present here. This proceeding, of course, remains in the preliminary stages, and Defendants will have the opportunity should this case come on for full disposition on the merits to convince the Court that the claims of exemption here proffered are in fact justified. An appropriate Order will be entered.

AUBREY E. ROBINSON, Jr.,
Judge.

October 10, 1973.

GOOD THINGS ARE HAPPENING IN BEREA

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 16, 1973

Mr. CARTER. Mr. Speaker, it is my pleasure to share with my colleagues an article which appeared recently in the Kentucky Banker magazine. This article pays tribute to the great economic growth of Berea, Ky., a community I am honored to represent in the 93d Congress.

In this time of industrial expansion, companies across the Nation look to communities, such as Berea, offering a central location, accessibility, and an abundant work force, as a possible site for operation. I feel this article emphasizes the inportance of cooperation in achieving community development:

GOOD THINGS ARE HAPPENING IN BEREA

Down "where the Bluegrass kisses the foothills of the mountains", a new and exciting growth story is unfolding. It's a story featuring a town that has increased its business community more than 100% in the past three years . . . *and* . . . has accomplished what is thought to be the nation's first triple industrial ground-breaking ceremony. It's the story of Berea.

Golden shovels that broke the ground for Suburban Homes, Inc., Keller Industries and Goodyear, made up the greatest gold strike in Berea's history, according to members of its Industrial Development Corporation. It would seem, however, that the area has been ready for major industrial discovery for a long time.

From the economic framework to the romance of life at the edge of the beautiful Cumberlands, it's all there. Berea's proximity to major cities (120 miles from both Louisville and Cincinnati and 40 from Lexington), a major highway artery and rail service, natural gas, a particularly inviting abundance of both male and female labor in all categories, plus hundreds of acres of good industrial sites provide all the right ingredients. And there's more. There's nationally famous Berea College incorporated in 1855 . . . a community school system representing a national "first" in educational cooperation . . . a multiplicity of colleges (in addition to Berea) within a 50-mile radius . . . cultural opportunities . . . historic lore . . . and most of all, hometown people who welcome newcomers interested in adopting their area.

Morris Todd, chairman and president of Berea National Bank, and William Finnel, president of the Industrial Development Corporation of Berea, recall setting up the groundwork to "sell Berea" some fourteen years ago when the industrial development committee of the Chamber of Commerce was first formed. Stock was sold at $100 a share in a successful effort to raise funds to promote industrial development under the new Berea Industrial Development Corporation.

"At this time", Bill Finnel recalls, "Berea had three industries . . . the Berea College, Churchill Weavers which was actually the first industry in the area, and Parker Seal—a rubber product plant."

Two years following the organization of the new Industrial Development Corporation, they were successful in bringing Manning, Maxwell and Moore (now Dresser, Inc., Industrial Valve and Instrument Division). Then, about seven years ago, Gibson Greeting Cards chose Berea for their plant.

Berea's industrial boom of the seventies, however, is the result of a new major thrust by the Berea Industrial Development Corporation. Now nine in number, the board includes long-time Berea booster Morris Todd of Berea National Bank . . . and . . . a new face in Berea, that of J. D. Hiles, president of Peoples Bank.

Hiles might well be used as a prime example of how a banker, as a relative newcomer to a community, can assume a position which compliments not only his own bank but the promotion of the banking industry as a whole. He's a walking Chamber of Commerce, enthusiastic about opportunities which have come his way to work with the Department of Commerce and Blue Grass RECC in obtaining industrial leads, plans for raising funds to further develop a local airport just outside of Berea, work with the State in getting aid such as road upgrading in the industrial areas . . . just genuinely enthusiastic about his adopted home in general.

Townspeople, as well as new-industry personnel, are quick to credit Hiles and his reorganized bank with being a major spark in the new industrial flare. Now, through the strength of the Kentucky Group, of which Peoples Bank is a member, major financial assistance is available to industries locating in this and other areas.

William Finnel, president of the Industrial Development Corporation, recalls that when Parker Seal came to Berea, 35 to 40¢ an hour was the average wage rate, and if a small business averaged $500 to $800 a week gross sales, it was considered a really good week. "Now," he says, "with the new growth, $4,000 is considered a small week." Finnel estimates that the standard of living in the Madison County area in the last few years has risen 500%, and he's quick to give the bankers credit for their action.

"For example," says Finnel, "Morris Todd was active in obtaining plant sites, and J. D. Hiles worked closely with those involved in developing leads and in obtaining financing to insure their ability to locate." He pointed out that the cooperation between businesses, the Development Corporation, and the city government with Mayor C. C. Hensley had been outstanding.

Berea City Council first approved the issuance of industrial revenue bonds for Suburban Homes in the amount of $945,000. Bonds were purchased by Peoples Bank. Next, the Council authorized the issuance of $2,200,000 worth of bonds for Keller Industries, Inc., and although Peoples Bank did not buy all of the bonds, it handled financing through the Kentucky Group. The bank is the trustee of the bondholders.

Both Morris Todd and Don Hensley indicate strong feelings that this is only the beginning. Peoples Bank is already looking toward plans for a new main office banking facility in the not too distant future, with the present office retained as a branch. The new industries, according to Hiles, will provide jobs for at least 1,000 people in the very near future, and that's just the beginning. "Berea's growing," he says, "and we want to make sure the people have the banking services they need."

A tour of the beautiful town of Berea quickly bears out the enthusiasm of its leaders. Where not so long ago a sleepy country road turned off the highway, motels, restaurants and other businesses now form a continuous pattern. Apartments and subdivisions are springing up. An organized plan for cooperative store-front remodeling is underway in the center part of town.

In every respect, good things are happening, and Kentucky bankers are helping to make them happen.

STATEMENT ON NOMINATION OF GERALD R. FORD AS VICE PRESIDENT

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Saturday, October 13, 1973

Mr. MIZELL. Mr. Speaker, the announcement by President Nixon last Friday night that the distinguished minority leader, Mr. GERALD R. FORD, is the President's choice for nomination to the Office of Vice President came as welcome news to me, as it did to so many of my colleagues on both sides of this aisle and both sides of the Capitol.

Following the President's announcement, I issued a statement to the news media, praising his selection. The statement follows:

STATEMENT

President Nixon's nomination of Gerald Ford to the office of Vice President represents a timely demonstration of the statesmanship, and the confident and competent leadership, that have been the mark of both these men through long and distinguished careers in public service.

I have worked with Gerald Ford for almost five years in the House of Representatives, and I believe he can perform the duties of the Vice Presidency with great distinction and achievement.

I applaud the President's choice and his wisdom, and I congratulate Jerry Ford on this well-deserved and well-advised nomination.

HOUSE OF REPRESENTATIVES—*Wednesday, October 17, 1973*

The House met at 12 o'clock noon.

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

When you pray, say, Our Father.—Luke 11: 2.

Responding to the call of our President proclaiming this day a National Day of Prayer, we bow our heads in Thy presence, our Father God, acknowledging our dependence upon Thee and offering unto Thee the devotion of our hearts.

We pray for the coming of Thy kingdom of peace on Earth and good will among men. In the midst of swiftly moving scenes, may our trust in Thee and our faithful observance of Thy laws move in us as we seek to usher in a new era of human brotherhood.

Strengthen us to meet each day with the realization that Thou art with us, and may we prove true to every task committed to our care.

We ask in the spirit of Him for whose kingdom we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9590) entitled "An act 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."

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

S. 2013. An act to amend the act of June 14, 1926 (43 U.S.C. 869), pertaining to the sale of public lands to States and their political subdivisions.

OFFSHORE DRILLING IN GULF OF MEXICO

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

Mr. FUQUA. Mr. Speaker, it appears that the Department of the Interior is going to blatantly disregard the wishes of the Florida congressional delegation and public hearings held in Florida regarding drilling for offshore oil in the Gulf of Mexico.

Many environmental questions need to be answered before drilling should even be considered on more than 800,000 offshore acres in the Gulf of Mexico.

It is anticipated and projected by the U.S. Geological Survey that there is only between 2 and 3 billion barrels of petroleum in these 800,000 acres of land. This is a drop in the bucket.

This oil is not going anywhere. It can be claimed at a later date should circumstances warrant. I hope that the Interior Department will reconsider its arbitrary decision to proceed with this until we have better technical information as to whether our beaches, seafood industry, sport fishing, and military installations will be adversely affected. In my opinion, all of the facts are on the side of not drilling.

RACETRACK OWNER HEADS GROUP BIDDING FOR PADRES

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

Mr. HAYS. Mr. Speaker, I saw what today was a rather startling story on the sports page of the Washington Post this morning, that Marje Everett is going to buy the baseball team in San Diego.

This Marje Everett is the one who made $30 million on a stock deal on a racetrack in Illinois for which Governor Kerner, former Governor Kerner is under sentence for making $100,000.

I am curious to know how much she has contributed over the years to political campaigns, and if the Justice Department does not want to go into that matter, maybe we will go into it in the Subcommittee on Elections. We have had enough of these disagreeable types in baseball now, such as Charlie Finley, without having any more.

U.S. MILITARY INVOLVEMENT IN THE MIDDLE EAST

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

Mr. LATTA. Mr. Speaker, today I have sent to the President of the United States the following telegram:

OCTOBER 17, 1973.

DEAR MR. PRESIDENT: I have read news reports that United States Marines in full battle gear have boarded the helicopter carrier Iwo Jima at Morehead City, North Carolina, to join the Sixth Fleet in the Mediterranean and that the Spanish Government has protested the sending of one hundred United States pilots from its soil to Israel. These actions, when taken with Dr. Kissinger's statement that our troops will not be used in the Middle East unless Soviet troops are first introduced, is most disturbing to me. I am certain they are also most disturbing to the American people who wish no U.S. troop involvement therein.

Mr. President, I cannot urge you too strongly to reconsider any decision which may contain the remotest possible risk of involvement of our troops in this conflict and I further urge you to press on in continuous 24-hour-a-day sessions, if necessary, with your unrelenting efforts to bring about an immediate cease-fire. I am certain all Americans wish you success in these peace-making efforts.

Respectfully,

DELBERT L. LATTA,
Representative to Congress.

Mr. Speaker, in view of the gravity of this matter, I have today introduced the following resolution:

RESOLUTION

Resolved, That it is the sense of the House of Representatives that United States combat troops not be introduced, committed, or involved, in any way or manner, directly or indirectly, in the present armed conflict in the Middle East without prior Congressional authorization.

Mr. WYLIE. Mr. Speaker, I wish to be associated with the remarks by my distinguished colleague from Ohio, the Honorable DELBERT L. LATTA.

It seems to me that if we have learned anything from our recent involvement in Vietnam, it is the fact that we cannot be the policemen for the entire world. The American people do not want American boys sent into the Mideast war and I join with Mr. LATTA in suggesting to the executive branch that it would be a serious mistake to imply that U.S. troops might become involved in the Mideast war.

My mail since the outbreak of this war overwhelmingly reflects the sentiment expressed in this resolution which I have cosponsored with Congressman LATTA today.

I also think it is important that as soon as feasible the U.S. Congress should be provided with a complete report by the administration on the volume and nature of arms and military equipment furnished to any Mideast nation.

STATE DEPARTMENT COURTESY TO MEMBERS OF CONGRESS

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

Mr. HUBER. Mr. Speaker, last week I put into the CONGRESSIONAL RECORD some objections I had to the briefing which we had received from the Assistant Secretary of State in regard to the Middle East situation. Since it was put into the CONGRESSIONAL RECORD, Mr. Sisco, Assistant Secretary, visited me this morning with a member of his staff to discuss the situation and to apologize for the tone of the presentation to me and to the Congress.

Mr. Speaker, I would like to say that he explained that he only had a few hours sleep. which I could understand, accounted for the shortness of his answers, and I appreciated the fact that he was willing to come over and assure the Members of Congress and myself that we will receive the cooperation from the State Department we are accustomed to, and the consideration and courtesy we should expect.

Therefore, I will not be circulating my "Dear Colleague" letter which I had mentioned, which would have further explored this briefing.

AUTUMNAL SPLENDOR OF THE BLUE RIDGE PARKWAY

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

Mr. BUTLER. Mr. Speaker, the Blue Ridge Parkway begins at the southern terminus of the Skyline Drive on Afton Mountain in Virginia and extends over the mountaintops 469 miles into western North Carolina. I am pleased to report that on this Saturday, October 20, at 1:54 p.m., the Blue Ridge Parkway will be at the peak of its autumnal splendor. I suggest that a trip along the Blue Ridge Parkway would be a most appropriate way for Members to enjoy themselves on this long weekend.

EMIGRATION FROM THE SOVIET UNION

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

Mr. HOGAN. Mr. Speaker, emigration from the Soviet Union is not free. Although emigration appears to have increased in the last few years, the movement is still very limited. Multitudes who want to emigrate dare not apply for they fear the consequences of making a formal application. OVIR—the Soviet Emigration Bureau—treats the average applicant in a very callous manner, but harshest treatment is reserved for a small group of brave activists.

A case in point relates to 42-year-old Yuly Brint. Brint was born in Kharkov in the Ukraine where he graduated from a technical institute and worked as a machine builder and milling machine operator.

In 1967, Brint wrote and spoke out in defense of Israel's policy in the six day war. He disagreed publicly and in writing with Soviet policy at that time. As a result, he was detained by the KGB and warned not to repeat this kind of behavior.

Nearly, 5 years later, in early 1972, he applied for an exit permit to Israel, however, Brint was arrested in the spring for his public rejection of Soviet policy in 1967.

Brint was brought to trial on June 1, 1972, and charged under article 187–1 of the Criminal Code, with "slandering the Soviet system." The charge was based on his 1967 activities, even though the Soviet statute of limitations for crime is 5 years.

At the trial, which his friends were barred from attending, Brint was sentenced to 3 years in prison.

Mr. Speaker, the right to emigrate is a universal human right. The Mills-Vanik amendment offers a practical method to attain it for the multitudes deprived of this right and I urge Congress to pass this bill without further delay.

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

Mr. CAREY of New York. Mr. Speaker, I cannot help but respond to the comments of my colleague from Ohio (Mr. LATTA) with regard to what may happen in the Middle East, as to the utilization of American troops.

This is a time, I believe, for cool heads and counsel. The Secretary of State of the United States yesterday became the recipient of the Nobel Peace Prize. He is going to do all in his power, and I have confidence in his capacity, to achieve peace with honor in the Middle East.

I must give to this House the express policy of the Government of Israel as I heard it from Prime Minister Golda Meir in her office, and Ambassador Rabin, and Moshe Dayan. That policy is that the soil of Israel is too sacred to be defended by any but the citizens and loyal sons and daughters of Israel.

Israel is not seeking U.S. troops, boys to fight there. But let me suggest that the best way to bring this war to a halt and to shorten its duration to save the lives of the Israelis, Arabs, and any involved people, is to live up to our commitments to give to Israel the defensive weaponry she needs to offset the aggressive weaponry supplied to her enemies by the Soviet Union.

I am sure Secretary Kissinger is doing everything in his power to end this war on a dignified and decent basis, consistent with our national interest. When the war ends it will not require a single American soldier to go anywhere.

PERSONAL EXPLANATION

Ms. ABZUG. Mr. Speaker, I was present in the House yesterday and voted on the conference report on H.R. 6691, the legislative branch appropriations. My vote was not recorded. Had my vote been recorded, it would have been "yea."

CALL OF THE HOUSE

Mr. WYDLER. 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. 535]

Ashley	Dorn	Mills, Ark.
Biaggi	Eckhardt	Minish
Blackburn	Evins, Tenn.	Passman
Boggs	Fulton	Pepper
Buchanan	Giaimo	Price, Ill.
Carney, Ohio	Gray	Rarick
Chisholm	Guyer	Rees
Clark	Hansen, Idaho	Reid
Collins, Ill.	Hastings	Rooney, N.Y.
Conlan	Jarman	Rose
Conyers	Johnson, Pa.	Rousselot
Davis, Ga.	McClory	Sandman
Dellums	McEwen	Tiernan
Denholm	McKay	Veysey
Dennis	Metcalfe	Wampler

The SPEAKER. On this rollcall 389 Members have recorded their presence by electronic device, a quorum.

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

SEVENTEENTH ANNUAL REPORT OF THE PRESIDENT ON THE TRADE AGREEMENTS PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–166)

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 Ways and Means and ordered to be printed:

To the Congress of the United States:

In accordance with section 402(a) of the Trade Expansion Act of 1962 (TEA), I transmit herewith the Seventeenth Annual Report of the President on the Trade Agreements Program. This report covers developments in the year ending December 31, 1972.

In the period since I last reported to the Congress on our trade agreements program, we have taken major new initiatives to give strong momentum to closer multilateral cooperation and to develop a fairer and more efficient framework for the conduct of international economic relations. As a result of intense preparatory work throughout 1972, nations accounting for the bulk of world trade, meeting in Tokyo last month, opened a major round of new negotiations to reduce tariff and nontariff barriers to trade and to reform the rules by which all can gain from expanded trade. In the related field of monetary affairs, encouraging progress has been achieved on reform of the international monetary system to provide sound underpinnings for a fairer, more open trading system.

Concurrently with work on these basic longer term objectives, U.S. negotiators also pressed actively in bilateral consultations for the early removal of foreign nontariff barriers which have distorted normal trade patterns and restricted U.S. exports. The success of these efforts has, in some cases, opened markets where U.S. exporters have competed at a disadvantage for over two decades. In other instances, prompt U.S. assertion of our rights under the General Agreement on Tariffs and Trade has either deterred the institution of proposed restrictions or resulted in their early termination.

As a result of U.S. representations, our traders are already realizing tangible benefits from the major liberalization of quotas and licensing by Japan and the virtual elimination of Japanese export incentives. Compensatory taxes affecting some $40 million of U.S. agricultural exports were terminated on 98 percent of the products involved. The reduction or removal of these and other trade distortions demonstrates that sound trade policy and vigorous negotiation can create new and better opportunities for American businesses, farms, and workers.

Consistent with our efforts to strengthen the fabric of common interests between this country and the Soviet Union, we concluded a major agreement last year which lays the basis for the normalization of relations in the trade field. Important initial steps also have been taken to reduce barriers to commercial relations with the People's Republic of China. These developments open vast opportunities for long-term mutual economic benefit and for the advancement of world peace through the reduction of political tensions. I again urge the Congress, in considering my request for authority to grant normal tariff treatment to these countries, to work with me in framing an authority which preserves these gains.

While we may justifiably be encouraged by our achievements in trade and monetary negotiations since 1971 and by the reversal of the downward trend in our merchandise trade balance, we must not underestimate the magnitude and complexity of the tasks ahead. The multilateral trade negotiations which have

just been opened are a fundamental building block in the foundation of a new world politico-economic structure. The stakes are thus high and the bargaining will be intense.

To realize our objectives in the trade field, I sent to the Congress last April proposals for new legislation entitled the Trade Reform Act of 1973. In my statement of October 4, I expressed my views on the bill which was approved by the House Ways and Means Committee. As legislative deliberation continues, I look forward to working with the Congress on this bill in a spirit of constructive partnership.

The profound changes which have taken place in the world economy and the impact of growing economic interdependence on political relations among nations is now clearly recognized. While formidable problems exist in the trade area and while countries still differ widely on some of the important issues, the will now exists to negotiate the necessary far-reaching changes instead of resorting to confrontation or retaliatory measures which generate political frictions. We, like other nations, will be hard bargainers, but with a shared spirit of mutual commitment to a more open and equitable trading system, the entire world can progress toward a new era of economic well-being and peaceful international relations.

RICHARD NIXON.

THE WHITE HOUSE, *October 17, 1973.*

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

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

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 9286, MILITARY PROCUREMENT AUTHORIZATION, 1974

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 601 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 601

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 9286) 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, and all points of order against the said conference report are hereby waived.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 601 provides for an open rule waiving all points of order against the conference report on military procurement, H.R. 9286.

This is the rule requested by the Armed Services Committee because there are so many gray areas, parliamentarily speaking, because there are innumerable additions resulting from the conference with the Senate, the disapproval of any of which would vitiate the action taken by the House and prolong indefinitely progress on this legislation.

Mr. Speaker, I urge adoption of House Resolution 601 in order that we may discuss and debate H.R. 9286.

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

Mr. YOUNG of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. Why are points of order waived?

Mr. YOUNG of Texas. Points of order are waived because the Armed Services Subcommittee requested a general waiver of points of order. The Armed Services Subcommittee in its letter presented more than a page of additions which were added in the conference with the Senate in order to get agreement, and if any of these are disapproved, it would vitiate the entire proceedings.

I will say to the gentleman from Iowa, it is just a matter of expediting approval of this legislation. Without it, the Armed Services Committee tells us there is no determination as to when or how long the conference would go on.

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

Mr. YOUNG of Texas. I yield.

Mr. GROSS. Is the Committee on Rules asking the House to accept a rule that would waive points of order on some 11 items in this conference report, that may be subject to points of order?

Mr. YOUNG of Texas. The gentleman is correct.

Mr. GROSS. We are asked to set aside the regular and orderly procedure of the House of Representatives for the sake of expediency?

Mr. YOUNG of Texas. Yes, sir. I believe that is substantially correct.

Mr. GROSS. I do not like to ask this question, but does the Rules Committee ever blush when it brings out a rule of this type?

Mr. YOUNG of Texas. Yes, sir; that is correct.

Mr. GROSS. Sometimes they do?

Mr. YOUNG of Texas. Yes, sir.

Mr. GROSS. I thank the gentleman.

Mr. YOUNG of Texas. Mr. Speaker, I yield to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I am not one of those who was obliged to blush when this rule was voted out of the Rules Committee, because I voted against it.

I take this opportunity to suggest that the Members of this House this afternoon should join the members of the Rules Committee, who were, unfortunately, in the minority who voted against a general waiver of all points of order on this military procurement authorization conference report.

Let me say at the outset, some will characterize the opposition to this rule as being concerned exclusively with a controversy around section 817 that would mandate the continued operation of some public service hospitals, eight in number.

While I do support the Administration's position which, of course, resulted in the veto of the Emergency Medical Services Act, on the basis of inclusion of the continued operation of those hospitals which was mandated in that bill, and while the resurrection of that issue in this conference report in the form of a nongermane Senate amendment is a factor in my opposition, it is by no means the sole reason why I oppose the rule.

When the bill was acted on in the other body, the House bill which originally consisted of 17 pages was replaced by a Senate amendment that added 55 pages to the bill. As the letter of the distinguished chairman of the House Armed Services Committee indicated, there were at least 11 possible instances in which those additions constituted the addition of nongermane material to the House-passed bill.

Therefore, the basic reason why I urge the Members of the House to defeat this rule is that unless we do that, we are not protecting the prerogatives, the rights of this body, as they were outlined in the 1970 Legislative Reorganization Act.

It was also in some further rules changes that came at the end of last Congress. What we did, by way of very quick review, was to provide a procedure for acting on nongermane Senate amendments, a procedure under a new clause 4, rule XXVIII, which would make it possible for this body to vote separately after 40 minutes of debate on each of these nongermane Senate amendments. A point of order is made, and if that point of order is sustained, then the right accrues to any Member of this body to demand a recorded vote, a separate vote on those nongermane amendments.

We had a very recent illustration of how that rule operates. The Members may recall in connection with the conference report on the State Department authorization bill that this body, by separate vote, rejected two nongermane Senate amendments. Then, that report went back to conference, and the other body eventually acceded to the position of the House in rejecting those amendments.

Let me suggest that if we adopt this rule today with a general waiver, we might as well repeal clause 4, rule XXVIII. We are transmitting a message to the other side of the Capitol that we have given them a green light, "Go ahead, adorn any House passed bill, go into conference, adorn it as you would a Christmas tree with any of these decorative objects that the other body is so fond of attaching to House bills, and we will simply have our conferees come back, go upstairs to the Rules Committee, get a rule waiving points of order against that nongermane matter and everything is going to go through."

That, I would suggest, completely

vitiates the rule I have referred to, and I think it does violence to the right of this body to act separately on nongermane material.

Finally, and not the least of the reasons why I would urge that the Members defeat the rule, and I speak now specifically to some of my friends who supported the amendment that would have reduced by some $950 million the amount contained in the committee bill, the committee bill on military authorization that came to the floor—let me point out that the total amount that is authorized in this conference report of $21.3 billion is in excess—is in excess of the amounts authorized by either the House bill or the Senate bill.

The conference approved amount is some $854 million over the amount approved by this body, and some $351 million over the amount that was originally approved by the other body, by the Senate.

The amendment offered, of course, by the gentleman from Wisconsin (Mr. ASPIN) was to hold the authorization at last year's level plus 4.5 percent for inflation.

Unless this rule is defeated we have no opportunity of registering our objections to that fact along with the other points that I have just made. It pains me to have to urge the Members to vote down the rule requested by the distinguished chairman of the House Armed Service Committee, because, as he indicated in his testimony before the Rules Committee, he and his fellow House conferees did try very hard to eliminate some of the nongermane matter that was contained in that 55-page Senate amendment that took the place of the House bill, but they did not succeed in at least 11 instances in eliminating that nongermane matter.

Mr. Speaker, I suggest that this in itself is reason enough why we should turn down this rule today. This distinguished committee can bring the conference report on the military authorization bill to this floor without a rule. We are not obstructing the ability of this House to act on this matter by denying it a rule, because I repeat, the only function of that rule is to waive all points of order, to wipe out the effect of the rule heretofore adopted by this House that would make it possible for us to register by a separate recorded vote on separate or nongermane matter added by the other body.

Mr. Speaker, I urge Members on both sides of the aisle to join me in defeating, not the previous question—the issue will not be drawn on the previous question—the issue will come on the rule itself. I would ask that the Members vote down the rule.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Can the gentleman shed any light on the possibility that the bill which is the subject of this resolution would in fact be a war supply bill and provide the wherewithal for the United States to resupply the State of Israel?

Mr. ANDERSON of Illinois. The only provision that comes to my mind which would deal with that is perhaps section 814, a section that would extend until December 31, 1975, authority for military credits to Israel as authorized by the Defense Procurement Act of 1970. This is material which the committee concedes is nongermane.

Without getting into a discussion of the substantive merit of the issue of resupply, it is certainly so fundamentally important a question that this body ought to have the right to vote on it and not simply by a general waiver of points of order accept what the other body has done.

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

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself 1 additional minute.

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

Mr. ANDERSON of Illinois. I yield to the distinguished chairman of the committee, the gentleman from Louisiana.

