Rockefeller, Chase Manhattan Bank Board chairman and E. Douglas Kenna, National Association of Manufacturers president, a pair of monkeys.

I ask the gentleman from Georgia if that is true.

Mr. BLACKBURN. That is not really quite true. I certainly did not refer to the gentlemen as monkeys. When they testified before the Joint Economic Committee to the benefits that would accrue to this country from the expanding of Soviet-American trade, I said it was like drilling a little hole in a coconut, and the monkey sticking his hand in the hole, and when he tried to grab the meat, he could not pull his fist out, and then he was trapped.

We are all anxious to make a few pennies profit, but we may wake up and find ourselves trapped.

I should like to make the observation, too, that the testimony of both of these gentlemen before the Joint Economic Committee was consistent in that respect in that they represented that the Soviet Union could secure anything they want from anywhere else in the world, from Sweden, Germany, or other Western countries, and, therefore, our industries might as well provide the Soviet Union with what they want.

I pointed out to these gentlemen that it was not true that the Soviets could receive everything they want from other countries. Other countries could not finance them to the degree that we financed them.

The Soviets' credit is no longer as good as we have been led to believe.

Last year the Soviet Union was facing a real prospect of hunger. They said that they could get the grain that they needed from any other nation or a group of nations in the world. To represent that we are merely making profits by selling to the Soviet Union is not a true representation. The Soviet Union needs us desperately, and for us to provide them with the needs that they feel and not demand political concessions in return is to me a very false and foolish thing for us to do.

Mr. SYMMS. I thank the gentleman for yielding.

I happen to know that the gentleman is of the opinion that we should stop trying to pluck the eagle to feed the bear. It seems to me this is the American policy we have been practicing for the last 25 years.

I should like to call the attention of this body to a new book written by Antony Sutton that goes into the fact of how the technology that has come from the United States has helped to slaughter a hundred thousand of our boys in South Vietnam because the underdeveloped countries have not been

able to develop technology to make war as well as we have in this country.

We had to give them the technology. I think it is interesting to know that in Russia today they do not have the technology to make 12-gage steel pipe to transport liquid gas in. When we provide the products and the technology, all we get in return are I O U's, which so far we are in doubt about.

Mr. BLACKBURN. The gentleman's reference to Mr. Sutton is timely. There is a great volume of work out that confirms that the Soviets have actually gone very little into innovative technology in their own borders and in their own institutions. The real students of the subject find that generally Soviet technology is based on Western technology that they imported.

Mr. SYMMS. I just would like to point out further I think that if we do trade with the Soviets, I think the proper position probably would be to do so, but we certainly should be intelligent enough to get gold or something of par value in return.

I think in Idaho we live under the golden rule and that is called the guy that has the gold rights has the golden rule.

I do think if we had gotten the gold from Russia we would not have been burned so badly on the grain deal. They do have the gold and we could force it if we were hard bargainers.

Mr. BLACKBURN. It seems to me to do so would make sense, that we can have gold reserves varying from \$9 billion to \$20 billion worth.

They do not have one ruble, one kopek outstanding against their gold, but we have \$80 billion floating in the world, roughly against \$13 billion worth of gold domestically. It does not make sense to me that a country as rich in gold as the Soviet Union should be financed by a country not rich in gold, a country that has been undergoing a terribly painful capital shortage with a high prime interest rate. It does not make sense that we should be financing them.

Mr. BAUMAN. Mr. Speaker, I would like to say that the gentleman from Georgia is rapidly attaining the status of one of the most knowledgeable experts on East-West trade in the House. I think in doing that and in bringing out this information tonight, the gentleman speaks not only for the people of his district, but also for all America. For that I think all of us owe him a great debt.

I just hope those down in the Foggy Bottom are able to perceive his remarks here tonight. I hope that they will not only perceive, but heed and act upon them.

Mr. Speaker, there has been much discussion lately in the press and in the Halls of Congress on the benefits to be derived by our country through increased trade and détente with the Soviet Union but, as yet, no one has spoken of the cost to this country of such action.

I am concerned Mr. Speaker, that the cost will be great and the consequences of this cost will be grave for this country. Antony Sutton of the Hoover Institution in his three-volume survey, "Western Technology and Soviet Eco-

conomic Development," drives home the policy implications of such strategic trade with frightful clarity. Sutton's survey shows that the Communist powers of the world have little advanced technology of their own.

He demonstrates how American and other Western sources have supplied the factories and machines producing Soviet steel, trucks, marine diesel engines, tools for arms plants, ball bearings for missiles, tanks, and other military vehicles, accelerometers for missile guidance, chemicals for the manufacture of explosives and propellants, prototypes for machineguns, and other weapons. Without these supplies, Sutton shows the Communists could not have sustained their aggressions in Korea and Vietnam, and the approximately 100,000 Americans who died in those two conflicts might be alive today. All of this was provided under the same guise as it is presented today: "peaceful trade."

I, for one, Mr. Speaker do not believe we can long afford much more of such strategic trade with the Soviets. The dreadful cost of such trade, the 100,000 Americans killed in battle by enemy forces equipped and moved by American technology, is too much for us to bear and far outweighs any transient, financial advantage we could hope to achieve.

If I could see any change in the Soviet position, if there were any indication that there had been a significant shift in basic Soviet policy then, possibly, some might argue for support of this program. But witness, Mr. Speaker, the continued repression of Soviet Jewry, witness the contemptuous challenge of the Soviet Union in the Middle East, witness the harassment of those dissidents within the Soviet Union who have spoken out against their government, witness these actions and tell me in which direction the winds of change within the Soviet Union prevail.

Allow me to quote from my good friend Dr. Lev S. Dobriansky, of Georgetown University, in his article "50 Years of the U.S.S.R. Economy." This article appeared in the spring issue of the *Journal of East European and Asian Affairs*. Dr. Dobriansky mirrors my feeling when he says:

Clearly, nothing in the fundamental institutional structure of the USSR has changed to warrant the present conjecture that Russian interest in stepped up trade with the U.S. and others is any indication of a substantial change in Russian behavior... Moscow has never been interested in our consumer goods but it has been consistently interested in our advanced technology, blueprints, and skilled know-how.

I reiterate, Mr. Speaker, the cost of strategic trade with the Soviet Union is much too high for this country to pay. It is a renunciation of the ideals and principles for which this country has stood for over 200 years. It is an abrogation of our responsibility to the future safety of this country, and, it is, I believe, to paraphrase Mr. Lenin, "a bid to build our own gallows."

I include at this point an excellent article from the October 20, 1973, issue of *Human Events* written by M. Stanton Evans, which reviews the Sutton book and forcefully outlines the pitfalls of such strategic trade. The article follows:

#### HOW WE BUILD UP THE SOVIET ENEMY

(By M. Stanton Evans)

Something like 100,000 Americans have been killed in recent years by enemy forces equipped and moved by America's own technology.

That is the shocking message conveyed by Antony Sutton of the Hoover Institution in a just-published survey of East-West trade and its impact on the Cold War struggle with the Communists. Sutton's analysis, entitled *National Suicide* (Arlington House; \$8.95) is a popular but massively factual rendering of the research embodied in his three-volume study, *Western Technology and Soviet Economic Development*. It drives home the policy implications of such trade with frightful clarity.

#### COPYING WEST'S ARMS

Sutton shows the Communist powers have little or no advanced technology of their own, and in particular have been laggard in developing any sort of military transportation. He documents the fashion in which American and other Western sources have supplied the sinews of the Soviet war machine—including steel, trucks, marine diesel engines, tools for arms plants, ball bearings for missiles, chemicals for the manufacture of explosives and propellants, prototypes for machine guns, etc.

The author notes that the Communists offensive in both Korea and Vietnam would have been impossible without the use of Soviet and other Iron Curtain technology which had been provided to Moscow by the West. Thus the Communist army that invaded South Korea in June 1950 was equipped with Soviet medium tanks—which featured U.S. Christie suspensions. Artillery tractors were direct copies of American designs. The trucks were from the Gorki plant—built for Moscow by Henry Ford.

In Vietnam, the story was the same. Movement of Communist supplies along the Ho Chi Minh trail and North Vietnamese offensives against the South were mounted with equipment and weapons provided by Moscow and various of its satellites, equipment in turn derived from the United States and other Western nations. In both these conflicts, American know-how was employed in the grisly task of killing Americans—to the tune of almost 100,000 deaths.

Sutton's indictment is confirmed by the statements and actions of our own government. In May 1972, for example, President Nixon announced the blockade of Haiphong Harbor, explaining that this step was necessary to protect American lives in Southeast Asia. "There is," he said, "only one way to stop the killing. That is to keep the weapons of war out of the hands of the international outlaws of Vietnam. . . . I therefore conclude Hanoi must be denied the weapons and supplies it needs to continue the aggression."

#### PHOTOGRAPHIC PROOF

In support of Nixon's action, the Department of Defense released photographs documenting the heavy influx of Soviet supplies into North Vietnam. One photo shows the Soviet cargo ship *Michurin* steaming toward Haiphong harbor, with Soviet ZIL 130 cargo trucks and ZIL 555 dump trucks on deck. Other photos show Soviet T-34 and T-54 tanks, Soviet MIG 17s, Soviet 122 mm. field guns, etc.

#### KAMA RIVER DEAL

What is the common feature of all these instruments of aggression? One answer is that each originated in the United States and other Western nations. The cargo ship *Michurin* so graphically exposed by DOD is powered by a diesel engine designed and built in the United States and features a hull constructed in the United Kingdom. (Common enough for Soviet cargo runs to Haiphong, since 84 of the 96 ships identified making such runs are propelled by systems originating outside the USSR.)

In like fashion, the GAZ trucks used on the Ho Chi Minh trail come from the Ford-built Gorki plant, the ZIL trucks from yet another American-built factory. The T-54 and T-34 tanks have modified Christie suspensions. The MIG 17 is powered by a British Rolls Royce engine. The 122 mm. field gun and other Soviet weapons use a propellant technology provided the Communists by American chemical firms.

The United States, in short, was sounding the alarm about Communist weapons and support technology which had been provided by—the United States. And even as Haiphong Harbor was closed down, the Nixon Administration was busily promoting other transfers of technology to the Soviets. Nothing symbolizes this fantastic irony better than the Kama River truck deal, in which a consortium of American firms were (and are) engaged in building for Moscow the largest truck factory in the world—while our government deplored the use of Soviet trucks to power Hanoi's aggression in Vietnam.

Even more incredible is the successful effort of the U.S. Commerce Department beginning in 1961 to force through the export to Moscow of miniaturized ball bearing machinery essential to the production of missiles. This was done over the vehement objections of the Pentagon and the Senate Internal Security subcommittee. In 1972 the Soviets entered another order for these American-made machines five times as large as the number purchased in the previous decade.

Further confirmation of the Sutton thesis is provided by Rep. Ben Blackburn (R.-Ga.), rapidly emerging as one of the most knowledgeable of congressional spokesmen on matters of East-West trade. In a recent statement, Blackburn reels off a considerable list of Soviet military-industrial accomplishments, past and present, which turn out to have been created in the United States.

Blackburn notes the Stalingrad and Khar'kov tractor plants produced the International Harvester 15/30 model—and military tanks. The Chelyabinsk tractor plant produced Caterpillar 60s—and tanks of the Christie design. Martin, Seversky, Vultee, Douglas and Curtis-Wright supplied the Communists with technology needed for an aircraft industry. Other technological assistance has come from RCA, General Electric, Metropolitan Vickers of England, etc. (All these transactions are documented in the Sutton volume.)

The Georgia congressman concludes that "major American and European firms—with the knowledge and assistance of their governments—have provided the technology for the Soviet economy. Soviet technology is either imported or duplicated from imported models. A decade-long search has identified only a handful of Soviet innovations."

The net of these researches and the crushing significance of Sutton's book is that the United States has created and nourished the enemy which threatens our security and the cause of peace in Asia, the Middle East, and other points around the globe. Despite this ghastly record our government is continuing and accelerating the transfer of technology—embracing everything from chemicals required for the manufacture of explosives to advanced computers essential to sophisticated forms of weaponry.

#### PEACEFUL TRADE

All this equipment is provided on the grounds that it constitutes "peaceful trade"—and U.S. officials have repeatedly proclaimed that they will not make available to the Soviets any goods or processes of military application. The argument is spurious on the face of it, in view of the multiple uses which may be made of trucks and other vehicles, the application of ball bearing manufacture to missile science, the employment of chemical processes in the manufacture of explosives, and so on.



Our own experience in World War II suggests industrial techniques of many types are essential to a modern military enterprise—and an economy built for supposedly peaceful purposes can be rapidly converted to military uses. This consideration becomes especially relevant in the light of Soviet doctrine and practice which view all economic developments in terms of their contribution to potential military strength.

The clearest answer to the myth of "peaceful trade" with the Communists is the factual record Sutton spins out with such unflinching thoroughness. It is doubtless for this reason that U.S. officialdom has been so reluctant to have that record revealed, and why Sutton has encountered a wall of official secrecy in his Herculean effort to assemble the factual data.

Despite those difficulties, he has written a book of monumental importance—the book not merely of the year, but of the decade. Those who wish to justify the folly of trading with the Communists must read and refute him if they can.

Mr. BLACKBURN. I thank the gentleman for his observations.

Mr. SYMMS. Mr. Speaker, I am pleased to have participated in the discussion on the very important Trade Reform Act soon to be considered by the Congress. If the administration has its way on this legislation the American people are likely to get taken to the cleaners again. The burden of all the mistakes that occur will ultimately be borne, as always, by the U.S. taxpayer. This is not a prediction but a statement of historical fact based on past events, the most recent of which is that horror known as the Soviet grain deal.

Even a cursory look at the Soviet grain deal will go a long way in demolishing the view—widely shared by many Americans—that a great increase in East-West trade paves the road to increased understanding between the two superpowers, to relaxation of tensions, to enormous economic benefits, growing cooperation in international affairs, peaceful coexistence, and a litany of other alleged benefits. But look at the results of the grain deal. It was after the Soviet purchases were consummated that the grain shortage suddenly appeared and wheat prices jumped by more than 50 percent. Take the effects on meat prices coupled with the effects of price controls, and consider the chickens that were drowned because farmers could not survive selling below cost. The United States-Soviet grain deal was a colossal American grain giveaway to the Soviet Union, the inflationary effects of which have already cost this country hundreds of millions and perhaps even billions of dollars.

Now, on top of all of this, the administration is pushing a trade bill which would provide massive U.S. Government credits to Soviet Russia for the purchase of additional commodities plus high technological goods such as computers. Again the interest of "détente" is given as the reason for this giveaway, on June 24 of this year, Leonid Brezhnev appeared on American TV and made the same pitch that every Russian leader—from Peter the Great and Catherine, to Lenin and Khrushchev—has made: Give us your know-how and investment capital in exchange for our raw materials, and we will both prosper.

But, let us look at what this could do. The main argument that the administration was using in selling the SALT I agreements to the American people was that our strong advantage in MIRV technology compensated for the 50-percent advantage granted the Soviets in numbers of launch vehicles with warhead yields five times ours. Computer technology is the basis for the development of successful MIRV systems. So it seems to me that if we adopt this proposed trade agreement which would allow the Soviets to obtain this necessary computer technology, at the expense of the American taxpayers, we are throwing away the only claimed advantage we have over the Soviet Union in strategic nuclear power. The American taxpayers will literally be financing the strengthening of the Soviet military and economic power. And if this is not enough let us look at what this does to the American people from just an economic point of view. So far in 1973, credits and credit guarantees from the U.S. Export-Import Bank in the amount of \$202.6 million have been made available to the Soviet Union. The credits carried an interest rate of 6 percent, and grace periods before repayment begins of up to 10 years. These transactions supplement the \$750 million line of credit for grain purchases made available in 1972 by the Commodity Credit Corporation. In addition to these actual credits, major transactions involving the Soviets and American firms that have been announced this year envision U.S. Eximbank credits of approximately \$3 billion. These credits, too, would be made available at the subsidized rate of 6 percent.

The Eximbank raises the capital it loans in the open market. Currently it is paying 7.75 percent for its money. By lending the money at 6 percent Eximbank incurs a loss, which represents the subsidy paid by the U.S. Treasury, or more accurately, the American taxpayer. For a comparable level of credit, Americans would pay 10 percent. These credits also exert an inflationary impact on the American economy, thus causing a steady rise in the domestic price structure. All of this for the benefit for our Communist enemy.

Finally, history has proven that the Soviet Union's planned industry feeds on the industrial freedom of the West. It would long ago have died a natural death, had it not been for the repeated injections of lifeblood that are still being pumped into it today. Mr. Speaker, let us not continue these disastrous trade arrangements that only hurt the American taxpayers. Let us not continue this "fatten the bear and pluck the eagle" phase of our American last foreign policy. It is time for the Congress to look after the interest of the American people and support the proposed amendments to the Trade Reform Act which would prohibit Government financed and guaranteed credits to our Communist enemy. If we are going to trade with Russia let us demand gold rather than give them credits.

In conclusion, Mr. Speaker, I would like to call attention to a newspaper column by Holmes Alexander in which he makes reference to an exchange be-

tween my colleague, Mr. BLACKBURN, and David Rockefeller on the subject of United States-Soviet trade. The article is as follows:

[From Human Events, Aug. 11, 1973]

MUST WE FEED THE SOVIETS?

(By Holmes Alexander)

When you call me that, smile! Congressman Ben Blackburn, lively Republican lawyer from Atlanta, leaned down from the elevated platform where the Joint Economic Committee sat. He labelled David Rockefeller, Chase Manhattan Bank Board chairman and E. Douglas Kenna, National Association of Manufacturers president, a pair of monkeys.

Blackburn did manage a tight smile, but he wasn't fooling. He was telling Rockefeller and Kenna, who'd been huckstering the committee for expanded Soviet-American trade, that they were like the stupid jungle animal which gets trapped by reaching inside a coconut and greedily closing his fist around the meat. These two dignified capitalists, along with the U.S. government and much of the business community, were likely to experience blunder instead of plunder, was the Georgian's not-very-polite warning.

But it was a wholesome warning. It was a small clap of thunder which momentarily cleared the stuffy atmosphere of economic jargon and wishful generalities. Sure, everybody wants to do business with the Russians, and everybody wants to believe that the dove of peace has come to roost on the Ark of *Détente*.

Both nations "stand to gain," declared Rockefeller, Kenna said that if we don't loosen up on trade restraints, "the real loser . . . will increasingly be the U.S. producer and worker, not the Soviet consumer or the Soviet economy." The two witnesses declared that Russia could buy whatever was needed in free world nations other than the U.S.A.

"I question that premise," said Blackburn. "They came here last year to buy wheat. They couldn't get it in Australia, Canada or anywhere except here. Revolution grows out of empty stomachs, and there were empty stomachs in the Soviet Union."

This was a still louder thunderclap, perhaps loud enough to be heard around the country, clearing the miasmic atmosphere of *détente* still further.

Blackburn wasn't proposing a made-in-America famine to drive the Russian peoples into rebellion, but he was calling for hard bargaining. If we foolishly play the greedy monkey, we are passing up the chance to force "basic political reforms" on the Soviet dictatorship, he said. These reforms would do more than anything else to ease the tensions and reduce the need for expensive armament in the hostile camps.

In our appetite for profits, we have forgotten that our chief export to the Soviet Union will be capital, and the chief result will be to strengthen a hostile economy. How can we recover these investments, if the bargains go sour? Has anybody asked what price the Kremlin will charge for petroleum products? Can we be sure of repayment for the extended credits?

Rockefeller and Kenna did not have very good answers. Well, Russia had always lived up to its contracts. Well, it was a matter of believing that the benefits outweighed the risks. Well, American trade restrictions in the past hadn't prevented the USSR from making a remarkable economic expansion and reaching technological parity. And of course, said Kenna, there ought to be "proper safeguards for industrial rights and national security."

None of the other committee members—Proxmire, Humphrey, Reuss, Javits, Wadsworth—was as outspoken as Blackburn, and yet several voiced uneasiness.

There was no denying that American dollars would bolster the Soviet economy and

dictatorship. There was no provision in the trade pacts for reducing the military burdens of either country.

Probably the monkey would go right on reaching inside the coconut. He is not a reasoning animal. Blackburn's questioning seemed to ask, "Is man?"

Mr. HUBER. Mr. Speaker, the question of East-West trade is more than that of whether we make a few dollars or not. When we deal with the U.S.S.R., we are negotiating with a "cause" not a nation. This particular cause has as its goal the demise of our system. True, the Soviet Union and the United States are sworn to "peaceful coexistence," but the Soviet definition of this term does not rule out assistance to fraternal Socialist movements in their efforts to "liberate" or overthrow "repressive" or non-Socialist governments. Such action merely furthers the class struggle in the Soviet view. Thus, the Soviets do not hesitate to fan the flames of war in the current Middle East conflict with a massive airlift of arms to certain of the Arab states. So, trade with the Soviets will not stop confrontation around the world, all the talk of détente notwithstanding.

There is another argument that is raised time and time again. The argument goes that trade increases contacts and understanding and thus lessens the chances of conflict. However, history tells us otherwise. We have fought our major wars with England, Germany, and Japan—all our major trade partners.

And what of the warnings of Sakharov and Solzhenitsyn? Are we to completely ignore the internal structure of the Soviet Union? We have not done so in the case of South Africa or Rhodesia. The Soviet dissidents recently informed us that the Soviet defense budget is in excess of \$80 billion—more than ours and growing. Are we now to rescue their faltering economy so they can continue to maintain the world's largest defense budget, be the world's largest arms supplier and still expand the civilian sector of their economy? To cite just one instance, the Kama River truck plant, when complete, will give the Soviets the overland capability to attack Communist China in speedy fashion. One need only recall that the Soviet Army had to call up collective farm truck drivers in order to have sufficient vehicles with which to invade Czechoslovakia.

Aside from the "systemic conflict" is there any money to be made from this trade? We have the great example of the wheat deal in which nearly everyone in America lost except a few grain dealers. Is this what we want? The whole arrangement almost completely dislocated our marketing and transportation system for food products.

Although no one is proclaiming it from the housetops, our people are encountering great difficulties in the Soviet Union on their business ventures. Translation of blueprints has proved to be major headache at the Kama River project, as has the handcrafting of parts of the Soviets that have no American equivalent. Rents in Moscow have been doubled for American office space. No one that I am aware of has claimed to have shown any profits to date.

A major project is that of bringing

natural gas from Siberia to the east coast of the U.S.S.R. at Nakhodka. This will require a \$1.5 billion credit from our Export-Import Bank. It should be pointed out that this terrain and climate is among the worst in the world. It is also an area containing some of the best collections of slave labor camps in the world. Western observers, moreover, have been unable to confirm the amount of natural gas in the fields that the Soviets contend is there. The Japanese took a long look at the project and, evidently, decided it is not profitable. So we should take an even longer look in my view.

Pending before the Congress is legislation granting the Soviet Union certain credit arrangements and perhaps most-favored-Nixon status. MFN is a matter of prestige to the U.S.S.R. and will not have an appreciable effect on the volume of trade between the two nations. But what of credits? We are constantly told by high administration officials that no large, long-term credits will be granted without Soviet disclosure of their hard currency holdings and gold reserves. We are still waiting to hear from the Soviets. However, signs are appearing that the Soviets are not quite the solid credit risk they are touted to be. Moscow has advised one American firm it would not be paid until next year. Soviet agencies which earn hard currencies are already sending out bills for services to be rendered in 1974. But the overall question is are we going to require anything of the Soviet Union in return for these credits? Is it unreasonable to require that their citizens be free to emigrate if they wish to? Or should we merely echo Senator FULBRIGHT when he recently said:

The Russian people have lived under dictatorship throughout their history. It is not for us, at this late date, to try to change that by external pressure, especially at a time when there is a better chance than ever to build a cooperative relationship between the Soviet Union and the United States.

In sum, Soviet-United States trade is full of pitfalls, not proven profitable, risky to our national security and not necessarily in the best interests of the United States. If, however, we are to take this course, is it too much to ask the Soviet Union to make a humanitarian gesture and make détente more than just a word?

Mr. SCHERLE. Mr. Speaker, I have been overcome by an extraordinary sense of "déjà vu" during the past few weeks listening to editorials on television, reading them in newspapers, all of them, seemingly, in support of increased trade, most-favored-nation status, détente with the U.S.S.R. I seem, Mr. Speaker, to have heard it all somewhere before. Fifty years ago a similar thesis was being sounded: "If we support the Soviet Government, we will insure stability and the democratization of Russia." After 50 years of existence it should be apparent that the economy of the Soviet Union is far from being a human and humane one. Its paramount objective is the economic generation of military power, rather than the peacetime production of goods for its people. In the last few months news articles point out the effect of trade, specifically U.S. wheat sales, has had on the United States. At this point, we need to

stop and ask the question, "What price détente?" Détente has been extremely costly for the United States and very profitable for the U.S.S.R. I am interested in what the Soviets have given up for world peace.

We hear over and over again about the "shift in policy" presently occurring within the Soviet Union, we hear how we should "reach out with a hand of friendship and thus insure a generation of peace." Mr. Speaker, I believe that we should bide our time and carefully reconsider these proposals. We need to examine more closely what results will come of our actions and what the U.S.S.R. has done in response.

No man wishes for a generation of peace more than I. I would do anything to accomplish that end, but one need not look any farther than the Soviet Union itself to see what designs it has for the future. It is a nation with half the economy of the United States, and yet sustains with equal total expenditure a sophisticated military force and research and development program. In overt propaganda alone it spends well over \$5 billion annually.

Clearly, Mr. Speaker, the Soviet Union wants détente on its own terms, terms that I feel could prove harmful to the economic and moral interests of our own country. The Washington Post in an editorial on October 11, 1973, provides a good example that the Soviet-American détente may not be as sturdy as its builders proclaim. In order for the easing of tensions to be durable, each side must have contributed equally to it, and the actions of the Soviet Union in the Middle East speak for themselves:

First. The Russians unquestionably knew Egypt and Syria were planning to attack Israel yet they did not inform the United States as they are obligated to do under recent agreement.

Second. Since the war opened, Moscow has begun a military supply airlift and publicly urged other Arab States to give the combatants the "greatest possible support."

These actions run directly counter to the specific promise of General Secretary Brezhnev to work for international order and, indeed, counter to the promise of détente. The editorial goes on to say, and I might add, reflects my own feelings exactly—

Détente cannot work if Moscow is permitted to believe that it can encourage war-making by the Arabs while piously giving lip service to its interest in building a durable peace in the world.

In conclusion, Mr. Speaker, we need to be wary of granting most favored nation status to the Soviet Union until we are sure of their intent. Events of the past 2 weeks indicate that the U.S.S.R. does not feel the need to show good faith through its actions. Most-favored-nation status ought to be granted only when it has been clearly demonstrated that the Russians are seeking to build that same "durable peace" throughout the world. The echo of the spirit of peace must begin in the Soviet Union. It must come from the voice of the Soviet Government to its own people. And that voice of peace and good faith would be a signal that the price of peace was not borne just by



the United States, but by both parties to détente.

Mr. CRANE. Mr. Speaker, the proposed extension of most-favored-nation status to the Soviet Union must be carefully scrutinized by this body, especially in light of recent actions taken by the Kremlin leadership. MFN status most assuredly represents the granting of tremendous economic assistance to the Soviets and thereby strengthens the rule of those currently in power and better enables them to carry out their program.

What we must seriously consider is whether or not the Soviet Union genuinely merits such treatment at the present time, or whether recent evidence suggests that the current drift of affairs within the U.S.S.R. indicates that some reciprocal action on their part must accompany further trade concessions. Rather than dealing with all aspects of this complicated problem, I wish to focus my attention on the problems of emigration and internal dissent in the Soviet Union and their relationship to any trade concessions by the United States.

Almost all of the Members of this body should be quite familiar with the restrictive emigration policy of the Soviet Government. Thus I do not feel that it is necessary to present any detailed exposition of this extremely restrictive measure. However, several comments on the policy need to be made so that it can be placed in the much broader framework of domestic suppression that still characterizes Soviet society.

Just 14 months ago the Soviet Government reimposed the emigration "education" tax on individuals seeking to leave the country in order to allegedly compensate the government for both the investment made in them through education and also for the loss of their talents. No argument ever quite so strikingly acknowledged publicly the Communist notion that the individual is simply the ward of the state and consequently all the fruits of his labor belong to the state. The tax itself consists of a multiple of the individual's total income.

Obviously the real motivation for the imposition of the tax was designed to reduce the emigration of the better educated citizens, particularly Jews, and at the same time raise funds with which to buy foreign goods which the Soviet system could not produce. The willingness of the Soviet authorities then to exchange people for goods contrasts sharply with their current position that their emigration policy is an internal affair which ought not to be related to any trade agreements with the United States.

As we know, only pressure brought about by Members of the U.S. Congress during the past year led to the reluctant suspension by the Soviets of the education ransom. Nonetheless, a not insubstantial 900-ruble fee still remains for every departing emigrant. Moreover, it must be noted that the "education tax" was not abolished but only suspended. The past record of the Soviet rulers indicates that the tax quite likely will be reimposed once they have secured the concessions they desire. For example, last year prior to the West German general

elections, Russian-born ethnic Germans were released from the Soviet Union, but once the authors of "Ostpolitik" secured reelection to power the restrictions returned. Thus, only by firmly attaching any trade agreement to free emigration can one guarantee any permanence to what might be but another simple Soviet tactical ploy.

The education tax only represents a small part of a broad policy of restrictive emigration and internal persecution that characterizes contemporary Soviet society. If anything, too much of our attention became diverted by the tax and thus its subsequent suspension caused unwarranted optimism about the direction of Soviet policy. Even without the emigration tax those seeking to escape from the Soviet Union find themselves constantly thwarted by endless bureaucratic delays, rejections, harassment, and often dismissal from jobs or arrest.

A basic question that must concern us is what precisely has been happening in Soviet society in recent months that has intensified the demands by so many people to leave the country or to criticize publicly the Communist government even at possibly grave personal risk. Our best information concerning internal developments in the Soviet Union continues to come from either emigrants or the "internal political emigres" as one Communist commentator has referred to dissidents such as Solzhenitsyn. From the Russian dissidents a much less sanguine portrait of contemporary Soviet society emerges than that drawn by many Westerners so anxiously attracted to anything that seemingly vindicates preconceived notions of some "convergence theory" or détente.

Instead real horror stories have appeared such as those related earlier this year to the Senate Subcommittee on Internal Security by Mr. Avraham Shifrin. One of the fortunate Russian Jews able to emigrate to Israel this year, Shifrin recounted his own experiences imprisoned in the Soviet Union and testified:

That there are millions of prisoners in the concentration camps and prisons of the Soviet Union today; that the camps, far from having disappeared number into the thousands; and that the conditions are just as bestial as they were in the days of Stalin.

Stalin himself has made something of a comeback in recent years. In 1969 the 90th anniversary of his birth was celebrated by party leaders and since then the emphasis has been upon his contributions to the economic progress of Russia and her victory in World War II. Just this past year a modest bust of Stalin joined the urn with his ashes in the Kremlin wall. More frightening than the personal rehabilitation of Stalin is the reappearance of some of the characteristics of his era.

Just last month, for the first time since the 1930's, the leaders of the Kremlin put on a show trail with two penitent confessors. Both Pyotr Yakir and Viktor Krasin disavowed their previous activities circulating and editing and underground publication, and pleaded guilty to Government charges of working for foreign organizations attempting to overthrow the Soviet Government. Yakir

thus frighteningly fulfilled his own prophecy of June 1972, when he told several Western correspondents that such a confession may be extracted from him if he was eventually arrested:

If they beat me, I will say anything. I know this from my former experience in the camps. But you'll know it will not be me speaking.

For their cooperation with the Government they received relatively light sentences of 3 years in prison and 3 years in exile. Mostly the show trial served as a very pointed threat to other Soviet dissidents; but it should also serve as a warning to the rest of world to reexamine their heretofore lofty evaluations of the leadership of the Kremlin.

This trial, together with so many other disconcerting actions taken by the government, led Russian novelist, Lydia Chukovskaya, to conclude recently, "Stalin is dead, but his business goes on." She specifically cited Andrei D. Sakharov, noted physicist and current chairman of the unofficial committee on human rights, for bravely speaking out publicly against the denial of civil rights by the Soviet Government. By doing this she maintains that Sakharov committed—"the one crime for which the authorities never forgive anyone: Every person must be severely punished for the slightest attempt to think independently."

The man who preceded Sakharov and founded the committee on human rights, Gen. Pyotr Grigorenko, currently languishes in a mental institution. Unable to extract a confession from him for wrongdoing, the KGB used an increasingly popular device of eliminating dissidents—having them declared insane—the assumption being that no sane person would criticize the government. A well-rehearsed board of psychiatrists examined Gregorenko and ordered confinement after finding that he was suffering from "paranoid reformist ideas that have taken on an obstinate character."

Sakharov has lately released specific examples of other Russian dissidents who have similarly been confined to institutions on bizarre psychiatric charges. The campaign of suppression by the government has become particularly intense in recent months. Out of the original 15 members of the committee on human rights formed in 1969, 10 have either been arrested or forced to go underground. Numerous other writers have recently followed the path of so many famous authors, such as Sinyavski and Daniel, to prison.

Upon the conclusion of the Krasin and Yakir trial, Soviet Deputy State Prosecutor, Mikhail Malyarov, threatened Russia's most famous novelist, Alexander I. Solzhenitsyn by referring to him as "a malicious anti-Sovieteer who hates the Soviet Union." He proceeded to warn both Sakharov and Solzhenitsyn that they could be "held responsible for criminal activity against the Soviet state." About the same time a Leningrad woman hanged herself after suffering under 5 days of uninterrupted interrogation by Soviet police forced her to reveal the location of a hidden manu-

script by Solzhenitsyn dealing with concentration camps. The author now fears that the more than 200 individuals whose individual names appear in his nonfiction work may now similarly suffer police harassment. Besides a press campaign launched against him personally, Solzhenitsyn has been denied a usually routine request in August for permission to live with his wife in Moscow. In a bitter letter of protest to the Ministry of Internal Affairs, he castigated the entire residence system:

The insulting and corvée passport system under which one's place of habitation is not chosen by oneself but is decided by the authorities, and under which the right to travel from town to town, and especially from the countryside to the city, must be earned like a kindness—this hardly exists even in the colonial countries in today's world.

One prominent novelist, Vladimir Maximov, imprisoned several times already, has just recently been threatened with "psychiatric reexamination" because of the publication in the West of "Seven Days of Creation." In a letter attacking the Soviet Writers Union, Maximov praised dissident authors who he felt may not be able—

to change the sorrowful face of reality, but . . . they will not permit their country to be buried secretly, no matter what the spiritual undertakers of all colors and shades try to do to achieve this end.

Any actual changes in the direction of liberalization sought by the dissidents and hoped for by many Westerners can only come about through continued pressure by those of us outside the Soviet Union. It must be made clear to the Kremlin leadership that evidence of détente at home is a necessary correlative to further expansion of concessionary détente with the United States.

Quite legitimate questions have been raised that by relating the granting of most-favored-nation status to free emigration from the Soviet Union and the recognition of civil rights of Soviet citizens, we interfere in essentially internal political affairs of another country. It must be noted, however, that the demand for free emigration and civil rights from the Soviet Union does not simply reflect the imposition of Western political ideals upon them. Instead we are only demanding that they themselves adhere to numerous agreements made by them over the years.

The International Convention on the Elimination of All Forms of Racial Discrimination, ratified by the U.S.S.R., guarantees the right to leave any country, including one's own, and to return to his country. Both the emigration and numerous internal repressive policies indicated in my earlier comments blatantly contravene the Universal Declaration of Human Rights sponsored by the United Nations which the Soviet Union also publicly supports. And, reflecting an almost grotesque cynicism, just this past month the Soviets announced their ratification of two additional United Nations Conventions on the rights of man which assert basic freedoms, including the rights of expression and emigration.

Even more important than our con-

cern with the Soviet Union adhering to these international agreements is the relationship of internal changes with the policy of détente. For this policy to have meaning some concrete evidence must exist of a relaxation of repression in the Soviet Union. As Andrei Sakharov himself has stated in a public letter to Senator Jackson last month:

The Jackson amendment is made even more significant by the fact that the world is only just entering on a new course of détente. And it is therefore essential that the proper direction be followed from the outset. This is a fundamental issue, extending far beyond any the question of emigration. . . .

In an article in this month's issue of the New Leader, Hans J. Morganthau considers the problem of authentic détente and similarly warns against any expectations of any viable agreements emerging from the negotiations with the Soviet Union given their current domestic policies. It is not Wilsonian idealism that makes Morganthau skeptical of the Soviet Union, but simply that—

A government that cuts itself and its people off from objective contact with the outside world, that becomes a prisoner of its own propaganda . . . cannot pursue a foreign policy one can rely on to recognize, let alone respect, those self-imposed moral limitations that are a basis of a viable balance of power policy.

For the past 10 years we have supposedly been increasing cultural, business, and diplomatic contacts with the Soviet Union on the assumption that their society would liberalize as a consequence. If anything the record of the past year rather dramatically belies such an assumption. The Soviet Union obviously only makes concessions, such as the temporary suspension of the emigration tax, if pressured into doing so.

We do not seek any public confession of errors as the Kremlin rulers recently demanded from Krasin and Yakir, but only that they adhere to agreements solemnly signed by them and give us the hope that the necessary moral foundation is established so that the real détente we all desire can become a reality.

#### TRIBUTE TO THE LATE JAMES STROHN COPLEY

The SPEAKER pro tempore (Mr. MATSUNAGA). Under a previous order of the House, the gentleman from California (Mr. VAN DEERLIN) is recognized for 60 minutes.

Mr. VAN DEERLIN. Mr. Speaker, the most thoroughly automated, computerized printing plant in the Nation—and therefore, perhaps, in the world—began operations in my home town of San Diego just 2 weeks ago.

Understandably, this was an event of considerable pride for our community. But it was not an occasion for joy. The man who should have been taking a desk in the building's top managerial office—the man whose talents and inspiration and wealth had prepared the way—lay dead of cancer.

James Strohn Copley was chairman of the Copley Press newspaper group, with a string of dailies in California and Illinois. The San Diego Union and Even-

ing Tribune often were referred to as his "flagship"—Mr. Copley was a devoted Navy man. If he had a corresponding flagship city in Illinois, it would probably be Springfield—whose Congressman, our colleague Mr. FINDLEY, is joining me in sponsorship of this evening's special order.

Jim Copley's mark is everywhere in San Diego. His most obvious monument is the \$25 million Mission Valley plant to which I have referred—a newspaper complex so highly automated that it blurs the old distinctions between print and electronic media.

He was unstinting in his generosity, through his support of organizations such as the Scripps Clinic and Research Foundation, the Fine Arts Society of San Diego, the Boy Scouts of America and the San Diego Zoological Society. Mr. Copley also was a major backer of the private funded center city project, which contributed to the revitalization of downtown San Diego in the early 1960's.

Politically, he was a conservative Republican, and never tried to conceal the fact.

For a time, Democrats—particularly those seeking or holding public office—had reason to view the Copley newspapers with misgivings. But in recent years, political coverage has been both fair and full. In my nearly 11 years in Congress, I have never had cause for complaint about the way my own activities were reported in the Union and its sister publication, the Evening Tribune.

Two of Mr. Copley's finest writers, columnists Jack Murphy and Neil Morgan, have gone behind the formal obituary notices to discuss the human side of Mr. Copley, an aspect perhaps neglected in the run of tributes to a departed figure of such civic and corporate importance.

Murphy and Morgan offer new insight on the kindness and consideration which were typical of Mr. Copley in his contacts with friends and associates, and the courage he showed in his final battles against a terminal cancer.

The items follow:

#### A REMEMBRANCE (By Neil Morgan)

Now that he is gone he can't stop me from sharing the Jim Copley that I knew. He often passed on stories for this column, but in his passion for personal privacy he demanded always to be left out. He shied away from every effort to make him a public figure. His newspapers spoke for him.

The nation and much of the world knew the thoughtful man who contended with vigor for God and country, the Republican Party, and freedom of the Press.

Only a few knew the sly, puckish wit, the five-way punster, the man whose memory for detail was stunning, whose thoughtfulness of friends was legendary. He was boyish in his enthusiasm as an amateur photographer and a collector of foxes that lined shelves at his La Jolla home, Foxhill. But he was one who passed too quickly through youth and went too early to death.

It soothes the hurt to remember him lifting his highball of Black and White Scotch with his traditional toast, "Happy Days!" Or dancing with his wife Helen to "Mack the Knife" and wondering what went wrong with dance music after Freddy Martin. Or complaining how Helen had blitzed him in gin rummy through a weekend at their Borrego desert hideaway.

For him these last were the happy years,



even though his first skirmish with cancer had cast the long shadow just as Helen brought him tender calm.

Through the screen of his privacy only close friends sensed the high drama of his life, and it is probable that he himself never saw it that way. He demurred when I began to describe that drama to a fellow journalist. "I am just doing a job," he said. But to him the job was a trust that came to him in an orphanage, and became his obsession.

Frail and ill as a baby, he was adopted by a strong-willed tycoon who reveled in casting the boy in his own mold. Pushed and driven by that knowledge, Jim followed the stern dicta of his father and gave his life to repaying the favor of fate—at Andover and Yale, in Navy service, in the church, and in the newspaper chain that he inherited, rescued, enlarged, and strengthened.

Still in his thirties, he turned gray during a crucial legal battle launched by his foster brother. In the midst of those years, during a large party at Foxhill, I found him sitting alone on a kitchen stool, his chin on his hand. He managed a smile as we sat and talked about loneliness. He was struggling to hold together the newspapers in his father's trust; he won that fight and became sole owner of one of the world's largest privately-held groups of newspapers. In one way he was very much like the man who adopted him; he did not care to lose.

Along the way he and I had become friends. But we met in a most awkward fashion. In 1950, he was the new young publisher in town and I was the kid with the new column who came over from the opposition newspaper. On my lunch hour one day I did television narration of a civic parade. Jim Copley rode by in an open convertible and I made certain that he heard me giving the Copley Newspapers some kind words.

After lunch there was a summons to go upstairs and meet my new boss. He was gentle and kind, but something was wrong. "If you're going to be moonlighting on television," he said, "you ought to know how to pronounce Copley."

We did not always agree, but nothing shook the trust and loyalty which grew between us.

He called me in just after that tragic Democratic presidential convention at Chicago in 1968. We were alone in his La Jolla offices on a Saturday morning, but he closed his door before he spoke. His sense of history was strong, and he was grim.

"I have all morning," he said. "Tell me what happened."

While I had been in Chicago reporting those brutal clashes between Mayor Daley's police and thousands of American young people, some of Jim's newspapers had given Daley editorial support. My own reports were critical of Daley and his police. But it was Jim's decision to run my stories on Page 1. Now he wanted to hear it the way I had seen it. No reporter can ask more than that of his publisher.

By then he knew the long odds of his illness. Inseparable, he and Helen husbanded their time and vigor. Big and small goals assumed poignancy; his service on newspaper boards and committees, his charities and endowments, his insistence on state-of-the-art technology for new publishing plants in Sacramento and San Diego and elsewhere in the group, his travel, and his relations with the men and women in his organization.

He longed for more casual contact with those people, and on one afternoon when he was still weak from a relapse, he and Helen appeared at the Press Room bar across from the Union-Tribune offices. They sat over highballs with a stunned coterie of reporters and editors that swelled as word of the visit spread through the plant.

"I want to shake hands with every one of you and talk to you," he said. "Will you forgive me for not standing?"

From there the Copleys went back of Broadway and danced to rinky-dink piano at Bob Johnston's old Palace Buffet.

"I haven't been back in this part of town," Jim said, his eyes alight, "since I was 14."

Among my debts to him is an incomparable one that grew out of his keen interest in good reporters. He was about to become president of the Inter-American Press Association when he met a tall, brilliant Oklahoma blonde who had received the IAPA's fellowship for a year of study in Latin America. He was impressed with her and persuaded her to come to work for him when she returned. I managed to meet her too, and married her as soon as she would have me.

That led Jim into collusions with my mother-in-law, a Tulsa newspaperwoman who is almost his peer as a practical joker. Last summer Jim wrote me a letter in which he said that he had hired my mother-in-law and wondered, under the circumstances, whether I should continue in his employ. But he telephoned soon after the letter reached me, anxious to make certain that I did not believe him.

As he was about to receive the City of Paris medal this summer, we cabled him that we had learned the medal was awarded only to the world's great lovers. His cable came back with the last word: "You wouldn't believe the final exam."

That was his last journey, and on the last time that we sat in the Foxhill library he was reminiscing about the return stop in Keflavik, Iceland. By then he had been in a wheelchair. As companions browsed for souvenirs, he grew weary. "I've had enough shopping," he said. "Just shove me down to the bar."

Near the end he was still joking, rousing up from comas with puns, managing a hand salute for a dear military friend. And to the end he was concerned primarily with others. Once he opened his eyes and saw Helen and tried to squeeze her hand.

"Are you all right, Honeybunch?" he whispered.

She will be all right, Jim, and we will all help her to keep it going ahead. You did the old man proud.

#### EVEN WHEEL CHAIR COULDN'T HOLD JIM WHEN ANTHEM WAS PLAYING

(By Jack Murphy)

So often in 21 years of service to Jim Copley I have written tributes to departed friends, but now I am especially desolate because the time has come to say farewell to Jim himself.

I will leave it to others to assess his contributions to newspaper publishing, his philanthropies, his devotion to the cause of freedom, his tireless efforts in behalf of a community he loved with a pure heart. I think of him in more personal terms. I don't recall the first time we met, but there is a vivid memory of our last encounter. He was in a wheel chair at San Diego Stadium; he was determined in spite of his falling strength to see his football team, the San Diego Chargers.

Arrangements had been made for him to see the game in Arnholt Smith's box on the press level of the stadium because it provides easier access for a wheel chair.

As usual, the crowd rose as the band began playing "The Star Spangled Banner" and Jim began struggling to his feet.

"Stay where you are," his wife, Helen, protested, "Everyone will understand."

Jim continued to rise. "But that's our national anthem," he said.

I think back to a pleasant morning when I shared the companionship of Jim Copley and Armistead Carter in a duck blind.

This was at a hunting club near Del Mar, the Pinal Hilton we called it, which has since been consumed by urban development. It wasn't much of a shoot. We were wearing

short-sleeve shirts in blue-bird weather. Only one bird passed the blind all morning. Three guns fired and the duck collapsed into the water.

"Great shot, Jim," said Armistead Carter. "Fine shot, Jim," I echoed.

He shook with laughter. "You two are alike," he said. "The truth is not in you."

#### HUMAN SIDE OF A KINDLY MAN

I think that was probably the day I began to appreciate the humanness of Jim Copley. There is a great distance between the publisher of a newspaper and one who labors in the toy department but it shrank in Jim's presence. He didn't know how to be stuffy.

Early on in our relationship he stopped me from addressing him as "Mr. Copley."

"My name is Jim," he said gently.

In 1963 my family experienced a week of anguish while police and the military searched for a beloved grandson, Jaimie. Finally he was returned to us by the ocean. But, meanwhile, police had theorized about a kidnapping.

Reading of this, Jim sent a message to our home. He stood ready to pay the ransom, whatever the amount. One does not forget such generosity of spirit.

In 1965 I was part of a citizens' campaign to provide a more suitable facility for the Chargers and the Aztecs, and, with luck, a major league baseball team. I had taken up this cause without knowing whether the publisher approved, and thus I was apprehensive when we met at an Aardvark luncheon at the San Diego Zoo.

"Are we going to build that stadium?" asked Jim by way of greeting.

"We've got a big chance if I can count on your support," I told him.

The answer came in the ensuing months when Jim made available the considerable resources of his two newspapers, The San Diego Union and Evening Tribune, to the stadium campaign. The electorate appeared to agree with Jim: a \$27-million bond issue was approved by a smashing 73 per cent vote.

Jim never mentioned the stadium again in my presence, but that was typical of the man. It is equally true that I never heard him speak of his financial interest (5 per cent) in the Chargers.

He never sought to influence the department's coverage of the Chargers and, indeed, I doubt the thought ever occurred to him. He was interested in the team, intensely so. But he had no ambition to coach his sports writers.

I wish Jim could have been listening last winter during the editors' conference with Gene Klein, the president of the Chargers. Klein made the observation that he was generally pleased with this publication's coverage of his football team, despite occasional disagreements.

"I have never complained to my partner, Jim Copley," he said.

#### FIRST, HE WAS A NEWSPAPERMAN

Knowing how Jim would react, it was on my tongue to say, "Please be my guest." But I suppressed the urge. In times past I have experienced remorse because I waited too long to express my admiration for a friend. This is not such an occasion. Jim knew of my regard because I made no effort to conceal the happiness his generosity and concern have meant to one man and his family. I am happy for Jim because he found Helen, the girl he deserved, but I am saddened because he will not have an opportunity to work in the splendid new plant in Mission Valley where we soon will produce his San Diego publications.

When I think of Jim Copley I will remember him as a good man, a gentle man, and how laughter would suddenly lighten his face. I doubt he would disagree if I said above all he was a newspaperman, a pro-

professional. I treasure his integrity, his compassion.

In February he tricked me into giving a speech at the annual Copley publishers conference in Borrego Springs. But that was a ruse. I was in my room packing after the speech when he sent for me. He had an award for me, something about the Munich Olympics.

"We wanted to do something for you," he said softly.

Jim, if you only knew how much.

Mr. ANDERSON of California. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, the purpose of the news media is not to be popular, secure, and uncontroversial. Rather, it has a responsibility to inform, inspire, and report the news fully, accurately, and fairly.

By following this credo, individuals who express controversial opinions leave themselves open for verbal attack, scorn and unpopularity.

The late James Copley—who understood that morality was more important than popularity—operated his newspaper in this manner, to his everlasting credit, and to the credit of the industry.

He believed in America and in the philosophy and principles that established this great country of ours. And he did not hesitate to defend that philosophy and those principles.

In so doing, James Copley did not parrot a line that might bring fleeting popularity; he did not reflect an opinion simply because it was espoused by a governmental official. Instead, Jim Copley chartered a course following reason, honesty, and moral integrity as his guide.

Above all, he loved America and his opinions and views were designed to bring even more greatness to our country.

By reporting the facts fairly, objectively, and accurately, Mr. Copley had confidence that the public's wisdom would sustain the correct course of action and, therefore, keep our Nation free. As a newsman, and as a person, he gained the respect and admiration of his readers and those in public office.

Mr. Speaker, we have lost a giant of a man, but the country today is a better place because of his dedication to principle, his honest reporting and his unswerving faith in the American dream.

My wife Lee joins me in sending our heartfelt condolences to his wife Helen and the family.

Mr. BOB WILSON. Mr. Speaker, in many testimonials since his untimely death, Jim Copley has been praised for his qualities as an American patriot, as a newspaper publisher who dedicated his life to the principles of a free press, as a benefactor of institutions devoted to the arts and sciences and the social advances of mankind and as a true friend of nations whose interests are in harmony with those of America.

But there were other facets of this remarkable man's character, a man whom I had the good fortune of knowing as a personal friend as well as a constituent for over 20 years.

I wish I were able to illuminate fully Jim Copley's devotion to the basic principle of loyalty in everything he did. He

was loyal to his ideals, of course, and especially loyal to his political ideals.

He believed convincingly in the integrity of the political process. It is true that he showed a partisanship in his political philosophy, but this merely illustrates the basic premise of his loyalty. Loyalty was a Jim Copley hallmark. He was loyal to his God, his country, his profession, his family and his friends.

There was no subject of more compelling interest in Jim Copley's professional role as a newspaper publisher, than that of establishing a strong communications link between the Nation's Capitol where Government presides and to the constituency at home where it is initiated by the will of the people. He wanted government better understood by the people, and the people better understood by the politicians. I think he was singularly successful in this regard.

His consuming passion for democracy as served by the first amendment to our Constitution was manifest in his firm management of the Copley newspaper complex.

In my 21 years as U.S. Representative, I came to appreciate fully the priority of attention directed to the vital link of communications that Jim Copley established between my work in Washington and my constituents in San Diego. I consider this effort by Jim to be one of the greatest contributions ever made to my political service here in Washington.

On a personal note, Jim was just my age. His father had been a Congressman from Illinois many years earlier and Jim occasionally reminded me of that fact. Jim knew Congress and knew how it worked. That was one of the most precious links of a friendship that I shall always remember and revere. I have lost a great friend and loyal ally, and America has lost a patriot whose good works will not soon be forgotten.

I join in paying my personal respects to his lovely wife, Helen, who takes over the leadership of the chain of newspapers Jim so admired. With a strength and inspiration derived from their closeness during the long desperate struggle for Jim's life, she will carry on as Jim would want her to, and the "Ring of Truth" will continue to be heard throughout the land.

Mr. VAN DEERLIN. Mr. Speaker, among Mr. Copley's loyalties were, until the very end, loyalty to the San Diego professional football team, the Chargers. Mr. Copley, of course, took on as a member of the staff a very brilliant quarterback of the Chargers whose 3 years of employment in the Copley newspapers, I think, may have contributed to bringing him to Congress.

Mr. Speaker, I yield with great pleasure to our New York State colleague (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I appreciate the gentleman yielding to me, and I appreciate very much his remarks and his taking this time to focus the attention of the House and our country on the great career of Jim Copley.

The gentleman mentioned in his brief words, and I will not take my full time, but I would like to comment on one thing that was said by my good friend

from California (Mr. VAN DEERLIN). In some ways, working for Mr. Copley and working for the Union Tribune Publishing Co., of San Diego, contributed to my being in the Congress.

I feel very strongly about that time, because it was there that I had the opportunity to develop, I think, some of the qualities that are necessary for serving in a responsible position such as the House, as well as meeting people such as Herb Klein, who meant a great deal in my career.

I am very grateful for the opportunity to know Mr. Copley, to work with him and now to be in the Congress to work with the gentleman in the well to express the love and gratitude of a grateful country, as I know the gentleman is expressing the love of a grateful community, for a great American in his efforts on behalf of all of us and those who come after us.

Mr. Speaker, the conscience of America, the fourth estate, and I, personally are the richer, because of the heritage bequeathed by James Strohn Copley.

His death, at only 57, has produced a deep sense of loss among us who had the privilege of his friendship and acquaintance. This loss cannot be replaced for us or the wider audience of his fellow human beings touched by the impact of this giant of a man.

But our sadness is tempered by the joy of his many achievements throughout his career of service to his community and to our country.

Jim Copley's uncompromising dedication to communicating the truth about events and their meanings has enlightened generations of Americans. His achievements as a leader of free journalists have left indelible marks on contemporary and future history, for the betterment of man.

His genius first touched my life when I went to San Diego to play quarterback for the Chargers.

As I said, it was my good fortune to work for his Union-Tribune Publishing Co.

Under Jim Copley and the tutelage of Herb Klein, then editor of the San Diego Union, I found direction toward a career of public service. Their enduring inspiration convinced me that one citizen can make a contribution to the cause of individual freedom and free government, at the local, State, and national levels.

Mr. Speaker, Jim Copley could have chosen a less demanding life. But to the enduring benefits of our Nation, he was endowed with an extraordinarily high order of personal conviction, determination, and leadership.

Born in St. Johnsville, N.Y., on August 12, 1916, he lost his parents, John and Flora Lodwell during the World War I influenza epidemic.

In 1920, he was adopted by the late Col. Ira C. Copley and his wife, Edith Strohn Copley.

Educated at Phillips Academy in Andover, Mass., and Yale University, and later destined to receive an honorary doctorate of laws degree by Chapman College, Jim Copley began his newspaper career in 1939 on the advice of his father, an Illinois utility executive, Member of Congress, and publisher.



He literally began his journalistic career at the ground level with the Culver City, Calif., *Star News* by sweeping floors after press runs, soliciting circulation, and performing other basic chores while studying and quickly gaining expertise in the editorial aspects of his profession.

After 2 years at Culver City, Jim Copley briefly continued his apprenticeship at the Alhambra, Calif., *Post Advocate* and the Glendale *News Press* before going to the San Diego *Union and Evening Tribune* in 1941.

His rising career was interrupted by the bombing of Pearl Harbor and his entering the Navy.

Jim Copley served his country throughout the conflict and was discharged as a full lieutenant in 1946. Later, in the Navy Reserve, he rose to the rank of captain. And throughout his life, he was active in the Navy League.

After the war, he rose rapidly in the executive ranks of Copley Press, Inc., and went on to become chairman of that corporation and Copley News Service. Today, the Copley Corp. owns nine daily newspapers in California, six in Illinois, and 32 weekly publications.

Jim Copley's other holdings included Copley International Corp.; Copley Computer Services, Inc.; Communications Hawaii, Inc., which operates Honolulu radio station KGU; Seminar, the Quarterly journalism review; Copley Productions which develops documentary films of civic and cultural interests and a typography consulting division.

These are impressive operations, providing for the economic well being of thousands of loyal and talented employees. They also are the tools of communication which Jim Copley employed with exceptional skill as an outspoken, forthright champion of the America he loved so dearly.

His vigorous, clear editorial words rang out across our Nation, urging the preservation and perfection of our Founding Fathers' constitutional principles, prudent fiscal policies, responsive government for all the people, a strong national deterrent for peace and integrity for the political system and those trusted with public office.

Jim Copley was a newspaperman's newsman, adamant in his insistence that his publications and his news service report all the news, truthfully and impartially.

His creed, widely known, will serve as an enduring inspiration to those journalists who survive him and will follow in generations ahead.

He declared:

The newspaper is a bulwark against regimented thinking. One of its duties is to enhance the integrity of the individual which is the core of American greatness.

These noble words compel me to observe that one of the responsibilities of the Congress "is to enhance the integrity of the individual" through the timeless principles espoused by Jim Copley.

Mr. Speaker, Jim Copley was more than a giant of a journalist. He was an astonishing human being.

In his beloved San Diego, and across our country, he was noted for philan-

thropy and concern for people and worthy causes.

The Copley Center of Scripps Clinic and Research Foundation, where he fought his last battle against cancer, is a memorial to his personal interest in the advancement of health and medical care. Numerous other hospitals and medical study centers benefited from his contributions including the Scripps Memorial Hospital, where he was a director for 14 years, and the Copley Tower, a product of his generosity. He was a lifetime member of the Aurora, Ill., association which supervises the Copley Memorial Hospital in that community.

His devotion to the arts and sciences were numerous. His memberships and honors are legend.

Jim Copley was a friend of Presidents, great statesmen, and all Americans.

He had a deep affection for his wife, Helen, for his family, his friends, and the members of his great corporate team.

Mr. Speaker, it was an uncommon privilege to have known Jim Copley and to count this rare man as a friend.

We shall miss him. We shall rejoice at his eternal spirit in his beloved America.

Mr. VAN DEERLIN. Mr. Speaker, I am sure we can all subscribe fully to those thoughts of Mr. KEMP.

Mr. Speaker, I yield next to one of our San Diego colleagues, another personal friend of the deceased, Mr. BURGNER.

Mr. BURGNER. Mr. Speaker, the untimely death of James Copley at the age of 57, who directed a great chain of newspapers, the Copley Press, leaves a great void in the world of public information. While his death, from the ravages of cancer, came as no real surprise, it still shocked and saddened his legion of friends and admirers who hoped against hope, that maybe, just maybe—this one time the miracle of cure would occur.

How like Jim Copley, in his personal choice of priorities, to spend the bulk of his last years with us building and improving a great medical research institute and a good hospital—so that others might live. One is the Copley Center at the Scripps Clinic and Research Foundation and the other is the Copley Tower at Scripps Memorial Hospital. He wanted to give to others what he could not have for himself.

Beyond the almost endless list of personal involvement in projects, causes, and organizations that benefited his community, State, and Nation stands a large and healthy chain of newspapers to which he gave firm and perceptive leadership. And because of his vision, his foresight, and his immense capacity of organizational skill, this great American chain of newspapers will continue to deliver, without interruption, "The Ring of Truth."

Mr. VAN DEERLIN. Mr. Speaker, I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I did not know James Copley as closely as many of my fine associates from San Diego, but on the several occasions where I did have a chance to chat with him, I often mentioned how grateful we all were

that he made sure that, as publisher of many papers in California—and there are four in my district, Copley papers—he always made such a strong effort to make sure that the news reporting was clear and objective.

Mr. Speaker, there are other papers in my area and especially downtown papers, that do not always achieve this sense of excellence and objectivity. I think that one of the main reasons that I am very grateful that James Copley went into the publishing business is that he brought a standard of objectivity to the field of reporting and made sure that all those who worked for him did the same.

It is not found always today.

For that reason, alone, I am most grateful that the Copley papers did exist in many parts of California, as well as the rest of the Nation, and that they were able to give us truly objective reporting on most of the key issues of the day.

I am grateful that my colleague from San Diego has taken this time so that we can inform our other colleagues of what I am sure is an excellent policy of objectivity which will be continued, because Mr. Copley insured that everyone who worked for him would be carrying on this kind and this concept of reporting. So I am most grateful to my colleague from San Diego not only for yielding to me, but for taking this time so that those of us who knew of these fine publications and this publisher who has been there for so many years can express our gratitude and appreciation for the tremendous job he did through the years.

Mr. VAN DEERLIN. Mr. Speaker, I thank the gentleman.

Next on our list of southern California colleagues is the gentleman from California (Mr. VEYSEY), whose district, or a great deal of it, extends into the area served by the San Diego *Union and Evening Tribune*.

Mr. VEYSEY. Mr. Speaker, the passing on October 6 of James Strohn Copley took from us a cornerstone of the institution of journalism and an individual who represented for the past two generations, the ultimate in objective, yet incisive, news coverage.

Jim Copley, as he insisted on being called by all who met him, brought to the business of reporting the news, a determination to print the truth, which earned him the unfailing respect of friend and foe and a reputation for integrity unsurpassed in the journalism field.

While his newspaper work won him fame and international accolades, Jim Copley's burning and unyielding love for his country was the driving force behind his indomitable spirit and his inspirational editorial efforts.

Jim Copley was a patriot in the finest sense, and he implemented his patriotism every day of his life.

He worked tirelessly to make the world, the country, and his hometown a better place for all. And few men have had or will have such a profound positive effect on the lives of so many.

He learned his business of journalism the hard way, but the best way. He started in 1939 at the Culver City, Calif., *Star News* where he was a clean-up boy.

He earned his pay by sweeping the floors after each press run, while he studied the editorial aspects of journalism with a passion during his off-duty hours.

Soon he graduated to newswriting and reporting, and he moved on to the *Alhambra, Calif., Post Advocate*, and the *Glendale, Calif., Press* before taking roots in San Diego in 1941.

From that time until his death, Jim Copley pursued and attained journalistic excellence throughout the growing Copley chain of newspapers, and in other related endeavors. Today that chain numbers 16 daily newspapers, including 10 in California and 6 in Illinois. Also the Copley chain includes 32 weekly newspapers, and the highly regarded Copley News Service, as well as various communications related enterprises.

The San Diego Union, the San Diego Evening Tribune, and the Sacramento Union, three of the daily Copley papers with which I have worked closely throughout my career in public service, are prime examples of Jim Copley's formula for truth in reporting. "The Ring of Truth," as Jim Copley labeled his annual awards given to Copley reporters for outstanding journalistic effort, fittingly characterizes Jim Copley's lifelong effort.

Jim Copley has fallen, but thanks to him, the "ring of truth" will continue.

Mr. Speaker, the measure of the man, James Strohn Copley is graphically illustrated in the following superb editorial which appeared in the San Diego Union on the day following his death. He was indeed, a noble man:

#### A NOBLE MAN

Most men are destined to pass their brief moment on this planet without lasting impact. They come, they go and they are forgotten.

A smaller number are enabled by chance or by talent to make some mark—for good or ill—on the affairs of the world; and the smallest number of all are those whose impact is great, good and enduring.

James Strohn Copley, publisher of this newspaper and Chairman of the Corporation publishing Copley Newspapers, taken summarily from this life at age 57, had an effect upon the conscience, the conduct and the well being of our nation that has been surpassed by few men in private life.

With a heritage of wealth and security, it would not have been remarkable had he chosen a tranquil and less demanding life.

However, armed with a high order of personal conviction and the leadership of a dynamic father, Jim Copley moved aggressively into the newspaper business, determined that the obligation to print all of the facts honestly and without bias—"The Ring of Truth" as he called it—is no less than a sacred trust.

This determination always to print the truth earned him, from friend and foe alike, the precious respect that only unfailing integrity can bring.

His newspaper achievements brought him pyramids of national and international honors. However, apart from all of this busy professional life he was tireless in his efforts on behalf of the United States of America and all the things for which it stands.

Distinguished service in uniform, where he earned the rank of captain in the Reserve of the U.S. Navy, dedicated service as a Trustee of the Freedoms Foundation at Valley Forge, Federal service as a member of the President's American Revolution Bicentennial Commission—all were welcome labors of a patriotic love that burned deep in his heart.

And, somewhere among his few remaining scraps of time, Jim Copley was able to create opportunities to work tirelessly on behalf of health institutions, to support the arts and education—in short to put both his shoulder and his resources behind any project that promised to enhance the opportunities of Americans, young and old. His personal generosity and his consideration for others were legendary but, when brought all together, they simply portrayed the desire of a grateful and loyal American to do his full share to nourish and support the land he loved.

As everyone knows, the best and truest measure of a man is found in the judgment of his peers. Jim Copley's peers—the fraternity of this generation's great from every walk of life—will make their judgment today and it will resound with the Ring of Truth that he so cherished.

They will declare him a patriot and, with pride, will say that his beloved country is a better place in which to live because of his efforts on its behalf.

They will declare him a wise and humane philanthropist, and will give a score of reasons why our American society will be happier, stronger and healthier because of his unfailing generosity.

But most of all—above everything else—they will adjudge him a noble, a compassionate, a gentle and a considerate man and, with love, pride and eternal gratitude, will declare that all of the thousands whose lives Jim Copley touched will be better for his having trod this earth.

Mr. VAN DEERLIN. Mr. Speaker, I thank the gentleman.

Mr. Speaker, testimonials to the integrity and public service of Mr. Copley have been expressed by persons representing the full spectrum of American life. I offer two of these for the RECORD:

President Nixon—"The untimely death of James S. Copley takes from us an able American whose distinguished career in journalism and public affairs placed him in the direct line of descent from this country's great printer-patriots of the past—from Zenger to Pulitzer.

"His contribution to international peace and understanding was felt beyond our nation's borders through his selfless work with newspapers of other countries.

"The same courage and heart which characterize Jim Copley's family of newspapers, serving communities from the Illinois prairies to the California coast, shone through in his long brave fight against illness over the final year of his life.

"And it is a measure of the man's quiet humanitarianism that the room where he finally lost that fight was part of a hospital and clinic that his generosity had built.

"Jim Copley has been a close friend and adviser to me for more than a quarter of a century.

"Thus it is with a special sadness that Mrs. Nixon and I join his family, friends and countless admirers in mourning his death. But we also are grateful today that the message of liberty he most wanted to spread in this country and throughout the Americas will continue to be heard through his newspapers' 'ring of truth.'"

Ronald Reagan, Governor of California—"It is with great sorrow and grief that Nancy and I learned of the death of Jim Copley. His passing is a loss for all Californians and freedom loving people throughout the world.

"Jim Copley was an outstanding journalist, loyal friend and great American. His leadership and counsel will be missed by all of us. Jim Copley devoted his entire life to keeping the American public informed of events and the world's needs. He was in the forefront in espousing those views that portrayed Americans' love of freedom and of the free enterprise system. Our world is a better place because of Jim Copley.

"Our deepest sympathy and devout prayers go to his family in its hour of grief. All of our lives have been enriched by the generous talents of Jim Copley.

Spiro Agnew, former Vice President—"It has commonly been remarked that our greatest newspapers are inevitably a reflection of the personality of one strong leader. Such has been the case with the Copley newspapers.

"James Copley was a strong, independent and individualistic publisher, and his newspapers have consistently reflected these characteristics.

"He was a great newsman, a credit to his profession and he will be sorely missed."

Mr. JOHNSON of California. Mr. Speaker, it is difficult to put into words the impact that James S. Copley, chairman of the corporation publishing Copley newspapers, had on the communities in which his newspapers were published, on the newspaper business to which he dedicated tireless devotion and on the Nation which he served and loved.

His passing at the age of 57 was most untimely, and yet his contributions will be enduring.