Mr. HÉBERT. I appreciate the gentleman's yielding. I merely want to point out the fact that the gentleman made a correct statement of his position; however, inadvertently I believe he left out the fact that when I appeared before the Rules Committee on yesterday I said it was my opinion that these 11 subjects were germane. They are in a gray area, and others may challenge their germaneness.

In order to avoid that delay, of voting on 11 separate and different subjects, in order to expedite consideration of the bill, I made the request.

Mr. ANDERSON of Illinois. I certainly did not intend to misstate the gentleman's position.

Mr. HÉBERT. I know the gentleman did not.

Mr. ANDERSON of Illinois. The gentleman did indeed make that position known before the committee.

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

Mr. ANDERSON of Illinois. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am opposed to this rule. It provides a total waiver of all points of order against the conference report. According to the testimony presented yesterday in the Rules Committee, there are some 11 possible points in which nongermane matter was added in the conference.

Mr. Speaker, the effect of this rule is to deny the House a separate vote on any of these nongermane additions.

Mr. Speaker, in the Legislative Reorganization Act of 1970 the House adopted what has come to be known as the Colmer amendment to provide a procedure whereby the House could get a separate vote on nongermane matter in a conference report. This procedure was strengthened by additional rules changes added at the end of the 92d Congress. The procedure is presently included as a part of the House Rules, under clause 4, of rule XXVIII.

In summary, this House rule provides that any Member can raise a point of order against a particular nongermane Senate provision which has been included in the conference report. If the Chair sustains the point of order, it is then in order for a Member to move that the House reject the nongermane matter covered by the point of order. Such a motion would be debated for 40 minutes, with 20 minutes on each side, followed by a vote.

Such a procedure would allow the House to decide whether it wants the nongermane items added by the Senate in the conference. This is the procedure I would propose to follow when this rule is voted down.

On the other hand, if the House should adopt this rule waiving all points of order, the House would be denied an opportunity for a separate vote on these nongermane items added in the conference.

Mr. Speaker, these are not insignificant items that have been tacked on by the Senate. One of the amendments would require the administration to keep open eight Public Health Service Hospitals. This is an issue which was a major factor in causing the President to veto the emergency medical services bill recently. Mr. Speaker, I personally am opposed to this provision, but whichever side of that question a Member may be on, at least I think the House should be given a chance to deal openly with this issue, instead of having it buried in a package which Members are reluctant to vote against.

Mr. Speaker, I ask that the House have an opportunity for a separate vote on each of these items and urge a no vote on passage of this rule.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. ASPIN).

Mr. ASPIN. Mr. Speaker, I rise in support of the position of the gentleman from Illinois (Mr. ANDERSON). I believe that we should vote down the rule on this conference report.

Mr. Speaker, the conferees on the Defense authorization bill that we are voting on this afternoon have brought forth a bill that is higher than that passed by either House of Congress. The House voted an authorization bill of $20.4 billion; the Senate voted an authorization bill of $20.9 billion. The conferees, meeting to iron out the differences between these two versions, have come up with a compromise of $21.3 billion.

Mr. Speaker, very few of the Members of either House voted for or wanted a Defense authorization bill which is as high as $21.3 billion. As far as I can tell, all of those Members who did want it ended up as conferees.

By a vote of 242 to 163, the House passed an amendment which would limit the House authorization bill to $20.4 billion. The Senate passed the bill of $20.9 billion, but several amendments came very near to passing, which would have cut it below that figure.

It seems clear to me, Mr. Speaker, that the sense of both Houses was that the conference report on the authorization

bill should be well under $21 billion, but the conferees voted $21.3 billion.

I understand, Mr. Speaker, that what they did was not illegal, although it certainly is immoral. I do not think there is anything we can do about those numbers, but I do believe we ought to protest this procedure.

To protest is, of course, a bit difficult. Conference reports come back on a take-it-or-leave-it basis, and to vote against the entire conference report is to be voting for zero defense.

I urge the Members instead to vote against this rule. It is a way of protesting what the conferees have done, without voting against the entire bill.

Some of the Members will be able to see their way clear to voting against the entire conference report, but if they cannot do this, I understand their position.

However, whether they can or cannot vote against the entire conference report, I urge all the Members to vote against the rule as a protest against the conference report, which is higher than the amount which was passed by either House of Congress.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, the gentleman from Wisconsin (Mr. ASPIN) has just commented that the action taken by the conferees was immoral. Apparently the gentleman takes the position that if the Senate does not accept all of the House amendments, that is immoral.

The gentleman from Wisconsin, I am afraid, is just not familiar with the conference procedure. It is a matter of give and take.

While the gentleman from Wisconsin is certainly dedicated to his amendment, the fact of the matter is that very early in our conference the Senate made it clear that they are not going to accept the Aspin amendment. They were adamant on the Aspin amendment and refused to recede. In that event, the confereees had no guide for proceeding with the bill but to take the specific figures for each individual line item. And when you add up the totals for the line items in the House bill the Aspin amendment, of course was not addressed to any specific line item—we come up with $21,394,997,000. The conference figure was $21,299,520,000. So the conference figure is about $100 million below the total of the line items in the House bill.

There was not any other way humanly possible in view of the adamant position of the Senate, for us to handle this bill. The problem of the gentleman from Wisconsin is that his amendment did not deal with any specific line item.

I submit, Mr. Speaker, that the conferees did stay below the House figure.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I rise in opposition to the rule.

I think there comes a time when each Member of this House has to make a very basic policy decision. Will we, regardless of prestige and power of committee, prestige and power of those in charge of the committee, simply roll over and play dead?

I would urge the House, because of that basic overriding reason, to reject this request for a waiver of points of order.

It makes mockery of the rules. It does a disservice to each individual Member of this House, and it does not allow the House to work its will.

Mr. Speaker, what is the issue on which we argue? There are 11, as the chairman of the Committee on Armed Services indicated, potential points of order than can be lodged against this conference report. I frankly think some of them are not subject to a point of order, but nevertheless, in the letter to the Committee on Rules, the distinguished chairman of the Committee on Armed Services outlined those 11 areas in which a potential point of order could be lodged.

I think it is important that the House be able to make a determination about this business of the other body simply adding on nongermane amendments. That is the reason why rule XXVIII, clause 4, was adopted by this House. It does not kill the conference report or prevent the House from considering it, but what it does is say that a Member may raise a point of order against a single section, and the Chair sustains the point of order or overrules it. If it is sustained, we have a separate vote on it and we debate 20 minutes on each side in order to make a decision as to whether to accept or reject that particular amendment that is nongermane.

Member's view is about any one of those

I do not care what the individual 11 potential items. I do care about the ability of an individual Member of this House to use the rules in order to raise a point of order to try to make sure that this House does not simply play follow-the-leader with the other body.

This rule, the request by the Committee on Armed Services, is a matter of that kind of fundamental principle. Will we simply allow the other body to continue to use the technique that enables them to have nongermane amendments added and by the use of this back-door technique prevent the House from acting individually, point by point, on matters that would not have been germane had they been offered in this House? I suggest to the Members that there is a simple manner by which we can handle this matter.

Let us vote down the rule and allow the conference report to be brought up and allow the distinguished chairman of the Committee on Armed Services to take his chances just like the Committee on Education and Labor would have to take its chances.

I can see the Committee on Education and Labor coming to the Committee on Rules requesting this waiver of points of order. We would be laughed out, and for good reason, and I would be there laughing, too.

Mr. STRATTON. Will the gentleman yield to me?

Mr. STEIGER of Wisconsin. No, I will not at this point.

Mr. Speaker, the answer, in my judgment, is that in fact we simply make sure that rule XXVIII, clause 4, is used. It has been and it will continue to be used and I believe it should be used to help this House make its own judgment and to help each of us to work our will and to enable a majority of this House to reject or to accept nongermane amendments of the other body. To adopt this rule makes a mockery of the processes that we use in this House and the beliefs that we have about our standing as an equal body.

I believe it would be a serious mistake to accept this rule. Let us vote the rule down and take up the conference report and have the points of order raised and have them rejected or sustained and then go on about our business. I urge that the rule be rejected.

Mr. YOUNG of Texas. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Illinois (Mr. PRICE).

Mr. PRICE of Illinois. Mr. Speaker, the committee itself dislikes the necessity of accepting any of these amendments which could be subject to a point of order.

During our period of discussion with the other body we pointed out the fact that we would have to take this bill to the Committee on Rules to get permission to bring it to the floor with these items that were subject to a point of order.

Some of them we put in the bill ourselves during the House consideration of the measure. The buy-American amendment was put in by the House itself. The House itself already passed legislation in a separate bill to provide medical emergency helicopter transportation for civilians.

This was one of the items that was subject to a point of order. We tried to uphold the position of the House that we would not accept any amendment that was subject to a point of order, but when you are in a conference you have to give and take, and we took some of these amendments because we thought the House had already acted favorably upon them.

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 additional minutes to the gentleman from Illinois (Mr. PRICE).

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

Mr. PRICE of Illinois. I yield to the gentleman from New York.

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

The gentleman from Wisconsin (Mr. STEIGER) who declined to yield to me, said a moment ago that we ought to work our will on the conference report in each of these nongermane amendments. What the gentleman from Wisconsin neglected to say was that if any one of these nongermane amendments is turned down we have to go back to conference again, and nobody knows what is going to happen in another conference. We had a very delicate conference as it was. Most of the matters here involved, the whole picture in fact, would of course, be up again for consideration, and that means it will be an even longer time before we can get a defense appropriation bill out. We might be here until New Year's.

Mr. PRICE of Illinois. Most of these nongermane amendments are technical

in effect. One of them, for instance, has to do with extending the time during which military retirees can participate in the Survivor Benefits Act.

Then there is one to provide Congress opportunity to deny proposed advance payments in excess of $25 million to industry under the Defense Production Act.

Each one of these items, if offered in the House, would have been accepted in the House.

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

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BRAY).

Mr. BRAY. Mr. Speaker, as an old judge before whom I practiced used to say, "It is a condition, not a theory, that confronts us." This is what we are confronted with today, a condition. This legislation should have been out a long time ago. The Senate had failed to act on the military authorization bill. The minute the Senate finally passed the bill we immediately asked for a conference.

I can assure the Members that everything was done in this conference to carry out the House version of this legislation.

I have often wished that there was no such thing as the House Committee on Rules having authority to waive points of order on a conference report, but as long as points of order can be waived by the Rules Committee, the Senate is aware of this and we are confronted by this in every conference.

This was one of the roughest conferences that I have ever been through. I will not go into details. I will say that in almost every instance the version of the House was carried out. In fact, several of the matters against which a point of order could be made as the gentleman from Illinois (Mr. PRICE) just explained, had already passed by the House, but the Senate had not acted on it, so when we did accept the Senate amendment we were merely carrying out the views already expressed by the House.

There is one matter in the report to which I was very reluctant to agree to, and that was the forced retaining opening of the public health hospitals, but frankly we could not get an agreement with the Senate to accept that amendment.

What is going to happen if this rule is turned down, and if one of the Senate amendments is voted down, then we will be right back in a conference with the Senate, and in all fairness I think that we will have serious difficulty in arriving at a bill, at least one that is as favorable to the House as is this bill.

So, here we are, back in the House, months after this bill should have been passed, and we will be forced into another conference with the Senate.

Everything was done, I can assure the Members, by your conferees, to bring back a bill that would be agreeable to the House.

I would say that the best thing we can do is to pass this rule. I believe that this conference agreement is as good as we will ever get.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Speaker, time after time I have heard this body lament the fact that the Senate will hang some idea onto a bill that we necessarily must pass. Today is no exception, but of much greater concern to me is the fact that our Committee on Interstate and Foreign Commerce that deals with the Public Health Service hospital issue—our subcommittee never reviewed it; our full committee never reviewed it; yet one of our members went to the Committee on Rules and got a rule that permitted nongermane amendments to be adopted, and the measure came out here on the floor and was passed with the emergency medical bill.

This House wanted an emergency medical bill and this gave some strength to the Public Health Service hospital issue. As a result, the bill passed. It was vetoed. It went to the President, came back, and the veto was sustained. Seventy-nine of us have introduced an emergency medical bill which will pass easily when it is back up here as a separate issue. Many of us have introduced a bill dealing with the Public Health Service hospital, and that also will be back up here to be dealt with as a separate issue.

May I point out that it seems to me that when this body considers a piece of legislation as we have already done, if we cannot win it one way, bring it back another. The statement that is made repeatedly that the HEW is going to close down the Public Service hospitals is not an accurate statement. HEW will cut back on the inpatient care. The outpatient care, which is the important part of it, will continue. But the population of inpatients in the hospitals has been going down year after year. The intended purpose of the Public Health Service hospitals is now being violated in many different ways.

Some of them will stay open, and others will find their inpatients transferred to another hospital closer to home. The expenses will be paid. We find that many of our Public Health Service hospitals no longer are in a state of repair and no longer meet required standards.

I visited the Galveston hospital myself, and there was a line of people waiting to be served, waiting to have medical attention. I want them to continue to have it, and they will have it. Even if we pass a bill that would support the administration, this hospital will continue to take care of the outpatients. The inpatients would be transferred to a more modern hospital where better care could be given them, and their expenses would be paid.

I hope the rule is voted down, because the practice that we are following, in my judgment, is wrong. It does not give us the opportunity to consider things as they ought to be considered. Bringing a measure which has already been handled by the House and subject to an upheld veto back here, tied like the tail on a kite, to a bill having no possible connection with the issue, and bringing it here under a waiver of points of order is an obvious perversion of the legislative process.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Washington (Mr. ADAMS).

Mr. ADAMS. I thank the gentleman for yielding.

Mr. Speaker, I wish to speak just to the point that was spoken to by the gentleman from Minnesota and in opposition to his position and in support of the rule.

Mr. Speaker, I think the gentleman has misstated the fact about the House's position with regard to the Public Health Service hospitals. We have three times voted overwhelmingly in support of this. There is no assurance the bill the gentleman refers to will come out of the Interstate and Foreign Commerce Committee.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield for one question?

Mr. ADAMS. I yield to the gentleman from Illinois for a question.

Mr. ANDERSON of Illinois. My question is, Does not the gentleman, therefore, believe that even though we do not adopt this rule, and the matter has to come up, and a point of order is made, and a separate vote then is demanded and is held, that the House would again overwhelmingly vote, just as he has so accurately described, in favor of his position? Why not, then, follow the rules of the House?

Mr. ADAMS. The position of the gentleman is this, that when that comes up, we have no assurance as to what the gentleman intends to do, or the Members of this body, on your side of the aisle regarding any part of this bill.

I have examined the figures on the military involvement in the Public Health Service hospital in the area which I represent and in the Pacific Northwest. What will occur if we do not have these hospitals available for the military is that, for example, the Department of Defense CHAMPUS program is going to cost them an additional $1,739,000,000 a year in order to receive the services that they have now.

An additional $1,213,000 is going to have to be paid out of the pocket of the military retirees to receive the service they have now.

We have been assured there is going to be some kind of action sometime, some place, with the Public Health Service hospitals but those of us that have been involved with these for years and years don't believe it and I advocate that be adopted, so that we can continue the hospitals.

Actually this goes directly to the heart of what the military expenses are going to be. The major portion of the military budget at the present time, as I know the chairman has stated to the Members before and will again, is involved in personnel costs. The costs we have to pay for people. The costs we have to pay for military people are going to be directly increased if we shut down these hospitals. These hospitals are deeply involved with the military.

I would just close my remarks by saying this, and I thank the gentleman from Texas for yielding, that we have had proposals that they transfer these people to the veterans hospitals. There is no room in the veterans hospitals in our area.

We have had propositions presented to us that they be shifted to the com-

munity. There is no room in the community area hospitals to take these people, except at enormous cost.

We have been told by the University of Washington, who is training people both for doctors and for paramedical pursuits, that there is no place for them to place these people.

So we have involved the entire complex of veterans and military dependents in the community who are going to have to pay for medical service in some other fashion.

We will save money as a Federal Government if we leave this where it is.

I hope the rule will be adopted.

The reason that so many of us in this Congress have tried very hard to make sure that HEW is not allowed to close the Public Health Service hospitals is that we are extremely worried about the people who are now receiving medical care at these hospitals.

HEW tells us that 26.4 percent of the inpatient care at the hospitals is given to active military personnel and their dependents, retired military personnel and their dependents and the dependents of deceased members of the armed services. Yet it is these people who are not even mentioned in HEW's plan for the beneficiaries—they are not even covered by HEW's spurious assurances that they intend to see that their "primary beneficiaries" receive alternate medical care in the community. In fact, HEW has not even evaluated the situation to see if there are alternative medical facilities in the affected communities to take care of these people who are eligible for PHS care by virtue of their participation in the armed services.

They have been able to tell us, however, that if these people can find alternate sources of care, and assuming that only 7 of the 8 hospitals actually close, it will cost DOD CHAMPUS an additional $1,739,000 per year and that DOD retirees themselves will have to reach into their pockets and find an additional $1,213,000. This means that the retired servicemen and their dependents will be forced to pay for medical services which they have already earned—if they can afford to. Even the deductible amounts under CHAMPUS and social security medicare are prohibitive for these people as the cost of medical care skyrockets and outstrips their pension increases. Especially the older military retirees, because of their low retired pay, and many military widows who have incomes of less than $100 per month, find social security medicare and CHAMPUS out of reach cost wise. What happens to these people who have been assured by our Government of medical care in return for services already rendered if the hospitals close? They will be denied medical care because HEW insists on closing the Public Health Service hospitals despite the fact that closing the hospitals will cost the Government at least $8 million more in fiscal year 1974 operating costs than maintaining them would.

The amendment which has been added to the military procurement authorization bill would insure that the PHS hospitals inpatient facilities are maintained at a reasonable level of service until HEW can come to us with hard facts proving that they have a better, more efficient method of providing care to all of the hospitals beneficiaries. The question at hand is—"It is proper that such an amendment be considered as part of the military procurement authorization bill?"

My answer is—and the answer of the thousands of the hospitals' "secondary beneficiaries" is "Yes—of course it is." The answer must be yes when you consider that we have already pointed out and include the following facts:

Manpower costs are now 56 percent of the defense budget—closing these hospitals would mean CHAMPUS costs would increase more than $1 million—and the total Federal budget would increase by at least $8 million in fiscal year 1974;

In Baltimore, New Orleans, and Staten Island, N.Y., the Public Health Service hospitals are the primary facility for medical services to Federal beneficiaries—there are no visible alternative sources of care.

In New Orleans, alone, almost 40 percent of their inpatient caseload is active military and their dependents, retired military and their dependents and the dependents of deceased members of the Armed Forces;

Preventive services like physical examinations, and immunizations are not available through CHAMPUS—but are available through the PHS hospital program; and

Especially important to veterans is that the PHS hospitals provide direct patient care to veterans, particularly in areas where VA facilities cannot meet special needs. If the PHS hospitals close, retirees will be forced to fall back on the VA system for health care and in some areas of the country this would significantly increase the demand on VA facilities which are already operating at full capacity.

The Congress has heard all of the arguments for and against maintaining the PHS hospitals until a better plan can be devised by HEW. We have voted on this issue no less than three times before—first when it was an amendment to the EMS bill and the vote was 261 in favor and 96 against; then it came up as a part of the conference report on the EMS bill and the vote was 306 in favor and 111 against; finally when we voted 273 to 144 on the question of overriding the Presidential veto of the EMS bill—and failed to override by only 5 votes. It is clear from the record that a majority of the members of this Congress believe that the hospitals should be maintained and believe that this is the only way available to us at this time to meet the obligation that we, as a nation, have to the military beneficiaries of the hospitals as well as to the other groups served there. I urge this amendment in that we remain consistent to our past commitments and vote to maintain the conference report on the military procurement authorization bill.

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

Mr. ADAMS. I yield to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Washington.

I am wholeheartedly supporting his position. I think many of these facts have not been brought to light and it is time that they are brought to light.

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

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself 2 minutes.

The distinguished gentleman from Illinois (Mr. PRICE), earlier in the debate made the statement that all of the 11 items which would possibly be subject to a point of order, had not this rule been requested, would have passed in the House.

I agree with that and, therefore, why not respect the rules of this body and proceed to ratify by separate vote the action that he is so confident this House would take?

I think it is unfortunate that we have gotten off into a discussion of the substantive merits of whether or not we should close Public Health Service hospitals.

I understand that some Members are concerned about the fact that section 814 that would establish authority for military credits to Israel may be defeated if we defeat this rule.

I cannot believe, given the military situation that exists in the Middle East today, that when we have a separate vote on that situation, that this House will not overwhelmingly agree that we should extend until December 31 of 1975 the authority for military credits to Israel.

I cannot believe, as I said to the gentleman from Washington, that having three times overwhelmingly voted in favor, that is, a majority voting in favor of the Public Health Service hospitals, this House would not likewise vote again in that same fashion.

The point that we have to keep in mind is that this is a question of voting on whether or not we want to maintain clause 4 of rule XXVIII, whether we want to say to the other body any time they want to ship over a conference report loaded with nongermane material, we are just willy-nilly going to accept it without insisting on the rights that we have given ourselves under our own rules of voting separately on those items.

I hope that Members will not be confused on what is really the basic issue involved in the vote on this rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Speaker, I thank the gentleman for yielding me some time. I have sat and listened very carefully to all the arguments against the rule. I have heard such statements made as, "Does the Rules Committee blush when it brings out a rule in this fashion?"

Well, I do not think the Rules Committee should blush. I think the administration that has acted in a callous manner toward the health needs of the people should blush, not the Rules Committee.

I have heard all the talk about the implications of this rule, but let us not kid

ourselves; the one main issue in this rule is the survival of the Public Health Service hospitals.

We have had extensive debate on this, and we know full well that by virtue of closing those hospitals, we deny essential health services to literally hundreds of thousands of people who desperately need them. I have spoken on this matter several times, and now all I can do is reemphasize that on this issue. I would hope that the House would vote its humanity, not the whim and caprice of those in the administration who do not care about the health needs of hundreds of thosuands of American people.

Mr. Speaker, I support the rule and I urge that my colleagues also join me in that support.

Mr. YOUNG of Texas. Mr. Speaker, I yield 1 minute to the distinguished chairman of the committee (Mr. HÉBERT).

Mr. HÉBERT. Mr. Speaker, let me say this one thing: The facts of life are that we all agree with the principles enunciated by the distinguished gentleman from Illinois (Mr. ANDERSON).

I was one of the basic supporters of this concept, but we found out that it just does not work the way he wants it to work. Now, we are confronted with the realities. We either have to take this rule as it is and get a bill so that we can get the appropriations out of here, and if we do not want that and vote the rule down. there will be, for practical purposes, nothing before this body for its consideration.

We will have no rule and therefore a single point of order can prevent consideration of the conference report. As I say, let us not kid ourselves. The U.S. Public Health Service hospitals, I admit it, is the issue. The House on three occasions by overwhelming majority votes wanted the Public Health hospitals retained. And on one occasion missed, forcing their retention, by a scant five votes. Five votes, which probably would have been different if the hospital in New York had been ordered closed, but it was not.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the speaker announced that the noes appeared to have it.

Mr. YOUNG of Texas. 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 193, nays 216, not voting 25, as follows:

[Roll No. 536]

YEAS—193

Abzug	Andrews, N.C.	Barrett
Adams	Annunzio	Beard
Addabbo	Archer	Bennett
Alexander	Arends	Bevill
Anderson, Calif.	Badillo	Blatnik
	Bafalis	Boggs
Bowen	Hansen, Idaho	Pickle
Brasco	Hansen, Wash.	Poage
Bray	Harsha	Podell
Breaux	Hawkins	Powell, Ohio
Breckinridge	Hébert	Prever
Brinkley	Henderson	Price, Ill.
Brooks	Hicks	Price, Tex.
Burke, Calif.	Hillis	Pritchard
Burke, Fla.	Hogan	Randall
Burke, Mass.	Holifield	Rangel
Burleson, Tex.	Holt	Rees
Burton	Holtzman	Roberts
Byron	Horton	Rodino
Carey, N.Y.	Howard	Roe
Carter	Hudnut	Rogers
Casey, Tex.	Hunt	Roncallo, Wyo.
Chappell	Ichord	Rooney, Pa.
Chisholm	Johnson, Calif.	Rosenthal
Clancy	Jones, Ala.	Rostenkowski
Clay	Jones, N.C.	Roybal
Collins, Ill.	Jones, Tenn.	Runnels
Corman	Jordan	Ryan
Cotter	Karth	Sarbanes
Daniel, Dan	Kazen	Satterfield
Daniel, Robert W., Jr.	King	Saylor
	Kluczynski	Sikes
Daniels, Dominick V.	Koch	Sisk
	Lehman	Slack
Danielson	Long, La.	Spence
Davis, S.C.	Lott	Staggers
de la Garza	McFall	Steed
Delaney	McSpadden	Stephens
Denholm	Macdonald	Stratton
Dent	Madden	Stubblefield
Dickinson	Mahon	Stuckey
Diggs	Mathis, Ga.	Sullivan
Donohue	Matsunaga	Symington
Downing	Mazzoli	Teague, Tex.
Drinan	Metcalfe	Thornton
Eilberg	Milford	Treen
Evins, Tenn.	Mink	Vanik
Fisher	Minshall, Ohio	Vigorito
Flood	Mitchell, Md.	Waggonner
Foley	Mitchell, N.Y.	White
Fountain	Mollohan	Whitehurst
Fuqua	Montgomery	Widnall
Gaydos	Morgan	Williams
Gettys	Murphy, Ill.	Wilson, Charles H., Calif.
Gibbons	Murphy, N.Y.	
Gilman	Myers	Wolff
Ginn	Natcher	Wright
Gonzalez	Nichols	Wyatt
Grasso	Nix	Yates
Gray	O'Brien	Yatron
Green, Oreg.	O'Neill	Young, Alaska
Griffiths	Patman	Young, Fla.
Gubser	Patten	Young, S.C.
Gunter	Pepper	Young, Tex.
Haley	Perkins	Zablocki
Hanley	Peyser	

NAYS—216

Abdnor	Cronin	Harrington
Anderson, Ill.	Culver	Harvey
Andrews, N. Dak.	Davis, Wis.	Hays
	Dellenback	Hechler, W. Va.
Armstrong	Dellums	Heckler, Mass.
Ashbrook	Dennis	Heinz
Ashley	Derwinski	Helstoski
Aspin	Devine	Hinshaw
Baker	Dingell	Hosmer
Bauman	Dulski	Huber
Bell	Duncan	Hungate
Bergland	du Pont	Hutchinson
Biester	Eckhardt	Jarman
Bingham	Edwards, Ala.	Johnson, Colo.
Boland	Edwards, Calif.	Jones, Okla.
Bolling	Erlenborn	Kastenmeier
Brademas	Esch	Keating
Broomfield	Eshleman	Kemp
Brotzman	Evans, Colo.	Ketchum
Brown, Calif.	Fascell	Kuykendall
Brown, Mich.	Findley	Kyros
Brown, Ohio	Fish	Landgrebe
Broyhill, N.C.	Flowers	Landrum
Broyhill, Va.	Flynt	Latta
Buchanan	Ford, Gerald R.	Leggett
Burgener	Ford, William D.	Lent
Burlison, Mo.		Litton
Butler	Forsythe	Long, Md.
Camp	Fraser	Lujan
Cederberg	Frelinghuysen	McCloskey
Chamberlain	Frenzel	McCollister
Clausen, Don H.	Frey	McCormack
	Froehlich	McDade
Clawson, Del	Goldwater	McKinney
Cleveland	Goodling	Madigan
Cochran	Green, Pa.	Mailliard
Cohen	Gross	Mallary
Collier	Grover	Mann
Collins, Tex.	Gude	Maraziti
Conable	Hamilton	Martin, Nebr.
Conlan	Hammer-schmidt	Martin, N.C.
Conte		Mathias, Calif.
Coughlin	Hanna	Mayne
Crane	Hanrahan	Meeds
Melcher	Roush	Symms
Mezvinsky	Rousselot	Talcott
Michel	Roy	Taylor, Mo.
Miller	Ruppe	Taylor, N.C.
Mizell	Ruth	Teague, Calif.
Moakley	St Germain	Thompson, N.J.
Moorhead, Calif.	Sarasin	Thomson, Wis.
	Scherle	Thone
Moorhead, Pa.	Schneebeli	Tiernan
Mosher	Schroeder	Towell, Nev.
Moss	Sebelius	Udall
Nedzi	Seiberling	Ullman
Nelsen	Shipley	Van Deerlin
Obey	Shoup	Vander Jagt
O'Hara	Shriver	Waldie
Owens	Shuster	Walsh
Parris	Skubitz	Wampler
Pettis	Smith, Iowa	Ware
Pike	Smith, N.Y.	Whalen
Quie	Snyder	Wiggins
Quillen	Stanton, J. William	Wilson, Charles, Tex.
Railsback		
Rarick	Stanton, James V.	Winn
Regula		Wydler
Reuss	Stark	Wylie
Rhodes	Steele	Wyman
Riegle	Steelman	Young, Ga.
Rinaldo	Steiger, Ariz.	Young, Ill.
Robinson, Va.	Steiger, Wis.	Zion
Robison, N.Y.	Stokes	Zwach
Roncallo, N.Y.	Studds	

NOT VOTING—25

Biaggi	Guyer	Reid
Blackburn	Hastings	Rooney, N.Y.
Carney, Ohio	Johnson, Pa.	Rose
Clark	McClory	Sandman
Conyers	McEwen	Veysey
Davis, Ga.	McKay	Whitten
Dorn	Mills, Ark.	Wilson, Bob
Fulton	Minish	
Giaimo	Passman	

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Bob Wilson for, with Mr. Guyer against.