As the chief executive of a chain of newspapers and the Copley News Service, Mr. Copley insisted that his newspapers print all the facts honestly and without bias—"the ring of truth" as he called it, which to him was an article of faith. He pursued a dynamic program of growth and expansion and accomplished many innovations in his chosen profession.

He also tirelessly served many national and international press organizations, winning countless national and international honors in the field.

As an American, Mr. Copley served his Nation in time of war and continued to serve in the Naval Reserve for many years after. He was a patriot who insisted the country he loved must remain strong and thus free. He was a director of the Freedom Foundation at Valley Forge and a member of the President's American Revolution Bicentennial Commission.

As a humanitarian, he gave unstintingly of his time and resources to support health institutions, the arts, education—any project he believed would enhance the opportunities of Americans.

As a man, he was compassionate, gentle, humble, and devoted to making this world a better place for his having walked on it. He will be sorely missed but not forgotten.

Mrs. Johnson joins me in extending deepest sympathy to his loved ones.

Mr. ANDERSON of Illinois. Mr. Speaker, today we set aside a few moments to pay tribute to James Strohn Copley, chairman of the Copley Publishing Corp., and a giant voice in American journalism, who died of cancer last week.

Under his quarter-century of leadership, the Copley Press, which includes 15 daily newspapers in California and Illinois, plus 32 weekly papers, has grown to be among the most admired and respected among medium-sized papers. The Copley World News Service has taken its place along with the other major wires which daily provide the vital information and analysis of events throughout the globe.

We in Illinois are particularly fortunate to count six Copley newspapers in Illinois, including the Aurora Beacon-



News, the Elgin Courier-News and the Wheaton Journal, near my district, the Joliet Herald-News, and the State Journal and State Register in Springfield.

All are outstanding examples of vibrant newspapers, providing news, analysis and leadership in the communities they serve.

But, Jim Copley's accomplishments and contributions extended far beyond the confines of the newsroom, as witness the numerous awards from civic, patriotic, community, and health groups. In Illinois, we are especially grateful for the Copley Memorial Hospital in Aurora.

In a way, this small town, just west of Chicago, holds a special place for those of us who so admired Jim Copley. It was here that the foundations for his tremendous career were laid, when Col. Ira C. Copley, an Illinois Congressman and utility executive, who was to become Jim's adoptive father, bought the Aurora Beacon in 1905.

Jim was born in St. Johnsville, N.Y., in 1916, but was taken in by Col. Copley when his parents died in the great influenza epidemic of 1917.

And thus was Jim Copley started upon a career of service to his Nation, to his profession and to his fellowmen, which ended so tragically last week. His departure is our loss.

Mr. BELL. Mr. Speaker, James Copley was one of the great American publishers. He was not the kind of man who can be replaced.

His major contributions in the areas of education, medical research, and the profession of journalism will continue to enhance the quality of American life for years to come.

But the primary force of his vigor was felt in the press. Through the editorials of his 15 daily papers in California and Illinois, he consistently adhered to such values as the preservation of constitutional principles, prudent fiscal policies, efficiency in government, and integrity in our elected representation.

Perhaps the spirit of the man was best summarized by the creed he established for his newspapers:

The newspaper is a bulwark against regimented thinking. One of its duties is to enhance the integrity of the individual which is the core of American greatness.

Mr. DANIELSON. Mr. Speaker, I would like to join with my colleagues in honoring the late Mr. James S. Copley, a great journalist, a great philanthropist, and a great patriot. People in many walks of life will feel the loss of this fine man, who died on Saturday, October 6, in San Diego.

In a time when we are all being reminded of the importance of superior news reporting, we can readily see that James Copley stood among the best of this Nation's newsmen. Publisher of the San Diego Union and Evening Tribune since 1950, Copley was also chairman of the corporation publishing the Copley newspapers, a chain of 15 dailies in California and Illinois plus a group of eight associated weeklies and one biweekly in southern California. I feel privileged that one of the Copley newspapers, the Alhambra Post-Advocate, is published in my own district.

The Copley newspapers are among the strongest and best known groups in journalism today, thanks to the untiring efforts of Jim Copley to modernize his facilities and innovate the services offered by his publications. His activity in the field of journalism extended beyond his own papers. Among other things, he served as a president of the Inter-American Press Association, a director of the Associated Press, a member of the board of the American Newspaper Publishers Association, and director of the American Newspaper Publishers Association Bureau of Advertising. He received several awards for his achievements, including the Americas Foundation award, the Maria Moors Cabot award from Columbia University, the Distinguished American Citizens award from the National Education Program, and the Ohio Newspaper Association award for distinguished service to journalism. James Copley's dedicated service to his profession will not soon be forgotten.

Jim Copley's patriotism and love for his country were expressed not only in his newspapers, but also through his actions, both in military and civilian life. During World War II he served our Nation in the U.S. Navy, and after the war he continued his service through lifelong participation on the Navy League. As a civilian, he was an active member of and a generous contributor to life in his community and in his country, as indicated by his membership in the San Diego Symphony Orchestra Association, the San Diego Zoological Society, the Boy Scouts of America, the San Diego Fine Arts Society, the California Historical Society, the Aurora Historical Museum, and several other history associations. He contributed a great deal of energy and money to numerous hospitals and medical centers, including the Copley Memorial Hospital in Aurora, Ill., and the Copley Center of Scripps Clinic and Research Foundation. He also donated generously to the arts and commissioned an 11-volume study of the "History of the Southwest."

James S. Copley is certainly a man whose passing is a cause of sorrow for all Americans. We can be grateful, however, knowing that the accomplishments of his lifetime are a permanent contribution to American society.

Mr. MCCLORY. Mr. Speaker, I am privileged to join in this final tribute to one of our Nation's outstanding journalists and patriots, James S. Copley, chairman of the board of Copley News Service, publisher of the Courier News, Elgin, and the Aurora Beacon in Kane County, as well as other Copley newspapers including the San Diego Union and Evening Tribune.

Mr. Speaker, as a native son of Illinois, James Copley gave most of his life to furthering the progress of the press in Illinois and the Nation. The Courier News is the principal daily newspaper circulating throughout a large part of my 13th Illinois Congressional District. Jim Copley never lost sight of the fact that his Illinois newspapers were essentially agriculturally and people oriented, and on this basis, he was proud to refer to them as family newspapers. He exercised singular responsibility in the qual-

ity of news deemed worthy of reporting. He was a dedicated and highly respected journalist.

Mr. Speaker, I shall treasure the contacts I enjoyed with Mr. Copley while serving the people of Illinois, and will always be grateful to him for his kindness and graciousness in enabling me to communicate with many thousands of my constituents in Kane, Lake, and McHenry Counties who are readers of the Elgin Courier News and Aurora Beacon.

Mr. Speaker, I am proud to join my distinguished colleague, the gentleman from California, (Mr. VAN DEERLIN) in this eulogy. I extend my deepest sympathy and respect to his wife, Helen, and their three children, David, Janice, and Michael—and to his many close associates in the Copley organization who came to love Jim Copley as a colleague and friend.

Mr. FINDLEY. Mr. Speaker, on Monday, October 8, all of the Copley newspapers in Illinois and California ran an editorial which began:

Most men are destined to pass their brief moment on this planet without lasting impact. They come, they go and they are forgotten.

A smaller number are enabled by chance or by talent to make some mark—for good or ill—on the affairs of the world; and the smallest number of all are those whose impact is great, good and enduring.

James Strohn Copley . . . had an effect upon the conscience, the conduct and the well-being of our nation that has been surpassed by few men in private life.

Springfield, Ill., is indeed fortunate to have two of the great Copley newspapers serving the State capital. In that sense, Springfield has something special. With San Diego, it is one of the few cities in the country where both the morning and evening papers are jointly owned, but where editorial policy is strictly separated and independent.

To be sure, Jim Copley was something special. He strongly believed in the separation of publishing from editorial policy among all his papers so that they could better serve the individual needs of their communities.

In the case of Springfield, his policy and leadership has meant that we have two of the finest papers in the Nation. Both provide the essential balance so important to the political life which thrives in a capital city.

I knew Jim Copley well. He was an immensely likable man. We had a natural affinity for each other, too. As the publisher of a small weekly newspaper myself, we had a great commonality of interest.

Jim Copley was a forceful journalist who believed that newspapers have a mission. He was a strong defender of the first amendment's guarantee of a free press. He would not compromise his reporters' writings, even though he at times deplored the story's content and editorialized against it in the same issue of the paper. Such was the case during the 1968 Democrat Convention. Jim Copley felt that the Chicago police should be supported in dealing with the demonstrators. He so editorialized. Yet, he also put his reporters' stories of police brutality on page 1 of his papers. He would not compromise his papers' mission to

report the facts for the sake of his own personal opinions.

Jim Copley called in "the ring of truth." It was the guiding light of his publishing career, and the one thing he tried most to instill in those who worked for him. His creed was this:

The newspaper is a bulwark against regimented thinking. One of its duties is to enhance the integrity of the individual which is the core of American greatness.

Jim Copley believed in America. He never shrank from the facts, be they kind or cruel to the country he loved. But he also told the positive side of a story. He told what was good about America.

Jim Copley will be sorely missed by the publishing world, and indirectly by all Americans. But he leaves behind him the only memorial to which a newsman will even account much worth—living, breathing newspapers which daily make a constructive impact upon the communities they serve and the world around them.

Addressing Sigma Delta Chi's 1961 convention in Miami, Mr. Copley said:

By choosing journalism, a young man chooses a field that shapes all national and local policies and decisions. The written word ultimately finds out all venality, all inefficiency, all phonies, all mistakes. The greatest tyrant, in capital city or county seat, looks with dread upon the honest reporter.

The young man choosing journalism as a career becomes the protector of our constitutional rights. . . . Sometimes—just as our soldiers and sailors do—he protects these rights even with his life. He is a soldier of the press.

Jim Copley could have been talking about himself. Indeed, he was a soldier of the press. He fought the battle well and we are all better off because he lived.

Once Jim Copley was asked what his challenge in life was. His answer, a quote from Col. Ira C. Copley, his father, could make no better epitaph, for he lived up to it so well:

Wealth, position and power are not the measure of the man. It is the disposition he has to do the right thing, his dependability, the conscience that is his, and the desire he has to serve.

He met his challenge well. Few men ever have this opportunity, and fewer still take advantage of it when offered. Jim Copley did, and the world is stronger and freer for it.

Mr. DERWINSKI. Mr. Speaker, James S. Copley, publisher of the Copley Press, was a giant in American journalism. His passing takes from the scene one of the most innovative, influential, and dedicated journalists in our land.

Developing his newspaper chain in grass roots communities in Illinois, Jim Copley expanded his publishing operations until the Copley Press became the leading news service in the State of California.

James Copley was a dedicated American. The editorial policies of his newspapers gave dramatic evidence of this. He was a positive thinking individual, tremendously proud of our country; and under his leadership, the Copley Press never indulged in muckraking journalism.

Jim Copley served in World War II as a naval officer and continued to serve in the Naval Reserves after the war had

ended. He was instrumental in developing and supporting facilities and programs which a grateful nation provides for their veterans.

He believed in a strong national defense as a true deterrent to aggression, and he had great faith in our governmental structure and the American free enterprise system.

Jim Copley made an enormous contribution to legitimate journalism in the United States. He will long be remembered as one of the truly great and influential publishers in the United States.

Mr. ARENDS. Mr. Speaker, the Aurora Beacon-News continues to come to my office daily—and Les Bell of the Washington Bureau still drops in for a morning chat. I read news reports filed from around the country by the Copley News Service, and somehow it is impossible to realize that my good friend, Jim Copley, has gone. His untimely passing saddens me greatly. Our Nation has lost one of its most devoted patriots.

James S. Copley was a unique individual. I recall his warm friendship, his quiet wit, his devotion to his family, and the principles by which he lived. Educated in the best schools, Jim could have bypassed apprenticeship; but he preferred to learn his profession from the ground up. He set for himself high standards of quality and decency in journalism and rose to be one of the outstanding publishers of our time. He held to those standards to the end.

Jim took as his creed the philosophy that the newspaper is a bulwark against regimented thinking. The journalist, he said, has a duty to enhance the integrity of the individual. He spoke out in a strong editorial voice. He was concerned for the preservation of the constitutional principles on which our Nation was founded. He believed that our freedom should be protected by a strong national defense; and as a member of the Committee on Armed Services we discussed this many times.

Jim was concerned, too, that America not be weakened in other ways—that we promote wise and prudent fiscal policies—keep the Federal structure in good repair—that we preserve the moral integrity of our land. He had a keen sense of history and an awareness of our Nation's destiny as a leader in the free world.

Although he was a student of government, he had many other interests beyond the political system. He championed the advancement of education and the arts and sciences. His philanthropies and charities were wide-ranging. So were the awards and citations he received for leadership and distinguished service—all richly deserved.

Jim Copley rests at Aurora, Ill., in the beautiful Fox River Valley in my district. But he will live on in the memory of countless friends throughout the world who loved and admired him. Mrs. Arends joins me in expressing our heartfelt sympathy to Mrs. Copley and all members of the family.

#### GENERAL LEAVE

Mr. VAN DEERLIN. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

#### REPEAL OF ECONOMIC CONTROLS

The SPEAKER pro tempore. Under a special order of the House, the gentleman from Ohio (Mr. KEATING) is recognized for 60 minutes.

Mr. KEATING. Mr. Speaker, I would like to urge that the Committee on Banking and Currency immediately consider legislation to repeal the Economic Stabilization Act of 1970. This is the legislation that President Nixon has used to implement his economic policies.

#### HISTORY OF CONTROLS

First, let us look at the record of the current economic program.

The period of "phases" started on August 15, 1971, when the President made his surprise announcement of the phase I freeze.

At the time the economy was still slow after the recession of 1969-70 and prices were rising at an annual rate of around 5 percent. During the period before the freeze economists believed that a temporary control measure would be effective because the inflation was being fueled by a cost-push in prices. What this means is that higher wage settlements resulted in higher prices rather than our current situation of a heavy demand for scarce goods.

The initial freeze stopped both price and wage increases and produced few shortages. During the last 6 months of 1971, the cost of living increase was only 2.9 percent. If this had been the end of controls we might have been able to reduce the rate of inflation; but instead, what many thought would be a short period of economic controls has spread out over 25 months.

In fact, not only have the various phases since the initial freeze been ineffective, they have aggravated the economic situation. The record since 1971 shows that each successive control program has created a situation which made another control program likely to follow. Controls do not lead to fewer controls, but rather create a demand for another control program to deal with the problems which its predecessor either caused or could not cure. It would very easy for such a succession of control programs to lead to some type of permanent controls. It is for this reason that we must move toward repeal.

#### POST FREEZE COST BULGE

The following chart shows how the rate of inflation was decreasing before the freeze was imposed and then continued to decrease in the initial freeze. But then as pressures built inflation increased and, with the release from long extended controls, rose to record heights.

[In percent]

Jan.-June, 1970	5.5
July-Dec., 1970	4.9
Jan.-June, 1971	3.8
July-Dec., 1971	2.9
Jan.-June, 1972	3.2
July-Dec., 1972	4.1



Jan.-June, 1973..... 7.4  
Feb.-Aug., 1973..... 10.0

The chart shows how the period of controls has built up severe pressures on the economy that cause more harm to the fight against inflation than would have occurred without the controls. At the end of 1971, we no longer had a cost-push factor effecting the economy but slowly the demand was increasing and the market was unable to adjust. In the open marketplace the price will increase with demand; but under tight controls as the demand increased business was unable to raise prices to slow demand. This caused a scarcity in some sectors of the economy.

Perhaps no one figure demonstrates the problems caused by the postfreeze price bulge better than the increase in the wholesale price index in August.

As controls were released from the latest freeze imposed during a period of excess demand, the indexes rose at an unbelievable rate. The wholesale price index rose at a rate of 6.2 percent from July to August, or at an annual rate of 74.4 percent. Since the Bureau of Labor Statistics began keeping these figures in 1947, there has never been an increase this high. The 22.8 percent annual rate increase during August of the Consumer Price Index is also the highest ever recorded since 1947.

Not only does the price increase reflect the market pressures that have been held back by a freeze but many businesses will use the relaxation of the freeze as an excuse to raise prices in anticipation of the next period of rigid controls.

#### INTERNATIONAL PROBLEMS

Controls are also very difficult in the international economy of today. While the prices were frozen or controlled in the United States, other countries were offering higher prices for American goods. Therefore, producers decided to sell their products abroad at the higher prices unrestricted by controls.

The sale of products abroad further aggravates the shortages at home. This occurred with soybeans and other agricultural products and a point was reached where the President was forced to place export controls on American products.

While the placing of export controls can help relieve pressures of shortages at home, they play havoc with international markets that have been built up over the years. When the other countries feel they cannot depend on U.S. supplies they will search elsewhere for their needed commodities. This can have both short-term and long-range implications on our balance of trade. In short, we simply cannot afford export controls to curb inflation.

#### MINDS CHANGING

While almost everyone hailed the initial decision to impose controls, slowly their failure has changed people's minds.

The AFL-CIO was the first major group to urge removal of controls and now they have been joined by the business community including the U.S. Chamber of Commerce and the National Association of Manufacturers.

Mr. Burt F. Raynes, chairman of the

National Association of Manufacturers, states that:

Wage and price controls have failed to check inflation, have caused shortages of consumer goods and services, and should be completely terminated.

George Meany, AFL-CIO president, has been a strong critic of the program stating that:

The so-called stabilization program, with its two-year record of persistent inequities, unfairness and imbalance, should be phased out as rapidly as possible.

Dr. C. Jackson Grayson who was chairman of the now defunct Price Commission has stated that:

In December of 1972, he recommended to Secretary of the Treasury Shultz that "we get rid of phase two of the economic program."

Mr. William Fellner, who is the newest member of the President's Council of Economic Advisers, said he favors a rapid lifting of controls and that the controls were bad economics.

This varied list shows the wide support that repeal of the Economic Stabilization Act has. If we do not act, shortages are bound to increase.

#### SHORTAGES

At the present time, the Cost of Living Council is being called upon to make individual product judgments. While some segments of the economy are allowed virtually unlimited price rises, others are being rolled back.

The price controls are causing companies to drop low profit items which further aggravates the shortage problem.

At the present time, paper producers are operating at capacity; but see no reason to risk investment in new plants while their profit margins are severely restricted. The plants they now have are producing the most profitable higher grade paper and this is causing the shortage of newsprint.

The steel industry which is so important to our overall economy is currently 40th out of 41 major fields in its profit margin and, therefore, it is unable to make new investments in needed modern equipment.

The tightly controlled fuel oil market is having acute shortages due to the economic controls and many independent dealers are being faced with closing because of the controls.

#### REPEAL NECESSARY

Our economy works at its best when uninhibited by controls. What was initially started as a short freeze has now extended to over 2 years of rigid controls. Once one phase is ended, a new phase follows which is more complicated than the previous one.

It is time we stop using ineffective controls to tinker with the economy. As long as a controls program remains in existence or even so long as standby authority for such a program is on the book, it will be all too easy for Congress and the Executive to delude themselves into believing that they are doing something to check inflation by using controls. This can only hinder us from really coming to grips with the problem through the use of fiscal and monetary restraint.

The only way to leave controls is to completely stop through the removal of

the authority. I, therefore, urge the Congress to repeal the Economic Stabilization Act of 1970.

#### GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KEMP. I very much appreciate the gentleman yielding to me.

Mr. Speaker, I wish to extend to the gentleman from Ohio (Mr. KEATING) my gratitude for his taking of this special order today, allowing Members an opportunity to express jointly their respective—yet mutual—concerns over the administration's continued reliance upon Government regulation of the economy as the answer to our Nation's economic problems, real or imagined. The gentleman is to be congratulated for the lead which he has taken within this House in the introduction of legislation to repeal the Economic Stabilization Act—which I cosponsored with him and other Members, to terminate the present authority to impose wage and price controls, and to curtail other varied forms of Government interference in the workings of an essentially free market economy. If we are to succeed, however, the gentleman's efforts must be reinforced by the collective efforts of all Members who support him and his goals in this subject area. This is an issue from which there can be no relaxation of effort.

At this point, when many people say what should the President have done, I would like to read one paragraph from the report by the distinguished economist from the University of Chicago, Milton Friedman, who, in Newsweek magazine of July 16, 1973, said as follows:

Accordingly, I am today asking Congress to enact an emergency across-the-board reduction of 5 per cent in every item of government spending that is not mandated by contractual arrangements already entered into. I am today requesting the independent Federal Reserve System to hold the growth in the quantity of money to not more than 5 per cent a year for the next two years. I am today abolishing all controls over prices, wages, interest rates, dividends and rents that were imposed under phase three and its predecessors.

#### WAGE AND PRICE CONTROLS SHOULD BE REPEALED

I feel strongly that government policies constitute the largest single source of our Nation's economic ills. Government policies constitute more than cause of our problems than their solutions. In no instance is this more apparent—factually and demonstrably—than in the area of wage and price controls. In an address to this House of last Friday, October 12, I spoke at some length on the necessity of the Congress repealing the Economic Stabilization Act, as amended and as extended. In that address, I stated, in part:

Mr. Speaker, on August 15, the Nation passed the second anniversary of the original 1971 imposition of wage and price controls under the authority of the Economic Stabilization Act, as amended and as extended.

It is appropriate, therefore, to pause and to examine the impact and effects of the various wage and price control policies and regulations during the past 2 years.

The rationale behind the enactment of the Economic Stabilization Act was that by abandoning the traditional free market consumer control over wages and prices and turning this function over to the Federal Government, we would be able to better protect the consumer from the rising costs of living. As has often been the case over the past 40 years, the imposition of these Government regulations was justified as a temporary measure to allow the free enterprise system to function more effectively.

I voted in the past to give the President the authority to impose wage and price controls, but that was when we were operating under a virtual wartime economy. In April of this year, I announced to this body that I would vote against the then-pending extension of the act. I did so vote, believing that wage and price controls were not the most effective answer to controlling inflation during peacetime and believing that the controls which the Congress ought to impose related more to Federal spending and to the Federal Reserve Board's ability to expand the dollar supply beyond a 4-percent increase per year.

Inasmuch as wage and price controls were instituted to curtail inflation, it is appropriate to examine in detail the nature and causes of inflation. The causes of inflation are severalfold and are interrelated.

Federal spending has caused deficits in the Federal budget year after year. Not only does the rate of Federal spending and the manner in which funds are spent contribute to inflation, but the necessity of paying for these deficits, of honoring the debt commitments of the Federal Government, has engendered the Federal Reserve Board to expand the dollar supply—by simply printing additional money without increasing the gold reserves which support that money—beyond the reasonable 4-percent increase per annum.

Soaring prices for which price controls are intended are the results, not the causes, of inflation. When Government spends recklessly, when it runs chronic deficits, when it expands credit, when it prints more money, prices are compelled to increase. When the rate of these factors increases, the rate of price increases soars. The rising of nearly all prices is the result of the monetary policies of the Government itself.

Government action has contributed mightily to the erosion of the purchasing power of the dollar. If the economic boom of the sixties was obtained by simply putting more money into circulation—by printing more—it temporarily made some people richer only at the cost of making other people, in real earning power, poorer. When the supply of money is increased, the purchasing power of each unit must correspondingly fall. In the long run, everyone's economic status is eroded.

Where can all of this lead? It can lead to disastrous consequences for the Nation. We are not here talking about a minor problem which can be easily corrected. We are talking about the necessity of backtracking on a decided direction of government within the past 2 years—to regulate specific wages and prices virtually across the whole board of economic action and of backtracking on nearly half a century of bemuddled and befuddled economic theory. We have but to look to the example of Chile to see clearly what the consequences of runaway inflation—produced by government policy—can be. When Dr. Salvador Allende came to power, he increased sharply the wages of workers in nationalized industries. He did not do this by increasing production and profit margin, he did it simply by printing more money. The ramped inflation which re-

sulted soon became the highest inflation rate in the world. This brought about strikes, demonstrations, riots: collectively these brought down the government. I am not here to assert today that "Caesar had his Brutus, Charles his Cromwell"—but I am here to assert that our President may profit by the example of Allende and his economic policies. Our economic policies are not that dissimilar of late.

Our Government continues to overissue paper money to stimulate employment and economic growth and then vainly tries to prevent the inevitable soaring prices, ordering everybody to hold down prices. The Government is, to paraphrase the 16th century English proverbist, John Heywood, trying to have its cake and eat it too—for political advantages perceived to be gained?

The said facts, though predictable when wage and price controls were imposed, combine to show clearly that wage and price controls have been a terrible failure. I cite these examples:

When wage-price controls were announced on August 15, 1971, the Consumer Price Index, measured in annual percentage rate terms, was 3.0. In the 6-months period ending in July, 1973, the index was rising at a seasonally adjusted annual rate of 7.4.

The money supply expanded between the fourth quarters of 1971 and 1972 at a rate of 7.4 percent, nearly double the generally accepted level. All signs point toward a money growth rate between the fourth quarters of 1972 and 1973, of as much as 8.0 percent. Government itself is adding fuel to the inflation it is trying to control.

On August 30 the Department of Agriculture reported that the average costs of all raw farm products had soared by an all-time record of 20 percent for the 1-month period ending August 15. A decline in September did not start to even make a dent in the long-range projections on farm product costs on the charts.

Most economists are today predicting a 5 percent or more inflation rate for the next year. Even the administration has abandoned its own predictions for a 1973 inflation rate of 3 percent.

In June and July 1971, immediately preceding the wage-price impositions, wholesale prices rose at an annual rate of 6.5 percent; in February and March 1973, they rose at a rate of 13.5 percent.

By the middle of this year, wholesale prices were increasing at a rate of inflation, per year, of nearly 23 percent.

Mr. Speaker, the statistics which I have cited—the hard facts and cold evidence—on the failures of wage and price controls point inescapably to the dispassionate observer to an urgent need to retreat from the present policies and programs. I am fully aware of the ramifications of such a change in the administration's policies—political, procedural, even ego. But if this administration does not now retreat on wage and price controls it may—

Further jeopardize the strength of the economy, including the purchasing power of the dollar;

Proceed further into the quagmire, the abyss, of endless and intricate regulations, leaving future administrations little recourse but to continue to act in reliance upon Government regulation;

Further undermine the people's faith in the effectiveness of Government;

Continue to undermine the philosophical and historically demonstrable truths of capitalism and the market economy, by the espousal of misrepresentation and untruths.

I recommend, first, the rescission by the President of the wage and price controls currently in effect under phase IV.

I recommend, secondly, the repeal by this Congress of the Economic Stabilization Act,

and I have cosponsored legislation to achieve that purpose. That legislation has now been introduced in both Houses of the Congress.

I recommend, thirdly, that this Nation take a fresh look at the capabilities of the market economy to resolve perceived economic maladjustments.

A retreat from wage and price controls must be accompanied by a realistic policy to attack the actual causes of inflation. In order to restore a stable price structure, we must alleviate those conditions which have required the high rates of monetary expansion, namely, the growth of government spending. Government spending must be curtailed, and that is the responsibility of this Congress.

Writing in the Federalist Papers, Alexander Hamilton, who was to become Secretary of the Treasury himself, wrote these poignant words:

A power over a man's subsistence amounts to a power over his will.

Mr. Speaker, it is immoral, in my opinion, for one man or men, through the powers of coercion given them through the force of law, to have such a power over another man's subsistence and, ultimately over the exercise of his free will.

Wage and price controls must be repealed.

#### ACTIONS MUST MATCH WORDS

Mr. Speaker, if there is any single, pressing issue on which the actions of this House must match our words, it is this subject of Government interference in the market place and the adverse impacts which naturally—and virtually always—arise from it.

We cannot stand in the well of this hall and urge an end to inflation, yet vote for increases in Federal spending, increases which can be paid for only through increases in the supply of money or through greater and greater Government borrowing.

We cannot stand in the well of this hall and urge a sharp decrease in Government interference in the free market economy, yet simultaneously vote for measures which would allow greater governmental interference and regulation.

We must, also, insure the maximum amount of effort to enact laws which will avert this problem, such as the repeal of the Economic Stabilization Act itself.

To take these actions is to carry out the wishes of the people themselves. As I indicated in my remarks of last Friday:

The people themselves—the intended beneficiaries of Government wages and price controls—do not want them. In a recent Harris survey, published in the Washington Post during the week the price ceilings on beef were lifted, a decisive mood among the people was reflected:

By a lopsided 68 to 10 percent most Americans are convinced that the Nixon administration's Phase IV economic controls program will not be successful.

[M]oreover, people have changed their previous position [which was] in favor of across-the-board price freezes.

The prevailing view on the beef problem, supported by a thumping 64–22 percent, is that "all price controls on beef should be dropped so that farmers will produce more beef and that will bring the price of beef down." Thus the American people are opting to try the free market approach.

For those of us who are members of the minority party within the Congress, we have additional reasons for opposing the continuation of wage and price controls. In the 1968 Republican platform, we stated to the American people:



Inflation has eroded confidence in the dollar at home and abroad. It has severely cut into the incomes of all families, the jobless, the farmers, the retired and those living on fixed incomes and pensions.

We must re-establish fiscal responsibility and put an end to increases in the cost of living.

In recent years an increasingly impersonal national government has tended to submerge the individual. An entrenched, burgeoning bureaucracy has increasingly usurped powers, unauthorized by Congress. Decentralization of power, as well as strict Congressional oversight of administrative and regulatory agency compliance with the letter and spirit of the law, are urgently needed to preserve personal liberty, improve efficiency, and provide a swifter response to human problems.

The dynamism of our economy is produced by millions of individuals who have the incentive to participate in decision-making that advances themselves and society as a whole. Government can reinforce these incentives, but its over-involvement in individual decisions distorts the system and intrudes inefficiency and waste.

Under the Johnson-Humphrey Administration we have had economic mismanagement of the highest order. Inflation robs our pay checks at a present rate of 4½ percent per year. In the past three years the real purchasing power of the average wage and salary worker has actually declined. Crippling interest rates, some the highest in a century, prevent millions of Americans from buying homes and small businessmen, farmers and other citizens from obtaining the loans they need. Americans must work longer today than ever before to pay their taxes.

New Republican leadership can and will restore fiscal integrity and sound monetary policies, encourage sustained economic vitality, and avoid such economic distortions as wage and price controls. We favor strengthening Congressional control over federal expenditures by scheduled Congressional reviews of, or reasonable time limits on, unobligated appropriations. By responsibly applying federal expenditure controls to priority needs, we can in time live both within our means and up to our aspirations. Such funds as become available with the termination of the Vietnam war and upon recovery from its impact on our national defense will be applied in a balanced way to critical domestic needs and to reduce the heavy tax burden. Our objective is not an endless expansion of federal programs and expenditures financed by heavier taxations. The imperative need for tax reform and simplification will have our priority attention. We will also improve the management of the national debt, reduce its heavy interest burden, and seek amendment of the law to make reasonable price stability an explicit objective of government policy.

The Executive Branch needs urgently to be made a more efficient and economical instrument of public policy. Low priority activities must be eliminated and conflicting missions and functions simplified. We pledge to establish a new Efficiency Commission to root out the unnecessary and overlapping, as well as a Presidential Office of Executive Management to assure a vigorous follow-through.

A new Republican Administration will undertake an intensive program to aid small business, including economic incentives and technical assistance, with increased emphasis in rural and urban poverty areas.

In addition to vigorous enforcement of the antitrust statutes, we pledge a thorough analysis of the structure and operation of these laws at home and abroad in the light of changes in the economy, in order to update our antitrust policy and enable it to serve us well in the future.

We are determined to eliminate and prevent improper federal competition with private enterprise.

Beyond freedom we emphasize trust and credibility. We have pledged only what we honestly believe we can perform. In a world where broken promises become a way of life, we submit that a nation progresses not on promises broken but on pledges kept.

The incumbent President was elected on that platform. There was to be new direction for U.S. economic policies so hoped the American people, particularly those who placed their trust in the party and its platform.

On August 15, 1971, however, the President imposed wage and price controls. In his address, the President, nonetheless, stated:

I am today ordering a freeze on all prices and wages throughout the United States for a period of 90 days.

Let me emphasize two characteristics of this action: First, it is temporary. To put the strong, vigorous American economy into a permanent straightjacket would lock in unfairness; it would stifle the expansion of our free enterprise system. And second, while the wage-price freeze will be backed by Government sanctions, if necessary, it will not be accompanied by the establishment of a huge price control bureaucracy.

Working together, we will break the back of inflation, and we will do it without the mandatory wage and price controls that crush economic and personal freedom.

It is not surprising that the pledges of the 1968 platform were not highlighted in the 1972 platform, but the people did rely on the President's pledge in the foregoing statement that wage and price controls would be only of a temporary nature and without a large bureaucratic structure to sustain them and to perpetuate them.

But in the fall of 1973, 1 full year after the 1972 elections, we still have wage and price controls, the administration has not established or announced a time table for their repeal, and the Cost of Living Council continues in full force and effect.

It is almost inconceivable to me that our Nation could have moved toward the degree of state control of the means of production and distribution that we have over the past 3 years—under a President of the political party which has espoused—as the Republican Party has—the principles of the free market economy and the free enterprise system manifested through it. We are, unless we move quickly to decrease sharply the state regulation of the economy, going to be painted into the proverbial corner of the political party which brought about the greatest degree of state regulation of the economy yet known by our Nation and its people.

Mr. Speaker, if the administration is unable to extricate itself from the morass of wage and price controls, as well as the other less desirable features of the Economic Stabilization Act, it is the Congress which should aggressively restore the economic stability of this Nation and of our dollar. I am convinced that unless there is prompt and decisive action to remove the burdens of wage

and price controls, to allow the free balances of supply and demand to function unfettered within a free market economy, to allow prices to readjust to their natural levels, which, from the lessons of history will be generally downward—then I am convinced that we are jeopardizing the economy, the dollar upon which it rests, and the belief in government essential to its support from the people.

Mr. KEATING. I want to congratulate the gentleman and thank him for taking this time to participate in this particular special order, which I think is of such vital importance to the people of this Nation.

I now yield to the distinguished gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Speaker, I rise to support legislation now in the Banking and Currency Committee to eliminate wage and price controls. My colleague Mr. KEATING and I along with several other Members have introduced such legislation.

Last April, during our consideration of wage-and-price-control legislation, several of my colleagues and I warned that—

The demand-pull inflationary pressures that we are now experiencing in such vital commodities as food, lumber, and fuel cannot be solved by controls; continued controls can only aggravate the shortages.

We reported to the House then and re-emphasize now:

#### I. INABILITY OF CONTROLS TO REDUCE INFLATION

We have consistently opposed the imposition of wage-price controls both in theory and in practice. These controls attack only the results of inflation, and cannot effectively deal with the causes. Until the Congress is willing to directly face-up to these causes, we cannot hope for economic stability.

Inflation is generated by the Federal government and it, therefore, compounds the problem when the government intervenes in the private sector of the economy with imposed controls to remedy a situation for which it is primarily responsible. The Federal budget is completely out of control. The Congressional budgetary process includes no procedure to consider the total budget (i.e., the total amount appropriated as compared with the total revenue). Under the current system, Federal commitments to programs are expanding more rapidly than sources of revenue, and at a rate faster than the economy can accommodate. It is clear that the Congress should be more concerned with fiscal discipline of its spending of tax dollars rather than imposing controls on the private sector.

Most economists generally agree that the continued trend of the government to increase spending for goods and services financed through heavy deficits, coupled with the Federal Reserve Board's creation of new money, is a primary inflationary pressure. The supply of money in the economy has increased more rapidly than the supply of food, or any other commodity. Based on the simple principle of supply and demand, if the demand for a good increases, and there is no change in the supply of this good, the price of the good goes up. However, in recent years the supply of dollars has so multiplied that money has actually decreased in value relative to the goods we purchase, and prices have logically increased to compensate for this imbalance. (House Report No. 93-114, accompanying H.R. 6168, pages 70-71.)

The Congress has played a "dirty trick" on the American people by imposing controls upon them when the real

causes of inflation are the uncontrolled spending and printing of money by the Federal Government itself. Therefore, the only way we are ever going to control inflation is to take the controls off of the people and put them on the Government, where they belong. I have sponsored and cosponsored a number of bills which are designed to achieve this objective, and I should like to list them and describe them briefly at this time:

H.R. 10230, to repeal the Economic Stabilization Act of 1970.

House Joint Resolution 142, to provide for a House-authorized Federal budget. This resolution would restore to the House of Representatives the initiative in formulating the Federal budget.

H.R. 10119 and H.R. 10384, to make the Federal Reserve Board an agency of the Congress and to provide for annual audits of the Federal Reserve System by the General Accounting Office so that Congress can effectively monitor the Fed's activities.

H.R. 9803, to provide for annual GAO audits of the Federal Reserve System.

House Joint Resolution 332 and House Joint Resolution 374, proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt.

H.R. 98, to provide for a balanced Federal budget, regular reports by a Taxpayers' Advocate to the Congress and American people on the status of the public debt, and the reduction of that debt on an annual basis.

I have also testified before the Joint Committee on Budget Control in support of its efforts to improve congressional control over the budget and have testified before the Rules Committee in support of H.R. 7130, which is the legislative product of the Joint Committee's work.

Throughout the debate on the relative merits of a controlled versus a free economy I have contended that we can restore our Nation's economic health, but we can do so only by controlling the process by which the Federal Government spends more than it receives in taxes and then expands the money supply and the public debt to make up the difference. It is the Government, not the public, which needs to have restraints placed upon its economic activities. In addition, it is essential that we return at once to a free market system of determining the allocation of our national resources. I have warned all along that controls could only result in the rigidities, inequities, and shortages which are inevitable in a regimented economy.

The following articles, which appeared in the October 8 and October 22, 1973, issues of U.S. News & World Report, respectively, indicate that the message that controls are unworkable and must be eliminated is finally getting across to the American people, and I strongly commend both articles to the attention of my colleagues:

#### CONTROLS: COMING APART AT SEAMS

Sharp and growing opposition to the Phase 4 controls program is beginning to show up at top levels of the Administration.

From the Cabinet on down to Government economists, the criticism is coming into the open. Says one official: "The whole thing is coming apart at the seams. It's just not working."

This "in-house" opposition comes about on top of a build-up of complaints from housewives, businessmen and labor leaders.

Suggestions range all the way from lifting controls for a few key industries to dismantling the entire setup.

#### RANGE OF COMMENT

Just in the past few days—

Agriculture Secretary Earl L. Butz said of the price ceilings on meat: "The results have been disastrous."

Assistant Secretary of the Treasury Edgar R. Fiedler declared that officials "are vexed by the difficulties of administering the controls, especially in the face of a strong economy." He added that "rarely has there been a more unpopular program."

Gary L. Seevers, a member of President Nixon's Council of Economic Advisors, told Congress on September 25, "We cannot mandate a solution to inflation." He added:

"Many of the forces that influence the rate of inflation now are outside the direct and immediate control of Government."

William J. Fellner, newest member of the economic council, predicted failure for the Phase 4 program, charging it with being both bad economics and bad politics. He warned, in a newly released study, against "any large-scale interference with the price structure beyond a very limited period."

President Nixon himself gave an indication of the problems facing the Phase 4 program when he yielded to pressure from thousands of small gasoline dealers—many of whom shut down their stations temporarily—and ordered the Cost of Living Council to raise retail gasoline prices promptly.

#### MOUNTING CRITICISM

Meanwhile, businessmen and economists across the U.S. were taking an increasingly critical view of Phase 4.

A survey of professional business analysts, disclosed in mid-September by the National Association of Business Economists, showed that 70 per cent would recommend an end to all wage-price controls in 1974.

A growing number of firms—and many entire industries—were asking the Council to be let out from under provisions of Phase 4 controls. As one example, Director John Dunlop reported on September 26 that he had been petitioned to exempt the whole fertilizer industry, in view of pending shortages.

Manufacturers were starting to grumble openly. Said Burt F. Raynes, chairman of the National Association of Manufacturers, in mid-September:

"Wage and price controls have failed to check inflation, have caused shortages of consumer goods and services, and should be completely terminated."

#### BIGGEST CONCERN: PRICES

The feeling of frustration about the Government's inability to turn around the steady rise in inflation since controls began two years ago appears to be shared by most Americans.

For instance, a nationwide Gallup Poll released on September 27, showed that the public's concern over rising prices far outshadows all other worries.

The survey indicated, moreover, that 46 per cent of the public blamed the Federal Government for today's inflation, while only 25 per cent placed the blame on labor and 19 per cent blamed business.

Just why current controls are turning out to be so unpopular is spelled out by Treasury Assistant Secretary Fiedler in this way:

"The public is unhappy because Phase 4 fails to suppress the numerous price increases, particularly for food, that are working their way through the system."

"Businessmen and labor leaders are disgruntled because controls limit their free-

dom, create inefficiencies in production and marketing, and generate a new layer of Government paper work with which they must wrestle."

"Economists are troubled by the potential distortions and disincentives that controls can produce."

Prices, meanwhile, are continuing to rise. By September 23, the Cost of Living Council had received more than 1,900 notifications of pending price increases by major U.S. firms. These price boosts are to take effect within 30 days if not vetoed, postponed or reduced by Council action. That total covers the period since Phase 4 regulations took effect on August 13—and the daily average of notifications is still rising.

Council Director Dunlop, reporting these further price increases, had one bit of optimism by late September: a major decline in the wholesale prices of meat since their August peaks.

Beef cattle on the hoof, he said, are down in price from \$56.76 a hundred pounds on August 14 to \$38.50 on September 26—a 32 per cent decline. Hogs have dropped in price from \$61.88 to \$41.38, or by 33 per cent. And broilers are down by an even greater percentage—from 74 cents a pound at peak to 41 cents—a drop of 45 per cent.

These declines are expected to work their way through the system and result in lower retail prices later—but not to the full extent of the wholesale decline, Mr. Dunlop explained.

#### BLAMED FOR SCARCITY

Shortages of many kinds, meantime, are being blamed on present restrictive controls, some of them as the long-time result of the recent price freeze.

What happened is explained by the official who ran the freeze, Deputy Council Director James W. McLane, in these words:

"You can eliminate the peaks and valleys and spread increases over time, but not halt all price increases if you want supply growth in the future. A good example of this was the recent freeze."

"The back pressure of this very inflexible price-controls mechanism led to actual production cutbacks—in broilers, eggs, hogs, soybean oil, margarine, potato chips and many other of our basic needs. And it only took two to three weeks for this result to show after Freeze 2 started."

Among the growing list of products now in scarce supply: furniture, bottled gas, bricks, paper, newsprint, farmers' balling wire, food freezers, with other items expected to be added soon.

#### THE FUTURE FOR PHASE 4

How much longer the Phase 4 controls will go on is still anybody's guess. The authorizing law expires next April, and a number of high Administration officials now talk openly about ending most—or all—controls by the end of this year, with or without a caretaking agency to continue a residual program.

C. Jackson Grayson, Jr., who headed the Price Commission for the 15 months of its existence, appeared to reflect a spreading official view when he told "U.S. News & World Report" in an interview earlier this year:

"The operation of our price system—the allocator of resources. It is far better than any control system ever could be. Controls can work—and they did work—over the short run. But in the long run, they never can substitute for the price mechanism as a way to get goods and services where they are needed."

#### RIISING CLAMOR TO END CONTROLS

Pressure is building up from leaders of both industry and labor to get the Government out of the controls business—and they say the sooner the better.

Top officials in Washington disagree. They show no signs that they expect to dismantle the stabilization setup any time soon.

According to Director John T. Dunlop of the Cost of Living Council, the grumbling



about economic restraints, particularly by businessmen, is a good omen, because controls were designed "for the best interests of consumers, not producers."

These were among latest developments on the controls front—

The nation's two biggest organizations of businessmen—the Chamber of Commerce of the United States and the National Association of Manufacturers—joined in an appeal to President Nixon on October 8 to "end the entire wage-price control program promptly, without prior notice, and without sector-by-sector phase out."

America's top labor spokesman, AFL-CIO President George Meany, in a speech in Florida the next day, also called for an immediate end to all wage-price controls. And he continued to hammer on that theme as the week went on.

#### EVEN ON THE FARM

Other voices demanded a lifting of current controls from key parts of the economy—despite a continued upward thrust of prices for many goods and services.

Agriculture Secretary Earl Butz indicated that he wants price controls removed now from farm products and from fertilizer. If they stay on, he says, many farmers will be forced out of business and prices eventually will go higher.

The Secretary reiterated this stand at a news conference in Atlanta on October 9, declaring: "The best way to get food prices down is to get more food [to the table] and you don't get the stuff there by artificially rolling back prices."

Hospitals are starting to speak out for exemption from the special controls on health services. Johns Hopkins Hospital in Baltimore, for one, disclosed that it has filed suit against the Cost of Living Council for 1.1 million dollars—the amount of its operating loss for the past year—blaming "arbitrary" and "capricious" control regulations.

Two major efforts were under way to get controls lifted from natural gas—one by an organization of 3,100 Texas petroleum firms, the other by six Republican Senators who contend that the Mideast war is certain to create a big shortage of this fuel and that price ceilings should be lifted as an incentive for more gas-field exploration.

Open defiance of controls on retail gasoline sales, in turn, was reported for the first time on the part of a growing number of dealers. Internal Revenue agents said they were investigating cases in several States in which the dealers are allegedly ignoring controls and raising gasoline prices as much as 6 cents a gallon above the officially permitted ceilings. In scattered parts of the U.S., service stations were still closing down to protest what dealers termed inadequate profit margins.

#### BILL OF COMPLAINTS

Businessmen in other fields were becoming increasingly vocal in their complaints about the "fallout" resulting from the Phase 4 curbs. These frequently focused on growing shortages of key items, disaffected customers and imbalances of many kinds in the normal supply lines.

Some firms with operations overseas were threatening to shift more of their production and sales abroad—where controls are less of a problem.

A new Phase 4 salary rule is drawing more and more fire. According to the president of one big firm:

"My greatest worry right now is about losing several of my key executives because of the new controls on executive pay. I'd be willing to settle for the same sort of percentage-increase arrangement that labor is getting under its current contracts."

#### OUTLIVED USEFULNESS?

The Chamber of Commerce of the United States, in its appeal to Mr. Nixon, said that most businessmen now believe "the wage and price control program has far outlived what-

ever usefulness it had, and that the best way to end it is on an all-at-once basis." This theme was repeated by Mr. Meany at a metalworkers' convention on October 11, in these words:

"We've got to get rid of inequitable controls. . . . We have got to depend on ourselves. If we don't take the controls off, labor has got to stand up and say, 'We've got to have more than 5½ per cent, considerably more than 5½ per cent, in order to break even.'"

Faced with all this fast-growing opposition to Phase 4 controls, Council Director Dunlop said: "I am not surprised by these developments."

If controls work as they are supposed to, in Mr. Dunlop's view, they are bound to cause unhappiness after a time "on the part of those whose planned price increases are held down, postponed, or spread out."

#### END DATE: UNCERTAIN

As to when the present controls will be lifted, he believes it is still "premature" to say. The authorizing statute, the Director points out, will expire next April 30, and the President "has not set a date" for an earlier end to controls.

The pressure to end controls was rising at a time when a wave of new price increases was threatening from several sides. As of early October, more than 1,500 major price increases were officially pending at the Cost of Living Council—nearly twice the 800 that have been permitted in whole or part since Phase 4 began on August 13.

More increases on a national scale seem certain in many fields—milk, bakery products, new cars, fuel oil, gasoline, paper, among others—with major hikes looming in some areas where shortages are appearing.

#### CLIMAX TO DEBATE

All signs, however, indicate that debate over controls is coming to a head. George Hagedorn, chief economist of the NAM, says: "The wage-price stabilization program has reached a juncture where the economic signals all indicate that it will go in one direction—toward a loosening and gradual phasing-out of controls—but the political signals all point in the opposite direction—toward a tightening of controls and steps to establish them permanently."

Mr. KEATING. I thank the gentleman from California (Mr. ROUSSELOT). I would like to recognize the fact that the gentleman from California had more foresight than many of us in this area, and did warn us in ample time, and I only wish a majority of the Members of the House had followed the lead of the gentleman, which has proved to be so accurate.

Mr. Speaker, at this time I yield to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, I think it is particularly apropos that the gentleman from Ohio (Mr. KEATING) has selected today of all days to bring this particular subject matter to the attention of the House when we had just concluded a marathon session in getting ready to declare yet another mandatory control which in my own personal opinion will lead to more disaster.

Mr. Speaker, I wish to commend the gentleman from Ohio for introducing this timely and sorely needed piece of legislation. Since President Nixon first introduced wage and price controls in 1971, I have consistently said that no governmental controls could cure inflation, but would only serve to make matters worse for all concerned. That was not a popular position 2 years ago. In 1971, there

was a considerable chorus in Congress singing the praises of controls and demanding their implementation. Now, after 4½ phases and massive government tinkering with the economy, we are actually worse off than we were in 1971. A new chorus has arisen, composed of businessmen and laborers, consumers, and economists, all demanding that the cumbersome and destructive policy of government controls come to an immediate end. The best way to secure that termination is to repeal the Economic Stabilization Act and remove from the President the power to wreak havoc with the economy.

The United States, like other industrialized nations, is currently experiencing an inflation caused by a demand-pull economy. In such a situation, controls simply aggravate inflation by causing misallocation, shortages, and disincentives to producers. One perfect example of the deleterious effects of a short-term price freeze was the beef situation this past summer. Here the Government's action resulted in a massive resistance on the part of cattlemen and caused beef availability to plummet. The result was a nationwide beef shortage—precisely the opposite effect the Government had intended. We are finally seeing a decrease in retail beef prices, due primarily to the increased sales that occurred when these disastrous controls were lifted.

Throughout the economy, we have also seen the phenomenon of "riding out the freeze." Producers simply wait until such time as the freeze is lifted to raise prices. This post-freeze bulge simply aggravates the inflation. With no certainty as to when another freeze or phase is coming, it is only natural to raise prices when one can, regardless of the demand conditions. This is another example of the controls failing.

Finally, the cumbersome and arbitrary nature of the Government's actions cause untold damage to the economy. We recently experienced the absurd gasoline policy imposed by the Cost of Living Council where retailers were forbidden to pass on their increased costs. The refiners could raise their prices, but the Council simply did not realize that this would badly injure the small retailer. Only the strongest pressure from the Congress forced the Council to reevaluate its position.

This is what is happening throughout the economy, where businesses are only allowed to pass on higher costs, not to maintain profit margins. The result is a dampening of capital investment and business incentive.

The only way to restore some sanity to this Alice-in-Wonderland world is to take away the President's power to impose controls. The power to step in and regulate the economy should not be granted except in most extraordinary situations. Political demands make it far too easy to exercise this power unwisely. Once the decision to start controls is made, it is overwhelmingly difficult to reverse the process and return to an uncontrolled economy. Therefore, I urge my colleagues to support the repeal of the Economic Stabilization Act and return to a free, unfettered economy.

Mr. STEELMAN. Mr. Speaker, the economic policies of this country since early 1973 have been largely failures. Today, prices are going out of sight, interest rates are at all time highs, and shortages prevail in many vital industries. The greatest contributing factor to this failure is governmental interference in the marketplace.

Price controls are the prime example of this interference. They have been unfair to both working people and management. They have stifled initiative and created shortages.

I strongly believe that the law of supply and demand should be allowed to set prices and wages in the marketplace; continued governmental efforts at controls only weaken, rather than strengthen, the system. I have therefore joined my colleagues in cosponsoring legislation that would repeal the Economic Stabilization Act of 1970.

Perhaps the most unfair feature of controls in the last few weeks has been in the area of gasoline prices. Large companies could raise their prices but the small service station operator could not. I have received much mail from concerned citizens about this injustice. Probably the most telling correspondence was from a Dallas lawyer who is a close friend of a gasoline station owner. As the attorney stated:

So far as I can determine, this man has never requested anything from his Government, other than to be left alone. At the present time, he employs five people and works a ten-hour day himself. Because of the combination of the Price Freeze on the retailer and the rise in wholesale price of gasoline (which is caused by an absolute increase [\$00.01] and also a decrease in discount by the majors [\$00.01]), my friend will probably close his business on Monday, September 24, 1973. This action will result in his losing his station, which he purchased this year. It will probably also result in severe hardship to him, due to probable lawsuits for borrowed money, which he would not be able to pay back. It will also result in the loss of jobs of five people. An application for an exemption was considered but rejected after discussing the matter with the IRS because my friend could not at this time afford the legal and accounting fees which would be involved nor the time lag due to "processing" of the application.

While the Cost of Living Council yesterday revised its rules to allow gasoline station operators to pass through increased costs—a move that I heartily applaud—the kind of thinking that went into the original regulations is an indication of how alien a system of controls is to the U.S. free enterprise system. Controls must be lifted and the sooner, the better. The marketplace governed by supply and demand, not the planners and fine-tuners, should set wages and prices. Let us resist the temptation and false security of controls and repeal the Economic Stabilization Act of 1970 which fathered all of these recent dislocations.

Mr. SYMMS. Mr. Speaker, I would like to thank my colleague from Ohio for taking this special order to discuss this most serious problem of too much Government interference in the economy.

Mr. Speaker, since the imposition of controls inflation has turned not better but worse. The 6-month moving average

of the Consumer Price Index turned down in early 1970, and continued down until controls were imposed in August 1971. It turned back up in mid-1972, in the midst of "tough" phase II controls. Since then it has ascended to heights far above those reached in any recent noncontrols atmosphere. Little wonder that almost all groups in America—including the AFL-CIO—have called for the complete elimination of wage and price controls and a return to the free market.

Purely on the basis of record, one would have to conclude that far from extinguishing inflation, price controls fuel it. They simply augment the actions of the Federal Reserve System's expansion of the paper money supply—which has averaged 7.5 percent in the late 1971-72 period. All of this points to the real fact that controls do not "stop" inflation for the simple reason that individual price and wage decisions do not create it. Inflation is expansion of the money supply, which is the prerogative of Government and its central bank—the Federal Reserve. Price increases merely reflect this type of monetary management.

Finally, Mr. Speaker, the recent experiences of shortages should convince us that a controlled economy cannot sustain the standard of living that Americans are accustomed to, only the free market can do this. It is high time that we in the Congress realize that the only way inflation is going to be stopped is for the Federal Government to end all controls and balance its budget so that the printing press can be turned off. Consequently, I strongly urge my colleagues in the Congress to support the Keating bill to repeal the Economic Stabilization Act.

Mr. STEIGER of Arizona. Mr. Speaker, I commend the gentleman from Ohio for taking the initiative in requesting a special order for the purpose of discussing the need to repeal the Economic Stabilization Act of 1970.

The original purpose behind passage of this act was to protect the consumer from the rising cost of living through tight, temporary Federal Government control over the traditional free enterprise system of determining wages and prices. At the time the act was first passed, it was justified on the grounds that Federal Government regulation of wages and prices for a temporary period of time would allow the free enterprise system to work more effectively.

A look at the records shows that this has not happened. Wage and price controls have not curbed inflation; they have spurred it on. When firm controls are forced on the economy, the natural result is shortage. When, because of the shortage, the controls have to be relaxed, all the price increases which would have occurred without the controls catch up. In addition, shortage induced by the controls themselves adds to the already spiralling costs.

In April I voted against extending the Economic Stabilization Act. I believe that not only are Federal Government controls of wages and prices not the solution to our economic problems, they have added to our economic woes.

We have heard a lot of rhetoric from the country's leaders on reasons for in-

flation, and on solutions to the economic dilemma which has gripped the country. But no one says it better, and in simpler terms, than Mark Shepard in an editorial in the Buckeye Valley News, Buckeye, Ariz. I think my fellow Members will find of interest Mr. Shepard's solution to our present economic situation:

MARK MY WORD

(By Mark Shepard)

Prices keep going up and shortages of everything seem to prevail at every level in almost all types of items. There is no need to go into detail concerning the increase in prices—you already are well aware of that.

There is likewise little need to list the many shortages since you already know how difficult it can be to obtain certain items.

The big question is what can be done about it? And every day more and more experts are telling us how to cope with the problems. Cut down on your driving; look for specials; buy grocery items by the case . . . you've heard all sorts of timely tips, most of which you already knew about anyway.

This country functions by the law of supply and demand. Right now most people have a great deal of money and are buying up everything in sight, from high priced steals to new cars, boats and swimming pools. Demand for most everything is greater than ever before. Thus supplies are short because of it.

And when supplies are short, the prices go up and will continue to go up. Then along comes the government which doesn't seem to understand the law of supply and demand any better than a kid in the third grade. The politicians hear people complaining about high prices. So the politician decides to do something about it.

Of course, the answer to the problem is price controls. Many people are elated over price controls because now they can continue to make big money and at the same time purchase more than ever before. Utopia is almost here.

But, as you have just witnessed, price controls simply do not work. Because when the manufacturer or producer is told that he cannot raise prices as demands continue to soar out of sight, he responds to the problem.

He refuses to expand his ability to produce more goods or products. He also stops producing low-profit items. And while your demands rise, production goes down.

The law of supply and demand has been abused. And tinkering with that law only invites problems and trouble.

The same people who only a year or so ago demanded more price controls are now feeling the effects of their lack of wisdom. The politicians are trying to straddle the fence as most politicians always do, and they don't want to make any decisions which would even temporarily hurt anyone.

So today we have soaring prices and a shortage of products—much of which can be blamed on price controls.

People seem to believe that the big manufactures only exist to gain enormous amounts of wealth as quickly as possible without regard to anyone. But the fact is that all industries in a free country are governed by the same law of supply and demand.

When supplies are too great for the demand, prices come down. When demands are too great for supplies, prices go up and up and keep going up. This is where we are right now.

This leads to a situation of vast inflation because as prices go up, workers demand more money. So the workers get a dollar an hour raise and prices jump again. It's an endless circle up until something drastic happens, such as a collapse of the economy in a recession or depression.

Meanwhile, the government, which is



largely responsible for the spiraling inflation in the first place, attempts to prevent a recession or depression. In come more price controls or "Phases" as they are called today. And as we have seen, price controls don't work.

Business and industry respond to the challenge as they are now doing. They may not be able to raise prices anymore, but they can hold back production. So they stop producing low-profit items altogether. This leads to shortages. Or they stockpile items which are not put up for sale. This also creates artificial, but very real, shortages.

Price controls cannot be maintained forever because this country is not totally self-sufficient. We must trade with other countries. Those other countries are willing to gobble up the market at the fixed prices imposed by the politicians.

And we cannot, in many cases, refuse to sell goods to foreign countries. They not only need our products, but, as in the case of oil, they have supplies which we need too. They also have our dollars which promise purchasing power in their hands.

There is only one solution to meet the problem. That is return to the law of supply and demand.

Today there is more demand than supplies can meet. So you and I must cut back on our demands if we want prices to go down. We must stop spending so much money. In spite of the fact that we may have considerable amounts of cash available, we must withhold it from the market until prices go down.

The government has gotten the entire country in trouble through uncontrolled spending. And, we, the people must not only cut back ourselves, we must demand that the government do the same.

If you want prices to go down, stop buying so much. Get along without the extras. Stop purchasing all of those luxury items. Purchase only necessary things and get along without some of those. You can exist on hamburgers (even as high priced as they are now) so you really don't need steak.

If union leaders really wanted to help their members, they wouldn't keep demanding pay increases. They would begin simple courses in economics and encourage members to slow down their buying. Increased wages only lead to higher prices and inflation. However, a slow down in spending would make each dollar worth more.

In any event, if you really want to see prices go down, stop spending so much money. Of course, there is more to it than that, such as a fair day's work for a fair day's pay, but at this point in time, you can do something about high costs—slow down the demand, the supplies will increase and you will find that shortages will disappear and prices will decrease.

Mr. ARMSTRONG. Mr. Speaker, I commend my colleague from Ohio for bringing this matter to the attention of the House. Hopefully, the discussion this evening will be the prelude to decisive action by Congress to repeal the illogical wage-price controls under which our Nation has suffered the past 2 years.

Surely no one can doubt that price controls have failed miserably in their intended purpose. Homemakers and wage earners have been well aware of the futility of these controls for a long time; recently, even the economists—including many who staunchly advocated controls at the outset—have descended from their ivory towers long enough to discover that once again economic controls have failed to curb inflation.

Such repressive measures have repeatedly failed throughout history. In fact, I cannot recall a single instance in which such controls have succeeded

in any free country during a time of peace.

The reason is very simple: If prices are frozen above the market price, such controls are ineffective; but if they are artificially held below the going price, incentives to produce are undermined and shortages inevitably develop. This most elementary lesson of economic history has been clearly demonstrated during recent months.

Surely the futility of such controls is ample reason to call for their repeal. But wage-price controls are worse than useless, for while failing to control inflation, such controls have succeeded conspicuously in creating shortages, causing product quality deterioration, black markets, and other distortions in the market economy.

The longer controls are continued, the worse the situation is sure to become. So I say let us get rid of these controls and act now to eliminate the basic cause of inflation—excessive Government spending.

Congress has been on a spending spree for years. And surely we all know by now that an economic catastrophe is inevitable if Congress fails to restrain spending.

This decision, one which Congressmen are loathe to make, has been put off over and over again. Despite lip service to fiscal responsibility, Congress has repeatedly put partisan considerations, squabbling with the President and special interest appropriations ahead of balancing the budget a step which is essential to bank the fires of inflation.

In conclusion, Mr. Speaker, let me point out that it is not only economic considerations which prompt me to join with the gentleman from Ohio in urging an end to economic controls. In my mind, economic concerns are serious, but human considerations are paramount.

What we are controlling are not inanimate objects nor abstract transactions—we are controlling people—and doing so in a manner which is contrary to the basic tenets of American justice and freedom.

It may be tolerable to accept such limitations temporarily, as we have done in times of war. But to accept such repressions permanently is unworthy of a free people.

Of course we are told that the present emergency justifies "temporary" controls. But let us not kid ourselves. Who really believes that kicking the wage-price control habit will be any easier next week, next month or a year from now than it is today?

Let us repeal these controls now before it is too late.

Mr. FRENZEL. Mr. Speaker, I welcome the opportunity today to speak on the problems which economic controls are causing this country. Although I was one Member of Congress who voted to extend the President's authority under the Economic Stabilization Act last April, I have since become convinced that to continue controls on the economy would be unwise and cause more additional problems than it would solve. The fact that both labor and business leaders have recently voiced renewed opposition is also something which this

body, and the President, should take note of.

The most disturbing aspect of controls to me is that they have created an atmosphere where business and industry have a negative productivity incentive and no incentive to increase supply.

The best thing we ever did for food prices was not the economic stabilization program. The stabilization program did not hold down food prices. This year's farm bill, a production oriented piece of legislation, will do more to hold down prices and hold up living standards than anything Congress has done. We have given the farmers their opportunity to produce. Now it is time to remove the yoke of controls from the rest of our producers.

We should also recognize that since phase III and IV were implemented, prices have not been contained. Consumers have not benefited throughout this experience. The continuation of the program and its dampening influence on production is a real disservice to the cause of the consumer.

The additional problem of administering controls should also be a cause for concern. Increasingly, the frustration with controls has not been with their effect, so much as it has been with the manner in which they are administered. With all due respect to the COLC and Dr. Dunlop, the control program has been almost unadministrable. The inequities and aberrations which controls are causing are underscored and increased by delays and ambiguities of COLC decisions and procedures. The reaction to the phase IV monster has been frustration, disillusionment, and distrust.

One answer to our present dilemma is simply one of admitting the failure of controls. I think that those Members who voted for extending the President's authority, including myself, must accept a share of the blame for this failure. However, we now ought to be willing to quit controls, before any further damage is done.

Mr. Speaker, I especially appreciate Mr. KEATING's leadership in the discussion of this matter. He is to be congratulated for his initiative.

Mr. DERWINSKI. Mr. Speaker, I would like to commend our distinguished colleague from Ohio on holding a special order on the issue of repeal of the Economic Stabilization Act of 1970 and take this opportunity to express my basic concurrence with his views.

The United States has passed through a decade of failure to discipline money management, Federal spending and the regulation of farm and petroleum production. Both the legislative and executive branches of the U.S. Government and the U.S. monetary authorities have ignored the warnings of economists, analysts, and business leaders to effect these disciplines. Controls are the culmination of this neglect.

Price controls have created unsettled conditions in the meat industry with record stocks being withheld or diverted from their natural domestic market, processing plants being shut down and meat uncertainty developing regarding future beef supply. Other commodity shortages have also developed.

At best the controls prolong the period of price adjustments but do not avoid eventual price increases. They divert attention of policymakers from monetary and fiscal management which would work if tried. Beyond the short run, or unaccompanied by patriotic fervor, price, or wage controls have never succeeded in history. The experience of the Office of Price Stabilization is a recent reminder of their failure to control prices during the Korean war.

Mr. Speaker, at the risk of giving the classic "I told you so," may I remind the Members that I voted against the original bill which Congress gave the President power to impose economic controls. The record will show that I voted against the continuance of economic controls and if Congress does not act to repeal the law, I will certainly be against continuance when the present law expires.

Mrs. HOLT. Mr. Speaker, I rise to speak for the repeal of the Economic Stabilization Act of 1970. Since August 15, 1971, the U.S. economy has been subjected to a series of economic controls administered by the Cost of Living Council. I supported phase I of the new economic policy as a temporary measure to cure obvious economic ills prevailing at that time. Its objectives—curbing the excessive rate of inflation, increasing the rate of expansion, and protecting the dollar by making American goods more competitive—were commendable. Its specific provisions—a wage price freeze, import surcharge, and removal of the excise tax—comprised the type of shock treatment that was needed to stabilize the economy.

However, our national experience with economic regulations during World War II, the Korean war, and the post-Vietnam era have indicated that while controls may be effective during the short run, bureaucracy cannot manage a complex economic system efficiently for long periods of time. At some point, controls begin to do a disservice to consumers, business, and government.

I maintain that we are rapidly approaching that point in America. After more than 2 years of various phases and freezes, public confidence and support are being eroded by frequent and confusing changes in guidelines and regulations and by recurring shortages in petroleum products, some food items and paper stock. And, of course, rising prices are still with us.

I think the time has come to seriously consider the dissolution of the Cost of Living Council and the lifting of economic controls. These controls have outlived their usefulness. Historically, the rapid economic growth of the United States has been accomplished by reliance on the forces of supply and demand, not bureaucratic decisionmaking to determine the proper levels of wages and prices.

The time has come to return to a free economy. I would hope that in the near future, the administration will see fit to initiate an orderly abolition of the Cost of Living Council and all economic controls.

Mr. CRANE. Mr. Speaker, by this time

it should be clear to all Americans that the policy of compulsory wage and price controls has failed to stem the tide of inflation.

The fact is that since the imposition of compulsory controls, inflation has become significantly worse, and not better.

This point is made clearly in a Wall Street Journal editorial of October 10, 1973. The Journal notes that—

The six-month moving average of the consumer price index turned down in early 1970, and continued down until controls were imposed in August, 1971. It turned back up in mid-1972, in the midst of "tough" Phase 2 controls. Since then it has ascended to heights far above those reached in any recent non-controls atmosphere . . . Purely on the basis of the record, one would have to conclude that far from extinguishing inflation, price controls fuel it.

This unfortunate situation should come as no surprise. It should also be no surprise to the President. In 1968, he declared quite properly that—

The imposition of price and wage controls during peacetime is an abdication of fiscal responsibility. Such controls treat symptoms and not causes. Experience has indicated that they do not work, can never be administered equitably and are not compatible with a free economy.

Why the policy controls was ever embarked upon, given the President's proper understanding of their futility, is difficult to understand. That they must now be abandoned should be abundantly clear to all.

To think that controls can solve the problem of inflation is to completely misunderstand the cause of inflation. Inflation, in simple terms, is the depreciation of money. Economist Hans Senholz notes that—

Inflation is the creation of new money by monetary authorities. In more traditional terminology, it is the creation of money that visibly raises goods prices and lowers the purchasing power of money . . .

The fact is that Government alone is strictly accountable for inflation because Government alone determines the money supply. If government continues to spend more money than it has, no amount of controls on wages and prices within the economy can solve the inflation problem.

The policy of controls is an old one, and has never worked in the past. Consider, for example, the case of Nazi Germany.