Mr. Rooney of New York for, with Mr. Johnson of Pennsylvania against.

Mr. Whitten for, with Mr. Blackburn against.

Mr. Minish for, with Mr. McClory against

Until further notice:

Mr. Biaggi with Mr. Mills of Arkanasas.

Mr. Passman with Mr. Rose.

Mr. Reid with Mr. Davis of Georgia.

Mr. Giaimo with Mr. McEwen.

Mr. Conyers with Mr. Clark.

Mr. Dorn with Mr. Sandman.

Mr. Fulton with Mr. Hastings.

Mr. Carney of Ohio with Mr. McKay.

The result of the vote was announced as above recorded.

Mr. HÉBERT. Mr. Speaker, we will not call up the conference report at this time.

EMERGENCY PETROLEUM ACT OF 1973

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 further 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 further

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.

The CHAIRMAN. When the Committee rose on yesterday the committee amendment in the nature of a substitute printed in the reported bill as an original bill was before the Committee of the Whole for the purpose of amendment at any point.

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

Mr. Chairman, we are back where we left off last night. This bill, as I said when we started the discussion yesterday, is a very important bill to America. I think we need to resolve it today. There are some amendments at the desk. I hope that we can get through with the bill in a relatively short time.

There are five amendments at the desk, as I understand. I think that we can dispose of those in a short time.

Last night, I had to ask for a time limit on the bill. I would like to today—I am not going to do it right now—ask for a time limit on debate on the amendments that are before the House, and I will try to ascertain how many are going to be presented and see if in the time ahead of us we cannot look ahead and, say, in a couple of hours, or whatever the House thinks, set a time limit so that we can finish the debate on the bill. I do not think we need to stay here all afternoon and all evening.

I made one statement yesterday that was incorrect, and I want to apologize to the House. When Mr. WAGGONNER, of Louisiana, was in the well here at this microphone, he mentioned the fact that I had glassware in my State and that perhaps I was interested in protecting their interests, and I replied that no glassware manufacturer had appealed to me in any way.

At the time of our colloquy I believed that he was talking about handmade glassware, which is about the only thing we have, in my district, so I responded that none had contacted me. But we have a new plant in my district now called the Chattanooga Glass Co., and I just want to state to the House that they did tell me that if they are not allowed to have a certain ratio of propane gas, they will have to stop operation, and perhaps 300 or 400 people whom they have employed will be out of work.

In the President's allocation they are not taken into consideration. We have taken this into consideration in our bill. I do know that several other people from other States have come to me and said that this same situation exists in their States. I had taken that into consideration. I explained just briefly why I wanted everyone to have his say on the bill. I hope that we can come to some conclusion about the time limit, and I would suggest 2 hours, which would seem to me to be sufficient to dispose of the bill and all of the amendments thereto, because we had quite a debate on them yesterday.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. I thank the gentleman for yielding. Could the gentleman in the well or the Chair inform us how many amendments are pending at the desk?

The CHAIRMAN. There are five amendments remaining, the same five that we had last night.

Mr. STAGGERS. I want to say to the gentelman from Ohio that I want to congratulate him and thank him for his cooperation yesterday and for his work on the bill. I want to also congratulate his colleagues on that side and my colleagues on my side, because I believe we are working for common cause.

Mr. BROWN of Ohio. I thank the gentleman. We are not working for Common Cause, but at least we are working for a common interest.

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

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

Mr. SLACK. I thank the gentleman for yielding.

Is there language in this bill that will take care of gasoline and diesel fuel?

Mr. STAGGERS. Yes, there is.

Mr. SLACK. It is covered by language in this bill?

Mr. STAGGERS. Yes, it is.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. There has been some concern expressed on making allotments for this year compared to the use of oil last year in the case of home heating oil.

For instance, in my area as in every area, the use of home heating oil is based on the weather, and they measure it in "degree days." In January 1973, there were 1,688-degree days; in January 1972, there were 1,938-degree days; in February 1973, there were 1,363-degree days; in February 1972, there were 1,764-degree days. This is a 20-percent difference between these 2 years reflecting the mild winter last year. If the allotments are based on just last year if we have a normal winter there will be great negatives.

Does the Chairman feel this bill gives sufficient flexibility so it will not be based just on 1 year, but in the case of abnormalities in weather, that this can be taken into account?

Mr. STAGGERS. We have considered that in the bill. I want to assure the gentleman of that and I will talk to my counsel further. It is correct.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

(On request of Mr. ANDREWS of North Dakota, and by unanimous consent, Mr. STAGGERS was allowed to proceed for 1 additional minute.)

Mr. STAGGERS. We are giving the President flexibility in this and also for the areas which are growing.

Mr. ANDREWS of North Dakota. So in extremely cold winters, the average will not be based on just 1 year, but may be based on 3 years, and the degree days will be taken into account?

Mr. STAGGERS. That is the intention of the committee, I assure the gentleman.

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

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

Mr. FRENZEL. Mr. Chairman, just as a followup question, I would ask the distinguished chairman, is there flexibility within this bill, so that the administrators can make decisions where a supplier during the base period may have gone out of business, so that the consumer, be it a school district, or school bus company or whatever, will be able to get a new allocation based on his use, even though his supplier is no longer in business or he may have changed suppliers?

Mr. STAGGERS. That is the intention of the committee.

Mr. FRENZEL. So that the Oil Policy Committee or Administrator will have authority to transfer the total amount of consumption to a new supplier?

Mr. STAGGERS. Yes. They will have this flexibility.

Mr. FRENZEL. I thank the gentleman from West Virginia.

AMENDMENT OFFERED BY MR. COLLINS OF TEXAS

Mr. COLLINS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLLINS of Texas: Page 11, section 4(a), line 2, delete "the President shall", and add "United States House of Representatives and the United States Senate shall concurrently."

Mr. COLLINS of Texas. The purpose of this amendment is to clearly define and place the responsibility where the Members of Congress would like to have it, and that is within the Congress itself.

The subject has come up many times about whether Congress is giving the President of the United States too much power. Time and again Members of Congress have said the President's office is becoming too powerful. Never in the history of peacetime have we ever conveyed as much power as we are right now with this bill by making the President a complete energy czar.

I want to add this, too; the President did not ask for this power. We have never had a request from the White House for this bill; because we Representatives are in touch with the grassroots and understand the energy shortage problem.

I have sat through this entire debate. Over and over we have heard different Members discuss the shortage problems they have. One asked about the matter of how do we get enough fuel to take care of drying the crops when they come in?

What do we do about a public utility where the public utility is short of gas and needs more power?

What about the situation we have in my home State of Texas, where we are closing schools, because they do not have enough power to operate utilities.

What about the factories that have to shut down completely because they do not have enough power?

What about the tire plants, what about school buses?

We could go on and on about shortages; but one thing that keeps coming up in debate is the fact that we here in Congress are responsive. We know what happens throughout the country. We know where these shortages exist.

Therefore, in this very short, very concise amendment, I have stated it is not the President, but we in Congress who should take over this responsibility and we in Congress should stand up with legislation to retain authority for determining the major affairs of the country.

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

Mr. COLLINS of Texas. I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, the way I read the gentleman's amendment, he really strikes out all regulations except those having to do with the distribution of fuel oil to homes and with respect to distribution of gasoline to filling stations. With respect to, for instance, the problem that the gentleman from Texas (Mr. PICKLE) raised the other day about getting oil to his generating plants in Austin, all we would say under the Collins amendment is that Congress is invited to act again in this area.

The gentleman just wastes that first section, does he not, by this amendment?

Mr. COLLINS of Texas. Mr. Chairman, the distinguished gentleman has a brilliant legal mind, but my language in the amendment is very simple and not in lawyers four syllable words. I am saying that instead of the President managing this program, Congress shall be the authority that runs it. We, as members, should retain this responsibility in Congress. Congress should be the responsible authority for carrying out the actions of this bill.

Perhaps the gentleman has been one of those who has said that Congress is giving too much Executive power to the President. What I am asking is to have an expression of the House today on whether or not we want to delegate this power to the President or retain it here in the wells of Congress.

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

Mr. COLLINS of Texas. Yes, I yield.

Mr. ECKHARDT. Mr. Chairman, how in the world can we tell Congress that it is going to have to act in 10 days in one congressional act, tell Congress now that in some subsequent act it has got to take this action within 10 days? I just do not understand how we can do that.

Is the gentleman really serious about this amendment?

Mr. COLLINS of Texas. Mr. Chairman, I could not be more serious. I would ask the gentleman if he has been one who has raised this question about whether we are delegating too much power to the executive department of the President.

Mr. ECKHARDT. Mr. Chairman, if the gentleman will yield to me further, I have, and that is precisely the reason I offered an amendment in committee that set certain standards in this bill and made these standards feasible. I think it is a good bill, and this I think would destroy half of it.

Mr. COLLINS of Texas. This is typical of what we run into when we discuss this bill. Many people are critical in saying the Executive is receiving too much power, the President has too much power—but we have never had a bill such as this. We are creating an energy czar with complete control of every energy source in America from the time it comes out in the form of crude oil until it is delivered at a filling station.

What I am asking is to give every Member a chance to stand up and be counted. Does he really mean it when he says that he believes the Executive has too much power, or is he trying to weasel out and get off a tough one, because this is a tough issue?

I just want to know, do the Members wish to stand up and allocate the oil shortages themselves?

Mr. MACDONALD. Mr. Chairman, I rise in opposition to the gentleman's amendment.

Mr. Chairman, this amendment was raised in committee and was soundly defeated. If it had more than one vote, I would be surprised. I think the reason it came about is twofold. It seems peculiar on its face, since we have wrestled now for this many hours trying to put a bill together. We have 435 Members, and 435 different interests on the floor of the House. That is as it should be, so it seems patently a step out of balance in one way to have this House concurrently act with the Senate to come out with a detailed plan to set into motion mandatory allocations for energy in this country.

I do not doubt the gentleman's sincerity, and I agree with him that the President does have considerable power in very many areas, but in this instance we need experts. He has already been working on this problem for more months than he likes to remember, and certainly more months than I would like to remember.

To start all over again at this juncture, it seems to me, would be foolish. Obviously, I oppose the amendment and hope the amendment is voted down.

Administration officials have recently stated that this bill will somehow delay implementation of a mandatory allocation program for home heating oil. Last Friday, the administration's own allocation program for this product—long overdue—was finally issued, under the authority of the Economic Stabilization Act. I have reviewed the regulations issued last week and find no conflict with the provisions of H.R. 9681, as they relate to middle distillates. The base period is the same; the allocation formula is consistent with the standards in our bill; the objectives of the regulation conform to the objectives of our bill. The fact that no priorities are established is not troubling; the objectives set forth in H.R. 9681 can be met under the framework established in the regulations. Therefore, as sponsor of H.R. 9681, I wish to state that if this measure becomes law, there will be no reason necessarily to change the administration's program to conform with the law. In brief, the administration's program should be promptly and fully implemented now and it is not necessary to republish it for comment or reimplement it under the terms of the bill now before us.

Section 6(a) provides that allocation programs established under the Economic Stabilization Act of 1970 "shall continue in effect until modified or rescinded pursuant to this act." As indicated, based on my analysis of the regulations issued last Friday, there will be no need to rescind this program and only minor modifications will be required; therefore, it can and must continue into effect as promulgated, and will be fully authorized under the provisions of H.R. 9681.

Some aspects of the administration program may require minor modification. One involves clarification of the role of the States and the State reserve; it must be made clear that the State governments cannot interfere with the flow of oil in interstate commerce and can only ask for fuel oil for diversion or set-aside with the full review and approval of the Department of Interior in Washington. Disruptions could be caused by unwise and extensive use of the State reserve and it is our intention that this not take place.

Further, under H.R. 9681, the refinery operating in the Virgin Islands will come under the jurisdiction of the mandatory allocation program. It is essential that this facility and its substantial output of No. 2 fuel oil and gasoline be available for American consumers. There is no conflict with the existing laws; the refinery in the Virgin Islands is considered a domestic refinery for purposes of the oil import program.

In addition, when the residual fuel oil program is established as required by H.R. 9681, provision will have to be made for extending authority to the output of refineries, especially in the Caribbean, that are wholly owned subsidiaries of American companies. These refineries produce the major quantity of No. 5 and 6—residual fuel oil consumed in the United States; domestic refinery production of this product is minimal.

In addition, sales of refined products, other than residual oil, made by U.S. companies operating abroad, directly or through wholly owned subsidiaries, must be covered in order to assure that shipments to the United States and sales to U.S. companies made by these overseas facilities and affiliates during the base period are continued.

The administrators of the allocation program, particularly for middle distillates, must make a major effort to use their authority under that program and under the oil import program to require major U.S. refining companies with overseas facilities to import the substantial quantities of No. 2 fuel oil needed to meet U.S. demands over the coming winter. There is a gap in the regulations issued by the administration last Friday; they made no attempt to encourage and require such additional importation. This must be an essential feature of any program established under H.R. 9681.

I might add another word about implementation. We are establishing a complicated and controversial program, but it will work if there is sufficient commitment from the administration to make it work. A clear test of the seriousness of this commitment will be the caliber of persons assigned to the job, the speed with which the administrative apparatus is established, and the continuing public commitment provided by Governor Love and Secretary Morton.

Mr. BROWN of Ohio. Mr. Chairman, I

move to strike the last word and to speak in opposition to the amendment.

Mr. Chairman, I am not sure what the purpose of the amendment is really, but if it is, in effect, to make the House of Representatives responsible for the allocation program, let me just observe that the House of Representatives has now been involved for 2 days on the legislation itself, and the thought that we could come up with an allocation in 10 days I think is illusory at the very best.

The reason that the administration is obliged under this legislation to come up with an allocation plan within 10 days is because, with the best of the knowledge we have been able to obtain from the administration regarding this legislation, such a plan already exists, or at least is nearly ready for application. The committee has not seen any plan of a specific nature, but the reason we have not, I am sure, is because the plan is the subject of debate within the administration itself.

There are so-called hard liners who would like to see a comprehensive plan brought forth for dealing with all oil products, distillates, crude oil, et cetera.

There are others who would like to see almost a totally voluntary plan, so that the industry, in effect, could regulate itself in this instance.

I believe the Congress on the final vote on this legislation is going to be obliged to make that decision as to whether or not we have a mandatory plan. I should like to see it done not 10 days from now, 10 days from passage of the legislation in the Congress, but rather I should like to see us mandate the administration to develop its own plan after the legislation is passed by the House and the Senate and has the differences resolved.

Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. COLLINS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. COLLINS of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. SEIBERLING

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

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: On page 12, line 25, strike the words "classes of".

Mr. SEIBERLING. Mr. Chairman, I can explain this amendment very briefly.

The chairman of the full committee and the chairman of the subcommittee and I had a colloquy yesterday on the record in which the chairman explained it was not the intent of the language at the bottom of page 12 to limit the requirement of equitable distribution only to classes of users, but that it was intended also to insure equitable distribution within each class of users.

This is not an academic question. Many homeowners who have built homes in recent months, and some whose fuel oil suppliers have discontinued their business, have found it difficult to get new suppliers to supply them with home heating oil. Obviously it is essential that all home users of heating oil get at least a minimum allocation. Therefore, it is important that we make it clear that distribution must be equitable within all classes of users.

The simple way to do this, it seems to me, is to clarify the language of the bill so that it will be unmistakable and there will be no misunderstanding. My amendment does this by simply striking out the words "classes of" at the bottom of page 12, so that it clearly requires equitable distribution among all users.

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

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

Mr. STAGGERS. This does make clear it includes everyone. I would have no objection to the amendment on this side, at all.

Mr. SEIBERLING. I thank the distinguished chairman of the committee.

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

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHBROOK

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

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 20, line 18, after "Monitoring by" strike out "Federal Trade Commission" and insert in lieu thereof "General Accounting Office", and on line 21, after "section 4, the" strike out "Federal Trade Commission" and insert in lieu thereof "General Accounting Office".

On page 21, strike out all of line 2 and insert in lieu thereof "statutory authority of the General Accounting Office shall include the authority contained in sections 6,".

Renumber accordingly.

Mr. ASHBROOK. Mr. Chairman, this amendment is an easily understood amendment.

Mr. Chairman, I rise to urge support of this amendment to the mandatory allocation bill. Mr. Chairman, I feel that it is the height of foolhardiness for this body to assume that the Federal Trade Commission can perform the monitoring provisions of this piece of legislation in the unbiased, equitable manner that is an absolute necessity if it is to work.

The concerns that I feel for the inclusion of the Federal Trade Commission as the monitoring agency under the guidelines of this bill rather than the General Accounting Office fall into three specific areas: First, this bill is a mandate by the Congress for the President to implement allocation of petroleum products. It is not at his discretion, he is required to implement this program within 10 days.

It is important to understand that what is required in section 7 is a program audit not an enforcement or other administrative function. A program audit is an analysis of the record, the performance record, of an agency to determine whether the administration of the program is really in accord with the legislative goal intent.

A program audit is really designed to measure goal-oriented achievement.

The inclusion of the monitoring provisions indicates that Congress has a vested interest in the conduct of the program. It follows, then, that an arm of the Congress, an arm that is qualified to perform such a monitoring function, should be charged with these auditing responsibilities. Such an agency is the General Accounting Office. It was set up by the Congress to do exactly that.

Which brings me to my second concern: The Federal Trade Commission has no background in "program, goal achievement" audits. It was organized, principally, to handle consumer problems and investigate antitrust law violations. This bill does not concern itself with either function.

Thirdly, Mr. Chairman, and I believe most importantly, the Federal Trade Commission is currently involved in proceedings against the very industry it is supposed to monitor under this bill. Given the sensitive nature of such proceedings are we to believe that the Federal Trade Commission can wear two hats, one as the beneficent overseer of the mandatory allocation of petroleum and the other as the aggressive adversary in antitrust proceedings. I feel that it is too much to ask of mere mortals, much less an independent agency of the Federal Government. If for no other reason than fairness both to the oil industry and the Federal Trade Commission we should adopt this amendment.

In conclusion, this amendment is a logical step for us to take. I urge, Mr. Chairman, that we all join in support for its inclusion in the mandatory allocation bill.

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

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

Mr. ECKHARDT. Mr. Chairman, the gentleman is amending this act, not only with respect to the monitoring section on page 20, but also with respect to the notification provision on page 18?

Mr. ASHBROOK. It would be monitoring, accounting and notification, yes.

Mr. ECKHARDT. Mr. Chairman, let me ask the gentleman if he recognizes that on page 18 the regulation is required to be reported to the Attorney General and the Federal Trade Commission in order that these agencies which have authority and the duty to enforce the Antitrust Act know what exceptions are made.

In other words, this is not a monitoring provision on page 18, but, rather, a necessary notification provision, because the Federal Trade Commission has the same responsibility under the act to enforce the antitrust laws as the Attorney General.

Now, how can he enforce those laws unless that kind of a report is sent to him?

Mr. ASHBROOK. Mr. Chairman, let me say in answer to the gentleman from Texas that the FTC, by its mandate and under its legal authority, would be doing this whether or not this is written in the bill. They are already in monitoring proceedings, whether or not this amendment is agreed to. They will still take cognizance of what is transpiring in the oil industry and would take action under the antitrust laws if they deem

it feasible, in cooperation with the Justice Department.

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

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

Mr. ECKHARDT. Mr. Chairman, would the gentleman not be accomplishing his purpose if his second amendment, not dealing with the provisions on page 18, but only his amendments dealing with the Federal Trade Commission, were included?

Mr. ASHBROOK. I would have no objection to that. I think the gentleman makes a good point. I do not think the inclusion of that amendment in that section would negate any action by the FTC, but I do not think it would do any harm to what I am trying to accomplish if it were not included in that particular section, in answer to the inquiry by the gentleman from Texas.

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

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

Mr. CRANE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Ohio.

Mr. Chairman, the Ashbrook amendment is conceptually an excellent idea. Its adoption will assure congressional oversight as no other approach will.

However, I support it for an additional reason. It removes from this allocation plan an agency that has a proved anti-industry bias. The FTC is now engaged in an antitrust action against the Nation's eight largest oil firms. It is important to note that by legal litmus tests long accepted by the Commission, the eight defendants are not monopolizers of their industry. None of them has market dominance anywhere near the offensive level, and together the eight fall far short of the oligopoly test.

The FTC staff, moreover, admits in a confidential memo made public by Senator JACKSON that there is no basis in fact or law for the action. They admit further that they cannot prove conspiracy.

To bring such a suit at this time only illuminates the motives of the FTC staff and the willingness of the Commissioners to go along.

To bring such an action at this time, when the oil industry needs help rather than obstruction, demonstrates a callous disregard for the national interest with respect to the supply of abundant energy.

The very fact that the FTC has embarked upon this course of action demonstrates that it should not play any part in the monitoring of this allocation program.

Retention of the FTC in this role would create a cruel and inequitable conflict of interest. We must bear in mind that regardless of the effectiveness of bureaucratic controls, it is the oil industry that has the expertise and is in the business of producing energy.

GAO will be able to do the job foreseen in this section and will do it better because it has no axe to grind. FTC, moreover, is already engaged in substantial disagreement with the Office of Oil and Gas, a problem in effective administration that would be intensified by the bill's present language.

For these reasons, I urge support for Mr. ASHBROOK's amendment.

I include the following:

[From the Chicago Tribune, Sept. 13, 1973]

THE TREASURY VERSUS THE FTC

Once an accusation is lodged, it usually sticks, whatever the facts. In this stubborn spirit the Federal Trade Commission has announced that it will persist in its complaint against eight leading oil companies despite a Treasury Department analysis demolishing the FTC's charges. The FTC accuses the companies of unlawfully monopolizing the refining and marketing of crude oil products. With the energy squeeze, the allegations received wide attention.

In a 63-page staff analysis, the Treasury calls the FTC charges wholly untrue, inaccurate, biased, and misleading. It deals with them in each particular and says, because of the FTC's manifest bias against the largest integrated oil companies, the FTC report is incorrect or misleading in concluding that the majors have engaged in exclusionary practices and that they control the output of independent crude producers.

Urging that the FTC withdraw its complaint, the Treasury analysis states that the "implication that the current shortages of petroleum are deliberately contrived by the major oil companies is incorrect" as the companies "have merely been responsive to government laws and policies and these laws and policies are the real culprits." If the FTC's complaint were upheld, the Treasury states, it would cause considerable adverse impact on future domestic energy supplies.

While the FTC contends that concentration in the industry by the major oil companies has increased markedly since 1960, the Treasury says that this is untrue and the facts are just the reverse, with the independents realizing a greater share of the market in that period. The majors' share of crude has not risen 7 percentage points since 1960, as the FTC maintained, but has actually declined by 5 percentage points.

Similarly, the charge that noncompetitive practices by the majors in offshore lease sales have tended to shut out the independents is not sustained by the facts. Independents have bid $1.1 billion on such leases, while majors bidding alone totaled $785 million. It is the same with a contention that exclusionary practices and processing arrangements by the majors have tended to control independent refinery capacity, while the facts show that the majors' market share has declined in the last decade between 1 and 2.5 per cent, showing that the majors' concentration in the refinery industry has lessened, not increased.