On March 23, 1933, Hitler secured passage of an Enabling Act, which gave the government the power to issue decrees independently of the Reichstag and the President. In May 1933, trade unions were suppressed and merged into a German labor front. On January 20, 1934, the Law Regulating National Labor, known as the Charter of Labor, was enacted. Paragraph 2 of the law set down that—

The leader of the enterprise makes the decision for the employees and laborers in all matters concerning the enterprise.

Wages were set by the so-called labor trustees, appointed by the labor front. In practice, they set the rates according to the wishes of the employer. There was no provision for the workers even to be consulted in such matters. Hitler was quite

frank about keeping wages low. He declared that—

It has been the iron principle of the National Socialist leadership—not to permit any rise in the hourly wage rates but to raise income solely by an increase in performance.

In his important work, "The Rise and Fall of the Third Reich," historian William Shirer points out that during the 1930's wages were reduced despite a 25-percent increase in the cost of living. In the case of Germany, compulsory wage and price controls were simply a component part of the march toward dictatorship. In the case of Mussolini's Italy, Peron's Argentina, and Hitler's Germany—wage and price controls did not solve any economic problems, but did result in the end not only of economic freedom, but of religious, political, and intellectual freedom as well.

Discussing the inevitable failure of controls Prof. Murray Rothbard gives this brief description of why controls cannot work:

The controls won't work. The prime reason why they won't work is that they do not tackle the cause of inflation, but only lash out at the symptoms . . . Every price is simply the terms of an exchange on the market . . . When I buy a newspaper for a dime, ten cents of money is being exchanged for one newspaper—And so the key to what makes prices high or low is the relationship between the supply of goods available and the supply of money. . . . Suppose that by some magic process, the quantity of money in the country doubles overnight. The supply of goods remains the same, for nothing has really happened to raise or lower them. But then we will all enter the market with twice as many dollars burning a hole in our pocket as compared to yesterday . . . we will all have to pay twenty cents for the same newspaper.

At the same time that controls have been imposed upon the American economy we find that between the fourth quarters of 1971 and 1972, the money supply has been expanding rapidly—7.4 percent. The Government's budget has been in deficit, and economic growth has been straining the capacity of the economy.

Thus, while the Government has controlled the wages and prices of private citizens, it has not controlled itself. The result, of course, is an ever increasing rate of inflation.

It is now time to end the futile policy of wage and price controls and to return to an economy based upon the imperatives of a free and open marketplace. It is equally important that the artificial increase in the money supply be halted, and that Government spending be controlled. Only then will we see the current inflation brought to a halt.

Mr. ASHBROOK. Mr. Speaker, I have always been a sharp critic of wage and price controls. I opposed wage and price controls when they were introduced. In April of this year, I joined with over 100 of my colleagues in opposing a continuation of these controls. I rise today to ask your support in repealing the President's legal authority to impose wage and price controls, the Economic Stabilization Act of 1970.

This misnamed act should be called the Economic Instability Act of 1970. Phases I through IV have brought chaos to our economy—shortages, business



closures, and high interest rates. Yet the problem of inflation continues to plague our Nation.

The administration still does not seem to realize that the only effective way of dealing with inflation is to reduce Government spending. Our economic problems cannot be solved by wage and price controls or other gimmick devices. The only solution is to make meaningful cuts in the Federal budget and get Government out of the business of trying to control every facet of our economy.

Governmental planners who thought that the Government was able to control the economy to everyone's benefit have been proven wrong. We have been paying the price ever since with higher prices and growing shortages. Wage and price controls do not work. It is time that they were ended.

Mr. KEATING. I should like to thank the gentleman from California and all the others who have participated this evening for their very perceptive statement, one which I think recognizes and very succinctly states the difficulties that come from controls, particularly in peacetime, the distortions that take place, the shortages that take place, the freezing policies that we have just experienced, and I think it is something that the American people should have brought to their attention. Certainly it requires the immediate action by the appropriate committee of this Congress to see that it is repealed.

#### EPILOG TO AGNEW CASE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 10 minutes.

Mr. FINDLEY. Mr. Speaker, last night former Vice President Spiro Agnew told the Nation his version of the events that led to his resignation from office. To many, myself included, the facts remain clouded and uncertain. We will never know what a jury would have found the facts to be had it been given the chance. Federal prosecutors, the Vice President, and a Federal judge agreed that a plea of nolo contendere was sufficient to dispose of this case.

Much has been lost in the handling of the Agnew case—to Mr. Agnew, if you believe his story; to the prosecutors, if you believe theirs; and to the criminal justice system, no matter which side you believe.

More has been lost, I suggest, by our constitutional system, however, and in a way which unfortunately has received little attention. In the personal tragedy surrounding Mr. Agnew's decision to step down, a constitutional tragedy has gone unnoticed.

Throughout the weeks which preceded the resignation, the American people were subjected to florid revelations about the conduct of the second highest officer of our land, yet the House of Representatives refused even to look at the facts which were readily available to determine whether Mr. Agnew should be removed from office.

At the first suggestion of impeachment

proceedings, the Speaker of the House stated:

The Vice President's letter relates to matters before the courts. In view of that fact, I, as Speaker, will not take any action on the letter at this time.

In a letter to the Speaker, the text of which is located on page 32096 of the CONGRESSIONAL RECORD for October 1, I stated that the duty of the House in impeachment proceedings is derived solely from the Constitution, not from any other source. In my view, our duty was to the Constitution and the American people, and to no one else.

There was no thought on my part that the initiation of impeachment proceedings would slow down the grand jury investigation already in progress.

The Speaker's reply to my letter only served to lock more tightly the door of the House against the ogre of impeachment. On October 3, the Speaker wrote:

THE SPEAKER'S ROOMS,  
U.S. HOUSE OF REPRESENTATIVES,  
Washington, D.C., October 3, 1973.

HON. PAUL FINDLEY,  
U.S. House of Representatives,  
Washington, D.C.

DEAR REPRESENTATIVE FINDLEY: Thank you for your letter of September 28, 1973 in which you express your views on my decision not to take any action on the Vice-President's request of September 25, 1973.

I assure you that my decision was reached only after very serious study of the legal and constitutional issues involved, and only after extensive consultation, not only with other Members of the House, but with eminent legal scholars as well, of all the alternatives available to us. The House, of course, does have the opportunity, under the Rules, to work its will on this matter if it desires to do so.

I might add that the "at this time" phrase used in my statement was merely to guard against a future change in circumstances. It was not used with any specific change in mind.

Your letter shows much study on your part, and I appreciate your sharing the benefit of your research with me.

Very best wishes.

Sincerely,

CARL ALBERT,  
The Speaker.

Faced with a solid wall of opposition to fulfillment by the House of its constitutional duty to impeach, I introduced House Resolution 572, a resolution of inquiry directing the Attorney General of the United States "to inform the House of all the facts within the knowledge of the Department of Justice that the Vice President of the United States, Spiro T. Agnew, accepted bribes or received consideration for services rendered or promised in the performance of his official responsibilities as a public official in the State of Maryland or Vice President of the United States, or failed to declare his income for tax purposes."

This resolution was referred to the Judiciary Committee, which under the rules of the House had seven legislative days to report the measure. The opposition among Democrats and Republicans alike even to having the facts placed before them was overwhelming. On the entire Judiciary Committee, I am not certain that there was even one sure vote of support.

I wrote to Chairman PETER RODINO to

ask for an opportunity to meet with the members of the committee, informally or otherwise, to explain why I thought the resolution should be approved. My letter stated:

HOUSE OF REPRESENTATIVES,  
Washington, D.C., October 4, 1973.

HON. PETER W. RODINO, JR.,  
Chairman, Judiciary Committee,  
House of Representatives,  
Washington, D.C.

DEAR PETER: At whatever stage and in whatever manner you deem appropriate, I would appreciate the opportunity to meet with the members of the Judiciary Committee to discuss the effect and implications of my privileged resolution of inquiry concerning the Vice President. I am also conveying to the other members of the committee my willingness and desire to meet with the full committee.

The resolution deals with a vital, serious matter and, I think, one of compelling urgency.

Clearly, the Vice President is under investigation for accepting bribes, an impeachable offense. The President has said the action is "not frivolous" and has expressed approval of the Justice Department handling of the matter.

On page 32888 of the October 3 Record I have placed the results of research showing that approval of my resolution and subsequent investigation by the House need not impede criminal proceedings in the courts, and further that facts furnished under my resolution can be handled in a confidential manner by the Judiciary Committee or such other committee as might receive the documents. I believe secrecy can be maintained if it is deemed desirable.

My resolution is an effort to cause the House to start the process of investigating the charges made against the Vice President. I believe that the paramount duty of the House is to determine as quickly as possible whether the charges justify articles of impeachment. To protect the integrity of the Office of the Vice President and the line of Presidential succession, these deliberations should go forward at the earliest possible date, even if a court may subsequently decide to hold its own proceedings in abeyance during formal impeachment proceedings. I must add that in my view impeachment proceedings need not impede criminal proceedings.

I am at your disposal.

Sincerely yours,

PAUL FINDLEY,  
Representative in Congress.

Shortly thereafter the attorneys for the Justice Department confirmed to me the wisdom of my insistence upon impeachment proceedings. In their brief filed with Judge Hoffman, the attorneys promised "to offer the House of Representatives an opportunity to consider the desirability of impeachment proceedings" if an indictment of the Vice President were obtained. Still the House stood mute.

In a letter to Attorney General Elliot Richardson, I asked for a clarification of the Department's position on the availability of the Agnew facts to the House. I asked for an opportunity to meet with as soon as possible. My letter stated:

OCTOBER 8, 1973.

HON. ELLIOT L. RICHARDSON,  
Attorney General of the United States,  
Department of Justice,  
Washington, D.C.

DEAR ELLIOT: The brief of the Department of Justice filed before Judge Hoffman Friday contained the statement that "should the grand jury return an indictment, the department will hold the proceedings in abeyance for a reasonable time, if the Presi-

dent consents to the delay, in order to offer the House of Representatives an opportunity to consider the desirability of impeachment proceedings."

I welcome this statement, together with the Department's expressed belief that "this deference to the House . . . is an appropriate accommodation of the respective interests involved." I commend the Department for putting the ball in the court of the House of Representatives.

One of the chief interests of the House will be to assemble, as quickly as possible, all of the pertinent facts surrounding this case. Many of these facts are currently in the possession of the Department of Justice.

In at least three instances involving impeachment, the President of the United States or cabinet officials have on their own initiatives volunteered relevant facts and information to the Congress. On July 3, 1797, President Washington sent a confidential message to the House stating that U.S. Senator William Blount of Tennessee had written a letter which, according to government law officers, was evidence of crime. The House then considered that evidence and impeached Senator Blount.

On February 4, 1803, President Jefferson sent a message to the House transmitting a letter from Secretary of the Treasury Albert Gallatin stating that U.S. Judge John Pickering, in a suit involving revenue, had "acted in a manner which showed unfitness for the office" and which showed "some legislative interference absolutely necessary." The message also contained a letter from the United States District Attorney for New Hampshire transmitting affidavits and making a statement as to the conduct of the judge. On the basis of this information, the House proceeded to impeach Judge Pickering.

On February 21, 1868, during the House proceedings concerning the impeachment of President Johnson, Secretary of War Stanton sent to the Speaker a copy of the President's letter removing Stanton from office and ordering him to turn over all records, papers, and public property to the Adjutant General. This information was referred to the Committee on Reconstruction, already considering the question of impeachment of the President.

Finally, when the House considered whether to impeach U.S. Judge Harry B. Anderson in 1930, the precedents of the House indicate that the subcommittee handling the inquiry "had the advantage of a report by the Department of Justice which had made an extensive investigation of the handling of bankruptcy proceedings in Judge Anderson's court." In this case, the House decided that impeachment was not warranted.

My reason for writing is to ask whether you will follow these precedents by volunteering to make available to the House, or such committee as shall be accorded the responsibility, all of the facts within the knowledge of the Department of Justice that tend to show that the Vice President of the United States, Spiro T. Agnew, accepted bribes or received consideration for services rendered or promised in the performance of his official responsibilities as a public official in the State of Maryland or Vice President of the United States; that Mr. Agnew failed to declare his income for tax purposes; or that Mr. Agnew has committed any other breach of law.

In view of your Department's appropriate concern for comity between the House and the judicial system, I feel certain that you will willingly make such information available to the Congress; however, the brief filed by the Department leaves this question unsettled.

I shall look forward to your response at your earliest convenience.

Sincerely yours,

PAUL FINDLEY,  
Representative in Congress.

Although events were moving too swiftly for a meeting, the next day I did receive the following letter from the Attorney General, together with a copy of his letter to Chairman RODINO, reporting the Department's position on my resolution of inquiry:

THE ATTORNEY GENERAL,  
Washington, D.C., October 9, 1973.

HON. PAUL FINDLEY,  
House of Representatives,  
Washington, D.C.

DEAR PAUL: Thank you for your letter of yesterday. The enclosed letter to Chairman Rodino should answer some of the concerns you raise. I am sorry that a meeting was not possible between us.

With kindest regards,  
Sincerely,

ELLIOT L. RICHARDSON.

OFFICE OF THE ATTORNEY GENERAL,  
Washington, D.C., October 9, 1973.

HON. PETER W. RODINO, JR.,  
Chairman, Committee on the Judiciary,  
House of Representatives,  
Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of October 4 requesting the Department of Justice's views on House Resolution 572 (the "Findley Resolution"), which would, if enacted, direct the Attorney General to give the House of Representatives all information held by the Department of Justice relating to possible criminal conduct by the Vice President of the United States.

The Department of Justice does not support the Findley Resolution in its present form. Our stance, however, should not be construed as a denial of congressional jurisdiction over the allegations made concerning the Vice President. Indeed, in our brief submitted to Judge Hoffman on October 5 we state our belief that Congress and the Judiciary have concurrent jurisdiction over these allegations. Also, we outline a course of action designed to accommodate this concurrent jurisdiction:

"The United States Attorney will . . . complete the presentation of evidence to the grand jury and await that body's determination of whether an indictment is proper. Should an indictment issue, the Department will hold the proceedings in abeyance for a reasonable time, if the Vice President consents to a delay, in order to offer the House of Representatives an opportunity to consider the desirability of impeachment proceedings."

It is our strong belief that orderly, fair, and expeditious resolution of the issues presented by the investigation of the Vice President can best be accomplished if the grand jury proceeding already under way completes its course without the interruptions that any House action at this point would necessarily entail. This approach has the additional merit of allowing the process of justice to go forward uninterruptedly with regard to other potential defendants in this case. Likewise, should an indictment be forthcoming, it will have the effect of tolling the statute of limitations, which is of significance in this investigation.

At the time the grand jury has completed its work, it will be appropriate for the Justice Department and the leadership of the House to jointly determine a number of questions which the Findley Resolution raises. These include procedures for the turning over of Justice Department and grand jury information to the Congress, safeguards

to be provided this information, and whether and in what forum the Vice President should be afforded an opportunity to submit evidence in his own behalf.

I hope these views will assist your Committee in its consideration of the Findley Resolution.

With kindest regards,  
Sincerely,

ELLIOT L. RICHARDSON,  
Attorney General.

The Attorney General's letter is a study unto itself.

First, he does not deny "congressional jurisdiction over the allegations made concerning the Vice President."

He does, however, state that any House action would necessarily entail interruptions in court proceedings. Mr. Richardson does not state how the court proceedings would be interrupted if the Justice Department turned over to the House copies of documents and other facts which led Federal attorneys to convene the grand jury. I do not believe there would have been any interruption. Such need not have occurred in my view. And, of course, the events of the next few days would seem to show that virtually nothing was capable of stopping the Justice Department from administering the coup de grace. Only 1 day after the Attorney General reported unfavorably upon my resolution, Mr. Agnew resigned his office.

The last paragraph of the Attorney General's letter is perhaps the most remarkable assertion ever propounded of Executive control over the future of a Vice President. It bears repeating and close examination:

At the time the grand jury has completed its work, it will be appropriate for the Justice Department and the leadership of the House to jointly determine a number of questions which the Findley Resolution raises. These include procedures for the turning over of Justice Department and grand jury information to the Congress, safeguards to be provided this information, and whether and in what forum the Vice President should be afforded an opportunity to submit evidence in his own behalf.

Such an unvarnished attempt to control the impeachment proceedings of the House of Representatives cannot be permitted to go unchallenged. The appropriate response of the Attorney General to passage of the resolution of inquiry would have been immediately to turn over to the House all relevant facts within his possession.

The Attorney General could have suggested that certain documents be closely held if their revelation might have unjustly prejudiced the Vice President's case. However, Mr. Richardson could in no way specify safeguards to be provided for this information. That is a matter for the Congress alone to decide.

Finally, it would have been quite inappropriate "for the Justice Department and the leadership of the House to jointly determine—whether and in what forum the Vice President should be afforded an opportunity to submit evidence in his own behalf."

The mere suggestion of such executive department interference in the purely legislative function of impeachment is as



appalling as the willingness of the House to yield to such domination by the Justice Department.

In the final analysis, it may be the Congress, particularly the House of Representatives, which lost the most as a result of the Agnew affair.

The House failed utterly even to respond to its constitutional obligation to protect the Nation from a Vice President who violated his oath of office.

The House refused even to look at the facts which indicated corruption at the highest levels of our Government.

The House instead accepted the absolute domination of the Justice Department and encouraged a constitutionality coequal branch of Government to determine what the facts were and whether a Vice President should continue to hold office.

There are other countries in the world where power concentrated in a few hands, usually the military, is sufficient to force a change in the top leadership of that nation. But it has never been so in the United States, not even during the dark days of the Civil War.

There may be little to be said in defense of the conduct of the Vice President.

There is also little to be said in defense of the response of the Attorney General to Chairman ROBINO.

And certainly there is little to be said in defense of the response made by the House of Representatives to the crisis posed by the charges against the Vice President.

#### FIVE-YEAR-COST PROJECTIONS NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MARTIN) is recognized for 10 minutes.

Mr. MARTIN of North Carolina. Mr. Speaker, the number one concern of the people in my district is inflation. The number one cause of inflation is excessive Federal spending and budget deficits which have totalled \$63 billion over the last 5 years.

Clearly, the Congress of the United States is overdue in giving to the people an extensive reform of federal budget policies. As I have discussed previously, we need to establish annually firm spending ceilings that take into account a study of estimated revenues, spending needs and economic conditions at the start of each year. All departmental appropriations need to be considered in light of their combined impact on the tax rate. New spending programs should be introduced only when they have been pilot tested, and then, only as substitutes for any existing programs that do not get the job done.

Decisions regarding authorizations and appropriations are deficient enough for lack of adequate consideration as to how each separate decision piles up the total. Not enough attention is given to the relative priorities of different departments. This antiquated approach makes it easier to produce majorities to increase

every popular and emotion-packed spending bill, and works against efforts to restrain overall spending and deficits. This must be rectified.

Let me address my remarks today to a different but related question: the need for 5-year cost projections. Not only is insufficient attention given to each spending bill in relation to the year's total, but even less is given to an understanding of the expected costs 5 years hence. Consider the consequences of this approach.

First. This means that we end up making commitments to new programs and expansions of old ones without due regard for what that commitment will mean when the program "matures" to full size. New agencies invariably require staff increases and we need to be able to project some reasonable limits for them. This is done now only for the span of the authorizing legislation.

Second. It means that we build in commitments for future years that can lock in future budget decisions. We do so without knowing now what the future impact will be, and leave future Congresses to contend with establishments of new self-perpetuating bureaucracies.

Third. It means—worst of all—that we base our decision to start a new program on incomplete and misleading information. Our judgment now is not made on whether we can afford the full cost of the program, but on whether we can afford the start-up cost. How many times have we been sold a bill of goods with the argument that "it will only cost \$100 million in the first 3 years" or "only \$15 million in the initial year?" Would our decision have been the same if we had learned that by the fifth year it would surely be sapping \$150 million annually?

If we are going to weigh the total of all spending bills on this year's budget in order to fairly judge the merit and priority of each component part, how much more important it is to take account of the drain each program will cause when it is full-blown.

It is urgent then that the 93d Congress establish long-needed reforms in the procedures for decisions on fiscal budgeting and authorizations and appropriations. The time is over-ripe.

Included among those reforms must be an insistence on fiscal forecasts into the near future. This will enable us to make our judgments not only on the basis of the initial impact of each program upon the total, but also on its projected cost 5 years hence.

#### CONSIDERATION OF NOMINATION OF MR. FORD SHOULD BE EXPEDIENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 5 minutes.

Mr. TALCOTT. Mr. Speaker, I urge the House to consider promptly the nomination by the President of GERALD R. FORD as Vice President of the United States.

The President has acted expeditiously to fill the vacancy. The House and the Senate should act with equal expediency. Our Nation and our political system cannot risk being without a Vice President during these times.

Of course, both the House and Senate should be reasonably assured that Mr. GERALD R. FORD has no "skeletons in his closet." This assurance must be weighted against the imperative of an early filling of the vacancy.

Of course there should be hearings and both the House and Senate should do their duty.

The 25th amendment to the Constitution provides that the President shall nominate, and a majority of the House and Senate shall "confirm." A wisely simple procedure. The procedure for filling a vacancy in the Vice Presidency is explicitly different from the procedure for filling vacancies in the Cabinet or the Supreme Court where article II for the Constitution requires the President to nominate and two-thirds of the Senate, alone, to "advise and consent." In the latter instances the duty of the Senate is not only different, but greater. A more thorough and comprehensive investigation of the nominee is required when one must "advise and consent." It has always been the prerogative of the President, regardless of party, to select his Vice President. The reason is clear. The President and Vice President must see "eye to eye" and work closely and cooperatively on a daily basis.

Actually, unless there is a reason for finding the nominee guilty of charges presentable for impeachment, the nominee should be confirmed.

Delay and procrastination in the consideration of Mr. GERALD R. FORD's nomination could be risky, contribute to national uncertainty, degrade the Office of the Vice President, and also greatly tarnish the image of the Committee on the Judiciary and the House of Representatives.

No one knows when a heart will stop. Our Nation should not be subject to the trauma of being without a Vice President.

I am convinced that the House would today, if given the opportunity, approve Mr. GERALD R. FORD's nomination by acclamation. Delay and procrastination can only be detrimental. I urge that consideration of the nomination of Mr. GERALD R. FORD be expedited.

#### STATEMENT IN OPPOSITION TO GRANTING TRADE CONCESSIONS TO THE SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 30 minutes.

Mr. DUNCAN. Mr. Speaker, the House of Representatives is being asked to approve the Trade Reform Act of 1973. Approval by the Congress would give the President authority to grant most-favored-nation status to nonmarket-economy countries. This measure is a part of the administration's foreign policy strat-

egy of expanding U.S. commercial ties with the Soviet Union and pursuing a general policy of East-West détente. Soviet leaders have indicated that passage of this bill, along with a continuation of the policy of granting U.S. Government commercial credits to Soviet importers, would provide mutual political and economic benefits to the people of our two countries.

On both sides, the rhetoric about détente has been imposing. "Quiet diplomacy" is said to have laid the basis for a new international order of peace and prosperity. In substance, however, détente has brought few benefits to either the American or Russian people. Let us review the record since the May 1972 summit meeting between President Nixon and Soviet Party Leader Leonid Brezhnev.

Supporters of the administration's rapprochement with the Soviet leadership claim that improved relations with the Soviet Union create an opportunity to relax international tensions and divert scarce resources from military to civilian programs. Yet the administration has asked for more, not less, military spending, in order to defend us against the very government which stands to benefit from expanded commercial relations. Nor have Soviet leaders demonstrated any willingness to reduce their massive military budget.

It has also been claimed that the political détente which accompanies improved economic ties will have a moderating influence on the domestic policies of the Soviet leadership. Yet, in the past few months we have witnessed the harshest Soviet crackdown on intellectual dissidents since the Stalin era. Moreover, Soviet authorities continue to harass and restrain those Soviet citizens who wish to emigrate. All but a few have been forbidden to leave their country.

The claims that Americans will benefit economically may seem ironic to American housewives who have watched the rapid rise of food prices since last year's sales of huge amounts of wheat and feed grains to the Soviet Union. The Soviets bought wheat for \$1.65 per bushel; it now sells for over \$4.80 in Chicago. The American taxpayer also lost, because the Department of Agriculture paid \$300 million in needless subsidies to facilitate the grain sales.

The supporters of "quiet diplomacy" also claim that détente will have a moderating influence on Soviet foreign policy in other parts of the world. One goal of the current policy is to induce the Soviet leadership to accept the world political system and to play a positive role in the peaceful settlement of international disputes. The most recent Middle East crisis suggest that limited progress has been achieved on this front. The massive export of Soviet armaments to the Arab countries has contributed directly to the outbreak of hostilities.

Mr. Speaker, the recent record indicates that the United States has not maximized its benefits in commercial relations with the Soviet Union. The power to grant or withhold trade concessions—particularly most-favored-nation status and Government credits—offers an opportunity to extract some of the political and economic benefits of

détente which we have been promised. Why not require that Soviet leaders moderate their domestic and foreign policies before granting trade concessions to them? Since the Soviets stand to reap substantial economic benefits from these concessions, I believe that the Congress would be well advised to attach conditions to them. Our economic leverage provides us with an effective, usable means of persuading the Soviet leadership to abandon its repressive internal policies and its hostile foreign policy.

#### LEGISLATION TO AMEND THE SECURITIES EXCHANGE ACT OF 1934

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. YOUNG) is recognized for 10 minutes.

Mr. YOUNG of Illinois. Mr. Speaker, I would like to call to the attention of my colleagues a bill which I have introduced today amending the Securities Exchange Act of 1934.

The Commerce and Finance Subcommittee of the Interstate and Foreign Commerce Committee has been conducting hearings on H.R. 5050 under the chairmanship of our distinguished colleague, Mr. Moss, of California.

The bill that I have introduced today is based on H.R. 5050.

The major provisions of both bills involve the development of a national market system and the speeding up of the processing of the paperwork in handling securities transfers. There is generally widespread agreement on the need for statutory enactment on these provisions.

The most controversial aspects of H.R. 5050 have been the proposals to open up the membership of stock exchanges to any dealer registered with the SEC, to secure a mandatory elimination of "fixed commissions," and to eliminate the requirement of most exchanges that members execute their transactions on an exchange. In the background of this proposed securities legislation is a changing securities market. The volume of securities transactions handled by "institutional investors" has been rapidly increasing over the past 10 years. For the last 2 years or more, individuals have not been investing in the stock market as compared to former years. There have been a large number of securities firms which have gone out of business, and many of them have been insolvent. During the year 1973, most brokerage firms have sustained losses in their operations. Interest rates are at an all-time high in the short-term market, and they are very high for long-term funds. The number of underwritings of corporate securities has been down over 35 percent this year as compared to last year.

Testimony before our subcommittee indicates that since the SEC required negotiated commissions on transactions on exchanges involving over \$300,000, institutions are "dictating" commission charges rather than negotiating commission charges. The testimony is that in many cases, the commissions are determined "after" the transaction is completed.

The testimony also indicates that in

all probability, if negotiated rates are mandated by Congress, two or three of the large securities firms will set commission rates which are now set by the exchanges.

The securities firms are highly vulnerable to economic pressure from banks, insurance companies and pension funds, and other large institutions. To contend that we would have "free and open competition" when we pit such large institutions against brokerage firms is to shy away from reality.

The Justice Department Division of Antitrust has for many years attempted to claim that fixed commissions are unlawful and anticompetitive. It seems to me that they are not sufficiently familiar with the securities markets. They are attempting to impose traditional theories of competition on a unique industry.

In very few markets do you have an "auction" market. In an auction market or exchange, buyers and sellers meet daily and securities are sold to the highest bidder. Such a situation exists in very few areas of our economy. Commissions paid in connection with securities transactions are minimal compared to commission paid in connection with the sale of competing investments, such as real estate and insurance.

The Justice Department completely overlooks the economic disparities between the institutional purchasers and the securities firms.

Many regional securities firms are convinced that if negotiated commissions are put into effect, the large institutions will force commissions down to the point where many regional firms will have to go out of business, and the individual investors who do not have economic bargaining power, will be forced to pay higher rates. While I cannot say that these fears will be realized, neither can I say that they are without justification.

Another matter which concerns me greatly is the need to keep exchanges with their auction market viable. If every SEC-registered dealer can be a member, if there are no fixed commissions, and if members can handle trades in any market they desire, the economic value of an exchange membership will be gone.

If we want an auction market that gives the best price for the stock, it is a small price to pay to permit exchanges to fix minimum commissions.

Accordingly, the bill that I have introduced will permit exchanges to continue to fix commission rates subject to SEC oversight. The SEC can protect the public interest to see that commissions are not excessive and that they are reasonably set, so that we maintain a healthy securities industry and commissions charged to individual investors are not excessive. It seems to me that such provisions are in the interest of the small dealers and the small investors, and, therefore, in the best public interest.

#### SOCIAL SERVICE AMENDMENTS OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentle-



man from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, today, I am introducing—on behalf of myself and six other members of the Ways and Means Committee: Mr. BURKE of Massachusetts, Mr. CAREY of New York, Mr. GREEN of Pennsylvania, Mrs. GRIFFITHS, Mr. KARTH, and Mr. ROSTENKOWSKI—the Social Service Amendments of 1973.

This legislation has been introduced in the Senate by Senator MONDALE with Senators BENTSEN, JAVITS, and PACKWOOD and 34 other Democratic and Republican cosponsors. Its purpose is to provide workable administrative procedures which, within the \$2.5 billion ceiling on Federal funds enacted last year, will regulate the scope and delivery of the social service programs in a manner consistent with the objectives and intent of the social service legislation.

During the 1971 floor debate on President Nixon's welfare reform proposal, the distinguished chairman of the Ways and Means Committee, WILBUR MILLS, appropriately identified the "assisting of its poorer citizens to a better life" as a "very basic function of this Government." For over 15 years, social services, including child care and family planning programs, foster care for children, treatment of drug addicts and alcoholics, and services for the mentally retarded, have been an essential component of our efforts to help the poor, elderly, and disabled lead more productive, meaningful, and independent lives.

In order for State and local administrators to effectively provide and deliver social services, there must be workable regulations which take into account the need for Federal direction, fiscal restraint, and accountability, and State and local flexibility to deal with the special problems poor and disabled persons face in their communities. The regulations issued by HEW, which are to go into effect November 1, 1973, even after extensive modification in response to the outpouring of complaints from Governors, mayors, State and local administrators and recipients, do not meet these requirements.

There are four major objections to the HEW regulations which have been repeated in the many communications I have received since they were first announced. First, the regulations would reduce the range of social service programs for which States can spend their share of the \$2.5 billion Federal funds, and thereby reduce State discretion and the flexibility necessary to provide local solutions for local problems. For example, the proposed HEW regulations would eliminate Federal funds for an existing preschool education program in California presently serving approximately 19,000 welfare children.

Second, the regulations would establish unnecessarily restrictive and inappropriate eligibility requirements which will operate to disqualify many current recipients of services for the mentally and physically disabled and in general, limit social services to public assistance recipients. The effect of this will be to create a disincentive to leave welfare which is a total and disastrous contradiction of the objectives of the social

service programs. Many low-income, intact families, who are eligible for day care and other services under the current law, will not be eligible for these services under the regulation HEW has proposed—unless the father reduces his work efforts and, in many States, leaves his family so his wife and children are eligible for AFDC.

By reducing the range of social services eligible for Federal funds and establishing unnecessarily restrictive eligibility requirements, the HEW regulations will make it impossible for many States to use their allocated portion of the \$2.5 billion Federal funds. In other words, the effect—and possibly the intention—of the regulations is to reduce Federal expenditures for these programs below the \$2.5 billion approved by the Congress and the President last year. I agree with the Washington Post's characterization of this as "impoundment by redtape."

Finally, the cumbersome and time-consuming eligibility determination procedures which the HEW regulations would establish cannot help but increase the administrative costs of the programs. It is most likely that increased administration costs will force a reduction in the benefits provided.

Mr. Speaker, because of the increasing cost of the social service programs, last year the Congress enacted a \$2.5 billion ceiling on Federal expenditures for these programs. The legislation we are introducing today leaves unchanged that ceiling. It does not propose that we spend any more money on social services. What I firmly believe the legislation will do is provide the States with the necessary direction, encouragement, resources, and flexibility to assist the poor, and disabled within their communities—through counseling, training, rehabilitation, day care, and other services—to become as self-sufficient and productive as possible.

The necessary direction is provided in this legislation through the identification of four general goals of the social service programs:

First. Self-support goal: To achieve and maintain the maximum feasible level of employment and economic self-sufficiency.

Second. Self-care or family-care goal: To strengthen family life and to maintain maximum personal independence, self-determination, and security in the home, including, for children, the achievement of maximum potential for eventual independent living, and to prevent or remedy neglect, abuse, or exploitation of children.

Third. Community-based care goal: To secure and maintain community-based care which approximates a home environment, when living at home is not feasible and institutional care is inappropriate.

Fourth. Institutional care goal: To secure appropriate institutional care when other forms of care are not feasible.

Within the guidelines established by these four objectives, this legislation assures the States maximum freedom to determine which services they will make available, and the persons eligible for the services provided.

Twenty-three services, as they were defined and developed by Governors' representatives through regional meetings, are specified in the bill. They are specified in a manner that, to the satisfaction of most State, and local leaders, will preserve the full flexibility of States to define and develop services appropriate for local conditions.

Under the legislation we are introducing, the Secretary of Health, Education, and Welfare is prohibited from limiting the discretion of a State in determining those aged, blind, and disabled individuals eligible for free or partially subsidized social services as former or potential recipients. In the case of families under title IV A, he is prohibited from limiting the States' discretion so long as the incomes of such families are at or below the lower budget determined by the Bureau of Labor Statistics of the Department of Labor, adjusted regionally and for family size, or, with respect to the provision of child care services, at or below 150 percent of such figure.

Mr. Speaker, there are two objectives of this legislation about which I feel most strongly. First, it returns to the approach of the existing regulations, allowing States the discretion to serve past recipients who have been on welfare within 2 years, and potential recipients likely to be on welfare within 5 years. And, most important, it allows and encourages States to serve low-income intact families so that our social service programs promote family stability and encourage these families to get off and/or stay off welfare.

Our bill has the support of Governor Evans, chairman of the National Governors Conference. It was unanimously endorsed by the Southern Governors at their meeting a few weeks ago. It is endorsed by organizations including the AFL-CIO, National Council of State Public Welfare Administrators, Child Welfare League of America, Council on Social Work Education, League of Women Voters, National Council of Community Mental Health Centers, National Association for Retarded Children, National Association of Social Workers, United Auto Workers, United Methodist Church, and United Methodist Church Women's Division, and Washington Research Project Action Council, American Parents Committee.

The bill provides workable regulations which will allow those who administer these programs to do so in a manner consistent with the objectives of this crucial part of our efforts to combat poverty, disability, and dependency in the United States.

**CONGRESSMAN DANIELS WARNS OF CHEMICAL CONTAMINANTS—ASKS LABOR SECRETARY TO PRODUCE INTO ACTION AND SET PERMANENT STANDARDS TO PROTECT WORKERS**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, the Comptroller General of the

United States, has just completed at the request of Senator HARRISON A. WILLIAMS, of New Jersey, the second of a series of reports on the selected activities being carried out under the Occupational Safety and Health Act of 1970. This report specifically concerns the problems and progress of the Occupational Safety and Health Institute in developing and recommending health and safety standards to the Secretary of Labor for toxic substances and harmful physical agents in various occupational environments.

The act requires the Secretary of Health, Education, and Welfare to determine—upon request of any employer or employees' "representatives" the toxicity of substances in a workplace. In most cases, however, HEW has not researched new substances and physical agents suspected of being harmful to employees. This is ironic when one considers the fact that from 1,000 to 2,000 substances and agents could have serious harmful effects on large numbers of workers and require comprehensive permanent standards. One explanation for this apparent failure, is the restrictions that HEW places upon the Institute in hiring professional staff and maintaining a high average grade level. Funding, as always, is also a problem that contributes to the slow development of comprehensive standards. To give an example of just how slow the progress has been, from June 30, 1971, through March 31, 1973, the Institute developed and forwarded only six comprehensive standards.

Emergency temporary standards could be used to provide protection for workers exposed to toxic substances and harmful physical agents. It is doubtful, however, that such standards will be used extensively because the act requires that a permanent standard be established within 6 months after publication of the emergency standard. It has been recommended however, that the Congress should consider amending section 6(c) (3) of the act to allow the Secretary of Labor more time to promulgate a permanent standard after issuing an emergency standard. I suggest, however, that we should not lower our standards of performance, but rather improve the staff and facilities needed to create permanent standards in 6 months or less. National Institute of Occupational Safety and Health faces some formidable tasks in fulfilling its duties and responsibilities under the act yet like many other potentially worthwhile programs, it has not received the necessary funding. In order to reap the overwhelming benefits possible from a successful program of safety and health regulation, we must back it with the funds needed to properly carry out the job.

A very vivid example of the problems arising from the Institute's lack of an efficient operating system of standard development, is the number of workers who are daily being harmed by industrial poisons. As many as 138 men and women out of 950 production workers at Borden's Inc.'s vinyl-materials plant in Columbus, Ohio, may suffer from some degree of poisoning. These workers have contracted a nervous disease called peripheral neuropathy which attacks the

nerves that control arm and leg muscles. Its victims grow weak, limp, and eventually lose control of their limbs.

Unfortunately, for all, there is no known medical treatment for this disease. Doctors believe that workers with milder cases will recover within a few months, but for the more seriously impaired, they say complete recovery could take many months or even years.

Inspections by the Occupational Safety and Health Administration in April and June uncovered 34 health and safety violations including some involving chemical contaminants in the air. An official of the agency, however, says all the violations were considered "nonserious." I fail to see how anyone could view this situation as "nonserious"! Would not this very instance dramatically require the issuance by OSHA of an emergency standard?

I have written to the Secretary of Labor, in order to ascertain exactly what the National Institute of Occupational Safety and Health is doing as far as protecting these workers, finding the toxic substance involved, and creating a permanent standard concerning its harmful effects.

As chairman of the Select Subcommittee on Labor, I plan to hold oversight hearings either later this session or early next session to bring before the Congress the facts dealing with this case and many like it, as well as the setbacks and successes OSHA has incurred.

Mr. Speaker, I have included for the information of all Members an article published in the Wall Street Journal, Friday, October 5, regarding the situation at the Borden, Inc., plant in Columbus, Ohio:

**MYSTERY AILMENT: INDUSTRIAL POISONING PLAGUES BORDEN PLANT IN OHIO; WORKERS LEFT WEAK, EVEN CRIPPLED; CAUSE UNKNOWN**

(By Jeffrey A. Tannenbaum)

COLUMBUS, OHIO.—Two years ago, Thomas F. Meade considered himself a lucky man when he landed a job tending machines at Borden Inc.'s vinyl-materials plant here. After all, the economy was in a slump, and six months earlier he had been laid off his previous job at an air-conditioner factory.

"I thought I was getting a good break—a good job that paid well," the 22-year-old Mr. Meade says. But these days, Mr. Meade figures that getting the job at the Borden unit was the most unfortunate thing that ever happened to him. The reason is that he is crippled—he fears permanently—an apparent victim of industrial poisoning. To walk, he must wear knee-to-heel braces on his legs.

Mr. Meade may be more severely affected than anyone else in the plant. But in recent days, tests have shown that as many as 100 men and women out of about 950 production workers may suffer some degree of poisoning. At least seven of the cases are already considered serious, and it is feared that the number could grow.

The affliction, called peripheral neuropathy by medical authorities, attacks the nerves that control muscles in human limbs, causing weakness, limpness and lack of coordination. Many important aspects of the disease remain a mystery.

As yet, no one has been able to isolate or identify the cause, although a certain solvent is the prime suspect. Nor do authorities yet know how the workers were poisoned—whether through ingestion, inhalation, absorption or a combination. Nor is it known whether disabilities may show up in the fu-

ture among workers who were exposed weeks or even months ago.

#### A GROWING PROBLEM?

About all that is certain is that industrial workers can be poisoned in a manner that wasn't previously recognized. Dr. John W. Cashman, director of the Ohio Department of Health, which is investigating, says the situation at the Borden plant may be indicative of the type of industrial difficulties that will arise with increasing frequency in the future.

"When you've got American industry using a quarter of a million chemicals in various odd manners and combinations—and when you don't know the effects of those chemicals—sooner or later you're going to find out that you've got a hazard to human health," Dr. Cashman says. Says Dr. Samuel S. Epstein, an environmental-health specialist at Case Western Reserve University and a consultant to the AFL-CIO: "When it comes to the consumer population, we require that food additives, for example, be tested. But when it comes to the worker population, we have a different morality"—in that tests aren't required on most products they come in contact with daily.

Until fairly recently, there wasn't any reason for either workers or officials at Columbus Coated Fabrics, the Borden unit involved, even to suspect that they might be dealing with industrial poisoning. In 1961 Borden acquired the company, which dates back to about 1900 and is some three miles northeast of downtown Columbus. Since then, it has become a leading producer of coated wall coverings and other vinyl products.

The first signs of difficulty, which weren't obvious at the time, came in March and April. At about that time, workers recall, several employees in printing operations, where fabrics are dyed and designs are applied, began to experience strange sensations. Richard D. Staneart, a 27-year-old machine operator, remembers that in March he noticed that his legs seemed weak. "I'd just walk up some steps, and my legs would feel like I'd been through football practice," he says.

At first, Mr. Staneart ignored the weakness. But it grew worse. The first physician he saw found nothing amiss. Thinking that the problem might be flat feet, Mr. Staneart says he bought a new pair of work shoes. In April, he consulted an orthopedic surgeon who hospitalized him for tests. Both Mr. Staneart and the orthopedic surgeon, say the company was told that peripheral neuropathy was suspected. The tentative diagnosis was confirmed in August by a neurologist.

#### OTHERS NOTICE SYMPTOMS

Soon after Mr. Staneart noticed his first symptoms, other workers in the print department began to experience mystifying problems. James G. Osborne, a 43-year-old service helper, says he was bewildered when in May he first noticed weakness in his arms and legs. He says a physician treated him for arthritis. In June, Mr. Osborne underwent six days of testing by a second doctor, who found nothing wrong. Two months later, a neurologist diagnosed the disease as peripheral neuropathy and informed state health officials that he suspected it was related to Mr. Osborne's work.

Reports conflict about precisely when the company was informed that it was dealing with industrial poisoning. But it is clear that word hit officials at the Borden unit like a thunderclap. "We were upset and distressed," says Joseph S. Recchi, director of employee relations at the plant. "We had never had an inkling of a health problem of this magnitude existing in the plant."

With numerous workers complaining of weakness and other things, investigations were quickly begun by the company. Ohio state health officials and Local 487 of the Textile Workers Union, which represents workers at Columbus Coated Fabrics. So far,



the cause of the illness hasn't been determined.

Some of the efforts have concentrated on the hundreds of chemicals and chemical combinations used in the plant. An early suspect as the toxic agent was methyl butyl ketone, or MBK, a solvent used in making printing inks. The chemical's introduction to the plant in August 1972 is considered the only major process change in recent memory. For a time, investigators dropped the chemical as the prime suspect, but they now say it once again tops their list. Meanwhile, the plant has stopped using the chemical.

(Eastman Chemical Products Inc., a subsidiary of Eastman Kodak Co. that markets MBK, says that during the past two years the chemical has become "widely used in the chemical coating industries," largely as a replacement for a potential pollutant. To date, Eastman Chemical says, "nothing in industrial experience" or medical literature suggests a connection between exposure to the chemical and peripheral neuropathy. The company adds, however, that it is giving "serious consideration" to reports involving the Borden plant, and it reiterates previous routine warnings that "contact with the skin and eyes should be avoided.")

#### HEALTH VIOLATIONS

Whatever the poisonous substance, workers contend that the plant has never been known as the cleanest and most comfortable place in town to work. Inspections by the Occupational Safety and Health Administration in April and June uncovered 34 health and safety violations, including some involving chemical contaminants in the air. An official of the agency says all the violations were considered "non-serious." But Corwin Smith, president of Local 487, calls health precautions in the plant "terrible—the place is filthy, the ventilation is poor and the sewers stop up." The company's Mr. Recchi says "it's not an unclean place—it's maintained by the bargaining-unit people and I'm sure they do a fine job."

Since last month, Columbus Coated Fabrics has moved to improve working conditions. The union has discouraged workers from continuing their old practice of eating lunch near the work stations. "Their sandwiches were right out there, absorbing whatever was in the air," says Dr. Cashman, the public-health official. Ventilation in parts of the plant has been improved, and further improvements are promised by November. The company has also begun issuing vapor respirators to all print-department employees.

Meanwhile, the search for the toxic agent goes on, and workers who fear for their health are staying off the job. Mr. Recchi, the company's employee-relations man says about 300 employees without any sign of the illness have been remaining away from work in recent days, along with the 100 or so employees believed to have some degree of nerve damage. The union claims that about 600 workers are refusing to show up. With supervisors filling in, the plant is continuing to operate, but the company says it fears "total cessation" if large numbers of workers stay off the job much longer.

Those workers who are still showing up are doing so with misgivings. One reason is that reports from their coworkers who have been stricken are sometimes terrifying. Oakley Dinges, a 39-year-old print operator, who was one of the first to be hit, tells how he "can hardly turn the key to the trunk of my car" and how he has "trouble with lamp switches you have to twist." Mr. Meade, the man who has to wear braces on his legs, says he wonders "whether I'll ever be able to get to work again, and I worry that I may have to stay like this for the rest of my life." William B. Moore, a 22-year-old print operator with aching knees, says: "The doctors don't know if I'll get crippled up like those other guys or get better. It's a frightening thing."

A particularly frustrating aspect of the af-

fliction is the absence of any known medical treatment. Physicians tell victims that about all they can do is take it easy and not work too hard. Doctors believe that workers with milder cases will recover within a few months. But for the more seriously impaired, they say complete recovery could take months or even years. Medical men don't rule out the possibility that some workers may be impaired for life, but they consider that prospect doubtful.

Equally troubling for both the company and its workers is that tests at a finished-products warehouse—10 miles away from the Columbus Coated Fabrics plant—have shown that some workers are suffering nerve damage. Employees in a wall-coverings plant in California operated by Borden also tested positive, but some of the equipment used in the tests now is believed to have been faulty. Despite the recent improvement in ventilation and other working conditions at the Columbus plant, it isn't known whether the toxic agent—whatever it is or was—is still present. The company says there now isn't any "undue hazard."

Whatever the extent of the problem, it is clear that all the facts aren't likely to be known for some time. Investigators in Columbus say the search for the toxic agent possibly could take years because they might have to analyze hundreds of chemicals and thousands of ways they can combine and react with one another. Says Dr. Cashman of the Ohio Department of Health: "It's just like you're looking for a murderer, you know. Sometimes it takes a good cop 10 years, but he'll bring in somebody."

#### THE 40TH ANNIVERSARY OF THE MANMADE FAMINE IN UKRAINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on Sunday, October 21, several thousand Americans of Ukrainian origin will gather to commemorate the 40th anniversary of the manmade famine of 1932-33 and to protest the current persecution and oppression in Ukraine by the Soviet Russian regime. I was honored to be invited to speak at this anniversary observance but regrettably declined, because on that date I shall be in Ankara, Turkey, at the meeting of NATO parliamentarians.

This year's NATO meeting is crucial, because we will be considering the issue of NATO troop strength. I shall insist that Soviet promises not be accepted unless accompanied by progress toward extending basic human justice to the ethnic minorities in their colonial empire. The peoples of Eastern Europe have long since learned that the concept of "good faith" does not exist under the tyrannous Communist system.

The members of the Ukrainian American Committee of Metropolitan Chicago, which includes 94 civic and religious organizations, are active in alerting their fellow Americans to the dangers of Soviet communism and are powerful advocates of freedom and independence for Ukraine. I commend the members of this fine organization, the members of their executive committee, as well as its chairman, Roman I. Smook, for their leadership in the cause of international freedom. The executive committee members are as follows:

Chairman: R. I. Smook.

Cochairmen: U. Celevych, W. Rostun, T.

Shpikula, W. Nychay, O. Pleshkevych, P. Pytel, and A. Iwaniuk.

Secretaries: M. Olshansky and M. Shpikula.

Treasurer: W. Braznyk.

Fin. Secretary: M. Marchuk.

Org. & Prog. Comm. Chairman: S. Golash.

Publicity Comm. Chairman: M. Semchishyn.

Financial Comm. Chairman: M. Hrynevych.

Auditors: R. Mycyk, T. Churma, P. Turula, M. Lashenko, and J. Zahorodnyj.

It was in 1932-33 that Stalin sent troops to Ukrainian rural areas to forcibly put down peasant resistance to the communization of agriculture. The army plundered villages confiscating grain and killing people. They burned the crops rather than leave any food for the farmers.

The estimates of Ukrainians who died in battle, from starvation, or in forced labor camps vary from 6 to 10 million souls; 25 million peasants were forcibly moved and 25 million privately owned rural holdings that existed in 1929 became 100,000 large collectives. The Ukraine has never recovered from this terrible crime, and the Soviets themselves have suffered because per capita agricultural production for the entire Soviet nation remains today below that of 1913.

Ukraine remains a submerged and captive nation and it is for this reason I introduced House Concurrent Resolution 46 calling upon our Ambassador at the United Nations to place the question of human rights violations in the Soviet-occupied Ukraine on the agenda of that organization.

It is also for this reason that I cosponsored the Mills-Vanik bill to deny "most-favored nation" status to the Soviet Union until substantive progress is made in the treatment of the various ethnic groups within the U.S.S.R. and basic human rights are extended to these oppressed peoples.

It is an honor for me to join Americans of Ukrainian descent in my own city of Chicago and all over this country as they commemorate this tragic event in the history of the Ukrainian nation and as they call attention to the continuing plight of Ukraine under Soviet occupation.

Mr. Speaker, I insert the following appeal received earlier this year from Ukraine in the RECORD:

#### AN APPEAL TO THE CONSCIENCE OF HUMANITY AT LARGE

(The following "Appeal" to the conscience of the world was sent from Ukraine in July, 1973, and received by Svoboda, the oldest Ukrainian newspaper in the world, appearing in Jersey City, N.J., and was printed in its September 15, 1973 issue. The "Appeal" describes the current unbridled terror of the KGB and Soviet courts in Ukraine, and calls on the peoples of the free world to stand up in defense of the Ukrainian people, persecuted and oppressed by Soviet Russian despotism—Ukrainian Congress Committee of America.)

#### TO FREE MEN EVERY WHERE

Our Front is forced to work illegally and underground, and for this reason we are distributing this appeal anonymously.

We are appealing to world public opinion to stand up in defense of the Ukrainian people against Russian despotism. The United Nations Charter and the Universal Declaration of Human Rights, to which the govern-

ments of the USSR and the Ukrainian SSR are signatories, guarantee each nation the right for national independence, as well as basic human rights. Nevertheless, both of these rights are disregarded by the parties and governments of the USSR and the Ukrainian SSR, the latter merely a colonial administration of Ukraine controlled by Moscow.

The government of the Ukrainian SSR has not even reached a level of independence that would permit Ukrainian prisoners to serve their sentences in prisons in Ukraine, of which they are citizens and where they could avail themselves of some assistance from their families.

For efforts to implement these rights in Ukraine, many Ukrainian intellectuals were imprisoned and some were sentenced to death, for instance, L. Lukianenko and I. Kandyba (later their sentences were commuted to 15 years at hard labor);

For advocating intellectual freedom and for resisting Russification: V. Moroz, E. Sverstiuk, V. Chornovil, I. Svitlychny, Ihor and Iryna Kalynets, V. Stus, Iryna Senyk, M. Osadchy and I. Hel—just to mention a few, were given sentences of up to 15 years in prison and exile;

For protesting the illegal trial and for advocating human rights Prof. Leonid Plushch, A. Lupynis and Gen. Petro Hryhorenko, and others were confined indefinitely to special KGB psychiatric wards;

I. Moisley and Mykola Khmara were murdered for their religious beliefs, and others, like Rev. V. Romaniuk (10 years), were sentenced to long prison terms;

For refusing to denounce his father, Yuriy Shukhevych was sentenced to 15 years in prison after already serving 20 years;

For defending her husband, S. Karavansky, microbiologist Nina Strokata-Karavansky was sentenced to four years.

Executed for defending the national rights of Ukraine were A. Olynyk, P. Kovalchuk, I. Chayka, and others;

Murdered while in prison were Mykhailo Soroka, Vasyi Malchuk, and others;

Severely punished for defending the national rights of Ukrainians, Tartars, Jews, and other national minorities in the USSR were S. Karavansky, Gen. P. Hryhorenko and Ivan Dzyuba;

Pyotr Yakir and others were rearrested for speaking out in defense of discriminated Soviet Jewry;

In order to break the will of the imprisoned, the KGB uses new chemical and medical drugs with methodic cruelty to poison the food of such political prisoners as P. Starchyk, I. Dzyuba, V. Moroz, L. Lukianenko, I. Kandyba and others.

The terror of Brezhnev-Andropov exceeds in its sophisticated cruelty even that of Stalin and Beria.

The government of the United States and other capitalist countries share responsibility for the increased terror against us and the new wave of Stalinism in Ukraine and other Soviet republics, because at the time of mass persecution by the KGB, they are making deals with Moscow without demanding that the Soviet government observe national and human rights. By means of these deals, Moscow seeks to cement its total domination over the captive nations. The Conference in Helsinki has aided and abetted Moscow's reign of terror by not insisting that the USSR abide by the United Nations Charter and the Universal Declaration of Human Rights. Heed our warning—if human and national rights, freedom of thought and religious worship are not defended, not only by us who are already suffering persecution, but by all the civilized world, then total terror will spread throughout the world, because the Russian chauvinists and Communists will not be satisfied with what they already have.

We are calling on workers, writers, artists, scholars, students and the youth, women's

and church organizations, and honest people of all nations to demand an immediate end to the use of chemical and mind-twisting drugs on prisoners, release of all political and religious prisoners, liquidation of concentration camps, an end to the policy of Russification, and the establishment of national independence for the peoples held captive by the USSR, in accordance with the U.N. Charter and the Universal Declaration of Human Rights.

#### THE MIDDLE EAST CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the growing intensity of the war in the Middle East is a tragedy which is shared by the world as a whole.

The odds which the tiny nation of Israel faces are lopsided and could mean that her very survival is again threatened. Israel was attacked. She apparently chose not to strike preemptively and is now faced with a protracted and growing conflict.

Among the many tragedies of this new war is the stark fact that the framework of peace purportedly agreed to by the Soviets and our Government has failed miserably in avoiding the present conflict. As might be recalled by many of us who have supported détente, it was exactly this kind of conflagration which was to be avoided because of the new American-Soviet agreements. At the very time that the Soviets were consulting privately with Dr. Kissinger and others, they were apparently committed to shipping unlimited supplies to the Egyptians and the Syrians, in complete violation of the spirit and apparently the letter of those now infamous agreements.

This tragedy for mankind has been developing at the very time that we all had hoped and prayed for a genuine détente among the superpowers.

It is my sincere hope that the Soviets will begin to understand that our Nation cannot develop détente in a climate of dishonesty and distrust. By their actions in the Middle East, as in their actions against their own citizens who wish to emigrate, the Soviets have demonstrated those very traits which we hoped would be erased for détente. Their cruel deeds have belied their words. It is time for them to stop meddling in the Middle East or elsewhere, and turn their attentions to helping the nations involved to commence face-to-face negotiations as the hostilities are brought to a swift conclusion.

Otherwise, the Soviets must bear the onerous burden of a widening conflagration and all of its consequences.

#### SEPARATION PROGRAM NUMBERS PREJUDICE VIETNAM VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today I am introducing legislation that would prohibit the military departments from placing on discharge certificates any codes or other indicators which disclose

any reason why members of the Armed Forces are discharged or separated from service. This bill would also allow any former member of the Armed Forces to be issued a new discharge certificate without such information.

The Vietnam veteran has been plagued by many problems since his return, and the main one has been the humiliation of postwar unemployment. But yet another matter is developing into as serious a problem as unemployment, and perhaps it has contributed to this high rate of unemployment among veterans, and that is the separation program numbers.

These numbers are included by each military service on the discharge papers which travel with the veteran, for better or worse, for the rest of his life. These numbers give the reasons for separation from the service, and are in addition to the type of discharge awarded to the serviceman, such as honorable, bad conduct, and so forth.

These numbers are attached to a man's discharge certificate without any form of hearing to establish the validity of the evidence or of a procedure of appeal if the serviceman objects to the designation. Unnecessary harm can come to the veteran because the code numbers and what they designate, while intended to be confidential, have become publicly known. For a veteran with a prejudicial SPN this invasion of privacy may never end.

My bill would require that information of this type be treated confidentially and retained in the veteran's file but not placed on his discharge paper, and, thus would not be available to employers who could be unduly influenced by this information.

The veterans of the Vietnam conflict have been plagued by many problems. They were involved in a war that was not popular, they were faced with debilitating drug addiction, and they are now faced with an unemployment situation that is humiliating. Congress cannot eliminate all of these problems, but we can rectify one intolerable situation and I believe it is time to take steps to do just that.

#### THE WAR IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, the eyes of the world are riveted in the current conflict in the Middle East and the tense struggle of the Israeli people to preserve their independence. I share the dismay and deep concern of many Americans over the premeditated act of aggression launched against Israel by Egypt and Syria in their move across the cease-fire lines. The United States has a special responsibility to support Israel in her fight for existence, even beyond the clearly moral duty of attending upon a nation which shares our commitment to freedom, self-determination and human liberty.

Some years ago, the new Vice President-designate, GERALD R. FORD, stated that the "security of the United States is tied to the security of Israel." It is im-



portant to keep that statement in mind with the current clamor surrounding the question of U.S. security and our dependency on Arab oil. If Israel is overrun by the Arab world, the way is paved for Soviet domination over the whole of the Middle East, for Soviet control over the Middle East's rich oil reserves, and the possibility of Soviet control extending over other oil-producing countries like Iran and the emirates of the Persian Gulf which have consistently been friendly to the United States.

Strictly from the viewpoint of our own ultimate national security, it is far wiser for this country to do everything possible to insure the survival of Israel than give way to Arab threats of blackmail through temporary cutoff, particularly when there are energy sources within our own perimeters which we can develop and upon which we can begin to rely.

I might just note, too, that less than 3 percent of oil consumption by the United States, about 620,000 barrels a day, comes from Arab producers who are involved in plans to cut off oil supplies to the United States. The Treasury Department just this week stated that if the American public took steps to cut back on energy waste, "savings could amount to the equivalent of about 3 million barrels of oil a day."

What in effect we can balance here is the question of whether to submit to blackmail and save 620,000 barrels of oil a day, or make an all out effort to conserve the energy we have and save 3 million barrels a day. The answer to that question seems crystal clear to me. Besides the clear fact that we cannot allow our foreign policy to be dictated by blackmail, we would be placing ourselves in a far more tenuous position if we allowed Israel to fall and the Soviet Union gain further control over Arabian oil policy.

Mr. Speaker, for a long time up to the outset of the current conflict, the Soviet Union has been airlifting large quantities of arms and ammunition to its allies, Egypt and Syria. When the Soviets began deploying missiles on the Suez Canal, missiles that were taking the lives of Israeli pilots, it took U.S. intelligence almost 10 days to confirm the Israelis' reports. Either our intelligence is that bad, or we simply were looking the other way. I am heartened by the fact that the administration has now announced it will airlift arms and ammunition to Israel; this is vital if we are to balance the enormous amount of missiles, aircraft, and other materiel which the Soviet Union has supplied to the Arab world.

It is no secret that the Israelis knew of the impending Arab attack before it happened; Israel informed our own Nation of the buildup by Syria and Egypt, and there was ample reason for Israel to implement a preemptive strike to counter the coming Arab assault. Because it is doubtful if the world could ever really be convinced of the impending Arab attack, the Israelis did not initiate a preemptive strike. This immunity from attack gave greater impetus to the Arab aggression. The Israelis have paid dearly with blood for their decision not to launch a preemptive

strike, a decision which in effect was made in the interests of peace for the world at large. It seems to me we have a responsibility to share in the consequences of that decision by reaffirming our support for Israel in her current hour of need.

We should note that Israel is asking the United States only for the ability to purchase aircraft, tanks, and other military equipment, not outright grants of military aid which we supply to many other nations of the world. I and several of my colleagues have introduced a resolution requiring the U.S. Government to immediately release all aircraft, tanks, and other equipment which have been contracted for but not yet delivered, and I am happy to note that the administration has begun to move along these lines. In addition, we must continue to offer our services to help the parties get together at a peace table to find a solution to the current strife, working always for the goal of an immediate cease-fire.

I feel the administration has been moving to maintain the balance that has existed in the Middle East, and I feel confident it will continue with the policy we have upheld regarding the survival of Israel. This policy, which recognizes the importance of Israel as the only truly democratic nation in the Mideast, is crucial not only to the survival of Israel, but to our own peace and security in world geopolitics as well. I urge continued American support for Israel and our persistent efforts in working for a cease-fire.

Mr. Speaker, at this point in the Record, I would like to share with my colleagues the resolution that was adopted by the United Federation of Teachers urging continued U.S. support for Israel. A text of the resolution follows:

[Telegram]  
RESOLUTION

HON. LESTER L. WOLFF,  
House Office Building,  
Capitol Hill, D.C.

The following resolution was adopted by the delegate assembly of the 76,000-member United Federation of Teachers AFL-CIO on Wednesday, October 10, 1973:

Whereas, Egypt and Syria launched an unprovoked attack against Israel, confirmed by U.N. observers on the scene, and

Whereas, as trade unionists we have a profound admiration for the democracy that has been built in Israel, despite adverse conditions and continuous military threats by the surrounding countries, and

Whereas, UFT's fraternal relations with Histadrut, Israel's great labor movement, are based on common trade union values and a shared commitment to a just world, and

Whereas Israel is the most progressive and humane country in a region of feudal and military dictatorships, and its institutions are models for humanitarians in countries throughout the world, and

Whereas the Egyptian and Syrian attacks against Israel constitute a grave threat not only to Israel but to the cause of world peace, and

Whereas peace will only come to the Middle East when the Arab states cease their belligerency and enter into direct negotiations with Israel. Therefore be it

Resolved, That the UFT condemns the unprovoked aggression launched by Egypt and Syria against Israel, and be it

Further resolved, That the UFT calls upon our Government to condemn the Arab aggression and to continue to provide Israel with the materiel necessary to maintain its secur-

ity and be it finally resolved that the UFT support Israel in its struggle to maintain its integrity and security and we urge all members to give full support to ensure the continued existence of the democratic state of Israel.

ALBERT SHANKER,  
President, United Federation of Teachers.

THE AGNEW CASE: IMPORTANCE  
OF CROSS-EXAMINATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 5 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, I have written today to U.S. District Judge Walter E. Hoffman, strongly urging him to set aside the plea entered in his courtroom last week by Spiro T. Agnew, in view of the statements made by the former Vice President of the United States in a nationwide broadcast last night.

Mr. Agnew would have us believe that his plea of nolo contendere, which the judge described at the time as fully equivalent to a plea of guilty, had been coerced. If this assertion by Mr. Agnew is true, then obviously justice was not done in Judge Hoffman's courtroom.

Mr. Agnew is either guilty or not guilty. The public ought to know which. While there may have been good reason to accept his in-between plea under the circumstances that existed last week, I submit that we are confronted with a new situation—one in which Mr. Agnew now appears to be denying the validity of his own voluntary statements last week in open court.

It seems to me that in a case so profoundly important, any questions that the American people might have ought to be answered fully in a courtroom rather than in a television studio. As you know, Mr. Speaker, pleas of guilty and nolo contendere are not invariably accepted by our Nation's judges. In fact, they are never accepted whenever there is the slightest suspicion that the defendant's rights have been trampled on.

In the interests of justice—and for the sake of the American people, whose confidence in their judicial system must not be shaken—it is not too late to resolve these doubts. I have respectfully recommended to Judge Hoffman that he reopen the case of United States against Spiro T. Agnew, and that he set it down for public trial.

Let Mr. Agnew's accusers come forward and be cross-examined. Let Mr. Agnew himself submit to cross-examination, if he and his attorneys are willing to risk this course. Let the trial judge, whoever he is, be free—in the event that Mr. Agnew is convicted—to impose a new sentence in light of all the facts developed and tested in open court.

For your information, Mr. Speaker, I am writing also to the Attorney General of the United States, urging him to petition for a reopening of the case on the grounds I have cited here.

It would be unwholesome for our democracy if the citizenry were to come to believe that this matter had been left in limbo.

### MAINTAIN FULL SUPPORT FOR ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 5 minutes.

Mr. PODELL. Mr. Speaker, I was gratified to see that the Nixon administration has finally realized that we must begin resupplying Israel with aircraft, tanks, and other weapons she needs to win the war which the Arabs started.

However, it is readily becoming apparent that resupply alone is not enough. Today's news reports carried stories of Soviet advisers fighting in Syria. I fervently hope that this is not true. But the fact that it is even likely raises some serious questions which this Nation must consider immediately.

For the last 2 years, President Nixon and Dr. Kissinger have been working heroically to create a state of détente with the Soviet Union. All indications we have received from Russia, until the outbreak of fighting in the Middle East, led us to believe that the Soviet Government was genuinely interested in forging a lasting peace with the United States. But Russia's current activities in Egypt and Syria, in beginning to resupply those states almost immediately, in encouraging them to continue fighting, must demonstrate to concerned Americans that they no longer care about détente.

Why should this be, when they have so much to gain? Perhaps it is because they feel that the United States is simply not the kind of nation with which they want to do business. I have in mind particularly the conflict over the trade bill, especially the provisions for free emigration from the Soviet Union. The Russians may have lost all hope for winning trade concessions with the United States without making certain concessions on their own part. If that is the case, then I must frankly say that the United States has not lost so very much.

I have long felt that détente and any new trade or cultural relations arising therefrom cannot be a one-sided proposition, and I have said this many times. The Russians' current actions are bearing me out. Were the Russians genuinely interested in détente, they would not have sprung to the aid of the Arab aggressors so quickly. I cannot accept Secretary Kissinger's opinion that the Russians did not act irresponsibly. What would it take for them to be acting irresponsibly—the visible presence of Russian troops in Sinai? Is it not irresponsible enough that their firm and swift support of the Arabs is prolonging the war?

In addition to resupplying Israel this nation must now face the fact that détente with the Soviet Union is all but irretrievably shattered. What, then, is the United States to do? Do we have enough leverage on the leaders of the Soviet Union to get them to ease their support of the Arabs? What can we offer them that we have not already? There are certain things that we must not compromise on, among them being the principle of free emigration and an end to repression of dissident intellectuals. We have thrown every trade concession their

way and have made many deals that have since been to the great disadvantage of the American consumer. How much more should we do?

These are hard questions, and questions that the President and his advisors must answer if the fighting continues much longer. The State Department has reported that diplomatic efforts at ending the fighting have met with no success. I for one do not think we should abandon all efforts at reaching a diplomatic settlement. But, Mr. Speaker, we should realize that this has become a far-fetched goal, primarily because of the Russians' actions in the past week.

The prospect of the presence of Soviet advisors in Syria and Egypt raises even grimmer spectres. It is difficult for me to say that such actions by the Soviet Union would justify a similar action by the United States. Already, too many people are raising parallels to our Vietnam involvement. They are fearful that any United States assistance to Israel would embroil us in another endless war. History has placed some powerful arguments on their side. But is this true?

Before we consider sending advisers over to Israel, we must consider whether they are really needed. Frankly, the last thing the Israelis would want is to have American advisers. Israel is a nation of gallant, determined fighters. They need no one who is not an Israeli fighting alongside them. So I would not expect the United States to become involved to this extent.

The prospect of American fighters is ephemeral at best. But there is looming another threat to America's support of Israel that cannot be so easily dismissed. I am speaking of the threats now coming from Saudi Arabia, Kuwait and other Persian Gulf States to cut off oil shipments to the United States and to curtail production. In other words, Mr. Speaker, the noncombatant Arab states have threatened to freeze us out if we commit the unpardonable offense of supporting our ally, Israel.

I do not think this is merely a threat. I fully expect the Arabs to curtail production, and to prevent shipments from reaching the United States. Oil as a weapon has long been theorized, and now we see theory well on the way to becoming reality. As we deliberate here today, President Nixon is meeting with the U.N. ambassadors of Saudi Arabia, Kuwait, Libya, and Algeria, and they are presenting him with their threats.