It is always simple to try to explain problems by fingering a scapegoat, but this time it will not work. The Treasury correctly says that federal laws and policies are the real villians in the energy crunch—one more good reason why government controls work imperfectly, if at all.

[From the Wall Street Journal, July 26, 1973]

THE FTC'S LOADED RHETORIC

The FTC's complaint against the eight largest oil companies must be one of the most novel monopoly suits of recent years.

Here we have an industry in which, measured by gasoline sales, the largest competitor controls 8% of the market. Neither the FTC complaint nor the two-year staff study that underlies it makes any allegation of collusion among the eight largest firms. Yet it asks us to believe that while Texaco, Shell, Standard Oil and so on do not consider each other as competitors, they are jointly consumed by a desire to do in Uncle Fred's cut-rate corner gas station. And the eight companies and others as well have been engaged in anti-competitive practices for at least 23 years which suddenly caused a gasoline shortage in the summer of 1973.

The FTC talks a lot about "the structure of the industry" resulting in a "common course of action." Translated, all this means the FTC is against vertical integration, regardless of intense competition in the ultimate marketplace. The major oil companies do everything from production to transportation to refining to marketing. Would-be competitors are at a disavantage if they do not have the resources to compete in the whole range of these activities. In particular, when there are shortages the lack of production facilities makes life tough for independent refiners and retailers.

The FTC has decided, however, that "the pivotal point" in the industry is refining, and it alleges that the eight companies "have exercised monopoly power in the refining of petroleum products." They have, it alleges, "behaved in a similar fashion as would a classical monopolist: They have attempted to increase profits by restricting output."

Again, there is no allegation of collusion on this course of action. The allegation simply means that the major oil companies have not found it profitable to build refineries, at $250 million each, fast enough to insure the independent jobbers and refiners all the cut-rate gasoline they could use.

In the past, independent marketers made the entry because the spot market assured them an ample supply of gasoline, which they could often buy at rates lower than those charged on standing contracts. Potential investors veered away from refining because the biggest share of profits in the industry came from production. The majors themselves only expanded refinery capacity in order to insure themselves a market for their crude oil.

The FTC staff contends, again without the least allegation of collusion, that the major companies juggled their books to keep profits high on production and low on refining. But it never explains how this is possible when their refining subsidiaries pay the same price for crude they get from their parents' production subsidiary that they pay for the substantial amounts of crude they typically get from outside the company.

In fact, the present bartering between subsidiaries of different companies itself looks fishy to the FTC. As it is, Mobil might have more than enough product to meet its contract needs in New York, but not in California. Shell might be in the reverse situation. They exchange, and Mobil avoids having to send a fleet of tankers from New York to California at the same time Shell is going in the opposite direction. The process goes on among the independent producers and refiners as well, but is obviously limited to those who have something to barter.

This may look like monopoly to the FTC, but to us it looks like efficiency. It is the consumer, after all, who would ultimately pay for both Shell's tankers steaming East and Mobil's tankers steaming West. More genrally, it is the consumer that anti-monopoly laws are intended to protect; they are not designed for the benefit of competitors who aren't quite big enough to play in the game they have chosen. And poring over all of the practices cited in the FTC complaint and staff study, it's hard to discern anything that increases the prices the consumer pays for gasoline or fuel oil.

When prices for the end products are already set in highly competitive markets, indeed, the consumer stands to lose if the efficiencies of vertical integration are lost. The logical remedy for the FTC's concerns is to force major companies out of the refining business, adding another middle-man. Perhaps recognition that this is unlikely to lower ultimate costs is the reason the FTC has yet to spell out the remedy it seeks. Indeed, the very threat of divestiture action is a

disincentive for the companies to start building refinery capacity that is needed.

Our own reading of the whole matter is that the FTC is playing games with us, that it has taken two years to discover there is really no conspiracy among the major oil companies, but that it hates to admit it. Pressed by Congress and others to find a scapegoat for the present shortages, it has come up with a report and complaint in which loaded rhetoric is used to describe inexorable economic forces at work.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will say, very briefly, that we must oppose the amendment. As we have stated in the report, the FTC, the Federal Trade Commission, has been chosen, because the Commission staff has been involved in a continuing examination of the marketing practices in the petroleum industry for the past 50 years.

If we changed this over to the GAO, which has had no experience in this field they would have to find and employ experts or borrow them from the FTC or some other agency in order to do the job, and this would involve a lot more money and a lot more time. It could not possibly be done. What we are asking for them to do is, within 60 days, to report to the Congress as to how the program is working.

You could not do this with people who did not know anything about the organization and the structure of the industry. It would be impossible.

Mr. ASHBROOK. Will the gentleman yield?

Mr. STAGGERS. Not at this time.

The GAO is an arm of the Congress and does do a lot of investigating. Our committee calls on them for many reports. But that is where they go in and examine books. The monitor assignment under this bill involves a lot more than that. To properly monitor this program you will have to have men out in the field who know what to do and who know what to look for and can see what is going on. The GAO is mostly for auditing purposes, it does not have field offices—also a proper monitor requires expertise on the part of men who know something about the petroleum industry, how it is working, and who know where to find the information they need in order to promptly report back to the Congress on what is happening in the field. They cannot do it with their personnel in the GAO.

The Members of Congress know that. It is like picking out four or five or six Members of Congress and saying, "Because you gentlemen have been certified public accountants, you can go down and check on the petroleum industry." Well, they would not have any idea what to do.

Mr. ASHBROOK. Will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman.

Mr. ASHBROOK. I appreciate the gentleman yielding.

I would say only to the gentleman in answer and maybe to ask one question that I know of no area where the GAO has not done a very efficient job. I am speaking about accounting now. They have run audits on the Department of Defense and the school lunch program and the recent wheat deal with Russia. We are talking about an auditing and a monitoring function here, and this is their particular expertise.

Does the gentleman know of any area where they have not done an expert job? And I mention in particular the fields of the wheat deal with Russia, the school lunch program, and so on.

Mr. STAGGERS. I agree with the gentleman. They have done an excellent job. But they do not have the men who can go out in the field and see what is happening and what is being done there and realize what is being done. They have to hire these men. This bill calls for a report within a period of 60 days. This report simply could not be made in that period of time if we give it to the GAO. It would be impossible. If it were an auditing function, they could do it, because they are the best, I will say, in that.

Mr. ASHBROOK. Will the gentleman yield further?

Mr. STAGGERS. I yield to the gentleman.

Mr. ASHBROOK. Is the gentleman telling the committee that in his judgment the Federal Power Commission does have this proficiency?

Mr. STAGGERS. Yes. For 50 years, they have been monitoring and watching over the petroleum industry. So why would they not? They have been out in the field and everywhere else.

Mr. ASHBROOK. I say that I question whether or not they have had a responsibility in the area that we are now designating in this legislation.

Mr. STAGGERS. Completely. They have conducted over 300 investigations during the past 50 years.

Mr. EVANS of Colorado. Will the gentleman yield to me?

Mr. STAGGERS. I am happy to yield.

Mr. EVANS of Colorado. I think the point made by the distinguished gentleman from Ohio is most interesting. I would hate to disturb the language of the bill in order to accomplish it, though. Why can we not do both and retain the provisions of the bill, and then, if the committee wishes to ask the General Accounting Office to make an audit, the committee or any individual Member of Congress has the right to make that request of them.

Mr. STAGGERS. That could be done later. That is true. We could ask them and they would do it immediately for the Congress. They have always been very agreeable to do any job that we ask them to do. But we are asking for a report within a period of 60 days, and they just cannot assemble the men within that period of time who have the expertise.

Mr. CRANE. Will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman.

Mr. CRANE. I do not share the gentleman's confidence in the FTC's capability, particularly in the light of their recent buckling under on the oil industry and accusing some of the larger firms of oligopoly and then within a span of less than a week an in-depth 65-page study comes from the Treasury Department which wholly repudiates all of these studies.

I think, under the circumstances, the gentleman from Ohio is on more sound ground in trying to give this to the GAO.

Mr. STAGGERS. I will say this to the gentleman. We have contacted the FPC and asked them if there would be any conflict in their getting into this area, and they said positively no. They said that they are willing to do the job. This is only a reporting job and it has nothing to do with making them do something that would conflict with their adjudicatory functions. They just report back to the Congress as to how the program is working.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

Mr. Chairman, I got only serve on the Committee on Interstate and Foreign Commerce, but also I chair a Subcommittee on Small Business, the Subcommittee on Regulatory Agencies.

The Federal Trade Commission was set up as an arm of Congress years ago. It was established as a commission composed of a number of different people who would bring to the commission their diversified views. The original debate of the Congress setting up the Federal Trade Commission indicated that they wanted a panel to carry out broad investigational responsibilities and that such a panel would be far better than having one man or a traditional governmental agency do that.

The people involved are appointed by the President, and they are confirmed by the Senate. It was expressly understood when the Federal Trade Commission was set up that its function would be to engage on behalf of the Congress in broad economic studies, and studies affecting the whole of the American economy, and how the different practices within the American economy affect the well-being of the society at large. It was understood that a group set up of men of divergent views carrying out the broad congressional polices could best serve the public interest, and could best carry forward and best carry out the economc studies and the kind of policymaking decisions that the Federal Trade Commission was set up to handle.

So, subsequently, the Federal Trade Commission did carry out these studies. They made a milestone study on resale price maintenance. They have maintained a continuing review of trade practices not only in the petroleum industry, but throughout our economy. And this body has done more than that; they have established themselves as experts and they have fine staffs in the fields of law, antitrust, economics, and they have one of the best economic divisions or departments in the whole of the Federal Government. They have a long record of expertise in terms of carrying forward studies mandated by Congress, studies mandated by Congress under its broad legislative responsibilities.

They have, in addition to this, rulemaking authority, so that once they have completed a study they may work out rules for the guidance and protection of the industries and for the protection of the American consumers and the public at large.

The GAO has no such authority. And I would point out here, at this time, that I yield to no man in my respect and high regard for the GAO. But the fact of the matter is that this is not the function of the GAO, and has never been the function of the GAO. The GAO does not have the broad expertise or the broad responsibility, or the record of accomplishment in the fields of broad economic studies.

It is possible, as one of my colleagues did, to disagree with the study which came forth as the result of the action of the Federal Trade Commission with regard to the petroleum industry. But I would also point out to the Members of the House that all of us here have from time to time reasons to differ with the different governmental agencies insofar as their actions are concerned. But certainly no one can impugn or attack the integrity of the Federal Trade Commission.

Certainly the Commission has been appointed in large part by President Nixon. It is chaired by President Nixon's appointee, a former member of the White House staff, so my Republican colleagues can infer that the Commission will proceed judiciously and carefully.

It is fair to say that the study about which the gentleman complains was never ratified as a Commission study, it simply was put forward as a staff study. If the gentleman wishes to know how it got before the public, it got before the public because I had as much to do with it as anybody, and I thought it was important that it be put before the public.

We are deciding whether or not we are going to have an arm of Congress, carefully constituted, operating under clear, well established rules, to assure fairness, protection, and due process for all, to carry out very important studies and surveillance under this statute.

I hope for that reason we reject the amendment offered.

Mr. PICKLE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, during the committee meeting I offered an amendment which would have removed the Federal Trade Commission as the monitoring agency over the President's allocation program. That is section 7 of this legislation. Specifically, I would restore the House and the Senate Commerce Committees as the proper oversight bodies for the President's actions in implementing this legislation. That was not adopted. I still think that would have been a better approach.

In lieu thereof, I do support the gentleman from Ohio's amendment. I want to point out two or three things to the Members of this House.

First, section 7 as written in the bill, could limit the Federal Trade Commission in its efforts to bring a successful legal action against certain oil companies. To those who are in strong support of the FTC's anticompetitiveness action against certain integrated oil companies, I would point out that letting section 7 stand as the committee reported it actually hurts the FTC's legal position. Section 7 would make the FTC involve itself with an industry while the Federal Trade Commission is supposed to be treating that industry as an arm's-length adversary. I do not think that a court would view favorably an FTC with two hats—one hat being the adversary hat and the other hat being the watchdog-helper hat.

Secondly, in my opinion, the Federal Trade Commission would be a very poor monitor. The agency has taken an adversary role against the oil and gas industry. To pick out a prejudiced monitor violates fair play in my books. This would be the same thing as turning over a man's right to a "hanging judge."

Finally, it is questionable legislation to put an independent agency in the role of being a watchdog over the President. This is not the role for an independent agency. An independent agency is independent—and I emphasize independent of both the President and the Congress.

The whole governmental concept of using an independent agency as a watchdog for Congress bothers me very much. The House Commerce Committee's Subcommittee on Investigations, of which I am a member, has dug deeply into the question of whether or not the Executive has been using the independent agencies as a political and policy arm of the President. Unfortunately, we have found such a policy to exist in recent years as shown in our SEC–ITT investigation.

Now, today, this same committee that has worked so hard to protect the independence of regulatory agencies, is asked to accept a provision to make the FTC a watchdog for the Congress.

I do not think we should set this precedent. Instead, I hope we wisely choose the proven path and leave oversight duties to congressional committees or to the General Accounting Office.

Admittedly, the FTC might have more expertise, but certainly the GAO is not without expertise, and, in my opinion, the GAO is without prejudice.

The chairman of the subcommittee invited to our full committee the enforcement officer of the Federal Trade Commission who admitted that his agency or his arm had set out literally to dismember the oil and gas industry. They were recommending a complete breakup of both the refinery and the distribution level. That will be a long, drawn out legal controversy I presume. Whether that can be substantiated with facts remains to be seen, but at least that is the allegation. That is the definite admitted prejudice on the part of the Federal Trade Commission.

I think it is somewhat reprehensible that the FTC Commissioner himself would permit this gentleman to come to our committee, when they would not take a position themselves.

Really they were less than courageous in allowing this to take place, but it did take place, and that is the announced policy enforcement officer of the Federal Trade Commission.

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

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

Mr. ROUSSELOT. I thank the gentleman for yielding and I appreciate the several points he has made.

It is difficult for me to understand why Members of Congress would hesitate to turn over to an arm of the Congress the monitoring responsibility. That is what the General Accounting Office is all about.

I find it very difficult to understand how we would turn down our own arm that we control and have some supervision over and be assured they would do a proper auditing job and program review.

Mr. Staats appeared before our Banking and Currency Committee just the other day. The GAO is better equipped than they have ever been to do this total job. I recommend they do the job.

Mr. PICKLE. I thank the gentleman.

Mr. MACDONALD. I move to strike the requisite number of words.

Mr. Chairman, I would like to clear up on the RECORD a point on which I heard the gentleman from Texas speak. I think the gentleman from Texas misspoke himself inadvertently.

It is true the FTC did testify before us in these hearings, but they specifically asked not to go into the subject that led later to an investigation which recommended the divestiture of the integrated companies.

I do not believe the gentleman would be quite fair in drawing a picture to this committee that the gentleman from the FTC, was invited up to talk against the oil industry.

As a matter of fact, the questioning, as the gentleman remembers, was controlled carefully by this Member of Congress. We avoided going into the merits of that discussion at all.

Mr. PICKLE. Will the gentleman yield?

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

Mr. PICKLE. The gentleman is partially correct. I had nothing to do with that invitation, I assure the gentleman. The witness was invited to speak about the bill that was before the committee; but he had announced a few days prior, perhaps only a day or two before, that he was taking the position, indeed, that we ought to break up the production from the refining from the distribution systems of the oil and gas companies in the United States.

Mr. MACDONALD. The gentleman is not correct when he makes that statement. The gentleman is just simply incorrect.

Mr. PICKLE. I am a member of that committee, too. I am correct—at least in clear intent.

Mr. MACDONALD. The gentleman from the FTC did not release any report at all. It had been leaked by a Senator to the press. It had not been released by the FTC, and the gentleman knows that, because the witness from the FTC indicated that was the case. I questioned him about it in the presence of the gentleman and he said he had not released any such report.

Mr. PICKLE. Yes; he had released it. At least it was on page 1 of the newspapers here.

Mr. MACDONALD. I do not yield any further.

I point out to the gentleman from California that, obviously, he is correct about GAO being an arm of the Congress; but so is the FTC, and the FTC has experience in this field. The executive branch has called on them and they say

they are geared to go to work instantaneously, as soon as this bill is signed.

The GAO, very good as they are, and they have done a number of competent reports for the subcommittee which I chair, and I share the gentleman's opinion, is not equipped to go into this highly technical field of energy and fuel allocation.

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

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

Mr. ROUSSELOT. The FTC is not prevented in this amendment from handling their legal authority in any respect. All this does is to assure that the GAO will be monitoring for the Congress.

Mr. MACDONALD. I point out the FTC is an arm of the Congress and it is controlled by the Congress.

Mr. GROSS. Mr. Chairman, this bill is known as the Emergency Petroleum Allocation Act of 1973. I stress the word "emergency," and to meet the "emergency" the title of the bill contains these words: "to provide for the delegation of authority."

I have listened to 2 days of debate on this subject. I think I have heard 99½ percent of all that has been spoken. The question that occurs to me and upon which there has been no discussions, is how did we get into such a situation in this country that Congress is now called upon to pass legislation entitled "Emergency Petroleum Allocation Act" in which dictatorial power is handed over to the President?

In this country, blessed with the vast resources that we have and all our so-called intellect and expertise, what brings us to this sorry situation? I have not heard this discussed. I will try to give the Members my views as briefly as I can.

The answer, it seems to me, has been improvident, incompetent Government of the United States of America for far too many years, and that includes the Congress. That is why we are here today. That is why we are facing an emergency, a shortage of fuel, a delegating unholy power to the President of the United States to write contracts to regulate business and wield a heavy hand over every living soul in this country.

I do not know what is going to happen; you do not know what is going to happen. I do not know whether industries are going to be closed or whether they are going to be dealt with evenhandedly through the power delegating to the President. I can only hope he exercises it wisely and fairly.

Now, we are about to compound this fuel shortage situation by intruding and intervening in the Middle East war. Two months ago, we ended a war. This President and this Government is back intervening in another war.

To compound the fuel shortage situation, the producers of Middle Eastern oil are meeting in Kuwait today, and I predict that our supplies of fuel from the Middle East, whether it comes through the refineries of Europe or direct from the Middle East, are going to be reduced and we are going to pay right through the nose for every gallon and every barrel of oil or the product thereof which comes to this country. Why? Because we cannot keep our big, long noses out of the affairs of other people around the world.

I do not know who is going to win the war in the Middle East, but I do know one thing for dead sure and certain—that I can name the loser. That will be the common, garden variety citizen and taxpayer of the United States of America. He and she will be the losers, and mark that well. It is time this Government tended to its own business and that is the welfare of the American people. It is time we stopped intervening in the affairs of others all over the world. It is these interventions and lack of attention to our own problems that have brought us to this sad and sorry situation.

Mr. Chairman, if production and service in this country are to be curtailed for lack of fuel; if schools, churches and homes are to be only partially heated and lighted for lack of fuel, let those who have intervened in the Middle East war, and made enemies out of friends, bear the responsibility.

Mr. ECKHARDT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and my colleagues, I should like to come back to this bill. What we are doing here, in effect, is marking up the bill in the whole House. If we are going to do that, let us understand what we are marking up.

We are dealing here, first, with a section that says, "Effect on other laws and action taken thereunder." Those other laws we are dealing with in this section are the antitrust laws of the United States. The antitrust laws of the United States that are pertinent to this act are two: one, the Clayton Act; and two, the Federal Trade Commission Act.

These two laws cover the same area. There are two groups which administer these acts: the Justice Department administers the antitrust laws.

The Federal Trade Commission administers the Federal Trade Commission Act.

Both of these laws were passed in 1914, and they are overlapping. For instance, an antitrust action may be brought by the Attorney General or the action may be brought through the Federal Trade Commission.

So we say on page 17, section 6:

> 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.

Then we list these laws on page 18.

(A) Refers to the Sherman Act.

Then there is (B) which refers to the Clayton Act.

Then (C) refers to the Federal Trade Commission Act.

Then in this same section we say that the regulations 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.

Why do we do this? Because we want the Federal Trade Commission to know at the same time the Attorney General knows that some act has been passed which may or may not trench on antitrust legislation.

That is why the FTC monitors the act. What does the GAO have to do with antitrust laws?

That is the trouble with trying to mark up a complex bill before the whole House without knowing precisely what the full purpose of the bill is.

Yet if we take the Federal Trade Commission out of an effective monitoring position we would in effect be permitting the President to act without the Federal Trade Commission ever having an opportunity to know well in advance and to reconcile the President's acts with antitrust legislation.

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

Mr. ECKHARDT. I yield to my friend from Ohio.

Mr. ASHBROOK. Is the gentleman implying that if this amendment were to pass the FTC would not be in a position to know, using the gentleman's words, what is going on under this act? They have a continuing responsibility in that area, as they are operating now.

Mr. ECKHARDT. Let me say to my friend that there is no effective way for the Federal Trade Commission to anticipate what the President might do which might trench or might protect or might immunize under the antitrust law as provided in the Federal Trade Commission Act unless notice is given well in advance or at least currently with the action by the President.

It seems to me if the gentleman wants to make some amendment later, going to the mere question of monitoring, what we should do at the present time is vote down this amendment and then let him approach it with more precision.

I urge a vote against the amendment.

Mr. BROWN of Ohio. Mr. Chairman, I do not want to confuse the House by taking sides as between my two good friends from Texas, who apparently are on opposite sides of this proposed amendment, nor do I want to confuse it further by having a difference between my good friend from Ohio (Mr. ASHBROOK) and myself.

But, Mr. Chairman, I am afraid I must speak in opposition to the amendment.

The gentleman from Texas (Mr. ECKHARDT) referred to the problem of the possible infringement upon Federal antitrust laws by the necessary combinations of producers or purveyors of petroleum products which will be encouraged by this legislation. We tried to deal with that in section 6 of this legislation, on pages 18 and 19, where it is provided that the Attorney General and the Federal Trade Commission shall "report to the President with respect to whether such regulation would tend to create or maintain anticompetitive practices."

And then, in section 6(c)(4), on page 19, the language says as follows:

> 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.

They may do so only upon order of the President, which in effect is reported

to the Antitrust Division of the Department of Justice and also to the Federal Trade Commission.

It seems to me that has considerable merit, because one of the objectives of the legislation is to provide for—and I go back to page 12, section 4(b)(1)(E) of the legislation which we have before us for consideration—the following:

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;

The responsibility of undertaking this is tied together with the kind of regulations which the President will promulgate. In order to accomplish those regulations, it stands to reason that there will be some exchange of views within the industry itself, which would tend to violate the antitrust legislation which is already on the books, and it is the responsibility of the Federal Trade Commission to monitor that kind of activity.

Therefore, I think it follows that it ought also to be the responsibility of the Federal Trade Commission to monitor the effectiveness of this in serving not only all the citizens of the country with reference to their need for oil and oil products, but also with reference to whether or not we are setting up a pattern which will destroy the competitiveness within the industry. We charge the President not to do that in his regulations.

So, Mr. Chairman, it seems to me that it is appropriate for the Federal Trade Commission to be the operation that performs that function.

The gentleman from Texas (Mr. PICKLE) suggests that we are in some way abdicating our responsibility within the Committee on Interstate and Foreign Commerce to add oversight to this legislation.

I do not think that is right at all, because the Committee on Interstate and Foreign Commerce also has legislative jurisdiction over the Federal Trade Commission. It has less jurisdiction over the GAO, as a matter of fact. That agency falls under the Committee on Government Operations; it is under their purview, and it is their responsibility.

So it seems to me that we have the opportunity in the Congress enhanced by this becoming the responsibility of the Federal Trade Commission rather than the GAO.

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

Mr. BROWN of Ohio. I will be glad to yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, under normal circumstances it may have been a proper course of action to have the review of this program, as questionable as it is, under the Federal Trade Commission. But when that Commission said publicly that they are in favor of breaking up the oil and gas companies, when they think that this type of bill must be passed, and when they are prejudiced, then there is no way to get a fair hearing. The program is already before a hanging jury, and a hanging judge.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. BROWN) has expired.

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

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman for yielding. I do not know what the reference is that the gentleman from Texas has made, that the Federal Trade Commission has said they will break up the oil and gas industry, but I would hope that the Federal Trade Commission would exercise its statutory responsibility to maintain competitive practices within the oil and gas industry insofar as possible, and within any industry in the United States.

Now, that is one of the things which we have had occur in this particular crisis which we find ourselves in where there is a shortage of gasoline and other petroleum products. We have lost some of the competitiveness within the industry because some of the independents have been squeezed out by a diversity of causes. I am not suggesting this was done by covert or overt action by the industry but because of the very nature of the crisis we have had some of the independents squeezed out of business in this situation, and I think we ought to guard against that. I think the distribution patterns of the industry ought to be maintained, because that is the best way in which the customers will be served, whether we have a shortage or a surplus or a normal supply of crude oil and oil products.

Mr. GOLDWATER. Mr. Chairman, I rise in support of the Ashbrook amendment. One question has passed through my mind, but on careful reflection I have resolved it to my own satisfaction and I want to share those thoughts with my colleagues.

It occurred to me that this might place on GAO an imposition in terms of staff availability. There are, of course, several ways in which we could assist in relieving this impact, but on further consideration it seemed to me that it was a small problem when compared to the advantages inherent in Mr. ASHBROOK's proposal. It is true, moreover, that FTC would be placed under the same imposition were the change not made. It seems to me that the impact would be even more severe at FTC because the present language would require of their staff a function that is foreign to their experience. Quite the opposite is true of the GAO staff. Program audits are their "bag," If I may borrow a contemporary expression.

The role of FTC vis-a-vis the oil industry is another excellent reason why that agency should not be placed in the monitoring role. It would create a dire conflict of interest to have FTC looking over the shoulder of the very firms they are currently charging with antitrust violations—charges which are apparently specious at best.

We should not forget the tension which has been created recently between FTC and other agencies that have been, and will likely continue to be associated with allocation. Can we risk, under the public pressure that will surely follow the failure of this program, a divisive fight among the agencies to whom the responsibility is being delegated?

The answer cannot be merely that that is the President's problem, because while he may share in the public reaction to a breakdown of allocation, it is we here in Congress that will have mandated a program containing the seed of failure. I want to see those seeds of division and failure reviewed. Thus, I feel that support of the Ashbrook amendment will clear up one of the most potentially dangerous aspects of this legislation.

I urge you all to support this amendment.

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

Mr. Chairman, it has been my privilege for a period of approximately 8 years to chair the Subcommittee on Commerce and Finance of the Committee on Interstate and Foreign Commerce, which has the general legislative jurisdiction over the Federal Trade Commission. I have also for a period of at least 20 years served on the Committee on Government Operations, which deals very closely and very intimately with the General Accounting Office and the Office of the Comptroller General of the United States. So I have a very great degree of familiarity with these two agencies.

Looking to the text of the bill in the area which is proposed to be amended, monitoring by the Federal Trade Commission. This bill would propose to impose on the Federal Trade Commission a job that they are well equipped to perform, namely, to monitor for a period of 45 days the regulations promulgated under the provisions of this law.

Now, I have had experience as chairman where I found it desirable to call upon the GAO to examine the actions of an agency to determine whether they had performed properly the assignment given to them.

That is why we created the General Accounting Office in the Office of the Comptroller General back in the Budget and Accounting Act of 1920 and 1921. We wanted it to be able to take on special audits in the broadest sense of the word, assignments for the appropriate committees of the Congress.

All in the world this amendment does is to take away any effective monitoring of the Federal Trade Commission and leave us exactly where we are without any amendment where we could direct the General Accounting Office to report on their evaluation of an agency's performance.

If it is desired to render this section totally meaningless, then the amendment offered by the gentleman from Ohio (Mr. ASHBROOK) should be adopted. But if some improvement in accountability, if some better deal on a continuing surveillance is anticipated, as I hope it will be, then we should reject the amendment and leave the bill as it is. It makes a much more rational legislative product.

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

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

Mr. SEIBERLING. Mr. Chairman, it is my understanding that the Federal

Trade Commission has not recommended that the eight major oil companies or any part of the oil companies be broken up. The staff of the Federal Trade Commission has merely prepared a staff report which has never been formally implemented by the Commission, and does not necessarily represent the viewpoint of the Commission. Is that correct?

Mr. MOSS. I can say to the gentleman from Ohio that they have no power without full recourse to due process through the courts to break up anything. They would have to proceed under the antitrust laws, and there would be adequate opportunity for hearings. There would certainly be adequate opportunity, knowing the relative financial strength of most of the groups being dealt with in this legislation, for almost endless and exhausting, as well as exhaustive review.

Mr. SEIBERLING. But the point is that they have not gone even that far.

Mr. MOSS. They have not, to my knowledge. They have staff recommendations that are not necessarily concurred in by the Commission. That is the situation at the moment.

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

Mr. MOSS. Of course; I will be happy to yield to my friend, the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, the gentleman will remember that during the committee hearings I offered an amendment asking that this matter of the monitoring be turned over to Committees of the Congress. Our committee would not accept that. They want the bill to be monitored by the Federal Trade Commission.

The gentleman also will remember, and I think will say to the House, that the enforcement officer of the Federal Trade Commission has already said publicly and has admitted to our committee that he thought all of these companies should be broken up, so he admits to a very prejudicial view. How are we going to have a fair and impartial review of the monitoring, even though the commission itself has not acted on it, when the enforcement officer appointed by the Federal Trade Commission says it ought to be broken up. I say that is not fair.

Mr. MOSS. The enforcement officer may be saying many things ought not to be done, but the Federal Trade Commission has not said it.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. MOSS. The Commission has not said it, and if we were to look at all of the staff reports from committees of the Congress, from commissions, from departments and agencies, and take them as being policy, we would be working in a perpetual state of confusion.

The gentleman from Texas has served for a long time on the Commerce Committee. He knows that we are extremely busy, and he knows that we are not equipped, at this moment, to undertake, in connection with the already far too crowded calendar of the committee, the assignment of monitoring anything except the report from the agencies, far better equipped, with more expertise to do it.

Mr. PICKLE. I am surprised the gentleman would say that.

Mr. MOSS. I will yield no further to the gentleman from Texas, because when he says that he is surprised that I say it, I know that he jests; he does not speak in that instance in accord with his true conviction.

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

Mr. Chairman, I am not a member of this committee and do not have the background to draw from, as do the members of the committee. Consequently, I have had to form what judgment I have on this amendment based on the arguments presented here on the floor. I must say that both of the gentlemen from Texas (Mr. ECKHARDT and Mr. PICKLE) have been most persuasive and have put forward very substantial reasons why their opposing views should prevail.

If I understood the very distinguished chairman of the committee, he opposed it because he felt there was insufficient expertise on the part of GAO to handle the job that was being thrust on it.

I should just like to say, Mr. Chairman, that in reviewing the remarks made here, and the thinking of what we are trying to accomplish, if we look at what GAO is and what it is designed to do and what it is capable of doing, I think we would inevitably come to the conclusion that, first, they are certainly capable. If we look at the whole spectrum that they have in fact audited in the past, whether it is a C5–A airplane, the F–111, or whether it is an intricate weapons system that comes out of the Department of Defense, whether it is OEO, or various programs under HEW, there is hardly any area of any facet of our technological experience that GAO is not capable of auditing and monitoring.

First, they are an arm of the Congress. That is the reason they were created. Second, and I think no less important than the first, there is no agency, in my opinion, that has higher respect and is held in better esteem for objectivity and being fair, as well as being competent, than the General Accounting Office.

For that reason, Mr. Chairman, I rise in support of the amendment. I think it makes sense. I think that it should be passed, and I am going to support it.

Mr. SYMMS. Mr. Chairman, I rise in support of monitoring provisions amendment to the mandatory allocation bill (H.R. 9681). Historically the Federal Trade Commission is charged with the obligation of monitoring consumer affairs in the areas merchantability and antitrust. I point out that H.R. 9681 is in the nature of availability and not marketability. The Federal Trade Commission has no experience in the area "program audit" which is required under this bill. Further, this bill is a mandate by the Congress to the executive branch and therefore any overseeing should necessarily be conducted and supervised by the Congress and not by an agency of the executive branch.

Congress saw fit to establish the GAO with direct responsibility to it. Even though I have serious reservations about any one running a successful rationing program—I think the GAO certainly has more expertise than the antimarket mentality in the FTC.

Mr. Chairman, it is apparent to me that the nature of the provisions of this bill require that the GAO, the appropriate arm of Congress, monitor the operations mandated by the Congress and not by the Federal Trade Commission which is an independent executive agency lacking in ability and not answerable to the Congress. Therefore Mr. Chairman, I offer my support of the monitoring provisions amendment.

Mr. CAREY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. CAREY of New York. Mr. Chairman, I hesitate to get into this quarrel, if I may call it that, between Members as to who is going to referee this game. In effect we do not need a referee; we need a coach or director or a high commissioner.

I hope my colleague, the gentleman from Massachusetts, will agree that this bill alone will not solve the problem. In fact, the jurisdiction of this committee extends only to those products in petroleum which are domestically produced. It will not extend to the imports, the level of imports is really the answer as to whether we are going to have cold homes and lack light and power in the country this year. The level of imports and the placement of those imports up to 1 million barrels per day is the shortage we face.

The control of imports rests with the Ways and Means Committee, of which I am a member. I bring this up at this time just to say that we need some kind of a czar, if you will, who is going to straighten out what is going on in the country, because the Federal Trade Commission, the GAO and even the OEO all together could not work this out at the moment.

Just look at what has happened in the country at this time. Here are the people involved trying to cope with the problem. No one has overall authority, but here they are.

Mr. DiBono at the White House, who is a special consultant for the President and speaks for the White House; Governor Love, who speaks for the President on allocation.

Then we have a newly appointed Under Secretary of State for Security Assistance, a nominee, Mr. Donaldson of New York, who is going to work under the Secretary of State for Security Affairs, and Energy.

Then we have the overall authority in the Interior Department under Secretary Morton, who has to a degree delegated the authority down to Mr. Wakefield, who came out of the White House.

If anyone is not satisfied with that coterie of team players, we have various other agencies, such as the Oil and Gas Office, the AEC, the EPA, et cetera.

Beyond all that, we have the negotia-

tions of the Special Trade Representative around the world dealing with imports, who told the Ways and Means Committee that he has no competency or capacity to deal with the oil problem.

That is where the program is today, and I say that before a trade bill comes to the floor, I hope we all look at this program and look at what is happening. Unless we have a comprehensive policy of domestic allocation and international intake, nothing is going to help the people of the United States survive this shortage without severe impact.

Mr. Paul McCracken, the former Chairman of the Council of Economic Advisers, said before the Joint Economic Committee today in response to my question that he long ago, long ago, recommended that there be appointed one central head, a czar, if you will, a Commissioner, who would look at the energy problem, look at the import of petroleum and other products, look at the overall energy shortages, and begin to dictate policy.

Until we get that, what we are haggling over here is an empty basket, because nothing is going to solve this central energy problem otherwise.

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

Mr. CAREY of New York. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, what the gentleman is trying to tell us is that we are going to have two different standards, one to allocate domestic production, and Lord only knows what is going to happen with our imported production, and as a result of this confusion this country is going to be in terrible shape.

Mr. CAREY of New York. All the hosts of Heaven together may know what is going to happen as far as our oil policy is concerned, but right now it is beyond the reach of mortal man to understand. For the United States private parties are trying to negotiate the future price of oil and if Members are thinking of $5 or $7 oil, they can discard such levels. We are talking about $10 oil, $1 gasoline and 50-cent heating oil. Beyond the reach of this bill and the factors which govern these prices.

Mr. KAZEN. So this bill will not solve even the distribution problem.

Mr. CAREY of New York. It would go as far as the gentleman from Massachusetts and this great committee can go within their jurisdiction. But I warn the Members, there is a further problem on the control of imports. Inadvertently in 1957 we let the President act by proclamation and call oil imports a matter of national security. That is the history of the program. As long as we leave it there, that will be the situation a simple whim of the White House. If it is under national security in this country then the President has free say so on what to do about it under his own concept. As far as our needs overseas are concerned however, they are being negotiated by private individuals. This is the first time I know of that the matter within the national security are being conducted by private individual organizations.

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

Mr. CAREY of New York. I yield to the gentleman from Massachusetts.

Mr. CONTE. The gentleman from New York, who has been with me for a long time, is absolutely right in what he is saying here now, but he missed out in mentioning Bill Simon, the Assistant Secretary.

Mr. CAREY of New York. I do not want to leave out Bill Simon. He is really trying very hard.

Mr. CONTE. And Mr. Dunlop of the Cost of Living Council. We had him before us the other day and he told us about the same thing. We had Mr. Love before us the other day and he told us the same thing. He has no power. He is like Samson shorn of his locks. Pardon me for the pun, but they are doing nothing but a labor of love up here. They have no power at all.

Mr. CAREY of New York. If they lower the thermostats 4 or 5 degrees in their own offices, then everyone of the individuals who is trying to solve the energy crisis we might end up with enough oil to heat a school or a hospital.

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

The question was taken; and the Chairman being in doubt, the committee divided, and there were—ayes 32, noes 34.

RECORDED VOTE

Mr. ASHBROOK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 256, answered "present" 3, not voting 23, as follows:

[Roll No. 537]

AYES—152

Abdnor	Frey	Moorhead, Calif.
Alexander	Froehlich	Myers
Andrews, N.C.	Fuqua	Nichols
Archer	Gettys	O'Brien
Armstrong	Gibbons	Pettis
Ashbrook	Ginn	Pickle
Baker	Goldwater	Poage
Bauman	Gonzalez	Powell, Ohio
Beard	Goodling	Price, Tex.
Bevill	Gross	Quie
Blackburn	Gunter	Railsback
Bray	Haley	Randall
Breaux	Hammer-schmidt	Rarick
Brinkley	Hanrahan	Roberts
Broomfield	Hays	Robinson, Va.
Brotzman	Henderson	Rousselot
Burgener	Hogan	Runnels
Burke, Fla.	Holt	Ruppe
Burleson, Tex.	Hosmer	Ryan
Butler	Huber	Sarasin
Camp	Hudnut	Satterfield
Casey, Tex.	Hunt	Saylor
Cederberg	Jarman	Scherle
Chappell	Johnson, Colo.	Shuster
Clancy	Jones, Okla.	Sikes
Clawson, Del	Jones, Tenn.	Smith, N.Y.
Cochran	Kazen	Snyder
Collins, Tex.	Keating	Spence
Conable	Kemp	Steed
Conlan	Ketchum	Steelman
Crane	King	Steiger, Ariz.
Daniel, Dan	Kuykendall	Steiger, Wis.
Daniel, Robert W., Jr.	Landgrebe	Stephens
Davis, Wis.	Litton	Symms
de la Garza	Lott	Talcott
Dennis	Lujan	Taylor, Mo.
Dickinson	McCollister	Taylor, N.C.
Edwards, Ala.	McDade	Teague, Tex.
Erlenborn	McSpadden	Thompson, N.J.
Eshleman	Madigan	Thomson, Wis.
Findley	Mahon	Thornton
Fisher	Maraziti	Towell, Nev.
Flowers	Michel	Treen
Flynt	Milford	Waggonner
Ford, William D.	Miller	Walsh
Forsythe	Minshall, Ohio	White
Fountain	Mizell	Whitehurst
	Montgomery	Widnall
Wilson, Bob	Wylie	Zion
Wilson, Charles, Tex.	Young, Alaska	Zwach
Wright	Young, Ill.	
	Young, S.C.	

NOES—256

Abzug	Gaydos	Passman
Adams	Giaimo	Patman
Addabbo	Gilman	Patten
Anderson, Calif.	Grasso	Pepper
Anderson, Ill.	Gray	Perkins
Andrews, N. Dak.	Green, Oreg.	Peyser
Annunzio	Green, Pa.	Pike
Arends	Griffiths	Podell
Ashley	Grover	Preyer
Aspin	Gude	Price, Ill.
Badillo	Hamilton	Pritchard
Bafalis	Hanley	Quillen
Barrett	Hanna	Rangel
Bennett	Hansen, Idaho	Rees
Bergland	Hansen, Wash.	Regula
Biaggi	Harrington	Reid
Biester	Harsha	Reuss
Bingham	Harvey	Rhodes
Blatnik	Hawkins	Riegle
Boggs	Hechler, W. Va.	Rinaldo
Boland	Heckler, Mass.	Robison, N.Y.
Bolling	Heinz	Rodino
Bowen	Helstoski	Roe
Brademas	Hicks	Rogers
Brasco	Hillis	Roncalio, Wyo.
Breckinridge	Hinshaw	Roncallo, N.Y.
Brooks	Holifield	Rooney, Pa.
Brown, Calif.	Holtzman	Rosenthal
Brown, Mich.	Horton	Rostenkowski
Brown, Ohio	Howard	Roush
Broyhill, N.C.	Hungate	Roy
Broyhill, Va.	Hutchinson	Roybal
Buchanan	Johnson, Calif.	Ruth
Burke, Calif.	Jones, Ala.	St Germain
Burke, Mass.	Jones, N.C.	Sarbanes
Burlison, Mo.	Jordan	Schneebeli
Burton	Karth	Schroeder
Byron	Kastenmeier	Sebelius
Carey, N.Y.	Koch	Seiberling
Carter	Kyros	Shipley
Chamberlain	Latta	Shoup
Chisholm	Leggett	Shriver
Clausen, Don H.	Lehman	Sisk
Clay	Lent	Skubitz
Cleveland	Long, La.	Slack
Cohen	Long, Md.	Staggers
Collier	McClory	Stanton, J. William
Collins, Ill.	McCloskey	Stanton, James V.
Conte	McCormack	Stark
Corman	McEwen	Steele
Cotter	McFall	Stokes
Coughlin	McKinney	Stratton
Cronin	Macdonald	Stubblefield
Culver	Madden	Stuckey
Daniels, Dominick V.	Mailliard	Studds
Danielson	Mallary	Sullivan
Davis, S.C.	Mann	Symington
Delaney	Martin, Nebr.	Teague, Calif.
Dellenback	Martin, N.C.	Thone
Dellums	Mathias, Calif.	Tiernan
Denholm	Mathis, Ga.	Udall
Dent	Matsunaga	Ullman
Devine	Mayne	Van Deerlin
Diggs	Mazzoli	Vander Jagt
Dingell	Meeds	Vanik
Donohue	Melcher	Vigorito
Downing	Metcalfe	Waldie
Drinan	Mezvinsky	Wampler
Dulski	Mink	Whalen
Duncan	Mitchell, Md.	Whitten
du Pont	Mitchell, N.Y.	Wiggins
Eckhardt	Moakley	Williams
Edwards, Calif.	Mollohan	Wilson, Charles H., Calif.
Eilberg	Moorhead, Pa.	Winn
Evans, Colo.	Morgan	Wolff
Evins, Tenn.	Mosher	Wyatt
Fascell	Moss	Wydler
Fish	Murphy, Ill.	Wyman
Flood	Murphy, N.Y.	Yates
Foley	Natcher	Yatron
Ford, Gerald R.	Nedzi	Young, Fla.
Fraser	Nelsen	Young, Ga.
Frelinghuysen	Nix	Young, Tex.
Frenzel	Obey	Zablocki
	O'Hara	
	O'Neill	
	Owens	
	Parris	

ANSWERED "PRESENT"—3

Bell	Smith, Iowa	Ware

NOT VOTING—23

Carney, Ohio	Gubser	McKay
Clark	Guyer	Mills, Ark.
Conyers	Hastings	Minish
Davis, Ga.	Hébert	Rooney, N.Y.
Derwinski	Ichord	Rose
Dorn	Johnson, Pa.	Sandman
Esch	Kluczynski	Veysey
Fulton	Landrum	

So the amendment was rejected.

The result of the vote was announced as above recorded.

(Mr. BURLISON of Missouri asked and was given permission to extend his remarks at this point.)

Mr. BURLISON of Missouri. Mr. Chairman, I rise in support of this legislation requiring a mandatory allocation program.

As has been pointed out in debate of yesterday and today, this bill is not a panacea for the energy crisis. It is simply a measure designed to solve an immediate problem and protect the business rights of the small, independent fuel operators and to insure an adequate and equitable supply of petroleum products throughout the country.

The independent gasoline dealers of America have been hurt in two ways through the administration's incompetent handling of its voluntary program. First, many have had supply contracts either terminated or severely cutback. This has resulted in less income for many operators, and forced closings for over 2,000 such dealers around the country. Second, the administration's Cost of Living Council regulations have patently discriminated against the service station owners in not allowing cost pass through at the retail level.

It has been interesting to observe the administration's response to this problem. Since the first of May the President has had the congressional authority to implement a mandatory program. By the end of June it became obvious that his voluntary approach was simply ineffective. At that time, many of the Members of Congress, including myself, were led to believe that the President would take our advice and respond favorably to our urgent pleas to impose a tougher allocation system to protect the retailer. But this information proved incorrect and now we see the administration's true colors in opposing our legislation on the floor today.

Mr. Chairman, I submit the administration approach simply does not go far enough in protecting all sectors of the petroleum industry. The language in the bill before this body today will relieve the supply and cost problems of the independent service station operator. The bill will accomplish this by including all petroleum products including gasoline in the new mandatory system. With this provision we will hopefully see an end to the forced shutdowns of many of our smaller independent businessmen. Another vital section of this legislation will permit a straight dollar-for-dollar across-the-board passthrough of costs to the retail level. In the past, this has been piecemeal pursuant to congressional pressure. It will now be established as general policy.

I strongly urge passage of H.R. 9681.

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

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

Mr. DULSKI. I am happy to yield to the gentleman.

Mr. MILFORD. Mr. Chairman, I sincerely hope that this bill does not pass today.

The bill was ill-conceived and unnecessary to start with. Legislation is already on the books for mandatory allocation of oil products.

Attempts were made to amend this bill so that it would be liveable. Those attempts were defeated.

The way the legislation has shaped up, I believe it would be best to defeat it.

It raises a question, for example, about the rights of powerplants which have converted from natural gas to fuel oil to receive sufficient allocations of fuel oil to continue operations with adequate fuel supplies.

Another problem in the bill is the allocation or control of crude oil from the well-head.

We have 350,000 so-called "stripper" wells which produce an average of 3½ barrels a day. How are we going to allocate that 3½ barrels? It will take darned near as many allocators as we have wells. We need every drop of oil we can find, but I cannot imagine operating one of these small wells if it requires a bunch of paperwork. The involved cost will simply force them to shut down. We lose that oil entirely.

This is emergency, temporary legislation which deals in an area where there is already administrative authority to act.

The bill, in its title, professes to "allocate" petroleum. It certainly does. It mandatorily allocates to everyone from people who produce food to people who make hula hoops.

Or, to put it another way, it does not do a whole lot which is not being done right now, without regulation, and without a new bureaucracy, in the open marketplace.

If we are going to write an allocation program into law, let us do it right. This bill is not right. Every Member has agreed that we are facing a fuel shortage. There will not be enough fuel to go around, therefore, we must make a decision to allocate fuel to those industries that are vital. In other words, we must establish priorities. This bill does not spell out priorities.

I urge you to vote against the bill.

Mr. DULSKI. Mr. Chairman, I take this time to ask the chairman of the committee a question in connection with an inquiry I have received from my district.

A small company in Buffalo, employing less than 50 people, makes a variety of consumer products using plastics.

This small business has been informed by its supplier that a serious shortage is in prospect for many of the raw materials he uses since they are petroleum derivatives. Since plastic products are his entire line, this could put him out of business.

My question, Mr. Chairman, is whether any provision is being made to insure a fair allocation of short supplies to small businessmen, in this case a small businessman whose output depends on materials which are petroleum derivatives?

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

Mr. DULSKI. I am very happy to yield to the gentleman.

Mr. MACDONALD. I would like to assure the gentleman that the committee had this in mind at the time of the drafting of the bill. It was included in the bill.

Yesterday there was a colloquy on the floor and much discussion by other people worried by the same set of affairs as the gentleman is worried about for his constituents.

I can assure the gentleman there will be competition preserved in the area in which he is interested under this bill when it is passed.

Mr. DULSKI. I thank the gentleman and yield back the balance of my time.

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

Mr. Chairman, just a few minutes ago this House was asked why this country is now faced by a shortage of natural gas, gasoline and petroleum products. I submit that we have consumed great amounts of gas, gasoline, and petroleum products in ill-advised wars in the past. I submit further that large cars using unnecessary amounts of gasoline contribute to these shortages. In a sense, we have spent large amounts of our natural wealth ill-advisedly.

Mr. Chairman, with the threat of a loss of our gas, gasoline, and petroleum supplies from Arabian nations, and with the depletion of our own oil reserves, it behooves this House to immediately launch massive programs for the extraction of oil, distillates and petroleum products from the oil shales in the western States, of which the Federal Government owns 50 percent.

At the present time, it is true that we have one pitiful project conducted by the U.S. Navy, and from my briefing from these gentlemen, I understand the total production of distillates amounts to 5 barrels a day, which is not enough to turn the turbine of a destroyer. We must immediately launch a program in conjunction with private enterprise into the gasification of our huge coal reserves, which will last from 400 to 600 years. One distinguished gentleman from the other body has recently introduced such legislation. If we are to be dependent upon ourselves, these are steps which we must take immediately.

If the land lying fallow in the United States today were planted in grain, from this, alcohol could be distilled amounting to 3 million barrels per year. Further, this House should initiate immediately programs for the development of solar and thermal energy. If we take these steps in a determined and diligent manner, with adequate thought for the environment, we can continue as the great Nation we are today. Without these steps, we may well become a second-rate nation. Let us be part of the solution to continuing as a great and free nation—not part of the problem.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. Mr. Chairman, I would like to associate myself with the views expressed by the gentleman from Kentucky (Mr. CARTER). The gentleman from Kentucky has given us a challenge to try to meet the problems of our energy crisis which we face, and which admittedly this legislation will not do.

Mr. BROYHILL of North Carolina. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I support the bill before us today, H.R. 9681, which directs the President to establish a mandatory program for the allocation of crude oil, residual fuel oil, and refined petroleum products.

It is difficult for me to support a mandatory program such as we are voting on today. This country has always had a plentiful supply of oil products and Government controls have not been necessary to provide for equitable distribution throughout the Nation. Now, however, we are faced with a dire fuel shortage which is assuming emergency proportions.

The Nation's demand for energy is growing at an annual rate of about 4 percent, and by 1990, our energy needs will be double that of 1970. Within the total energy picture, the consumption of gasoline is rising at the higher rate of 7 percent. At the same time, U.S. production of crude oil has declined since 1970, and our refinery capacity has diminished. All this adds up to the fact that U.S. oil supplies have not increased with our demand, and significant shortages are predicted for the next 18 months.

The legislation before us today is designed to meet this emergency situation. Experience has shown that, in a shortage situation, certain areas of the country can be much more seriously affected than others, with resulting economic dislocation.

In North Carolina, for example, tobacco farmers were unable to obtain the fuel necessary to harvest the tobacco crop this summer. It was necessary for the Federal Government to arrange a last-minute diversion of fuel to the State to save the harvest.

Another area of seriousness to the important North Carolina textile industry is the shortage of certain petroleum products, including petrochemicals. It is not generally realized that propane, a petrochemical, is a basic raw ingredient in producing polyester fibers. Because of the present price inflation and shortage of cotton fibers and the allocation system now in effect for nylon, any decline in polyester production would have disastrous effects on the textile industry and the regions dependent on it. A loss of propane would mean an unacceptable loss of jobs and a new round of inflationary price increases for textiles and apparel.

This bill would not ration fuel to the consumer. Its purpose is to provide that during times of shortage, limited supplies are equitably distributed throughout the Nation to meet regional needs. Regulation and enforcement would occur at the distributor level.

For the past several months, the United States has been operating under a voluntary oil products allocation program. When this plan was adopted by the administration, I think everyone was optimistic that it would accomplish its goals of seeing that gasoline and oil supplies would reach areas of critical importance. Unfortunately, the system has not worked as well as anticipated. There have been severe problems in obtaining fuel oil for use in regional and local areas such as farming communities.

The possibility of a mandatory fuel allocation program has been under discussion for some time. At the end of April, when Congress passed the Economic Stabilization Act of 1973, the President was given authority to institute a mandatory program. In August, the President's adviser on energy matters, former Gov. John Love, announced a proposed mandatory plan and invited public comment. It is expected that the program provided by this legislation, with certain revisions, will be the mandatory program adopted if this legislation is enacted.

I would like to emphasize several points about this legislation which I feel will contribute to the success of the mandatory allocation program. First, the bill does not establish an allocation program in inflexible statutory terms. It provides for continued administrative flexibility by directing the President to set up the program following certain congressional objectives stated in the bill.