This more than anything may undermine America's traditional support for Israel. Are we willing to put up with the discomfort of cold homes and the inconvenience of slower driving and higher fuel prices for what is essentially a question of principle? I hope I am not overestimating the strength of the American people when I say yes. Furthermore, I do not think that a cutoff of Arab oil supplies will wreak havoc with the Nation's well-being. The major oil companies export more oil to Japan than we import from the Middle East. Other nations are curbing fuel exports because of shortages. It would be in the best interests of the United States, not only as a means of getting through the next few months of Arab blackmail, but as a

means of conserving our resources in the future, if we were to do the same.

I doubt that anyone expected the Middle East conflict to last this long, or to raise as many difficult questions for this Nation as it has. But one thing remains clear despite all attempts at obfuscation. The United States has a commitment to support Israel. This is a commitment which we must honor. Not to do so would be inconsistent with everything this Nation professes to believe. The parallels with Vietnam, the threats of fuel shortages of major proportions, should not be used to turn our eyes from the promises we have made. It is only by supporting Israel as fully and as strongly as the Soviet Union has been backing its Arab clients, that we can make it clear to them how important a Middle East settlement is to us. For ultimately, if we are to have genuine peace there, we will have to deal with Russia. And we must do so from a position of unmistakable strength and commitment.

### PROCLAIMED INDEPENDENCE OF GUINEA-BISSAU

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 10 minutes.

Mr. STOKES. Mr. Speaker, I call on this Congress, the United Nations, and the State Department to give recognition to the newly established independent Republic of Guinea-Bissau as an independent nation. Independence was proclaimed by the National People's Assembly, Monday, September 24, 1973. In so doing, a 15-member council of state was elected.

As some of you might know, Guinea-Bissau has been struggling for many years against the colonial oppressors from Portugal. During this long struggle there have been demonstrable acts carried out by Portuguese insurgents against the noble people of Guinea-Bissau. The attempts by Portugal to colonize other countries, namely Angola and Mozambique, have motivated the peoples of these countries to continue the struggle for total liberation.

At this point, I will attempt to give insight as to the historical evolution which led to Guinea-Bissau's proclamation of independence. It is also important to examine key questions which directly relate to the right of a people to control its own destiny as an independent nation.

Clearly, throughout five centuries of Portuguese colonial rule, the people of Guinea-Bissau never accepted foreign domination. Countless and unending wars of resistance met the foreign invaders. The intensity of this resistance was particularly strong from 1886 to 1936 when European powers attempted to consolidate their African holdings.

In 1956, however, after two decades of relatively successful Portuguese repression, a group of patriotic Guineans met secretly in Bissau, the capital, to form the African Party for the Independence of Guinea-Bissau—and the Cape Verde Islands—PAIGC. The PAIGC initially concentrated on urban organizing and was also willing to try to achieve inde-



pendence peacefully. In August 1959, however, when Bissau dock workers went on strike for higher wages, 50 were killed by the Portuguese police. After this setback, the PAIGC began to organize and mobilize revolutionary cadres in an armed struggle for national liberation. This required a move into rural areas.

Mr. Speaker, at this juncture one might ask whether military struggle by the PAIGC was necessary in view of the destruction of lives which would result therefrom. Those of you, who might ask such a question, must also ask the question, would all of the presently existing independent governments really be independent, if an armed struggle against their oppressors had not existed to bring about such a change. To go one step further, armed struggle was a major factor in winning America independence from the British Government.

On January 1, 1963, the armed struggle began in the southern front. Military successes came relatively quickly as the rural peasants began to shift their allegiance to the PAIGC and the Popular Revolutionary Armed Forces—FARP. By 1964, the politico-military struggle was sufficiently advanced for the PAIGC to hold the first national congress inside liberated Guinea, after only a year of actual combat. In August 1972, the first general elections were held in liberated areas, and a national assembly was set up. Members were also chosen for those areas still under Portuguese occupation. Such efforts were instrumental in establishing the Independent Republic of Guinea Bissau. Today about 80 percent of the country is controlled by the PAIGC with only pockets of colonial resistance remaining in fortified posts and in the capital.

Mr. Speaker, a logical argument against recognizing the government of Guinea Bissau as an independent state would stem from Portugal's nonrecognition of Guinea Bissau as an independent state. Many of you would say we have established treaties with Portugal, who has in the past, represented the interests of Guinea Bissau. If this line of thinking is adhered to, there would in fact be a problem. Furthermore, when this argument is considered in a vacuum, any logical thinking man would be apt to agree. In my opinion, however, a more plausible and correct argument centers around the question, who has the right to control and govern the people of Guinea Bissau? More importantly, should such a right be based upon a history of past colonization, or should such a right be based upon the will of the people of Guinea Bissau, to elect their own government?

It should be noted that all democratic forms of government come into existence by the will of the people. It is unnatural and against all principles of democracy, that colonial governments be recognized as the true representatives of the people. Democracy mandates that governments, which represent the true desires of the people, must evolve out of an electoral process. Such a mandate purports to establish a structure which will render adequate representation for all. The newly proclaimed Independent Republic of Guinea Bissau is such a gov-

ernment. America, of all nations, should be aware of the necessity for the existence of this form of government.

We must now view the contrast in relation to Portuguese colonial rule and the government established by the PAIGC. Initially, when Portugal claimed Guinea as a colony, the inhabitants were subjected to slavery. As its inhabitants assumed greater self-determination in the form of armed struggle, the Portuguese intensified their repression. The Portuguese system in Guinea Bissau, has always been a repressive one. However, when PAIGC was formed and even up to the present in some areas, Portugal committed deplorable and unspeakable acts of aggression against the inhabitants of Guinea Bissau. They have used napalm on people and crops. They have murdered and beheaded numerous inhabitants of Guinea Bissau. Yet, in view of these atrocities, Portugal claims to be the representative government of Guinea Bissau.

A different picture arises when we view the control by PAIGC, who are essentially one and the same as the recently established Republic of Guinea Bissau. Through the efforts of PAIGC meaningful reforms have taken place. A new marketing system has been created which has resulted in the formation of numerous people's stores for the distribution of needed items. In the past, Portugal enforced 99 percent illiteracy by denying the children of Guinea Bissau a right to an education. There have been however, under the leadership of the PAIGC and the People's National Assembly, significant changes in the field of education. By 1971 for example, 159 primary schools and two large secondary schools have been established.

Mr. Speaker, the area of health is also promising. There are now around 10 PAIGC hospitals, 140 clinics, and 23 mobile medical teams. Considering the aforementioned facts, there should be no doubt that the Independent Republic of Guinea Bissau is the sole, legal, and truly representative government.

Lastly, it is important to note that Portugal is one of the poorest of European nations. How is she able to carry out aggressive acts against Guinea Bissau? How can she equip her troops inside Guinea Bissau, and how is she able to finance an air force which includes not only planes but helicopters similar to those used by the United States in Vietnam? When put in its proper perspective, such assistance can only come from the United States and European allies of Portugal.

It is disturbing and paradoxical for the United States and other so-called democratic European countries on the one hand, to project such concepts as law and order, and democracy, and on the other hand to support Portugal's illegal existence in Guinea Bissau.

Thus, Mr. Speaker, I ask no more than what is fundamental to our own constitutional system, that the Congress, the United Nations, and the State Department recognize the newly proclaimed Independent Republic of Guinea Bissau as an independent state.

#### PRESENT SITUATION IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Ms. HOLTZMAN) is recognized for 5 minutes.

Ms. HOLTZMAN. Mr. Speaker, I am pleased to be a cosponsor of the O'Neill resolution expressing House support for strengthening Israel's defense in its efforts to repel the recent Arab attacks. I urge the support of my colleagues, because immediate and overwhelming passage of this resolution is of vital importance not simply to Israel, but to the United States.

In assuring the survival of Israel, we are not only helping a small and valiant friend, but we are acting in the best interests of our Nation. Israel is a strong and vital democracy. Abandoning Israel now would mean the loss of world belief in our desire to protect such governments from destruction. It would cost us our only reliable ally in the Middle East, and leave that region entirely to forces hostile to American interests. It might leave us open to unlimited Arab blackmail over oil.

With our interests so clearly at stake, we must recognize the gravity of the present situation in the Middle East.

Since the treacherous attacks launched by Egypt and Syria on the holiest day of the Jewish year, Israel has been fighting for its life. In the days that followed, eight more Arab countries joined the fighting.

Now Israel faces 10 nations with combined armed forces that outnumber its own by nearly 3 to 1. These forces are supplied, and resupplied daily, with the most advanced Russian weapons.

In the first 8 days of fighting, Israel suffered the death of 656 soldiers. In this time when we are, sadly, used to massive casualty lists, this number seems small. But with Israel's population of 3 million, this loss is equivalent to the deaths of 45,000 American soldiers—more men than the United States lost in 10 years of armed combat in Vietnam.

In the face of this suffering, which is increasing every day, the Israelis are prepared to continue fighting. They have asked for help, not with the fighting, but in the supplies and equipment they need to continue.

I believe it is the responsibility of the United States to provide this support. At the beginning of the war, the Arabs had more than three times as many tanks and war planes as the Israelis. Now, with daily massive shipments of material from the Soviet Union, the Arabs may have an even greater advantage. We cannot afford to let this imbalance become larger.

By replacing Israeli losses, we will allow them to carry on their fight for existence. Our efforts in this area would not be necessary if the Soviet Union had acted responsibly. But in the face of a Soviet attempt to destroy the balance of power in the Middle East, I believe it is our duty to maintain that balance, and preserve Israel's ability to protect itself.

We should not be dissuaded by false Russian promises of détente, for they have shown their intentions in their ac-

WASHINGTON, D.C.,  
October 2, 1973.

tions. We need not give in to Arab oil threats, for we can more easily survive such a stoppage than they. The United States has long recognized the necessity of Israel's survival, both in our own self-interest and as human responsibility. Today's resolution will insure that survival.

Mr. Speaker, I would like to conclude with a statement of my personal feelings about this war, feelings which I believe are shared by most of my constituents and many other Americans. I mourn Israel's human suffering. I regret bitterly the need for Israel to fight for its right to exist, as it has done and will continue to do. But I do not fear for Israel's future. I believe that, if we give the Israelis the equipment they need, they will prevail, and then we can work for a true peace in the Middle East—a peace based on respect for the independence of all nations.

#### CPA AT CLC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

Mr. FUQUA. Mr. Speaker, subcommittees of the Government Operations Committees of both Chambers of Congress are now preparing what perhaps is the most important consumer protection legislation ever to be considered seriously by Congress: The proposal for an independent Consumer Protection Agency.

It is my fervent hope that a CPA bill will be passed by Congress and signed into law during this Congress. Quite frankly, however, we are having problems in subcommittee determining the scope of the bills before us.

All of the three House bills before us would allow a CPA to advocate strongly the interests of consumers in virtually all the formalized proceedings and unstructured activities of all Federal agencies. Two of the three bills before us, in addition, would grant a CPA an unprecedented right for a nonregulatory agency—the right to appeal to the courts the final agency decisions arising out of such proceedings and activities, including decisions not to take requested authorized actions.

The scope of such proposed powers is, obviously, vast; it covers millions if not billions of formal and informal Federal decisions annually. Our problem in the subcommittee is that we cannot possibly be aware of all of the proceedings and activities proposed to be covered. And, not knowing this, we must speculate on the effect of the various proposed CPA powers on such decisionmaking.

Consequently, when we soon report a CPA bill to the floor, as we did last year, there is a high risk of concerned confusion which is inflamed by debate between Members who are intimately knowledgeable about the operations of certain agencies and Members who are not quite as knowledgeable on these specific matters. One need only review the turmoil of our CPA debate in October of 1971 to see this risk realized.

In order to minimize this risk, I have requested detailed information from those Federal agencies most cited in the CPA bill hearings as being prime targets

for CPA advocacy. I intend to share this information with all Members to avoid as much as possible a recurrence of the confusing debate that we experienced during the last Congress.

Prior surveys of agencies on this subject attempted to get responses as to what types of future proceedings and activities might be affected by a CPA. To gain more perspective, I have asked the agencies to give me lists of their 1972 proceedings and activities which would have been subject to CPA advocacy if a CPA had been in existence as authorized by the three House bills.

The first agency that will be covered is a very small one compared to some of the Departments and independent agencies that I have surveyed. But, according to the Consumer Federation of America witness at our recent hearings, it should be the No. 1 target of the CPA. This agency is the Cost of Living Council.

The CLC's response is divided into the various categories of proceedings and activities covered by the CPA bills before us, H.R. 14 by Congressman ROSENTHAL, H.R. 21 by Congressmen HOLIFIELD and HORTON and others, and H.R. 564 by Congressman BROWN of Ohio and myself.

In notice and comment rulemaking, all of the bills would allow full advocacy equal to or greater than other participants in such proceedings.

All bills would also allow at least amicus curiae status in the least formal unstructured, so-called "informal activities" of other agencies and in their most formal proceedings conducted on the record.

The major difference between the bills lies in the judicial review area. H.R. 14 and 21 would allow the CPA to appeal to the courts the actions of other agencies—including a decision not to act. The Fuqua-Brown bill would not allow the CPA to appeal the final actions or refusals to act of other agencies.

On this last point, it is worthy to note that the small CLC's estimate of actual 1972 decisions subject to appeal by the CPA under all except the Fuqua-Brown bill is "between 40,000 to 60,000." By definition, all decisions of CLC affect consumers. Of course, not counted in this estimate are the many thousands of areas where the CLC, Pay Board, or Price Commission refused to act, areas subject to CPA court appeal under all except the Fuqua-Brown bill.

Another area of the CLC response is its list of 30 representative informal activities. The CLC notes that, in its opinion, some of these should not be considered within the scope of CPA advocacy authority. However, under all of the bills, the CLC can not make such a judgment to exclude the CPA. If the CPA determines that such an activity might result in a substantial impact upon consumers, it may participate as of right in such an activity—and no agency may keep it out.

Mr. Speaker, for the important purposes already stated, I include the Cost of Living Council's outline of its 1972 proceedings and activities that fall within the advocacy of the pending CPA bills in the RECORD:

Hon. DON FUQUA,  
House of Representatives,  
Washington, D.C.

DEAR MR. FUQUA: We have reviewed your letter dated September 7, 1973, regarding H.R. 14, 21, and 564, three bills to create an independent Consumer Protection Agency (CPA). It should be noted at the outset that your request for information relates to the year 1972. At that time, the Cost of Living Council, Pay Board, Price Commission jointly participated in formulating stabilization policy. Consequently, we will attempt to provide you with combined answers to your questions with respect to the three principal stabilization agencies which functioned during 1972. For the sake of clarity, we have adopted the format contained in your letter.

Question 1. What regulations, rules, rates or policy interpretations subject to 5 U.S.C. 553 (the Administrative Procedure Act (APA) notice and comment rulemaking provisions) were proposed by your agency during calendar year 1972?

Answer: The following regulations were published as proposed rulemaking by the three principal stabilization agencies:

Pay: 1. Deferred & Merit Increases: 6 CFR Part 201, 37 F.R. 5833, March 22, 1972.

2. Treatment of Certain Productivity Incentive Programs: 6 CFR Part 201, 37 F.R. 7715, April 19, 1972.

3. Pay Board Procedural Regulations: 6 CFR Part 205, 37 F.R. 8463, April 27, 1972.

4. Revision of Regulations Relating to Pay Stabilization, Prenotification & Reporting: 6 CFR Parts 201, 202, 37 F.R. 14531, July 20, 1972.

Price:

5. Cooperative Associations & Certain Marketing-Risk-Sharing Arrangements: 6 CFR Part 200, 37 F.R. 11352, June 7, 1972.

6. Lumber & Wood Products—Notice of Public Hearing Regarding Price Stabilization: 6 CFR Part 300, 37 F.R. 15523, August 3, 1972.

7. Profit Margin Calculation for Lumber Firms Formerly Exempted from control: 6 CFR Part 300, 37 F.R. 18745, September 15, 1972.

8. Profit Margin Calculation for Lumber Firms Formerly exempted from control, withdrawal of Notice of Proposed Rulemaking: 6 CFR Part 300, 37 F.R. 24837, November 22, 1972.

9. Purchasing Cooperatives—Allowable Costs or Initial Percentage Markups: 6 CFR Part 300, 37 F.R. 25054, November 25, 1972.

10. Public Utilities: Regulatory Agencies—Reporting Procedures: 6 CFR Part 300, 37 F.R. 28080, December 20, 1972.

Question 2. What regulations, rules, rates, or policy interpretations subject to 5 U.S.C. 556 and 557 (that is, APA rulemaking on the record) were proposed or initiated by your agency during calendar year 1972?

Answer: None. Section 207(a) of the Economic Stabilization Act of 1970, as amended, provides that:

"The functions exercised under this title are excluded from the operation of subchapter II of Chapter 5, and 7 of title 5, United States Code, except as to the requirements of sections 552, 553, and 555(e) of title 5, United States Code.

Consequently, no agency proceedings were conducted under 5 U.S.C. 556 and 557.

Question 3. Excluding proceedings in which your agency sought primarily to impose directly (without court action) a fine, penalty or forfeiture, what administrative adjudications (including licensing proceedings) subject to 5 USC 556 and 557 were proposed or initiated by your agency during calendar year 1972?

Answer: None. See, answer to question #2, above.

Question 4. What adjudications under any provision of 5 USC Chapter 5 seeking pri-



marily to impose directly (without court action) a fine, penalty or forfeiture were proposed or initiated by your agency during calendar year 1972?

Answer: None. See, answer to question #2, above.

Question 5. Excluding proceedings subject to 5 USC 554, 556 and 557, what proceedings on the record after an opportunity for hearing did your agency propose or initiate during calendar year 1972?

Answer: None. However, a number of formal public hearings were conducted by the stabilization agencies under section 207(c) of the Economic Stabilization Act of 1970, as amended. Section 207(c) provides that: "To the maximum extent possible, the President or his delegate shall conduct formal hearings for the purpose of hearing arguments or acquiring information bearing on a change or a proposed change in wages, salaries, prices, rents, interest rates, or corporate dividends or similar transfers, which have or may have a significantly large impact upon the national economy and such hearings shall open to the public except that a private formal hearing may be conducted to receive information considered confidential under Section 205 of this title."

Although the above paragraph does not technically require proceedings on the record after opportunity for hearing, public hearings were held in a number of cases which involved significant economic impact to the national economy. Consequently, in accordance with section 207(c) and for the purpose of obtaining public participation with respect to certain matters, including the gathering of information and rulemaking, public hearings were conducted in 1972, as follows:

Re pay matters:

1. State of Ohio (Washington, D.C., Feb. 24 and March 12, 1972).
2. West Coast Longshore (Washington, D.C., March 14, 1972).
3. East Coast and Gulf Longshore, Washington, D.C., May 2, 1972).
4. Professional Sports\* (Washington, D.C., May 9, 1972).
5. New York City Employees (Washington, D.C., June 27, 1972).
6. New York Printers (Washington, D.C., October 13, 1972).

7. Recodification hearings\* on Pay Board regulations—4 cities (Chicago, San Francisco, Atlanta, Washington, D.C.; Aug. 17, 21, 24 and 28, 1972 respectively).

Re price matters:

1. Public Utilities\* (Washington, D.C., Feb. 22, 24, 25 and 26, 1972).
2. Review of General Price Policy\*—4 cities (Chicago, Washington, D.C., San Francisco and Boston; March 24, March 28 and 29, April 6, and April 21, 1972 respectively).
3. Food Policy\* (Washington, D.C., April 12, 1972).
4. Rent Policy\* (Washington, D.C., April 14, 1972).
5. Lumber\* (Portland and Atlanta; August 8 and October 19, 1972 respectively).
6. Cement\* (Houston, Oct. 6, 1972).
7. Auto (Washington, D.C., Sept. 12, 1972).

Question 6. Will you please furnish me with a list of representative public and non-public activities proposed or initiated by your agency during calendar year 1972?

Answer: Some representative kinds of activities, public and non-public, which are essential to the proper over-all functioning of the agency, are as follows:

1. Policy recommendations by staff to the Council;
2. Recommendations to Attorney General with respect to criminal and civil prosecutions;
3. Directions to IRS to conduct investigations;
4. Issuance of subpoenas;

\* In connection with rulemaking.

5. Approvals of modified and new executive compensation plans;

6. Denials of requests for information and reconsideration of such decisions;

7. Oral interpretations on telephone;

8. Written interpretations or regulations;

9. Decisions granting or denying exceptions;

10. Actions taken with respect to prenotifications and reports;

11. Actions taken with respect to requests for reclassification;

12. Actions taken with respect to requests for exemption;

13. Meetings with industry representatives to solicit information preliminary to the Council's formulating policy changes;

14. Meetings with parties to discuss their particular wage or price case;

15. Requests for additional information;

16. Actions taken with respect to requests to reopen a case or stay decision and order pending reconsideration;

17. Review and consideration of comments submitted in connection with proposed rulemaking;

18. Actions taken with respect to profit margin limitations and repurification;

19. Actions taken with respect to applications for volatile pricing authorization;

20. Actions taken with respect to reports supporting minimum profit margin treatment;

21. Actions taken with respect to pay challenges by parties at interest or the Council;

22. Actions taken with respect to requests for retroactive pay adjustments;

23. Notices of probable violation, remedial orders, and compromise of civil penalties;

24. Procurement actions;

25. Decisions to employ personnel;

26. Decisions to give promotions, quality increases, or cash awards to meritorious employees;

27. Reassignments of personnel;

28. Decisions to expend appropriated funds for authorized purposes;

29. Budgeting decisions; and

30. Coordination with other Federal agencies in connection with matters affecting stabilization efforts.

We are of the opinion that some of the activities listed above are matters of agency prerogative (i.e., not generally subject to judicial review) and not within the scope of proposed CPA authority.

Question 7. Excluding actions designed primarily to impose a fine, penalty or forfeiture, what final actions taken by your agency in calendar year 1972 could have been appealed to the courts for review by anyone under a statutory provision or judicial interpretation?

We estimate that during calendar year 1972, there were between 40,000 and 60,000 cases handled by the three stabilization agencies. These were comprised principally of pre-notifications, reports required by the regulations which had to be approved or reviewed, and requests for exceptions and exemptions. An adverse action with respect to any of these cases could have resulted in a request for reconsideration. Any person aggrieved by a decision on reconsideration could have sought review in the courts.

I hope that this information is responsive to your inquiry.

Sincerely,

ROBERT E. BRADFORD,

Associate Director for Congressional Affairs.

#### CLARENCE E. KLAUS, SR.—40 YEARS OF DEDICATED SERVICE

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, I take this time to join in the tributes

being paid to Clarence E. Klaus, Sr., of Belleville, Ill., who is being honored for his 40 years of service to the members of the St. Clair County, Ill., Farm Bureau.

For 38 of those 40 years, Clarence Klaus has served as the agency manager of the Country Companies in St. Clair County. In addition, Clarence Klaus has been an active, dedicated community leader whose contributions have left rich legacy to those who follow him.

Mr. Speaker, at this point in the RECORD, I include the tribute to Clarence Klaus, Sr., which appeared in the October 1 edition of the Farm Bureau Notes of St. Clair County. Also, I include the letter Clarence Klaus has written upon his retirement.

[Farm Bureau Notes of St. Clair County, Belleville, Ill., October 1, 1973]

#### A TRIBUTE TO CLARENCE E. KLAUS, Sr.

Clarence E. Klaus, Sr. will be long remembered as a leader whose work on behalf of agriculture and its people has played a major role in the growth and strength of the St. Clair County Farm Bureau for the past 38 years.

This month, Clarence completes 40 years of service to the Country Companies and its many rural policyholders. For 38 of those 40 years he has served the people of this county not only as agency manager but as a dedicated community leader in many projects and a loyal friend and worker for Farm Bureau and all of its affiliated companies.

As Clarence takes his well-deserved retirement, it is particularly appropriate that the St. Clair County Farm Bureau Board of Directors presents this tribute of commendation and recognition of his distinguished service.

Thank you! Well done!

St. Clair County Farm Bureau Board of Directors, Howard Mueller, President.

#### OPEN LETTER TO ALL FARM BUREAU MEMBERS, COUNTRY COMPANIES CUSTOMERS AND FRIENDS IN ST. CLAIR COUNTY

The time comes only too fast when the older person must step aside and yield to the younger and more alert individuals. As of September 30, 1973, I am no longer Agency Manager for the Country Companies in St. Clair County. There is a rule that the company enforces that when an individual reaches age 65, he can no longer remain on as Agency Manager.

Mr. William H. Holman has been chosen by the Country Companies and your local Farm Bureau Board of Directors to be the new Agency Manager in St. Clair County. He comes to us with an outstanding record. I am sure that he is well qualified to lead the Agency to even higher attainments.

I consider myself to be extremely fortunate to have been able to serve the people of St. Clair County since April 1st, 1936. I wish to thank everyone that I have had the pleasure of doing business with in any way, and for their wonderful cooperation. I wish also to solicit the same for my successor.

Even though I have several plans for the future, one of them is to remain active as an agent for Country Companies on a part time basis.

I wish I could express myself in the proper words how much I have appreciated being your Agency Manager for the past 37 years.

CLARENCE E. KLAUS, Sr.

#### SELECTION OF A VICE PRESIDENT

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, my office

issued a news release last week concerning the selection of a Vice-Presidential nominee that has left an erroneous impression in the minds of many people.

In my release, I tried to express a strong feeling—a feeling that was shared by many Members of the House of both parties—that if a potential Presidential candidate were to be named, it would split the Nation at a time when unity was needed.

Several newspapers edited out portions of the press release, causing many readers—and some newspapers—to interpret my statement as a slap at Governor Connally and an abdication of responsibility for partisan purposes. These observations are entirely wrong.

My objection to the selection of a candidate to replace Mr. Agnew had nothing to do with the qualifications of those hoping to run for President. Any one of them would be highly qualified. Neither was I abdicating my responsibilities for partisan purposes. Since only a Republican was likely to be nominated, no partisan issue was at stake.

My objection centered on the fact that, if any one of the candidates had been named, it would have created serious controversy—in both parties—and served to dangerously split our Nation at a time when unity was needed.

The tragic events, brought on by the criminal conviction of the man occupying our Nation's second highest public office, shocked every citizen. Coupling that event with months of hearings of alleged improper acts in political campaigns, our people are weary and tired of these traumas.

Any candidate always has a group "for him" and a number "against him." Therefore, his tenure would begin with a split within his own party. Many, in the opposite party, would view such a nomination as a "platform stepping stone" to the Presidency in 1976, rather than a genuine interest in the job. Therefore, a split in the other party. In either case, the Nation would remain in turmoil when we so desperately need to begin pulling together.

The Presidential candidates were not the only men in this Nation who would make good Presidents. There were others available with equal or higher qualifications. By selecting a man from the latter group—as the President did—we could avoid turmoil and fulfill our responsibilities of picking a qualified individual to be Vice President.

I was very happy to see that the President viewed the situation in a like manner and picked such a man as his nominee.

#### THE PRESIDENT'S INTEGRITY

(Mr. SKUBITZ, asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, the New York Times in last Friday's—October 12—issue published on the op ed page an article by former Senator Burton K. Wheeler. It will, I believe, be of considerable interest to my colleagues and particularly those lawyers who concern

themselves with the legal issues revolving around the release or nonrelease of the President's tapes.

It was my good fortune not only to be a staff assistant in the Senate during a large part of Senator Wheeler's tenure there, but also to know him rather intimately then and now. He was, as all students of the affair know, deeply involved in the famous Supreme Court packing proposal by President Franklin D. Roosevelt. Senator Wheeler is himself an eminent lawyer and raises a point in the question of the President's constitutional right to withhold the tapes that I have not heretofore read. Whether it is a legal point that the Supreme Court will want to consider when and if it reviews the Court of Appeals decision will be significant in light of Senator Wheeler's reporting of Justice Brandeis' view.

Mr. Speaker, I include the New York Times article by Senator Burton K. Wheeler in the RECORD, as follows:

#### THE PRESIDENT'S INTEGRITY

(By Burton K. Wheeler)

WASHINGTON.—In the course of the consideration by the United States Senate in 1937 of President Roosevelt's proposal to increase the number of justices he could appoint to the United States Supreme Court (the Court-packing plan), an incident arose which may shed some light on the present efforts of Congress and the special prosecutor to obtain the tapes of private conversations held by the President in the White House.

I had been requested by a number of Democratic and Republican Senators to spearhead the opposition to the Court-packing bill. The proponents had alleged that the Supreme Court was delinquent in its consideration of cases. These charges of delinquency had to be answered.

Prior to my testimony before the Senate Judiciary Committee I went to see Justice Brandeis. I told him that an authoritative response to the charges being levied at the Court by the Roosevelt Administration was imperative and that I wanted him and Chief Justice Hughes to testify before the Senate Judiciary Committee. The Justice responded that under no circumstances would he testify or recommend that the Chief Justice testify.

He quickly added, "Not because he would not be an outstanding witness fully capable of responding to any question, but it just would not be the right thing to do. It might establish an unfortunate precedent." Brandeis added, "In lieu of such testimony, ask the Chief Justice to give you a letter which will set the record straight."

Brandeis called Chief Justice Hughes and asked if he would see me on a vitally important matter. I went immediately to the Chief Justice's house. I told him of my conversation with Justice Brandeis and that Brandeis had finally suggested that he write a letter. Chief Justice Hughes said, "Did Brandeis say that?" I reassured him that he had. The Chief Justice then said, "I will see what I can do."

He called me on Sunday evening and suggested that I come to his house. I drove there immediately. He greeted me saying, "Well, the baby is born." He handed me a letter which was a complete answer to all of the charges. I thanked him and started to leave. He asked me to stay. In the course of a rather lengthy discussion he said the proposed legislation would destroy the Court as an institution.

The letter, which I presented during the course of my testimony before the committee, was so devastating in effect that Vice President Garner told President Roosevelt that the Court-packing proposal was dead.

The Chief Justice's letter specifically

avoided argument on the questions of policy raised by the proposed legislation and thereby avoided a demand that he appear for questioning before the Senate committee. Justice Brandeis and Chief Justice Hughes, in my view, rejected my plea to testify before Congress because they thought it improper for a justice of the Supreme Court to submit himself to questioning by the legislative branch, even though they believed that passage of the pending legislation would destroy the Court.

While I do not remember the precise words said to me by Justice Brandeis, implicit in our conversation was the thought that Congressional questioning of a member of the Supreme Court would be a serious invasion of the independence of the judiciary and would jeopardize the integrity of its decision-making processes.

It appears to me that the request of Congress for the White House tapes may constitute a similar threat to the integrity of the decisional process of the President. If Congress, other than in an impeachment proceeding can subpoena the documents revealing the deliberations of the President in the execution of his functions as Chief Executive, it could with equal justification subpoena the records of the justices of the Supreme Court to determine the manner and bases upon which the justices arrived at decisions in controversial cases. In my view also, the special prosecutor is no more entitled to the tapes than is Congress. If he argues that the grand jury, as part of the judicial system, is entitled to the tapes, then he is asserting the right of the judiciary to examine in an area which Brandeis and Hughes thought would be an improper invasion of the separation of powers doctrine, if exercised by Congress.

The Supreme Court, if it holds that Congress, in other than an impeachment proceeding can obtain the records of Presidential conferences, will set a precedent for Congress to obtain records or other evidence of Court deliberations.

It seems highly unfortunate that a constitutional confrontation of this magnitude should arise over tapes when, in all likelihood, they will shed little, if any, light on the Watergate controversy. Pursuit of the tapes may result in a precedent-setting decision by the Supreme Court which will ill serve the future democracy and our form of government.

#### THE NEWS MEDIA AND SOURCE DISCLOSURE

(Mr. SKUBITZ asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SKUBITZ. Mr. Speaker, there is a great deal of current interest in the controversy on whether news people, those representing the press and the broadcast media, should be placed in an exempt class that would permit them to withhold revealing news sources in court actions where such disclosure might be useful or meaningful to prosecution of the case at bar.

Some States are considering so-called "shield" laws and others have passed such laws. Bills have been introduced in Congress to grant exemptions to news people. It is significant, I believe, that the news media is not of one mind on the propriety or worth of such a law.

The current issue of the Kansas Bar Journal features an analysis of this issue by one of the State's most eminent jurists, now retired, Hon. Spencer A.



Gard. Judge Gard has rather positive views that those in the news profession are not entitled to exemption and states those views most eloquently. I ask, Mr. Speaker, that the article from the Kansas Bar Journal be reprinted in the CONGRESSIONAL RECORD.

I ask also, Mr. Speaker, that an editorial that appeared in the October 10 issue of the Iola, Kans., Register, commenting on Judge Gard's article, be printed following. The editorial was written by Emerson Lynn, Jr., a widely known Kansas newspaperman and one of the most respected and widely quoted editors in the State. Mr. Lynn does not agree entirely with Judge Gard. Together the viewpoints expressed by these two outstanding citizens present a useful and balanced comment on this controversial question.

#### THE NEWSMAN'S PRIVILEGE

(By Hon. Spencer A. Gard)

Freedom of speech, including the right to criticize the government and public officials, is probably the most important of all the guarantees of freedom under the United States Constitution.

One application of the right of free speech is the right of freedom of the press. This means that when an individual or group of individuals decides to become a publisher of news in written or pictorial form, using either the printing press or the television screen as a medium of communication, he or they become members of a special class of claimants of the right of free speech.

Most ordinary individuals must be content with purveying news or gossip, and with expressing their opinions and views on political or personal matters, by word of mouth or by the letters they write to their friends or enemies. Those in the "press" class really have no greater right of free speech than these ordinary individuals.

Being free to say what one thinks, or to pass on factual information or gossip, carries no liabilities or sanctions except that in certain situations one can be sued for slander or libel by those whose characters or reputations are injured by his published falsehoods.

Beyond this, however, there is the obligation of all persons when called upon, to testify to what they have learned or said, if those things are relevant or important to a matter in the judicial process or in such authorized inquiries as congressional investigations. This includes the obligation to reveal the names of their "informants."

Traditionally this duty to reveal the sources of information in court has been equally imposed on all persons, whether they are involved with the news media or not. The news reporter, in other words, has never had any common-law privilege or immunity against being subpoenaed and being compelled to tell in court or other legitimate factfinding tribunal where or from whom he got his information. But a few states have passed statutes giving reporters some privileges of this kind, not enjoyed by the rest of the people who also enjoy the right of free speech.