The President is directed to promulgate a regulation providing for the mandatory allocation of crude oil, residual fuel oil, and refined petroleum products within 10 days of enactment and to make that regulation effective 15 days thereafter. Fortunately, most of the work in drafting such a regulation has already been accomplished. The administration has had several months experience under the voluntary program, and a mandatory program has been drafted and published for comment. Thus, the complex and usually time-consuming task of formulating regulations to implement the law is well underway.

The need for a mandatory petroleum allocation program is urgent, and this legislation provides what I feel is a reasonable and effective approach. I urge my colleagues to join me in supporting this measure.

Also, I urge all Members of this body to get on with the job of passing legislation that could add to the total energy resources available. This bill would not add to those supplies, but action on other legislation pending would have a material effect.

AMENDMENT OFFERED BY MR. SYMMS

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

The Clerk read as follows:

Amendment offered by Mr. SYMMS: Page 16, line 2, strike out "February 28, 1975" and insert in lieu thereof "April 30, 1974".

Page 16, beginning on line 7, strike out "February 28, 1975" and insert in lieu thereof "April 30, 1974".

Page 16, line 11, strike out "February 28, 1975" and insert in lieu thereof "April 30, 1974".

Page 16, line 20, strike out the semicolon and all that follows down through line 24 and insert in lieu thereof a period.

Mr. SYMMS. Mr. Chairman, I will be very brief.

The reason for offering my amendment is simply to have the termination of this rationing of oil and petroleum products bill, which is no more than what it is, come to an end on the same date as the expiration of the Economic Stabilization Act which would be April 30 of 1974.

Mr. Chairman, we have heard a lot of debate on this whole problem, and on all of the reasons why we have an energy shortage. The facts are we are not allowing the marketplace to work. The independent oil dealers in my section of the country say that if they can just be allowed to purchase and bid on their oil, that there will be no problem, and that they could bid high enough and establish a price to sell it which would allow the free market to work.

We work so hard in this country to make socialism work instead of letting free enterprise work that we have created so much chaos—that Members of Congress are asking for this legislation.

Mr. Chairman, very simply my amendment would make the termination date coincide with that of the Economic Stabilization Act so that if we can get rid of the wage and price controls then we will not have to have rationing. And that is what this is—an oil rationing bill.

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

Mr. MACDONALD. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, the gentleman stated that if this amendment is to be adopted, the entire length of time that this mandatory allocation would be in effect would be just about 6 months. The gentleman indicates that he is not concerned with the gasoline shortage next summer. But, I point out to the gentleman that in many parts of the country at the beginning of April, May, June, July, and August, the tourist months, there will be a great demand for gasoline. I can also point out if, indeed, his independent gasoline stations are operating successfully, then it is the only State in the Union in which that is the case. And there is expected to be an given greater gasoline shortage predicted next summer than we had this past summer.

The most important sections of the bill affect each and every Member of this House—those dealing with crude oil, home heating oil, and gasoline. To cut off mandatory allocation for gasoline stations beginning just 6 months from now would be a great blow to any chance of having this program work as it is intended to.

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

Mr. MACDONALD. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

What the independent oil dealers are trying for is an opportunity to purchase and bid on their oil in the marketplace.

My position is if we did not have wage and price controls, we could allow people to bid on the oil in the market and watch the wonderful price system work—the only even-handed method for the allocation of resources. This is what the independent oil producers would like. They would like to get rid of the Cost of Living Council and get back to the free market.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

If this amendment is adopted, it would make the Emergency Petroleum Allocation Act expire in just 195 days. This would give the Federal Government just 6 months to take over the distribution system for the entire oil industry, clean up the crisis, and dismantle itself. This is unrealistic.

This amendment would also demoralize the staff at the Office of Oil and Gas that

will be charged with enforcing the Federal mandatory allocation program. This office is now beefing up its staff from 300 to 1,000 to meet the expected new workload. Even this number will not be sufficient to do the job. But we should not handicap the task of the Office of Oil and Gas any further by cutting off its authorization in 6 months—just when it will have gained the experience and competence to do the job.

The end of the energy crisis is not 195 days away. It is a lot longer—at least 3 to 5 years. So if we are to establish a Federal office to deal with fuel shortage problems, it must have the opportunity to plan past the next 6 months. Otherwise, we will create a Federal eunuch, a bureaucracy powerless to deal with an overpowering crisis.

The current shortage of oil products will not be relieved until the United States adopts stringent energy conservation measures, builds many new refineries, and resolves the many questions about where our future sources of energy will come from.

In New England, we are trying to do our part. In every way possible, I have been beating the drum about conservation of energy. Cities and towns, including my home of Pittsfield, throughout my district are adopting "fuel austerity" programs to cut consumption of heating fuels in public buildings.

And about the shortage of refineries in the Northeast, I have encouraging news.

Tomorrow, one of the largest independent petroleum dealers in New England will announce plans to build a major oil refinery in Maine.

This will be the first major oil refinery in New England. It will produce 250,000 barrels a day of heating oils and gasoline to help meet the demand in New England. It will be constructed and operated so it will not damage the environment.

I hope that this refinery will be just the first of several clean refineries in New England. I have inspected modern refineries, including ARCO's Cherry Point refinery at Bellingham, Wash., and I know that it is possible to construct a refinery that does not pollute the air or water and is a good neighbor.

But until this refinery and at least three others are operating in New England, my region will have to continue to rely on imports from the Gulf coast and abroad. This will be several years.

To get us through at least the first year and a half of this fuel shortage crisis, we will need a vigorous Federal office to coordinate and enforce the mandatory petroleum allocation program. This cannot happen if the Office of Oil and Gas is deflated 195 days from today.

For these reasons, I ask my colleagues to defeat this amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. Mr. Chairman, I want to associate myself with the eloquent and spontaneous remarks of the gentleman in the well and join with him in the enthusiasm he shares with the gentleman from Ohio, that there will be a refinery built in Maine to take care of the problems of New England.

I commend the gentleman from Massachusetts (Mr. MACDONALD), the chairman of the subcommittee, for his efforts to resolve the energy crisis. I join him in his concern about any effort to shorten the impact of this legislation, because clearly they are going to have the problem exist, not just throughout this winter, but also through next winter and we must continue to deal with that problem until it is resolved. So with him, I would oppose the amendment as it has been offered.

Mr. CONTE. I want to thank the gentleman from Ohio.

Let me tell him in regard to his remarks that I am plumping for a refinery in Massachusetts. I hope we get one in Massachusetts.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Idaho.

It seems that the gentleman who immediately preceded me in the well made a remark about somebody being demoralized. I can guarantee that if this bad bill passes, the demoralization will be affecting the entire petroleum industry and not just the FTC.

The gentleman's amendment is particularly apropos in view of the incidents of recent weeks.

We have seen the Cost of Living Council under the Economic Stabilization Act running a crazy course of reversing its field, making a decision, and putting everybody in bad shape.

I have heard comments from the floor and in the corridors recently of the incredibly bad job the Cost of Living Council has done in the field of gasoline pricing.

It seems now that many of the people that voted for the extension of the Economic Stabilization Act now are saying the Economic Stabilization Act is bad and wish it could be repealed, but at the same time saying let us pass this mandatory fuel allocation bill, because it is going to solve all the problems of the world.

I submit to you that in just a very few months we will be sitting back in the same seats wondering what in the world we have done to upset the economy of the United States further.

I submit that each and every time the Government of the United States attempts to tinker with the economy, they foul it up and they are going to foul it up this time, too.

I ask for an aye vote on the amendment.

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

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

Mr. ROUSSELOT. Is it not true that if this program works out all that well and there is that much great support for it throughout the country we can merely extend it further next year? It does not really create any great problem to put a termination date on it. As a matter of fact, that will probably force a review of it to see if it is all as great as the Members have told it will be.

Mr. KETCHUM. I submit the gentleman is entirely correct. This bill has been put forward as a temporary measure, but so has the Economic Stabilization Act and it has been renewed and renewed.

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

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

Mr. RUPPE. Mr. Chairman, as one who has repeatedly called for the implementation of a mandatory oil allocation system during the past few months, I feel I owe my colleagues and constituents an explanation of my vote against H.R. 9681.

Let me state my continued strong belief that a mandatory system is necessary for the equitable distribution of refined petroleum products in short supply. Representing a rural area in the upper Midwest region of the United States, I know only too well that some areas are being harder hit by propane, natural gas, and fuel oil shortages than others. Already this fall my office has been contacted by individual homeowners, oil and gas distributors, school systems, and electric utilities about serious shortages in northern Michigan that could affect thousands of people. A mandatory system—while not increasing the amount of available petroleum products to U.S. consumers—will at least insure that all areas of the Nation have a fair share of the limited supply.

The key question raised by H.R. 9681 is not whether we should have a mandatory system, but how this system should be implemented. The administration has initiated by Executive order a mandatory program for fuel oil and propane gas that will go into effect on November 1. While I regret that this action has come so late, the administration has nevertheless moved more quickly than the Congress. This is my first objection against H.R. 9681. We cannot afford one additional day of delay in implementing a mandatory allocation system for fuel oil and propane. If H.R. 9681 were finally enacted, the administration would be forced to redraw its guidelines for this program, stalling an operational system for at least an additional 10 to 30 days. With cold weather fast coming upon the northern region and the understandable reluctance of the oil companies to redistribute their limited supply before the final mandatory guidelines are drawn up, 10 to 30 days' delay would be nothing short of disastrous for hundreds of thousands of Americans.

Second, by creating a mandatory system for all petroleum products, H.R. 9681 takes on more oversight responsibility than the Federal Government can effectively handle. From my discussions with the Office of Oil and Gas, the Federal office administering the propane allocation system, it is obvious that the shortage problems are too widespread and the oil industry too complex to attempt to spread Federal administration over the allocation of all petroleum products. Since the guidelines for the mandatory allocation of propane gas were published on October 2, the Office of Oil and Gas has been swamped with hundreds of complex propane shortage cases that affect the jobs and welfare of thousands of citizens. The 80 or so personnel assigned just to propane in the Office of Oil and Gas, although cooperative and dedicated, are hardly able to

sort out and resolve all of the propane problems pouring in from around the Nation. Yet propane gas adds up to a mere 2 percent of the total supply of petroleum products used in this Nation. Needless to say, it would take a bureaucratic army to effectively deal with the allocation of all petroleum products.

I believe that the administration plan takes a more practical and effective approach to this problem by restricting for the moment the allocation program to propane gas and fuel oil. These two products make up the part of the petroleum industry which require the most urgent and critical attention as the winter approaches. When the warmer weather returns and vacationing Americans flock to the highways, it may be necessary to redirect Federal resources to the problem of gasoline shortages. For the time being, however, the heating of homes, schools, and industries must be given the fullest possible Federal consideration. In sum, the administration program better allows us to target our attack on shortages in different and particular areas of the petroleum industry as the need arises, while H.R. 9681 spreads the Federal effort far too thinly.

Finally, H.R. 9681 suggests that crude oil be allocated by the administration at the wellhead rather than at the refinery level. Controlling the producers rather than the refiners would also create a bureaucratic nightmare, since there are at least 10,000 crude oil producers in this Nation. This is not to deny the good intentions of the Interstate and Foreign Commerce Committee, which in writing the legislation was concerned that the small independent refiner might not be assured of an adequate crude oil supply unless allocations were controlled at the producer level. I have shared this concern about the need to protect the independents and believe that we should guard against the under-utilization of any available refining facility. However, attempting to control the allocation of the crude oil supply to refiners will tie the hands of the major and independent producers as to which refiners they can supply. If these producers are not free to seek out the more attractive refinery markets, they are unlikely to boost their production of the crude supply. The administration not only avoids this possible producer disincentive, but also substantially narrows the Federal oversight responsibility by concentrating the allocation efforts at the refinery level.

In summary, Mr. Chairman, my vote against H.R. 9681 reflects my support for the administration's mandatory allocation program. At a time when we cannot afford delay, the administration program promises faster action. It also zeroes in on the area and level of the petroleum industry that require the most immediate Federal attention.

On the other hand, H.R. 9681 invites a bureaucratic fiasco which at best would result in an overextended and confusing allocation program and at worst would paralyze the petroleum industry to the point of destroying its incentive to provide an increased oil supply. The goal of the mandatory allocation program should be to keep Federal controls at a minimum and Federal flexibility at a maximum so that the productivity of the private sector will not be shackled. I strongly believe that the administration proposal is better suited to provide a faster, fairer, more flexible mandatory allocation system.

Mr. COLLINS of Texas. Mr. Chairman, will the gentleman yield?

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

Mr. COLLINS of Texas. Mr. Chairman, I would like to commend the gentleman. As he knows, we never had hearings on this bill. There simply was a markup session in the general committee. For that reason the bill was called an emergency bill. Since it is named an emergency, it seems very appropriate that within 6 months the Congress should reconvene and in the meantime the committee would have a chance to have full and extensive hearings, so we can perfect it.

Mr. KETCHUM. I would agree with the gentleman that it is important for this body to get busy and start to direct itself to the energy crisis, which we are not doing with this bill and there is no other bill before Congress at this point which will do this. We have not identified the problem and we have not approached the problem and until we do the United States is going to have to suffer under an energy shortage aggravated by Government control.

Mr. STAGGERS. Mr. Chairman, I rise to say that I oppose the amendment.

Mr. Chairman, I had in the office two men from Massachusetts today. One of them said that he had a system of 45 gasoline stations, and 33 of them were closed today, because he could not get gasoline.

All this bill does is see that there is equal distribution. It tries to be fair with all America. I think if it is just given the 6 months' life, we might just as well not have any bill at all.

Therefore, I recommend to the committee that it oppose this amendment. It is a temporary bill, and if it does not do the job, we can get rid of it, but let us give it the fair trial of 18 months that we have talked about.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. SYMMS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SYMMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. DINGELL. Mr. Chairman, I rise for the purpose of creating legislative history, and I move to strike the requisite number of words.

Mr. Chairman, I would recall to my colleagues at this time that I offered an amendment which appears on page 15 of the bill, line 8, beginning at subsection (d), as follows:

(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.

My colleagues will note that the language there is prohibition against exports, not absolute but affording the President a measure of discretion. This has been done for the particular purpose of assuring that a vessel docking at our shores will be able to procure fuel; aircraft landing in the United States belonging to the United States or other countries will be able to procure fuel.

We have established a rule under which the President's regulations prohibiting export of petroleum products covered by the legislation will have intelligent utilization of those powers. The amendment will in fact see to it that fueling of vessels, aircraft, and similar transactions may continue. What the amendment aims at is exports of petroleum products as a part of commercial activities. These are no longer permitted.

Mr. Chairman, I hope with that, with the interpretation of the language, that we will not see any problems with regard to airliners and ships stopping at our shores being able to take aboard fuel to travel abroad to other countries.

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

Mr. Chairman, I have been here just long enough to realize that this House is going to do something which I consider to be ill advised. It is only because I personally believe that the action the House will soon take is ill advised that I, like my predecessor, Mr. DINGELL, want to make a little legislative history. It is not for the purpose of saying, "I told you so," but so that those Members who make the mistake of supporting this legislation will have the opportunity of trying to apologize later for the mistake they are going to make. I have no prepared statement but want to voice a few general thoughts.

There is no way that the Congress can pass this legislation today and not make the situation with regard to the distribution of petroleum products, making those products available to the ultimate consumer, worse. The situation is going to get worse.

The Government has destroyed the railroad industry in this country by overregulation, but we do not seem to have learned anything from it. We are going to destroy this industry with overregulation.

Now, it might be politically good for some of the Members at the moment to say, "Let us provide for equity," but this is being shortsighted. Their politics are better than their economics and their concern for the welfare of the fuel and energy needs of this country.

Just as Mr. Nixon has been criticized for phase IV, for having employed good politics and bad economics, if Members vote for this bill today they may say it was good politics, but if they wait 3 or 4 years, if they wait until the expiration date in 1975 and make that statement again, they will be laughed out of their

congressional districts. Do not make any mistake about it.

Do you know what is going to happen? Things are going to get worse, and then the President will say, "Congress made me do it. Go pinpoint those people who asked for it and ask them why they made me do it. I am only doing what the Congress said to do."

This is going to disrupt the supply. Any time we disrupt the allocation of the crude feed stocks in the petroleum industry we are disrupting the supply, because it all begins there. When we take from one we disrupt another. There is nothing else we can possibly do.

I want the Members to look at the bill for a minute, to look at some of the aspects of the bill that are totally impossible, to say nothing about being impractical.

Section 4(a) says:

> Not later than ten days after the date of enactment of this Act, the President shall promulgate a regulation

And do all of these things.

Who here would believe that the bureaucracy, headed by the President, could possibly promulgate within 10 days a regulation to do everything that this act proposes?

Then look on to section 4(b)(B). It says that the regulations shall provide for:

> (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);

That is a rather all-inclusive statement, that they shall provide for all public services.

Those who are environmentalists, and really to a point we all are, should listen, because they are going to have to eat this, too. What will they do if he comes back and says, "Look. Natural gas is gone. Heating oil is gone. There is no more energy of that sort. We are going to have to go to burning some of that sulfur polluting coal we have left in the ground."

What will they do then, because if he complies with this directive he can do exactly that.

I submit that subparagraphs (D) and (E) say that he is going to provide for the "preservation of an economically sound and competitive petroleum industry," and he is going to provide for equitable distribution of crude oil. This is totally inconsistent with the mandate of the bill. It cannot be done.

I know the Members are well intentioned. I just say they do not know what they are talking about. None of them know about the petroleum industry. The gentleman from West Virginia (Mr. STAGGERS) knows something about coal, but he does not know a thing about oil. The gentleman from Massachusetts (Mr. CONTE) knows some things about some things, but he does not know anything about oil.

It is that simple. Listen to subparagraph (F). It says that we are going to provide for planning "economic efficiency." We are going to provide for economic efficiency? We are going to provide for planned economic disaster, because the price to the consumer of the products is going up and up and up, believe me.

Last year, for the year 1972, the average cost to produce a gallon of refined gasoline ready for the market—to find the oil, to produce the oil, to move the oil to the refinery, to refine it into gasoline ready for marketing, on the average in this country—was 16 cents a gallon.

And these oil companies have been taking advantage of the people, some say.

Mr. Chairman, how many of us pay more than that for bottled water? One cannot even bottle water and market it for that. I am speaking the truth. These people have done a pretty good job. So the price is going up and up, and the cost of gasoline is going up.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. WAGGONNER) has expired.

(By unanimous consent, Mr. WAGGONNER was allowed to proceed for 2 additional minutes.)

Mr. WAGGONNER. Mr. Chairman, they say we are going to provide for dollar-for-dollar passthrough by legislation. We are going to take just gasoline and petroleum products, and we are going to establish—not the Cost of Living Council—but we are here going to by legislation establish the price. Because it says that he will either establish the price or the formula for establishing the price in that regulation which he has to produce within 10 days. What about beef and all our other commodities if we start this?

Let me tell the Members this: They say it is all for equity. It is not for equity to be sure that people get what they got in 1972, these so-called independents. We provide that they are going to get a pro rata share of any increased production or, I will readily admit, a pro rata share of reduction of some diminished products. And there is a likelihood of that, in view of what is going on in the Middle East right now.

In an effort to be fair and to be equitable, we are saying to that man we identify as a "total independent"—"Mr. Independent, we are going to insure that you will never have to invest another dollar. You will never have to go out and drill a well and find crude."

Mr. Chairman, I know something about these independents. They are my friends.

We will say to them, "We will just let you independent refiners get yours. We are going to see that the Government allocates yours to you." But what are we going to do to be sure every consumer gets his allocation?

Mr. Chairman, I will say to my friends that we are making a big mistake which we are going to pay for down the road with less energy, because the supply of energy is related to the price of crude, and when we reduce the price of crude and take away the incentive, we are going to get less of it.

Not only are we going to reduce the potential for new supplies of energy, but we are going to guarantee that the price of every consumer product goes up and up.

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

Mr. WAGGONNER. I will be happy to yield to my distinguished friend, the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Chairman, as a point of general information for the Members of the House, I have here a United Press release from Kuwait, which I will read for the benefit of the Members:

> KUWAIT.—Eleven Arab oil-producing nations announced Wednesday they would reduce oil production by five per cent every month until Israel withdraws from occupied Arab territories and the rights of Palestinians are restored.

Mr. WAGGONNER. Mr. Chairman, I will say to the gentleman from New Jersey (Mr. WIDNALL) if I resort to the vernacular: "You ain't seen nothing yet."

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

Mr. Chairman, last evening I voted against limitation of time, because I had prepared an amendment, but because I am not a member of the committee I could not get a word in edgewise in support of my amendment. Now today I note that we are proceeding more orderly and I am glad that Members are in a better disposition. I have also had a chance to study the printed record and I find that the amendment which I had intended to propose had in fact been offered by the chairman of the committee, the gentleman from West Virginia.

I represent a lot of farmers who desperately need supplies of diesel fuel. There are documented instances where the product has been available but someone higher up in the oil business has told the distributor not to sell to our farmers at the very time they were trying to cut silage in their fields. As I said we have these facts documented in several instances.

Also in our district there are some smaller cities that have already been told they are going to be restricted or completely denied natural gas this winter. This is another reason I so strongly support H.R. 9681.

Now if I may, I hope to make some legislative history for a moment. I find that the chairman of our Commerce Committee did yesterday offer an amendment, which is recited at page H9129 of the RECORD, being an amendment identical to both line 8 and line 11 of page 13 of the bill, as follows:

> Strike out "gasoline and refined lubricating oils" and insert in lieu thereof "refined petroleum products."

Then I note at page 11 of the bill, there is a definition of "refined petroleum products." Which includes distillates, and home fuel oil known as No. 2 fuel oil and diesel fuel.

Mr. Chairman, I now ask the chairman of the committee, Mr. STAGGERS, the floor manager, or the author of the bill, the gentleman from Massachusetts (Mr. MACDONALD), if this amendment which pertains to passthrough of costs will serve to prevent the refiners from refining only the more profitable fuels such as gasoline which are provided for in the dollar-for-dollar passthrough to the ne-

glect of No. 2 fuel oil for our homes and diesel fuel for the tractors of our farmers.

Were it not for this amendment refiners could say, "We will make only gasoline and the more profitable products. Now this passthrough amendment will cover heating oil and diesel fuel. Is that correct?

Mr. STAGGERS. That is correct.

Mr. RANDALL. I thank the gentleman.

Mr. Chairman, I strongly support H.R. 9681. As a nation we face a critical shortage of petroleum products. My farmers have been unable to obtain fuel either to get their crops from the fields or to dry their crops. Some school districts have been unable to secure enough gasoline for their buses. The need for a mandatory allocation program is well established.

Yet the President until very recently has failed to use the authority which Congress gave him last April to implement such a program. Instead, he has relied on voluntary controls. These simply have not worked. I daresay every one of my colleagues has recent mail from his constituents which tell him that the voluntary controls do not work.

Late in September starting on Monday, September 24, every day that the House met I took the floor to call the attention of my colleagues to the failure of a voluntary allocation program. One day I asked, "How much longer?" The next day, I asked the rhetorical question "Where were the investigators that Governor Love promises to send into my congressional district?" On succeeding days I charged the administration with "passing the buck" when they said that the House of Representatives could not agree on an allocation plan. All the while it was clear to many of us that Public Law 93–28 carried the language that the President "may allocate." Today by H.R. 9681 in section 4 entitled "mandatory allocation" we have used the words "The President shall provide for the mandatory allocation of refined petroleum products." If this bill should pass there will henceforth be no doubt about the responsibilities of the President.

Mr. Chairman, my only regret is that this measure did not come before us much sooner. The farmers of my congressional district have already sustained heavy losses. However, we should all commend the work of the distinguished gentleman from Massachusetts (Mr. MACDONALD) for laboring to bring this bill to the floor as quickly as possible.

I would hope that today we would not engage in any emotional debate which would array the so-called producing States against the consuming States. We are one Nation. We are working to pass this bill today to give all of the people of the United States a fair share of fuels. Because of existing shortages we must adopt a procedure for mandatory allocation.

Now, Mr. Chairman, the formal title of this bill is the Emergency Petroleum Allocation Act of 1973. Perhaps a better title would be "Share the Shortage" Act. All of us would prefer that we did not have to have mandatory controls. There are those who predict that the passage of this bill will come back and haunt those of us who support it. That is a risk that I am willing to assume, because of what I have seen happen since Governor Love came to town about July 1. I have repeatedly charged that he had done nothing to improve the procedure for voluntary controls. Today the Congress has no choice but to act on this bill. I have seen the rigs of the farmers in my congressional district set idle in the field for want of diesel fuel. I have listened to the continuous appeals of my independent oil dealers complain against the failures of voluntary allocation.

Mr. Chairman, we all believe in free enterprise. We all believe in the operation of the law of supply and demand, but voluntary action has not worked. This bill will provide for a continuous uninterrupted system of controls until February 28, 1975. Any inquiry as to who is to blame for the existance of a so-called energy crisis is not an area of discussion today. That is water over the dam. Today we must try to do something to alleviate these shortages.

There may be a lot of ways that we can conserve energy. We must put any good proposals into practice but the time is passed for more talk. Now is the time for action.

If there is one overriding reason above all others why I support this bill, it is my memory of the remarks repeated again and again by my farmers to me personally during the August recess just passed, when they said to me "voluntary controls won't work in our farm tractors."

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

Mr. Chairman, I hope I do not take 5 minutes, because I believe we have reached the point where we are going to have a vote on the bill, but I do want to make one or two observations on it.

I want to remind the House again that the President has the authority now to put into force his kind of a program. There is no question about it, and nobody challenges that. I want that to be clearly understood.

Secondly, the President has already announced a program on this allocation matter with respect to propane and distillates and kerosene and jet fuel and heating oil. He has indicated it might be necessary to include gasoline. He has the authority to do the above, and he has announced such a program.

All you are doing is rushing into it and saying, "We will make you do that which you have announced that you have already done or that you are going to do."

The people in the administration at the White House level have said to those on the Committee, and many of you, that they are not going to take a position on this, because in the last analysis they do not want to take the heat. They say, "Let us make the Congress force us to do it, because we do not want that responsibility." That is exactly what they have done.

Congress swallowed this bait. Congress will pass this bill, and the administration is off the hook. In effect at this point they are ahead on that score, and they prophesied exactly what we would do. They have won that battle.

But I think they have really lost the war. All through this debate different Members have arisen and said to the chairman, "Mr. Chairman, I want to ask you about home fuels, the petrochemical industry," and a whole host of other things. The good chairman has said that they have broad guidelines, broad enough to take care of the problem. Twenty-five or thirty Members at least have been assured that their problems will be taken care of in this bill.

I say in a light manner, but somewhat seriously, that if somebody said, "Mr. Chairman, will this take care of salad oil for my home," the chairman would say, "Yes, it is taken care of in this bill."

What you are really doing is saying you are favoring one group over another. The major oil companies have not taken any position on this. Most of them are in favor of this bill. Only two or three of the oil companies are not net purchasers of crude oil. They want this bill because it removes the contractual obligations that they have. When you force them to break a contract so that the Government can control the oil, then they are relieved from any legal responsibility.

They do not want to do this on their own. They have not made the decision because there is a scarcity, and they have been quiet in this regard. So, the oil companies are ahead at this point.

I say to the oil companies, however, that they will rue the day that they did not give more leadership to this matter, because they have not made their position clear, and did not announce their position.

The Members know that I have offered an amendment which would relieve producers. The members of the committee know that allocating crude oil at the wellhead is an absolute administrative nightmare. Allocation should not go back to the wellhead. Once oil is severed and there is a waiver of it at the wellhead, then oil can be controlled. Although I do not like that approach, I would accept it.

The committee would like to be off the hook, but they do not know how—because under any analysis this bill does not provide one more barrel of oil.

It does not go to the heart of the problem at all, and that is the lack of an ample supply of energy; all it does is try to redistribute a shortage. The bill is a source of some amusement. Now we have gentlemen, like the gentleman from Massachusetts, saying that he wishes to have a refinery in the Northeast. I thought lightening would strike the Capitol that I would ever hear a statement like that, because the gentleman wants a refinery in his area. They have never wanted a refinery, never wanted a superport, never wanted any kind of oil and gas production, but at least we have this new joiner of the church.

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

Mr. PICKLE. I will not yield to the gentleman at this time.

The gentleman asked me to yield yesterday and then cut me off. I seriously tried to answer the gentleman's question, and the gentleman cut me off like

a saw through a two-by-four. So naturally I will not yield at this point. I will yield to the distinguished chairman, and then I will come back to the gentleman.

Mr. STAGGERS. Mr. Chairman, I thank the gentleman for yielding.

The gentleman in the well made a statement a few moments ago which. if I understood the gentleman correctly, I resent very much.

Mr. PICKLE. Would the gentleman repeat the statement?

Mr. STAGGERS. The gentleman said that Members had asked me if their particular situations were taken care of in the bill, and I said yes.

I think the gentleman who is speaking in the well knows better than that.

Mr. PICKLE. What was the statement, Mr. Chairman? I do not know the point the gentleman is making.

Mr. STAGGERS. The gentleman made the statement that Members had asked me, "Does this take care of my situation?" And I just said, "Yes."

The gentleman knows I would not make that statement unless the bill actually provided for the situation. I think the gentleman knows me well enough to know that.

Mr. PICKLE. I said that at least 25 Members have arisen to ask questions about buses, Hawaii, the glass industry, petrochemical industries. They asked about some 25 industries, and the gentleman said, "Yes, that is taken care of in the bill."

Mr. STAGGERS. And was it not taken care of?

Mr. PICKLE. Well, in 25 different instances the gentleman has given assurances that bill provides that coverage.

Mr. STAGGERS. And I would not have said that if it did not, and the gentleman knows that.

Mr. PICKLE. Please read the record for the past 2 days. The Committee been promised all things to all questioning Members.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. Chairman, the gentleman from Texas, a very dear friend of mine, has made another one of his unfounded charges here, somewhat like the lecture we received from the gentleman from Louisiana who spoke just before the gentleman.

The gentleman said, "You know, my colleague from Massachusetts, in asking for a refinery here today for New England, was like a bolt of lightening." And why did I not do it before?

Let me give the gentleman a lecture, and the gentleman ought to know the lesson because the gentleman represented the district of the late President Lyndon Johnson.

We went down to the Department of the Interior—I do not know how many times I went down to the Department of the Interior to see Secretary Udall—and asked for a refinery in Machiasport, Maine. I said that Dr. Hammer of Occidental Petroleum wanted to build that refinery. And do you know who opposed us? People from Texas, Oklahoma, Louisiana, and Arkansas, and even Governor Love. I never said this before. Governor Love came up there and made a personal trip to Maine to oppose that refinery in Machiasport.

The man does not know what he is talking about.

Let me tell you about the lecture we got here from the gentleman from Louisiana. Fifteen years ago President Eisenhower put in the mandatory oil import quota system on crude, residual oil and oil products. I gave the very first speech in the House 15 years ago against that. At that time I went to a high official and I said, "You know, this is disastrous. Do you know what you are doing to New England and the eastern seaboard?" I said, "One of these days we will be out of gasoline and heating oil by putting these restrictions on the amount of oil we can import." At that time we did not have the crisis in the Middle East. We could have bought oil from the Persians, from the sheiks, and from the Arabs, dirt cheap.

But the selfish interests of Texas and the selfish interests of Oklahoma and Louisiana said no. I said, "Under what rhyme or reason can you do a thing like this?" And they said, "It is the only way that the President can get his program through the Senate."

Do the Members know who was the leader of the Senate at that time? The late President Lyndon Johnson. Do the Members know who was the other leader in the Senate at that time? U.S. Senator Kerr of Oklahoma. That is how the mandatory import quotas on crude oil and residual oil came about.

For 15 years my people have suffered. They have paid over $5 billion a year in additional costs in oil. Today we find ourselves in a predicament. We could have more oil underneath the ground in Texas, Louisiana, and Oklahoma now—more than we have on the Alaskan Slope—if we had been allowed to import oil from the Persian Gulf and Venezuela. We did not have any ecology laws in those days. We could burn heavy bunker C oil; we could burn heavy sulfur oil; and we could get that oil from Venezuela.

Go back and look at the records on foreign aid in the House Appropriations Committee. Every Secretary of State from John Foster Dulles on that came up I asked: "How do you feel about mandatory oil import quotas?" They agreed with me that it was bad for our foreign policy, but what could we do about it? Our hands are tied.

So today we find ourselves with our backs to the wall. We are going to have homes, schools, and hospitals going cold this winter. We are going to see brownouts and blackouts.

The gentleman from Louisiana stands up and condemns us for coming up here and saying, "Look, we know we are not going to get any extra oil; all we are saying is, give us enough oil to get through the winter. Give us a share of the shortage."

Give us a share of the shortage. That should be the title of this bill.

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

Mr. Chairman, when we talk about Texas, we are not talking about members of either party. This gentleman, who is objecting, happens to be on my side of the aisle. I think it would be well for him to get his facts straight on this issue. There is no fuel oil quota system in Massachusetts today. Massachusetts can import all of the fuel oil that they want to.

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

Mr. COLLINS of Texas. I yield to the gentleman from Massachusetts.

Mr. CONTE. But when we wanted it and when we could get it, they would not let us import the oil. They finally took it off the quota when we could not get the oil. It is worthless.

Mr. COLLINS of Texas. The gentleman from Massachusetts knows that they had whale oil up there at one time. I have never heard of these Massachusetts traders ever sending any whale oil to Texas, and you all controlled the whale oil market.

Let me tell the Members something about the price of gas in Boston today. Today in Boston they are receiving gas up there. Besides natural gas they are receiving what we call LNG. Those who are students of this particular subject know that they are turning gas into liquified gas, and importing it from Algeria. They will tell you LNG costs 70 cents more in Boston than it does to take that natural gas up from the Southwest.

In other words, Boston is paying a premium for importing all of the gas they are bringing in. When they talk about the shortage—and they are right about the fact we face a serious oil and gas national shortage—New England has not come up with one positive suggestion in 100 years on how to eliminate the shortage. What we ought to be working on today is how to stop the shortage instead of how to perpetuate it forever.

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

Mr. COLLINS of Texas. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. I should like to point out to the gentleman, to the gentleman from Louisiana and the gentleman from Texas, one does not have to be born in an oil-producing State to understand the problems. It seems to me that after 20 years of studying the situation, the major oil companies have gotten so big that they do not care about the average American, whether he be in the Northeast or in Texas for that matter.

I should like to point out to the gentleman the substance of what the gentleman from Massachusetts (Mr. CONTE) indicated, that not only did they not give us what we wanted, they closed down the only refinery in New England that serviced from the Canadian border to New York, which happened to be in my district, 11 years ago.

Like the gentleman from Massachusetts (Mr. CONTE) I begged them not to close it. I said, "What are we going to do for oil?"

They said, "We owe it to our stockholders. We have to go ahead with this.

I know it is unpleasant. You will never have any trouble here anyway."

And that is an approximate quotation.

So if we were to say that all the experts in the energy area have to come from Texas, Louisiana, or other oil-producing States, we would stay in the sorry situation in which we find ourselves today.

Mr. COLLINS of Texas. Let me add one more thing here, and then I will close. Who owns these major oil companies? I have heard them kicked from one side of the aisle to the other. The major oil companies stock is listed on the New York Stock Exchange, and the principal stockholders live in New York City, Cleveland, Boston, and Chicago, Ill. Let us get down to where the major oil company ownership is. Frankly, these companies are owned by Americans throughout our entire country. They just operate down in the Southwest.

Mr. BAUMAN. Mr. Chairman, I rise to state my very reluctant support of H.R. 9681, the emergency petroleum allocation bill. I support the bill only because it offers the only vehicle for congressional action this year, however imperfect that vehicle may be.

Incredibly, the preamble in this bill states that "hardships and dislocations—can be averted or minimized most efficiently and effectively through prompt action by the executive branch of Government." Mr. Chairman, I submit that the only two things which the Government can do "most efficiently and effectively" are waging war and inflating the currency. And in recent years, severe doubt has been cast upon its ability in the former category.

When are we ever going to learn the oft-taught lesson that the Federal Government is not the repository of all wisdom; that among the things that the Government does least efficiently is meddle in the workings of the free market; and that the surest way to insure that we will have shortages and malapportionment of available fuel resources this winter is to place the decisions relating to fuel allocation in the hands of the executive branch of the Federal Government?

Since the administration's announcement of mandatory fuel allocation in the areas of home heating oil and propane gas, there have been a number of reports of individuals hoarding available supplies of each, and of a burgeoning black market. Such responses are the inevitable result of governmental regulation. This bill proposes that we go even further: That we require the executive branch to exercise mandatory control over all distribution of crude oil, fuel oil, and all refined petroleum products. A need for regulation and manatory controls over every aspect of the petroleum industry, required by this bill, has not necessarily been shown. The committee report accompanying the bill states that—

Whatever their origins, the committee finds that these shortages are real, severe, and cannot be dealt with through reliance on a free market structure or voluntary programs.

That I seriously question.

Shortages would never have developed if the free market had been left alone. It was the Federal Government which set quotas on imports of crude oil, thus creating an artificial shortage of refining capacity within the United States. It was the Federal Government which held, and is still holding, the price of natural gas at an artificially low level, thus at once creating excess demand and discouraging new exploration and development. It was the Federal Government which required a hurry-up, crash program for the development of pollution-free auto exhaust systems, thus in effect mandating the installation of grossly inefficient pollution control devices, which have increased fuel consumption on new cars up to 50 percent. It was the Federal Government which delayed the construction of the Alaska pipeline until the energy crisis became so apparent that voter-conscious Members of Congress could delay its construction no longer. And it was the Federal Government which set sulfur requirements for the burning of coal so low that vast reserves of our most abundant fuel commodity lie unused in the earth while homeowners face the prospect of cold homes and even electrical shortages this winter.

And now, on top of this sterling record of Federal Government involvement in the energy-producing sector of the free market, we are offered the solution to the problems which this involvement has created: More Federal Government involvement in the economy.

This may well be a solution akin to the practice some centuries ago of bleeding a sick patient in order to cure him. There is no surer way to insure that the patient, our economy and especially that segment engaged in fuel production, will become even more ill.

The oil companies involved in supplying our Nation's energy needs are at least as capable as the Federal bureaucracy of determining a fair and equitable distribution of the available oil resources this winter. I had hoped we could let them do so. There is nothing magic or special about the Government's sense of fairness in determining fair distribution, and as I said earlier, there is more than ample historical and current evidence that Government involvement may only cause hoarding and a thriving black market.

Many, particularly those from farm and water areas, will vote for this bill because it provides that "to the maximum extent practicable" farmers, ranchers, and fishermen will receive petroleum supplies. But the bill goes on to say that there shall be "equitable distribution—at equitable prices among all regions and areas of the United States." I hope that is true but if ever there was a bill which promised all things to all people, this is it!

In truth, there is no promise anywhere in this bill that fuel allocation will be any more "equitable" under governmental control than if no such controls are implemented or that farmers and watermen will receive priority treatment. It merely insures that the Federal Government will decide what is "equitable" and what is not. That is little assurance, to farmer or fisherman, to homeowner, to the businessman, that his concept of "equitable" distribution will be the result.

I do not have to remind you that this bill does not manufacture oil out of thin air. It merely says that we will spread around the suffering "equitably." Instead of wasting its time on a scheme which pretends to take "action" on the fuel shortage problem, we in the Congress should be concentrating on the removal of the measures which caused the problem in the first place. I suggest that we get on with that task, and stop trying to give the impression that we are going to make things better when we are not.

Mr. Chairman, I seriously doubt that this legislation will accomplish the objectives its sponsors claim, but we are left with no alternative but to act. I pray that my apprehension is unfounded and that this bill might succeed, but the history of the Federal Government's activity in the energy field makes this likelihood remote. I reluctantly vote to give this bill a trial knowing that the authority granted in the bill is for a limited time only and that Congress will have a chance to reassess its effectiveness at its expiration.

Mr. SHRIVER. Mr. Chairman, I wish to take only a brief time to commend the committee, and particularly my colleague from Kansas (Mr. SKUBITZ) who assumed the leadership in the committee to exempt from the mandatory allocation program crude oil production from stripper wells producing less than 10 barrels of oil daily.

This is absolutely essential if the independent producer in Kansas and other oil-producing States in the Midwest are to stay in business. Forced allocation of stripper oil coupled with price controls now in effect would definitely inhibit, if not close down production in my State which is so acutely dependent upon such stripper production.

Stripper wells compose 97 percent of the wells in Kansas, and they produce 69 percent of the oil. As we continue to deal with the energy crisis, the stripper well segment constitutes a valuable resource during this crucial time.

Mr. Chairman, while I have doubts about the effectiveness of creating more bureaucratic controls through mandatory allocation, we must insure equitable and adequate distribution of our fuel supplies and resources to make certain that homes, hospitals, emergency services, and agricultural operations are fairly served.

Allocation may be a short-term remedy. The Congress should dedicate its time and efforts toward encouraging methods for increasing the supply of oil.

Since I have been in the House, those of us from oil-producing States have time and again emphasized the need to strengthen our domestic industry. The outbreak of hostilities once again in the Middle East underscores the importance of domestic exploration.

Perhaps instead of finding ways to hamstring the small independent producer and others in the oil industry, we

should consider immediate steps to remove price controls making domestic oil as profitable as imported oil; and, action taken to reestablish the incentive of 27.5 percent for oil and gas depletion.

Our colleague from Texas (Mr. COLLINS) cited in his minority views included in the committee report on the bill some illuminating statistics regarding the impact of the reduced tax incentive now in effect. He stated:

Back in 1962 when they had 27.5% depletion, there were 43,779 drilled. In 1972, there were only 27,291 wells drilled on a 22% depletion basis. We're not collecting more taxes, we are actually collecting less tax. We have fewer people working; we have less exploration. This 27.5% depletion was an incentive that encouraged people to go out looking for oil.

Mr. McSPADDEN. Mr. Chairman, although crude oil supplies are relatively tight, problems of equitable distribution of crude oil are confined to smaller refineries. The limited nature of this problem does not justify the application of an allocation program to all producers and all producing leases throughout the United States. In fact, such a program would be ineffective, cumbersome, and counterproductive for many reasons including:

One, independent producers generally have little or no control over the distribution of their oil once it leaves the lease tanks and is comingled in the pipelines;

Two, the collection of basic information and the subsequent allocation and enforcement involving many thousands of producers in 32 States would be a staggering administrative task at enormous cost to Government and producers; and

Three, it should be kept in mind that the basic long range solution to the problems that now exist depends on a substantial expansion of domestic oil and gas supplied through greatly increased exploratory and development activities.

There is an urgent need for greater economic incentives and greatly increased flow of capital into oil and gas exploration and development. All allocation problem applicable to all producers would impede and discourage such activities. It is urged, therefore, that the government allocation program not be applied to crude oil producers. If crude oil is to be allocated in the interest of equitable distribution, such allocations should apply to crude after it leaves the producing lease. To be specific, under the import program, exchanges of import tickets among refiners were permitted to accomplish a limited distribution of crude oil supplies.

It would seem that a system, no broader in application, could be instituted to handle today's problems of equity.

In conclusion, I would like to reemphasize the need to increase supplies of crude oil in the lower 48 States by encouraging exploration, development and production. More freedom of action and more incentives are needed in this area, not less.

For example, the life of producing wells should be prolonged in every way possible. Such actions would add to reserves by postponing or delaying abandonment of producing wells. In addition, improved economic incentives would encourage the start of improved recovery programs which are not economic today.

The allocation program is not getting to the root causes of the shortage problems. The pressing need is to expand domestic oil and gas supplies and I respectfully urge that Government policies be directed to that end. These are my reasons for opposing H.R. 9681. No mandatory law will produce one more barrel of crude oil, one more gallon of gasoline but would create a bureaucratic monster.

Mr. STEIGER of Arizona. Mr. Chairman, I supported the amendment of the gentleman from Ohio (Mr. ASHBROOK). There are at least three reasons why it is a good idea to turn over the monitoring function in section 7 to GAO.

The General Accounting Office is an arm of the Congress and this substitution would preserve to the Congress more direct oversight of the program we are proposing to mandate.

The General Accounting Office is experienced in performing program audits of the kind required in this bill, where as the FTC by comparison is not experienced in this activity.

The General Accounting Office is not an antagonist of the industry which is a part, at least, of the audit subject, whereas the FTC by contrast is such an antagonist.

It is important that we be provided highly objective reports on this matter because this is a complicated legislative attempt to solve a potentially explosive problem: shortage of heat this winter. We do not need reports which include a determined anti-industry bias.

If anyone should believe that the FTC has a special consumer interest in this legislation, let me point out that the mandatory allocation bill is not consumer protection legislation in the sense in which that phrase is customarily used. This bill does not deal with fraud or merchantability which are the usual subjects of consumer legislation. In other words, there is no positive reason to have FTC associated with this monitoring function. Bear in mind that this function is entirely different from the review of proposed regulations for possible antitrust conflicts. That is a proper function for the FTC. Moreover, the monitoring does not go to operationally antitrust problems inherent in this program. That is covered in this bill by the Attorney General who must have a representative present at all intercompany meetings. I cannot see any reason for not making this change, and I can see several positive reasons in favor of this change.

I urge your support of the Ashbrook amendment.

Mrs. GRASSO. Mr. Chairman, the heating oil situation in this Nation has reached critical proportions. On October 5, the stockpiles of heating oil along the east coast were 84.5 percent of their 1971 levels. This is less than the reserves in 1972 when we experienced a mild winter. At the same time, demand is growing by as much as 10 percent annually.

Independent terminal operators have been hardest hit in the New England area. On October 5, their stocks were only 77 percent of their average stocks during the past 2 years, and even in that period they experienced shortages. Because of greater demand now, the current stocks are only 57 percent of the amount the independents believe they need to carry them through this winter. To further complicate the situation, these independent terminal operators supply a substantial portion of the heating oil sold by independent distributors in New England. The independent distributors, in turn, supply the oil for 82 percent of the oil-heated homes in New England, and many have been unable to buy heating oil from major distributors who were willing to sell in the past.

These facts lead to one conclusion: The 71 percent of the homes and businesses and the 75 percent of the people of New England who rely on oil heat face potential economic chaos if a major heating oil shortage should occur this winter, especially if severe weather strikes the Northeast.

Mr. Chairman, on numerous occasions during the past 5 months, I have publicly called for the imposition of a strong, effective mandatory allocation program for refined oil products to assure continued supplies for the independent distributors—and the people they serve—in my State and across the Nation.

The bill before us today—H.R. 9681—establishes the type of program I have been advocating.

We must approve this bill today because the administration has refused to take the action needed to protect our citizens from a possible disruption of heating oil supplies during the coming months. The October 12 announcement of an allocation plan for the "middle distillates"—heating oil, jet and diesel fuel, and kerosene—deals with only part of the problem and attempts to placate the American consumer while catering to the major oil companies.

In brief, the administration's program contains too many loopholes which could render it ineffective. By failing to include crude oil, the program does not assure the independent refineries of the product they need for distilling heating oil. By failing to include gasoline, the program could lead to a production of gasoline by the oil majors at the expense of heating oil.

Only the Emergency Petroleum Allocation Act of 1973 offers the people of the Northeast, upper Midwest and Northwest the assurances that they will not be denied their fair share of heating oil this winter.

I urge my colleagues to join me in supporting this important legislation.

Mr. CLEVELAND. Mr. Chairman, as a Representative from a State highly dependent on oil for home heating—and on independent dealers for supplies—I support the Emergency Petroleum Allocation Act of 1973. It seeks an objective I have worked toward as a member of the New England Congressional Caucus and as a cosponsor of the Trans-Alaska pipeline bill.

I fully recognize the potential for difficulties in administering the allocation program, based on our recent experience

with price controls. Yet voluntary allocations, which I would greatly prefer, have not worked. The administration has delayed too long in instituting a mandatory program of its own under existing authority. And New England has too long suffered from misconceived energy policies. We already face the threat of severe shortages, which may be aggravated if imports of Arab oil are reduced.

I wish to emphasize that this is emergency legislation, as implied by the title. At best it can spread around the misery in case of severe shortage, but by itself it does nothing to conserve existing resources or expand supply. If the situation we face warrants as distasteful a measure as this—and I have reluctantly concluded that it does—we should with an equal sense of urgency get about the task of meeting our overall energy needs.

This will demand massive efforts in research and demonstration in ways to conserve energy throughout the chain from extraction to end use, and development of ways to reduce the environmental impact of energy production and use. I shall address this at some length in a statement to be inserted in tomorrow's RECORD. Finally, the public at large must meet its share of the responsibility by reducing consumption to the maximum extent possible.

Mr. DONOHUE. Mr. Chairman, I most earnestly urge and hope that the House will resoundingly approve this bill before us, H.R. 9681, the Emergency Petroleum Allocation Act of 1973, because it is designed to effectively deal with a matter of critical national interest.

The authoritative evidence and testimony, with which we are all familiar, conclusively demonstrates that we are now experiencing and can expect to experience for an undetermined future period significant shortages in crude oil, residual fuel oil and refined petroleum products.

This same authoritative testimony also and conclusively shows that the administration's voluntary allocation program has been a complete and unhappy failure. It has not at all been able to establish equitable pricing and an adequate consumer supply nor was it able to prevent the chaotic economic developments that forced some 2,000 independent dealers out of business.

Very clearly, an immediate correction of this disastrous situation must be made and an adequate remedy applied. I believe that the correction and remedy is contained in this bill before us which, in substance, directs the President of the United States to devise and project a system of national manadtory allocation of crude oil, residual fuel oil and refined petroleum products. Under the provisions of this proposal the President is granted flexibility to avoid any unforeseen adverse effects by authorization to accomplish the urgent allocation objectives as mandated by the Congress "to the extent practicable."

In effect, Mr. Chairman, this proposal is a short-term, emergency measure that is intended to insure that available oil and petroleum product supplies are shared equitably among all sectors of the economy and to make certain that the home residents and public and private health, educational and other essential service institutions in the colder climates of the country, like my own home area and State, in the New England region, are not visited with extreme and unusual winter hardships. Because this is projected as an interim emergency bill it is obvious, Mr. Chairman, that the basic causes of the fuel shortages that are currently and seriously plaguing our people must be discovered and cured. On this score, the Federal Trade Commission has recently released a 2-year study of the operations of the major oil firms in this country which impressively indicates that the apparent lack of competition among these firms will require the attention and appropriate legislative projection of the Congress at the earliest possible date and I urge the leadership initiation of such pertinent congressional review, in the public interest, with all deliberate speed.

In the meantime, it is my sincere conviction that this Emergency Petroleum Allocation Act of 1973 will provide the effective mechanism to more fairly allocate fuel resources for regional and national consumer supply with strengthened independent dealer protection and I again advocate the adoption, in the national interest, of this measure by an overwhelming vote.

Mrs. HECKLER of Massachusetts. Mr. Chairman, I rise in support of H.R. 9681, which requires the implementation of a mandatory program for crude oil and refined petroleum products.

I applaud the administration's decision last Friday in adopting at least a limited mandatory allocation program. However, I seriously fear that it may be too late to offer any substantial relief in the fast-approaching winter.

For 7 years, since coming to the Congress, every autumn I have warned of the impending oil crisis. Every winter people in the Northeast, and especially in New England, live in fear of being without heat, because every year there are shortages. Last year, only the grace of God and unusually mild weather saved New England from the specter of cold homes, shutdown factories, and interrupted school classes.

This autumn, we in New England are joined by people across the country after all the publicity, all the discussion and rhetoric of the past months, the administration still has not faced up to the reality of the situation. They have proposed a limited program where only a comprehensive program will work.

This legislation has one major purpose—to make the executive branch face up to the hard decisions it must make—now—if we who must face the ravages of winter will make it through. Crude oil and gasoline supplies cannot be left to the whim of the major oil companies in this crisis.

The lack of decisive action has left the responsibility to Congress to take care of the basic needs of Americans. This bill represents our response to that challenge, and I urge we approve it.

The administration's misplaced reliance on a voluntary allocation program was a real mystery.

All government and private estimates are predicting a shortage of home heating oil for New England, based on the assumption that we will have a normal winter. Seventy-five percent of the homes in New England are heated by oil—the highest concentration in the Nation. If we have a cold winter in New England the shortage would not only affect the livelihood of New Englanders but, indeed, their health and welfare. There are elderly housing developments in my district that if heating oil supplies are cut off it could be disastrous.

Therefore, I think it is important, Mr. Chairman, that we make the language in 4(b) A and B clear that residential heating oil is a high priority. I just want to make the legislative history clear on that point.