After centuries of freedom in the common-law world to publish what they wish the newsmen are now clamoring for immunity from subpoena (compulsory process) and for legal privilege to keep their sources of information secret, even in court where important rights are involved, or where the public interest is at stake. The pressure on legislatures and Congress for the passage of such legislation is tremendous—and the press is in a position to impose sanctions by way of adverse publicity (or withholding favorable publicity) on those who oppose them. So we have a real threat to freedom here.

When the background is considered, it is difficult to escape the conclusion that the demand for such a privilege now is an effort to exploit the emotional demand for changes which have no basis in reason or logic and which the press itself has had a large hand in creating.

The press is "free" to lift itself by its bootstraps and the evidence of its doing so is all too apparent in the pages of the newspapers today as we are urged to "trust the press" and question the integrity of all others. The ethical restraints on the press are insignificant because so long as we recognize freedom of the press the means of imposing legal sanctions simply does not exist. What a day it would be for the lawyers and the doctors if they were also "free" to praise their virtues in the public forums; and their professional responsibilities to the public are no higher than those of the media, if as high.

Yes, the press has a duty to inform the public, but so long as it is free to be selective in the choice of news emphasis, free to slant news reports, free to screen what information it accepts or rejects, free to support or oppose by editorial comment, the public has the right to be informed as to the facts, not just what the media choose to tell them. This right the public cannot enjoy without the right to explore and test the sources of information.

Also, we cannot escape the fact that the primary aim of the press is to sell newspapers and advertising, and the duty to inform must necessarily be relegated to a very secondary place in the order of things.

The power of the press is the power to serve the public interest. It is also the power to ruin individuals, the people and their government. The press, even without those special privileges now demanded, is potentially a powerful propaganda machine. Its objective now seems to be to gain an immunity of monopoly from having propaganda or gossip appearing in its columns or on its screens exposed for what it really is. It is frightening to contemplate what the result might be from insulating to the least degree the propagandists and others with a revolution to promote, an axe to grind, a political goal to achieve, or a criminal syndicate to entrench, with complete immunity from having their identities revealed. How much easier it would then become to feed false information to the newsmen, who already must depend on hearsay, gossip and their own speculations to furnish material for the headlines.

In their demands for privilege the media self-righteously extoll their public service and their usefulness in exposing crime and irresponsibility or corruption in public office. These splendid services are indeed important, but not nearly so much so as they claim. The exposure of an occasional scandal, which makes news so necessary to the needs of the press, is played up usually to proportions many times out of keeping with its importance. The thousands of instances where information is furnished to the prosecutors and the impeachers by ordinary individuals who enjoy only the freedom of speech (not the dressed up freedom of the press) go unnoticed. It is the exposé of the news reporter that draws the headlines.

We need not worry for the time being about the constitutional aspects of the newsmen's privilege. The Supreme Court by a five to four decision has taken care of that, in the case of *Branzburg v. Hayes*, 408 U.S. 665.

There is no testimonial privilege known to the law like that demanded by the press, except the limited privilege of law enforcement officers not to reveal the names of their informers. Even that privilege must yield in criminal prosecutions where a fair trial demands it.

Contrary to popular belief the lawyers,

doctor or clergyman has no privilege from testifying. The law grants the privilege to the client, the patient and the communicant who can waive it at will and require the lawyer, doctor or priest to testify. It is the confidential communication that is protected by those testimonial privileges.

In the case of the newsmen the communication is not given in confidence. It is given with the expectation, and usually with the wish, and often with the demand, that it be published. When it is published, it is no longer clothed with confidence, even though it may have had an aspect of confidence before publication. But even unpublished information does not fall within the protection of any privilege known to the common law, or justified by modern public interest, despite any expressed or secret intent that it be treated in confidence.

The newsmen do not want to protect the confidence of the communicated matter. He wants just the opposite of that—the right to publish it if it meets his standards and needs for news. He demands the right to publish (which freedom of the press gives him) and at the same time insists that he should be secure from divulging the sources of his information. In the case of the lawyer, the doctor, or the priest, the identity of the parties is known from the very nature of things.

There is no constitutional concept, as the Supreme Court has held, which gives the news reporter or anyone else in the exercise of free speech a privilege or immunity from making the identity of informants known, or from testifying to relevant facts (or facts that may lead to relevant evidence), though unpublished, which he knows or which have been reported to him, whether it is hearsay, propaganda, or purportedly eye-witness narrative, and whatever the motive or intent to keep it confidential.

Legislation which would grant such a privilege to the press is much against the public interest and an indirect grant of power that must not be treated lightly. The sources of "information" have not yet dried up, despite the lack of such a privilege during all of common law history. They are not likely to dry now if it isn't granted. But even if they did, to some extent, perhaps the public would be better off. The press may still publish what it wants if it can get it, and that is all that freedom of the press contemplates.

#### THE PRESS VERSUS AUTHORITY

Judge Spencer Gard of Iola is an acknowledged authority on the rules of evidence, a disciple of free speech, a believer in democracy well leavened by the representative process—and a fervent partisan. His article on page one of this edition thus testifies.

I do not intend to argue law with him. I join him in his concern for our beloved republic. And, alas, I have retreated from partisanship on the question of the so-called Newsmen's Privilege Law and so cannot summon up the passion to answer his arguments in kind.

There are some comments that should be made, however, to help public understanding of an issue that has been much confused by emotion.

First off, you should understand that newsmen are by no means unanimous in seeking passage of a law that would permit reporters to keep their sources of information secret. Congressmen backing such legislation have been dismayed to discover that many highly regarded publishers, like John McKnight, are flatly opposed. Each news organization has come up with its own proposed law—and the proposals are contradictory to each other in many important ways.

Newsmen, like justices of the Supreme Court, disagree on the question. The difference is that the profession does not recognize majority rule and the individual members persist in their separate opinions.

The argument for granting reporters the right to preserve the anonymity of news sources springs from the assumption that the right of a free press predicates support for an effective press and that the press can be most effective if it can protect its sources. It has also been considered necessary to preserve the press against regulation by any arm of government. (As someone has noted, there are many instances throughout history where governments have suppressed free speech and muzzled the press. But never has the press suppressed government.)

These viewpoints have wide support, as evidenced by the fact that in the case cited by Judge Gard, *Branzburg v. Hayes*, four of the nine justices voted in favor of establishing the principle Gard finds so abhorrent. The majority opinion in the case contained the suggestion that laws could be passed in the states and by Congress to establish the right to protect newsmen's sources, if it were deemed wise.

So let us agree that both sides of the matter have merit and that neither set of proponents has anything but the good of the commonwealth in mind in pursuing their convictions.

Both the courts and the press seek the truth. There can be no just enforcement of the law unless all of the facts available about a case at hand can be ascertained during a court procedure. The press considers the presentation of a full and accurate picture of the happenings of society to be its main—though unreachable—goal.

(Judge Gard suggests that making money is the main purpose of the press. It is, indeed, an essential purpose. There would be no press, free or slave, if it hadn't the means to perform. It may well be true, come to think of it, that few would study law or accept judgeships if there were no legal fees or salaries paid to that estate. But I will accept that the legal profession is interested in justice if he will grant that newsmen are interested in informing the public.)

Historically, the role of the press in this nation and in other English speaking nations—and, as a matter of interest, it should be noted that only the English speaking peoples have any lengthy tradition of a free press—has been to serve as gadfly.

Newspaper editors have been urged to afflict the comfortable and comfort the afflicted. It is no wonder, then, that the press has not enjoyed popularity and that it has been least popular with those who possessed the most power.

Thoughtful editors and reporters will recognize that they exist by suffrage, as a necessary evil. Most societies do not tolerate such continual impertinences and move quickly to quash any editorial voice that dares challenge the established order.

Only a few nations have dared to accept Milton's belief that truth will triumph over falsehood and that freedom must be permitted so that truth has its opportunity to speak. The more secure that freedom is, the more opportunity will exist to require authority to justify its actions and explain its purposes to the people.

Central to the entire question of freedom of information is the erection of a barrier between the government and the press. They are natural enemies. Every government will do its best to put its actions in the best possible light. It will emphasize its accomplishments. It will minimize its faults and hide its errors if it can.

Every good editor and reporter is a skeptic and will cast a suspicious eye on officialdom, forever seeking to uncover mistakes and read the deeper motives behind the rhetoric.

The men who wrote the Constitution recognized this fact and forbade Congress from making any law which would abridge freedom of the press. They saw from too many examples in their own time that governments had a low tolerance for unpleasant

facts and would not hesitate to gag those who sought to challenge authority.

This protection, by the way, extends to those who write articles for law reviews, to authors of pamphlets, to speakers in the public square, to university professors and to all who make their views known. And the purpose is to make facts and ideas available to the public, not for the private benefit of author, reporter, broadcaster or pamphleteer.

So I think the major concern among newsmen today is that an arm of the government—namely, the courts—is reaching around the First Amendment to establish some degree of official control of information that might somehow expand and destroy our cherished freedoms.

It is a fear that I have come to discount both because I have great respect for the tradition that lies behind our system of justice and because I despair of finding any way to amplify the First Amendment without harming the cause of truth.

Any right given by the legislatures or the courts can be taken away by them. To admit that any arm of government has the right to spell out just how free our press shall be is to agree that they have the right to shut it down if they choose.

Are we to ask Congress to define who is qualified to report news? That would result in disbarring the maverick, the dissenter, the man who is out of step with his time—an intolerable thought.

Reporters, as Judge Gard suggests, are a mangy lot. Some have all of the scraps of paper required to designate them as certified scholars, while others schooled themselves and have only their work to recommend them. It is a most undisciplined fraternity that has steadfastly refused to wear the yokes other professionals gladly bear.

Still, quite a few of them have been willing to go to jail to establish the right of the public to information and it may well be that the current case in the Agnew matter will see another batch locked safely behind bars.

These individual, but highly visible, demands on behalf of the public's right to know may sometime persuade the courts that a free press—however inept, malicious, biased, and cantankerous it may be—is preferable to a press emasculated by officialdom.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCKAY (at his own request), for October 17 through October 24, on account of official business.

Mr. VEYSEY (at the request of Mr. ARENDS), from tomorrow, for 1 week, on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RONCALLO of New York) and to revise and extend their remarks and include extraneous matter:)

Mr. McCLOSKEY, for 30 minutes, today.  
Mr. YOUNG of South Carolina, for 1 hour on October 23.

Mr. FINDLEY, for 10 minutes, today.  
Mr. MARTIN of North Carolina, for 10 minutes, today.

Mr. TALCOTT, for 5 minutes, today.  
Mr. BURGNER, for 3 minutes, today.  
Mr. DUNCAN, for 30 minutes, today.  
Mr. CRANE, for 5 minutes, today.

Mr. YOUNG of Illinois, for 10 minutes, today.

(The following Members (at the request of Mr. STUDDS) and to revise and extend their remarks and include extraneous matter:)

Mr. CORMAN, for 5 minutes, today.  
Mr. DOMINICK V. DANIELS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.  
Mr. VANIK, for 5 minutes, today.  
Mr. GONZALEZ, for 5 minutes, today.  
Mr. WOLFF, for 5 minutes, today.  
Mr. JAMES V. STANTON, for 5 minutes, today.

Mr. PODELL, for 15 minutes, today.  
Mr. STOKES, for 10 minutes, today.  
Ms. HOLTZMAN, for 5 minutes, today.  
Mr. FUQUA, for 5 minutes, today.  
Mr. PREYER, for 15 minutes, today.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SARASIN, during general debate on the oil allocation bill, at the conclusion of the remarks of Mr. CONTE.

Mr. COHEN, during general debate on the Oil Allocation Act.

Mr. FROELICH. To include the full text of the note dated July 9, 1973, from the Library of Congress regarding a section that there is a dispute amend as a part of the remarks he made today on the bill, H.R. 10717.

Mr. LENT, immediately following the remarks of Mr. YOUNG of Florida in the Committee of the Whole today.

(The following Members (at the request of Mr. RONCALLO of New York) and to include extraneous material:)

Mr. McCLOSKEY.  
Mr. DUNCAN.  
Mr. QUILLIN in two instances.  
Mr. HOSMER in two instances.  
Mr. ZWACH.  
Mr. POWELL of Ohio.  
Mr. WYMAN in two instances.  
Mr. WALSH.  
Mr. GILMAN.  
Mr. RAILSBACK in two instances.  
Mr. MCKINNEY.  
Mr. RONCALLO of New York in two instances.

Mr. SYMMS.  
Mr. HANRAHAN in two instances.  
Mr. ESCH.  
Mr. YOUNG of Florida in five instances.  
Mr. HOGAN.  
Mr. DERWINSKI in two instances.  
Mr. PRITCHARD.  
Mr. CARTER in two instances.  
Mr. ESHLEMAN.  
Mr. DELLENBACK.  
Mr. HUDNUT.  
Mr. VEYSEY in two instances.  
Mr. KEATING.  
Mr. FRELINGHUYSEN.

(The following Members (at the request of Mr. STUDDS) and to include extraneous matter:)

Mrs. GRIFFITHS in two instances.  
Mr. MCKAY.  
Mr. DAN DANIEL.  
Mr. ANDREWS of North Carolina in three instances.  
Mr. GONZALEZ in three instances.  
Mr. BRADEMANS in six instances.  
Mr. PICKLE in 10 instances.



Mr. RARICK in three instances.  
 Mr. MAHON.  
 Mr. EVINS of Tennessee.  
 Mr. EDWARDS of California.  
 Mrs. COLLINS of Illinois.  
 Mr. DRINAN in five instances.  
 Mr. O'NEILL in two instances.  
 Mr. ANNUNZIO in six instances.  
 Mr. JAMES V. STANTON.  
 Mr. HARRINGTON in four instances.  
 Mr. WALDIE in four instances.  
 Mr. BERGLAND in three instances.  
 Mr. BROWN of California.  
 Mr. LEHMAN in three instances.  
 Mr. VANIK in two instances.  
 Mrs. HANSEN of Washington.  
 Mr. TAYLOR of North Carolina in three instances.  
 Mr. ANDERSON of California in three instances.  
 Mr. DOMINICK V. DANIELS.  
 Mr. BADILLO in three instances.  
 Mr. FLOWERS.  
 Mr. ZABLOCKI in two instances.

#### SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 907. An act to authorize the appropriation of \$150,000 to assist in financing the arctic winter games to be held in the State of Alaska in 1974;

S. 2282. An act to change the name of the New Hope Dam and Lake, North Carolina, to the B. Everett Jordan Dam and Lake;

S. 2486. An act to provide that the project referred to as the Trotters Shoals Dam and Lake on the Savannah River, Georgia and South Carolina, shall hereafter be known and designated as the "Richard B. Russell Dam and Lake"; and

S.J. Res. 164. Joint resolution to permit the Secretary of the Senate to use his franked mail privilege for a limited period to send certain matters on behalf of former Vice President Spiro T. Agnew.

#### BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 8250. An act to authorize certain programs and activities of the government of the District of Columbia, and for other purposes;

H.R. 8825. An act making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions and corporations for the fiscal year ending June 30, 1974, and for other purposes; and

H.J. Res. 748. A joint resolution making an appropriation for special payments to international financial institutions for the fiscal year 1974, and for other purposes.

#### ADJOURNMENT

Mr. ECKHARDT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 22 minutes p.m.), the House adjourned until tomorrow, Wednesday, October 17, 1973, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1452. A letter from the Administrator of General Services, transmitting the statistical supplement to the stockpile report for the 6 months ended June 30, 1973, pursuant to section 4 of Public Law 79-520; to the Committee on Armed Services.

1453. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting the Commission's annual report for calendar year 1972, pursuant to 50 U.S.C. App. 2008 and 22 U.S.C. 1622(c), together with the first annual report of the Micronesian Claims Commission, pursuant to Public Law 92-39; to the Committee on Foreign Affairs.

1454. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report on budgetary reserves in effect as of September 30, 1973, pursuant to the Federal Impoundment and Information Act, as amended; to the Committee on Government Operations.

1455. A letter from the Under Secretary of Agriculture, transmitting a report recommending the designation of the Chattooga River and its immediate environs as an addition to the National Wild and Scenic Rivers System, pursuant to 82 Stat. 906; to the Committee on Interior and Insular Affairs.

1456. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BENNETT: Committee on Armed Services. H.R. 10369. A bill to amend title 37, United States Code, to provide entitlement to round trip transportation to the homeport for a member of the uniformed services on permanent duty aboard a ship being inactivated away from homeport whose dependents are residing at the homeport (Rept. No. 93-590). Referred to the Committee of the Whole, House on the State of the Union.

Mr. MATSUNAGA: Committee on Rules. House Resolution 600. Resolution providing for the consideration of H.R. 3927. A bill to extend the Environmental Education Act for 3 years (Rept. No. 93-591). Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 601. Resolution providing for the consideration of the conference report on H.R. 9286. A bill to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and the military training student loads, and for other purposes (Rept. No. 93-592). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 602. Resolution providing for the consideration of H.R. 10397. A bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for

Spanish-Speaking People, and for other purposes (Rept. No. 93-593). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 603. Resolution providing for the consideration of H.R. 10586. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations in providing health care (Rept. No. 93-594). Referred to the House Calendar.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 10915. A bill to provide for competitive bidding on Federal contracts and federally funded contracts; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 10916. A bill to amend the Federal Food, Drug, and Cosmetic Act requiring the public dissemination of information related to seizures and recalls made under the act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10917. A bill to extend daylight saving time to the entire calendar year for a 2-year period, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. BOGGS (for herself, Mr. BREAUX, and Mr. LONG of Louisiana):

H.R. 10918. A bill to authorize financial assistance for opportunities industrialization centers; to the Committee on Education and Labor.

By Mr. COCHRAN:

H.R. 10919. A bill to provide for the approval by concurrent resolution of the Congress of all proposed changes in postal rates and classes before such changes become effective, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CORMAN (for himself, Mr. BURKE of Massachusetts, Mr. GREEN of Pennsylvania, Mrs. GRIFFITHS, Mr. KARTH, Mr. ROSTENKOWSKI, and Mr. CAREY of New York):

H.R. 10920. A bill to amend the Social Security Act to provide the States with maximum flexibility in their programs of social services under the public assistance titles of the act; to the Committee on Ways and Means.

By Mr. DU PONT:

H.R. 10921. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of police officers, prison guards, and firemen killed in the line of duty; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 10922. A bill to expand the membership of the Advisory Commission on Intergovernmental Relations to include elected school board officials; to the Committee on Government Operations.

By Mr. GONZALEZ:

H.R. 10923. A bill to amend chapter 49 of title 10, United States Code, to prohibit the inclusion of certain information on discharge certificates, and for other purposes; to the Committee on Armed Services.

By Mr. GOODLING (for himself, Mr. DINGELL, and Mr. KARTH):

H.R. 10924. A bill to delay for 1 year the taking effect of certain measures to provide additional funds for certain wildlife restoration projects; to the Committee on Merchant Marine and Fisheries.

By Mr. HANLEY (for himself, Ms. ABZUG, Mr. ADDABBO, Mr. BURGNER, Mrs. CHISHOLM, Mr. DAVIS of Georgia, Mr. FISHER, Mr. HOGAN, Mr. McCLOSKEY, Mr. MINISH, Mr. MURPHY of Illinois, Mr. PODELL, Mr. WALSH, Mr. WOLFF, and Mr. WON PAT):

H.R. 10925. A bill to provide for an equitable procedure for establishing congressional districts; to the Committee on the Judiciary.

By Mrs. HOLT (for herself, Ms. ABZUG, Mr. BAKER, Mrs. CHISHOLM, Mr. CRO-  
NIN, Mr. DERWINSKI, Mr. HOGAN, Mr.  
HUBER, Mr. KETCHUM, Mr. O'BRIEN,  
Mr. O'HARA, Mr. PEPPER, Mr. PETTIS,  
Mr. PODELL, Mr. RANGEL, Mr. RIEGLE,  
Mr. ROONEY of Pennsylvania, Mr.  
ROUSSELOT, Mrs. SCHROEDER, Mr.  
TOWELL of Nevada, Mr. WARE, and  
Mr. WOLFF):

H.R. 10926. A bill to establish a national homestead program under which single-family dwellings owned by the Secretary of Housing and Urban Development may be conveyed at nominal cost to individuals and families who will occupy and rehabilitate them; to the Committee on Banking and Currency.

By Mr. JOHNSON of Pennsylvania:

H.R. 10927. A bill to assist in community development, with particular reference to small communities; to the Committee on Banking and Currency.

H.R. 10928. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10929. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. KEATING (for himself and Mr. STEIGER of Wisconsin):

H.R. 10930. A bill to repeal the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. KING:

H.R. 10931. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. MIZELL (for himself, Mr. BEARD, Mr. HUDNUT, Mr. LEGGETT, Mr. STEELMAN, Mr. TEAGUE of Texas, and Mr. CHARLES H. WILSON of California):

H.R. 10932. A bill to amend title 23, United States Code, to insure that no State will be apportioned less than 80 percent of its tax contribution to the highway trust fund; to the Committee on Public Works.

By Mr. PEPPER:

H.R. 10933. A bill to provide Federal assistance to cities, combinations of cities, public agencies, and nonprofit private organizations for the purpose of improving police-community relations, encouraging citizen involvement in crime prevention programs, volunteer service programs, and in other cooperative efforts in the criminal justice system; to the Committee on the Judiciary.

By Mr. POWELL of Ohio:

H.R. 10934. A bill to amend title 10 of the United States Code to provide that educational institutions receive a reimbursement for each student commissioned through the Reserve Officer Training Corps (ROTC) program at the institutions; to the Committee on Armed Services.

By Mr. RHODES:

H.R. 10935. A bill relating to the administration of manpower training programs for persons whose primary language is not English; to the Committee on Education and Labor.

H.R. 10936. A bill to provide for a national bilingual manpower training system to assist disadvantaged Spanish-speaking individuals; to the Committee on Education and Labor.

By Mr. RODINO:

H.R. 10937. A bill to extend the life of the June 5, 1972, grand jury of the U.S. District Court for the District of Columbia; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself, Mr. BERGLAND, Mr. BINGHAM, Mr. BROWN of California, Ms. CHISHOLM, Mr. DANIELSON, Mr. DERWINSKI, Mr. EDWARDS of California, Mr. FRASER, Ms. GRIFFITHS, Mr. HECHLER of West Virginia, Ms. HOLTZMAN, Mr. LEGGETT, Mr. MOAKLEY, Mr. NIX, Mr. REES, Mr. RIEGLE, Mr. ROSENTHAL, Mr. STARK, Mr. THONE, Mr. CHARLES WILSON of Texas, Mr. MITCHELL of Maryland, Mr. WALDIE, and Mr. CHARLES H. WILSON of California):

H.R. 10938. A bill to regulate expenditures of appropriated funds with respect to private property used as residences by the President and Vice President of the United States; to the Committee on Public Works.

By Mr. SAYLOR:

H.R. 10939. A bill to amend the Internal Revenue Code of 1954 to allow 3-year amortization for pollution-control facilities; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself, Mr. BROWN of California, Mr. WALSE, Mr. CRONIN, Mr. ST GERMAIN, Mr. THONE, Mr. NIX, Mr. DE LUGO, Mr. CLARK, Mr. FROELICH, Mrs. BOGGS, Mr. MOLLOHAN, Mr. DANIELSON, Mr. KETCHUM, Mr. GUDE, Mr. ALEXANDER, Mr. YATRON, Mr. WARE, Mr. ANNUNZIO, Mr. BEVILL, and Mr. WON PAT):

H.R. 10940. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mr. SAYLOR (for himself, Mr. MILFORD, Mr. KEATING, Mr. ECKHARDT, Mr. KEMP, Mr. HELSTOSKI, Mr. RANGEL, Mr. HANLEY, Mr. MURPHY of New York, Mr. RUNNELS, Mr. COHEN, Mr. JOHNSON of Pennsylvania, Mrs. COLLINS of Illinois, Mr. MITCHELL of Maryland, Mr. CORMAN, and Mr. BESTER):

H.R. 10941. A bill to establish a loan program to assist industry and businesses in areas of substantial unemployment to meet pollution control requirements; to the Committee on Banking and Currency.

By Mrs. SULLIVAN (for herself, Mr. GROVER, Mr. DINGELL, Mr. MAILLIARD, Mr. BIAGGI, Mr. RUPPE, Mr. BREAUX, Mr. FORSYTHE, Mr. STUDDS, Mr. COHEN, Mr. BOWEN, and Mr. PRITCHARD):

H.R. 10942. A bill to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972; to the Committee on Merchant Marine and Fisheries.

By Mr. WAGGONER:

H.R. 10943. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE (for himself, Mr. RYAN, Mr. RINALDO, and Mr. ANDERSON of California):

H.R. 10944. A bill to enlarge the Sequoia National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. WINN:

H.R. 10945. A bill to authorize the disposal of silicon carbide from the national stock-

pile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. WYMAN (for himself, Mr. HENDERSON, Mr. DAVIS of Georgia, Mr. RHODES, Mr. FORSYTHE, Mr. CHAMBERLAIN, and Mr. EVINS of Tennessee):

H.R. 10946. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of South Carolina:

H.R. 10947. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. BREAUX (for himself and Mr. COHEN):

H.R. 10948. A bill to amend the Emergency School Aid Act to extend to French-Americans the same benefits afforded other minority groups under that act; to the Committee on Education and Labor.

By Mr. BREAUX (for himself, Mr. BERGLAND, Mr. BEVILL, Mrs. BOGGS, Mr. BOWEN, Mrs. COLLINS of Illinois, Mr. DE LUGO, Mr. ECKHARDT, Mr. FAUNTROY, Mr. HEBERT, Mr. HOSMER, Mr. HUNGATE, Mr. JOHNSON of Pennsylvania, Mr. RABICK, Mr. ROE, Mr. CHARLES WILSON of Texas, Mr. WINN, Mr. WON PAT, and Mr. YATRON):

H.R. 10949. A bill to amend the Internal Revenue Code of 1954 to provide an individual tax credit for disaster evacuation expenses; to the Committee on Ways and Means.

By Mr. BRINKLEY:

H.R. 10950. A bill to authorize the disposal of silicon carbide from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. CLANCY:

H.R. 10951. A bill to amend title XVIII of the Social Security Act to provide medicare coverage in all possible cases involving hospital or skilled nursing home care for U.S. citizens outside the United States; to the Committee on Ways and Means.

By Mr. MCCORMACK (for himself, Mr. TEAGUE of Texas, Mr. MOSHER, and Mr. GOLDWATER):

H.R. 10952. A bill to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration in cooperation with the National Bureau of Standards, the National Science Foundation, the Secretary of Housing and Urban Development, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling; to the Committee on Science and Astronautics.

By Mr. PRITCHARD:

H.R. 10953. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL:

H.R. 10954. A bill to amend the Economic Stabilization Act of 1970 to exempt stabilization of the price of fertilizer from its provisions; to the Committee on Banking and Currency.

By Mr. ROGERS (for himself, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, Mr. HUDNUT, and Mr. ROBISON of New York):

H.R. 10955. A bill to amend the Public Health Service Act to assure that the public is provided with safe drinking water, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. STAGGERS, Mr. KYROS, Mr. PREYER,



Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT):

H.R. 10956. A bill: Emergency Medical Services Systems Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT):

H.R. 10957. A bill to consolidate and revise the laws relating to public health; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHNEEBELI:

H.R. 10958. A bill exempting State lotteries from certain Federal prohibitions, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. STUCKEY, and Mr. FRASER):

H.R. 10959. A bill to establish an agency for the prevention of child abuse in the District of Columbia and for other purposes; to the Committee on District of Columbia.

By Mr. TIERNAN:

H.R. 10960. A bill to prohibit discriminatory employment practices with respect to physically handicapped persons; to the Committee on Education and Labor.

By Mr. WHITTEN:

H.R. 10961. A bill to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a legislative budget director and staff, and for other purposes; to the Committee on Rules.

By Mr. YOUNG of Illinois:

H.R. 10962. A bill to amend the Securities Exchange Act of 1934, to facilitate the development of a national securities market system, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG:

H.J. Res. 774. Joint resolution proposing an amendment to the Constitution of the United

States with respect to grand juries; to the Committee on the Judiciary.

By Mr. HILLIS:

H.J. Res. 775. Joint resolution to designate February 10 to 16, 1974, as "National Vocational Education, and National Vocational Industrial Clubs of America (VICA) Week"; to the Committee on the Judiciary.

By Mr. FISH (for himself, Ms. HOLTZMAN, Mr. GUNTER, Mr. LONG of Maryland, and Mr. MURPHY of New York):

H. Con. Res. 351. Concurrent resolution calling for action by the United States with regard to the Schoenau processing center in Austria; to the Committee on Foreign Affairs.

By Mr. GILMAN (for himself, Mr. HASTINGS, Mr. WALSE, Mr. SMITH of New York, Ms. HOLT, Mr. HUDNUT, Mr. BAFALIS, and Mr. CRONIN):

H. Con. Res. 352. Concurrent resolution providing for peace in the Middle East; to the Committee on Foreign Affairs.

By Mr. LEHMAN (for himself, Mr. BROWN of California, Mrs. BURKE of California, Mr. CONTE, Mr. MURPHY of New York, Mr. O'BRIEN, and Mr. BOB WILSON):

H. Con. Res. 353. Concurrent resolution expressing the sense of the Congress with respect to the immediate delivery of certain aircraft and other equipment from the United States to Israel; to the Committee on Foreign Affairs.

By Mr. MOAKLEY (for himself, Mr. BURTON, Mrs. CHISHOLM, and Mr. MITCHELL of Maryland):

H. Res. 598. Resolution that it is the sense of the House that there be no action on confirmation of the Vice-Presidential nominee until such time as the President has complied with the final decision of the court system as it regards the White House tapes; to the Committee on the Judiciary.

By Mr. ROYBAL:

H. Res. 599. Resolution to investigate the involvement, if any, of the U.S. Government in the overthrow of the Allende government in Chile; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON:

H.R. 10963. A bill for the relief of Kwok Tung Leung; to the Committee on the Judiciary.

By Mr. MAZZOLI:

H.R. 10964. A bill for the relief of Clarence S. Lyons; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

322. By the SPEAKER: Petition of the Knesset, Tel Aviv, Israel, relative to the decision of the Government of Austria to halt services provided to Soviet Jewish emigrants en route to Israel; to the Committee on Foreign Affairs.

323. Also, petition of Jo Hindman, Powell Butte, Oreg., and others, relative to the Advisory Commission on Intergovernmental Relations; to the Committee on Government Operations.

324. Also, petition of the Amarillo College Student Senate, Amarillo, Tex., relative to prompt confirmation of a new Vice President of the United States; to the Committee on the Judiciary.

325. Also, petition of the Board of Commissioners, Salt Lake City, Utah, relative to benefits to survivors of police officers killed in the line of duty; to the Committee on the Judiciary.

326. Also, petition of Herman Howlery, Menard, Ill., relative to redress of grievances; to the Committee on the Judiciary.

327. Also, petition of Sonni and Timbuk Pyles, Dannemora, N.Y., relative to redress of grievances; to the Committee on the Judiciary.

## EXTENSIONS OF REMARKS

### PROGRESS IN CANCER RESEARCH AND TREATMENT PROVIDES HOPE FOR 50 MILLION AMERICANS DOOMED TO CONTRACT THE DISEASE

#### HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, October 16, 1973

Mr. RANDOLPH. Mr. President, since passage of the National Cancer Act of 1971, there has been increased interest and awareness of this second greatest killer of human beings. Much of what is written or spoken about cancer is either too technical for the average understanding, or consists of superficial "scare stories" that give only partial enlightenment.

On September 29, at the annual meeting of the West Virginia Division, American Cancer Society, in Charleston, the president of ACS gave a balanced and informative summary of the progress in cancer control. Dr. Arthur G. James of Columbus, Ohio, states that through early detection and treatment, 50 percent of all cancer cases can be cured. Further, he predicts that more than 50 million Americans now living will develop this disease sometime throughout their lives

unless we do more to control it. He states in unequivocal terms that smoking causes one-fifth of all cancer deaths.

Mr. President, I was privileged to serve as West Virginia's chairman of the 1973 Cancer Crusade, and I am gratified to report that the thousands of West Virginia volunteers succeeded in collecting 5.7 percent above their challenge goal. Because of the necessity to broadly disseminate factual information about this killer disease, I ask unanimous consent that excerpts from the presentation by Dr. James be printed in the RECORD.

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

PRESENTATION BY ARTHUR G. JAMES, M.D.

Cancer is a disease that is older than recorded history. There has actually been evidence of cancer on earth in the bones of prehistoric animals. If cancer has been with us this length of time, aren't we out of line to think that we could ever control it. Actually, there has been a lot of progress made in the field of cancer. Most of this has been in the past 100 years. We are not exactly sure just why. Possibly, there wasn't so much cancer in years gone by. We read very little about it in the Bible for example. There are many mentions made to . . . the disease leprosy and it is possible that sometimes when they referred to leprosy, they really meant cancer. In the English textbooks, for example, we see reference to cancer of the tongue after

Columbus had been to the Americas and introduced the use of tobacco to the Continent. There has been quite a change in the public attitude towards cancer and this has been brought about primarily through the public education programs of the American Cancer Society. In 1900, cancer was considered a completely hopeless disease. People were loathe to talk about it. This was not considered a polite topic of conversation. This attitude has certainly changed, and people talk openly about it. Patients want to know about their cancer and especially what the prognosis is. This is a much healthier attitude. About 1930, we could save or cure about 20% of all cancers, which is 1 in 5. Now, we talk about curing 33% or 1 of 3, so you see that progress is steadily being made.

This is not an unusual disease. In fact, it occurs rather frequently. Statistically, 1 in 4 living Americans will develop this disease throughout their lifetime. It is second only to heart disease in the U.S. in the number of deaths that are produced. Over 50,000,000 Americans now living will develop this disease some time throughout their lives unless something is done to control it in the meantime. Practically, every family has had some connection with it personally. This would include approximately 500,000 West Virginians developing cancer during the course of their lives. Each year, there are roughly 2800 new cases of cancer diagnosed in Franklin County. When we talk about cancer, we don't talk about one disease. There are approximately 100 different types of cancers that have been described. This is the reason that when the cure comes, it will come for