The latest figures supplied to my office by the terminal operators indicate that their net inventories of No. 2 heating oil are about 40 percent below last year and less than 50 percent of their supply is assured from domestic producers for the rest of the winter. A mandatory allocation program would result in both assured increased supplies and lower prices for New England homeowners in that they would be less dependent on higher priced imports.

Also, the Northeast Petroleum Industries, Inc., of Boston recently warned that the Northeastern part of the United States faces a fuel oil catastrophe this winter unless refined products are allocated on a mandatory basis. Even the major oil companies say they need a mandatory program. The independents' survival requires a mandatory program. State and local governments support a mandatory program. The administration officials who ran the voluntary program admit that it was a complete failure. Even Governor Love admitted recently that there has been "a noticeable deterioration in the compliance of most oil companies in the past 2 or 3 weeks—some companies have given formal notice that they do not intend to comply further with the voluntary petroleum allocation program." He was also quoted as saying that Phillips is pulling out of New England in violation of your voluntary program unless mandatory provisions are imposed.

Mr. Chairman, in the face of the uncontested failure of the voluntary program and in view of the admitted disaster recent policies hold for the American consumer, for vital public services, for competition and for the independent sector of the petroleum industry, this bill must be passed without delay.

Mr. FASCELL. Mr. Chairman, I rise in support of H.R. 9681, the Emergency Petroleum Allocations Act.

The need for a mandatory allocation program has become clearly evident. With the short supply that apparently exists, we can no longer rely on jawboning and luck to insure that priority needs are met, that the petroleum industry remains competitive, and that no

area of the country is forced to bear a disproportionate share of the shortfall.

As the pending bill states, failure to meet energy needs could create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reductions of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods.

The specific objectives outlined in the bill, and which the mandatory program should be designed to achieve, provide—I would hope—adequate guidelines for the administration. They include:

Protection of public health, safety, and 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 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;

Economic efficiency; and

Minimization of economic distortion.

The need for an effective distribution system became clear some 6 months ago with increasing reports of local governments, school districts, agricultural and industrial interests unable to find suppliers willing and/or able to renew contracts; and of increasing incidents where distributors were unable to get supplies sufficient to meet their commitments. At that time, the Congress enacted statutory authority in the Economic Stabilization Act extension for the administration to implement a mandatory allocation program.

Instead, the administration instituted a voluntary plan. Under the voluntary plan suppliers were to make available to customers at least as much as had been delivered during a selected "base period." Failure to do so resulted in a phone call from the Office of Oil and Gas, Department of Interior. The weight of the Government was successful, I understand, in slightly less than half of the cases which found their way to the Office of Oil and Gas.

The administration has acknowledged the failure of the voluntary program by its action of October 2 to institute mandatory allocation of heating oil, kerosene, jet fuel, diesel fuel, and other middle distillates was announced, effective November 1.

This leaves only gasoline, residual oil and crude oil among the petroleum and petroleum products not under at least a proposed allocation program. H.R. 9681 would require extension of a mandatory program to these products as well.

The provision in the pending bill calling for equitable price determination guidelines—to include a dollar-for-dollar passthrough of increased product costs and use of the same base date for determining price ceilings at all levels of the petroleum industry—has already served its purpose. The Cost of Living Council announced on Monday, October 15, that product cost increases since September 28 would be allowed to be passed through at the retail level, and that all prices, wholesale and retail, would be frozen at the new ceiling until November 1. New regulations will go into effect on November 1. As issued for public comment, the new regulations would not force the retail level to absorb the increased product cost passed to them by refiners.

This action should serve to remedy the gross inequities and hardships forced on retail gasoline dealers under the phase IV economic stabilization regulations which allowed refiners to increase their prices, but prohibited retail sellers from increasing their prices to reflect increased product costs passed to them by the refiner. I was pleased that the Cost of Living Council finally acted to end that discrimination. Why these inequitable regulations were ever promulgated remains unanswered.

While I am in agreement with the basic need to establish an orderly system for the distribution of petroleum products in light of anticipated and existing shortages, I feel strongly that we must focus our efforts on other issues more basic to the "energy crisis."

The realization that our energy resources are finite is one which we seem reluctant to accept. In my judgment, one of the most vital tasks facing the Congress and the executive branch is to convince the American people that we cannot continue to expand our energy consumption at the alarming rate we have experienced in the recent past.

We are a nation of voracious consumers. The consumer psychology is reinforced hourly—solve your latest household problem with the acquisition of yet another energy consuming gadget. The talent which is applied not only to the development of those items but to the selling of them as well—if applied to a campaign aimed at the conservation of resources—could, I am convinced, easily reverse that pattern.

Energy conservation programs deserve priority consideration. An Office of Energy Conservation has been established in the Department of the Interior. Legislation to give that office statutory authority is languishing in the House and Senate, however, and deserves the highest priority consideration.

Progress in efforts to promote conservation of energy could, I believe, solve to a great extent the current shortage. We have, in fact, extensive resources. If we, as 6 percent of the world's population, insist on consuming nearly one-third of the world's energy consumption, it is a wonder we have not experienced more severe shortages before now.

Conservation efforts and increased research and development of alternative energy sources demand immediate attention by the Congress. Until action in these areas eases the dependence on petroleum and petroleum products, however, we must insure orderly distribution of available resources through a mandatory allocation program as proposed in H.R. 9681.

Mr. ROBISON of New York. Mr. Chairman, I have not participated in this debate, these past 2 days, over whether or not we should—through passage of this legislation—mandate on the President a system of allocation of crude oil and petroleum products because, and I readily confess this, much of the questions and issues we have struggled with have been over my head. If truth were to be told, after listening—with but a few exceptions—to those others who have expounded on those difficult and complex questions and issues, it would be altogether possible to conclude that they were, in the main, over all our heads.

However that may be, it appears necessary—indeed, urgent—that someone institute, at least for this coming winter season, the best possible mandatory allocation system of crude oil, residual fuel oil, and refined petroleum products that same "someone" can come up with to the end that, as the bill before us is supposedly designed to do, we minimize dislocations in the distribution of such products, meet as best we can priority needs, and reduce to the extent possible the impact of such shortages on the American people and the domestic economy.

Those three goals are appropriate ones and, certainly, all of us support them as so stated even though, privately at least, most of us understand that they are as apt to be more competitive, one to the other, than mutually supportive when it comes time to try to apply them—that last being a task that we are quite anxious to have the President undertake, both in our behalf and that of the Nation.

Indeed, Mr. Chairman, the sparring that has gone on for months now, as between President and Congress, over who should act, first, in this regard, and over what the form of that action should be, reminds me for all the world of that cartoon I recently saw, depicting a Nero-like character gazing at a violin reposing in a glass-fronted box bearing the sign: "Break glass in case of fire."

During all this time, all of us have known that the short-term outlook for fuel supplies has been grim, even if no one could say how grim. There have been plenty of forecasts available to guide us as to the situation by the year 2,000—because no one could prove any such long-range forecast wrong—but hardly anyone has wanted to forecast what is going to happen this winter. As Secretary of the Interior Morton said, at the White House on October 2:

> The philosophy here is to manage a projected shortage. The severity of that shortage will depend on Old Man Winter.

Certainly, we all ought to pray, now, for a "normal" winter—whatever that means—or pray even harder for a mild winter if for no other reason than these statistics, as provided by Mr. Morton's Department: If we have a normal winter, the United States will need 650,000 barrels per day of No. 2 fuel oil imports, for home-heating purposes; last year we averaged only 400,000 barrels per day of such winter imports, and the most optimistic import guess for this winter—laid down before the Middle East conflict, with all its complicating uncertainties, broke out again—is a maximum projected figure of 550,000 barrels a day as available from all world markets. This leaves a 100,000 barrel a day shortfall in

needed imports—even assuming "normal" winter weather and the ability of our own refineries to sustain operations at 91.7 percent of capacity, which is about the optimum. So, the problem we face is really one of trying to "manage scarcity"—no happy task under any circumstances, and there are bound to be local shortages and an awful lot of jockeying for "priority" position, along with the prospect that nearly everyone will be unhappy with the result and the President, who will have to try to manage all this, will get the lion's share of the blame for failing to succeed at what is plainly an impossible task to begin with.

The President's response, up to now, has been to try to rely in the main on voluntary allocation "guidelines"—under the authority given him by this Congress months ago, which is broad enough really, to do most everything this bill would now mandate—although, on October 2, the administration did announce, through Governor Love, that it would "enforce" an allocation program for heating oil and other distillate fuels, with the details of that program yet to be forthcoming although, on the same date, it moved to institute a mandatory allocation program for propane covering a list of priority customers which, in essence, amounts to rationing at the consumer level.

It would thus appear, Mr. Chairman, that both administration and Congress have been moving—in their own ways and in their own time frames—toward the same position, which leads me to believe that, despite reports to the contrary, this bill may not be subjected to the test of a Presidential veto.

Hence, I have decided to vote for it—even though all of us should recognize that is, at best, a stop-gap measure that will, in no wise, ease the shortages we face all across the Nation, but face with especial emphasis in my part of the country where dependence on fuel for home-heating is of paramount importance.

I am voting for the bill even though I know it will open up, in its application, a veritable Pandora's box of troubles and complaints and, in the end, one may be as open to criticism for having supported this kind of a "solution"—which, of course, is no solution—as for having voted against it. This is, in part, why I regret that the Symms amendment—the last one we voted on, and which would have limited this program to next April 30, instead of to February 28, 1975—was not adopted because, perforce, we know not quite what it is that we do and it would, indeed, have been well for us, once we had gotten through the forthcoming winter, to have been required to take a formal look, next spring, at how matters were working out.

In any event, the inclusion in the bill of gasoline along with crude oil, has the advantage of moving the administration farther and faster along a necessary road than it has heretofore seemed to want to go, and the prohibition against export of these fuels, while they are in short supply and needed to fill priority needs here at home, gives added reason for my vote.

But where the bill is deficient—though it is not, really, an appropriate vehicle to use for such purposes—is in its failure to address itself, as eventually we all must, to such related questions of equal magnitude as, the need to formulate, now, a national fuel and energy policy worthy of the name, and to take such actions as may be available and appropriate to encourage conservation of energy, and to curtail fuel and energy demand.

The handwriting has been on the wall for some time, and it is of no value to point the finger of blame at whosoever's fault it is that we got into such a box. There are some long-range answers to our supply problems, but for the moment there has got to be some belt-tightening and some forbearance, no matter how demanding and unpleasant. Everyone should understand that a serious national effort, based on voluntarism, at fuel conservation of all kinds is essential, running the range from reducing indoor heating temperatures by just two degrees this winter which, if everyone did it, would save about 210,000 barrels of heating oil a day, through such less onerous chores as arranging carpools with people in your commuting neighborhoods or putting in insulation or buying and installing those storm-windows we have all meant to do, get around to, someday, anyhow.

The doing of these simple things would help, Mr. Chairman, if only we would all do them. Without them, this legislation is of doubtful value; with them, it might just do the trick, at least through this winter. So I encourage all my constituents, through these remarks, to help me do what I, alone, cannot do merely by my vote for this bill.

Mr. MILLER. Mr. Chairman, I reluctantly oppose H.R. 9681 no matter how politically expedient it may be to enthusiastically embrace it as a panacea to the energy crisis we have created for ourselves.

In my mind, there are several important reasons to be alarmed about this bill.

First, allocating crude oil at the producer level rather than refinery level would, as the gentleman from Texas (Mr. PICKLE) has pointed out, be an administrative nightmare. Requiring that 10,000 to 12,000 producers channel their oil into a pipeline for particular refiners would be sheer folly and take an army of bureaucrats to monitor. It would adversely affect small producers, independent refiners, and discourage needed exploration.

Second, empowering FTC to monitor the allocation program raises a serious conflict of interest question and removes the rightful role of congressional oversight. FTC cannot possibly discharge its adversary role and at the same time be the watchdog over parties with which it is engaged in litigation. Its pending antitrust action against certain integrated oil companies could compromise its objectivity in monitoring allocation compliance. GAO with its vast auditing expertise and more importantly, its accountability to the Congress, would be a more logical and preferable choice.

Third, the committee report states that H.R. 9681 "gives the best opportunity in the short term for meeting our energy requirement." This is a misleading statement with the implication that everybody is going to be taken care of under this bill. It should be pointed out that the bill will produce not one additional barrel of oil or a single Btu. All it does is share the shortage and even in that, it is reasonable to expect that its all-inclusive nature will subvert its very intent, leaving many consumers who expect help standing in the cold. The program is to remain in effect until February 28, 1975, and while there may be some euphoric expectations in the short run, the longer controls remain in effect, the greater the risk of black markets, profiteering, sectionalism, and production cutbacks.

Fourth, this Nation's 3-year dosage of wage and price controls has been like a medicine that has far worse effects than the ailment it is intended to cure. When this happens, you stop buying the prescription and administer more traditional treatments. Admittedly, the present energy situation differs from our general economic maladies in that there is a finite supply of oil available with little prospect of improvement in the near future. Therefore, some mechanism of distributing what is available is unavoidable if economic dislocation and hardship are to be minimized.

The administration's announced mandatory distillate and propane allocation programs are the lesser of two evils in that they offer a manageable way to make the best out of a bad situation. What the President has proposed with regard to distillates, propane, kerosene, jet fuel and heating oil, even though deficient in several important respects, nevertheless affords the administrative flexibility needed to make allocations work, allocates at the refiner rather than producer level, and most importantly, can be implemented by November 1.

At best the committee bill will take an additional month to put into effect, thus placing us well into the cold weather season. Changing horses in midstream can only cause serious delay and unnecessary confusion in meeting this winter's fuel problems.

Mr. Chairman, years of self-indulgence, procrastination, and general disinterest have finally caught up with us. The energy crisis many of us forewarned is upon us, threatening our very survival as a world economic power. The symptoms which portend disaster have been with us for a long time, but the Nation has been so accustomed to having abundant energy, the thought of running short of fuel was too remote. But it is here. We have no choice now but to face up to our shortsightedness and look now to the future. What we do here today in the way of sharing the shortage is after the fact and treats only the symptoms not the malady. If we are fortunate enough to see our way through the Middle East crisis and possibly a mild winter, we will have been granted a mere reprieve. We must now look ahead to the future. I am convinced that the only way out of this terrible problem is commit-

ting the Nation to an all-out crash program of finding and developing new and additional fuel supplies. If we can put men on the moon on a crash basis, we can marshal the technology and resources to make this Nation self-sufficient in its energy requirements.

Last week the President announced he will ask for a $115 million supplemental appropriation for energy R. & D. bringing the total Federal outlay in this fiscal year to $1 billion. I applaud the President's action, but we can and should spend more—and now—on such energy forms as solar, geothermal, shale oil, coal gasification, and liquefaction.

In addition to accelerated research and development, we must become a more energy efficient nation. Technology to improve energy conversion in production of goods and services must be perfected. A national effort of energy conservation can eliminate waste and produce savings that can lessen shortages.

If there is ever a case for Capitol Hill and White House cooperation, it is in avoiding the economic stagnation and human hardship resulting from a nation that runs short of energy.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose and the Speaker having resumed the chair, Mr. 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, pursuant to House Resolution 593, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. COLLINS OF TEXAS

Mr. COLLINS of Texas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. COLLINS of Texas. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. COLLINS of Texas moves to recommit the bill H.R. 9681 to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

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

Mr. COLLINS of Texas. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

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

Mr. PICKLE. 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 337, nays 72, answered "present" 3, not voting 22, as follows:

[Roll No. 538]

YEAS—337

Abdnor	Butler	Eshleman
Abzug	Byron	Evans, Colo.
Adams	Carey, N.Y.	Evins, Tenn.
Addabbo	Carter	Fascell
Alexander	Cederberg	Findley
Anderson, Calif.	Chamberlain	Fish
	Chappell	Flood
Anderson, Ill.	Chisholm	Flowers
Andrews, N.C.	Clancy	Flynt
Andrews, N. Dak.	Clausen, Don H.	Foley
		Ford, Gerald R.
Annunzio	Clay	Ford, William D.
Arends	Cleveland	
Ashbrook	Cohen	Forsythe
Ashley	Collier	Fountain
Aspin	Collins, Ill.	Fraser
Badillo	Conable	Frelinghuysen
Bafalis	Conte	Frenzel
Baker	Corman	Frey
Barrett	Cotter	Froehlich
Bauman	Coughlin	Fuqua
Beard	Cronin	Gaydos
Bennett	Culver	Gettys
Bergland	Daniel, Dan	Giaimo
Bevill	Daniel, Robert W., Jr.	Gilman
Biaggi		Ginn
Biester	Daniels, Dominick V.	Goodling
Bingham		Grasso
Blatnik	Danielson	Gray
Boggs	Davis, S.C.	Green, Oreg.
Boland	Davis, Wis.	Green, Pa.
Bolling	Delaney	Grover
Bowen	Dellenback	Gubser
Brademas	Dellums	Gude
Brasco	Denholm	Gunter
Breckinridge	Dent	Haley
Brinkley	Devine	Hamilton
Brooks	Dickinson	Hanley
Broomfield	Diggs	Hanna
Brotzman	Dingell	Hanrahan
Brown, Calif.	Donohue	Hansen, Idaho
Brown, Mich.	Downing	Hansen, Wash.
Brown, Ohio	Drinan	Harrington
Broyhill, N.C.	Dulski	Harsha
Broyhill, Va.	Duncan	Harvey
Buchanan	du Pont	Hawkins
Burke, Calif.	Eckhardt	Hechler, W. Va.
Burke, Fla.	Edwards, Calif.	Heckler, Mass.
Burke, Mass.	Eilberg	Heinz
Burlison, Mo.	Erlenborn	Helstoski
Burton	Esch	Henderson
Hicks	Mollohan	Shoup
Hillis	Montgomery	Shriver
Hogan	Moorhead, Pa.	Shuster
Holifield	Morgan	Sikes
Holt	Mosher	Sisk
Holtzman	Moss	Skubitz
Horton	Murphy, N.Y.	Slack
Howard	Myers	Smith, Iowa
Huber	Natcher	Snyder
Hudnut	Nedzi	Spence
Hungate	Nelsen	Staggers
Hunt	Nichols	Stanton, J. William
Hutchinson	Nix	
Ichord	Obey	Stanton, James V.
Johnson, Colo.	O'Brien	
Jones, Ala.	O'Hara	Stark
Jones, N.C.	O'Neill	Steele
Jones, Tenn.	Owens	Steiger, Ariz.
Jordan	Parris	Stephens
Karth	Patman	Stokes
Kastenmeier	Patten	Stratton
Keating	Pepper	Stubblefield
King	Perkins	Stuckey
Kluczynski	Pettis	Studds
Koch	Peyser	Sullivan
Kuykendall	Pike	Symington
Kyros	Podell	Talcott
Landrum	Preyer	Taylor, Mo.
Latta	Price, Ill.	Taylor, N.C.
Leggett	Pritchard	Thompson, N.J.
Lehman	Quie	Thomson, Wis.
Lent	Quillen	Thone
Litton	Railsback	Tiernan
Long, La.	Randall	Towell, Nev.
Long, Md.	Rangel	Udall
McClory	Rees	Ullman
McCollister	Regula	Van Deerlin
McCormack	Reid	Vander Jagt
McDade	Reuss	Vanik
McEwen	Rhodes	Vigorito
McFall	Riegle	Waldie
McKinney	Rinaldo	Walsh
Macdonald	Robinson, Va.	Wampler
Madden	Rodino	Whalen
Madigan	Roe	Whitehurst
Mailliard	Rogers	Whitten
Mallary	Roncalio, Wyo.	Widnall
Mann	Roncallo, N.Y.	Wilson, Charles H., Calif.
Maraziti	Rose	
Martin, N.C.	Rosenthal	
Mathias, Calif.	Rostenkowski	Wilson, Charles, Tex.
Matsunaga	Roush	
Mayne	Roy	Winn
Mazzoli	Roybal	Wolff
Meeds	Ryan	Wydler
Melcher	St Germain	Wylie
Metcalfe	Sarasin	Wyman
Mezvinsky	Sarbanes	Yates
Michel	Satterfield	Yatron
Mink	Saylor	Young, Fla.
Minshall, Ohio	Scherle	Young, Ga.
Mitchell, Md.	Schroeder	Young, Ill.
Mitchell, N.Y.	Sebelius	Young, Tex.
Mizell	Seiberling	Zablocki
Moakley	Shipley	Zwach

NAYS—72

Archer	Hinshaw	Roberts
Armstrong	Hosmer	Rousselot
Blackburn	Jarman	Runnels
Bray	Jones, Okla.	Ruppe
Breaux	Kazen	Ruth
Burgener	Kemp	Smith, N.Y.
Burleson, Tex.	Ketchum	Steed
Camp	Landgrebe	Steelman
Casey, Tex.	Lott	Steiger, Wis.
Clawson, Del	Lujan	Symms
Cochran	McCloskey	Teague, Calif.
Collins, Tex.	McSpadden	Teague, Tex.
Conlan	Mahon	Thornton
Crane	Martin, Nebr.	Treen
de la Garza	Mathis, Ga.	Waggonner
Dennis	Milford	White
Edwards, Ala.	Miller	Wiggins
Fisher	Moorhead, Calif.	Williams
Gibbons		Wilson, Bob
Goldwater	Passman	Wright
Gonzalez	Pickle	Wyatt
Gross	Poage	Young, Alaska
Hammer-schmidt	Powell, Ohio	Young, S.C.
	Price, Tex.	Zion
Hébert	Rarick	

ANSWERED "PRESENT"—3

Bell	Schneebeli	Ware

NOT VOTING—22

Carney, Ohio	Fulton	Johnson, Pa.
Clark	Griffiths	McKay
Conyers	Guyer	Mills, Ark.
Davis, Ga.	Hastings	Minish
Derwinski	Hays	Murphy, Ill.
Dorn	Johnson, Calif.	Robison, N.Y.

Rooney, N.Y. Sandman
Rooney, Pa. Veysey

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hays with Mr. Clark.
Mr. Rooney of New York with Mr. Johnson of California.
Mr. Carney of Ohio with Mr. Conyers.
Mr. Rooney of Pennsylvania with Mr. Mills of Arkansas.
Mr. Fulton with Mr. McKay.
Mrs. Griffiths with Mr. Robison of New York.
Mr. Dorn with Mr. Derwinski.
Mr. Minish with Mr. Guyer.
Mr. Davis of Georgia with Mr. Johnson of Pennsylvania.
Mr. Murphy of Illinois with Mr. Hastings.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 593, the Committee on Interstate and Foreign Commerce is discharged from the further consideration of the bill, S. 1570.

MOTION OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of the bill, S. 1570, and to insert in lieu thereof the provisions of H.R. 9681, as passed, as follows:

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, distribution, 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 users;

(F) economic efficiency; and

(G) minimization of economic distortion, 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 crude oil and refined petroleum products to all marketers or distributors at the retail level; and

(B) the use of the same data in the computation of markup, margin, and posted price for all marketers or distributors of crude oil and refined petroleum products at all levels of marketing and distribution.

(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.

(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 1962, 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.

(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.

(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. 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 purposes", 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 provisions 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 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).

Amend the title so as to read: "An Act 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 motion was agreed to.

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

The title was amended so as to read: "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."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 9681) was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

APPOINTMENT OF CONFEREES ON S. 1435, PROVIDING FOR ELECTED MAYOR AND CITY COUNCIL FOR THE DISTRICT OF COLUMBIA

Mr. DIGGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1435) to provide an elected Mayor and City Council for the District of Columbia, 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 Michigan? The Chair hears none and appoints the following conferees: Messrs. DIGGS, FRASER, REES, ADAMS, MANN, BRECKINRIDGE, NELSEN, HARSHA, BROYHILL of Virginia, and LANDGREBE.

CONFERENCE REPORT ON S. 2016, AMTRAK IMPROVEMENT ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (S. 2016) to amend the Rail Passenger Service Act of 1970 to provide financial

assistance to the National Railroad Passenger Corporation, 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 West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of October 12, 1973.)

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

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

There was no objection.

Mr. STAGGERS. Mr. Speaker, the committee of conference on the Amtrak authorization for fiscal year 1974 met October 10 and 11 and I feel we have reached a good compromise.

As my colleagues will recall, the Senate passed their bill on June 28 of this year, by voice vote. The House passed H.R. 8351 on September 6 by a vote of 357 to 37.

I will briefly highlight the action of the conference committee and urge that my colleagues adopt the report.

The House bill restructured the Board of Directors by adding two new consumer representatives; requiring a bipartisan board; prohibiting conflict of interests, and requiring the President to fill vacancies within 120 days. The Senate bill did not contain any provision on this matter. The conferees adopted the House provision.

The House bill extended the right of eminent domain for Amtrak, but the Senate bill allowed Amtrak to condemn Government property as well. The conferees adopted the House provision.

The House bill limited the right of any person to compete with Amtrak on Amtrak basic system routes in the providing of auto-ferry service. The Senate provision opened the door for anyone to compete with Amtrak in auto-ferry service, regardless of the basic system routes. The House prevailed in conference.

The House bill contained a provision which would direct the Interstate Commerce Commission—in fixing the just and reasonable compensation Amtrak must pay to railroads providing it with passenger service—that the quality of service those railroads provide must be considered. This is important if we are to hold down the annual subsidies Congress grants to Amtrak. The Senate bill contained no such provision. The House prevailed.

The House agreed to accept Senate provisions which would assure that no handicapped or elderly passenger is denied equal accessibility to Amtrak trains, and to the deletion of the 1970 act requirement that in all instances, Amtrak must rely on railroad company employees for operation and maintenance. The House agreed to accept a Senate provision which would prohibit the interference by State or local law with Amtrak providing auto-ferry, mail or express service.

The conferees substituted new language in regard to a Senate provision providing for a change in Amtrak's annual report date to Congress. The Senate changed the report date from January 15 to March 15, and the House had no such provision. We compromised on a February 15 date.

The House bill contained a provision for Amtrak passenger trains to have a preference over freight trains. The House language prevailed.

The House bill had a provision which allows Amtrak to apply to the Secretary of Transportation for orders granting them permission to increase speeds over tracks where safety permits. The Senate had no such provision, and the conferees agreed to the House language.

The House bill provided for a 1-year extension of the entire Amtrak basic system and experimental trains. The Senate bill had no such provision. The conferees adopted the House language.

The House bill provided for an authorization for fiscal year 1974 of $107.3 million. The Senate bill contained an authorization of $185 million. The conferees compromised by authorizing $107.3 million, plus $47 million in previous authorization since 1970 which remain unappropriated.

The House bill increased Amtrak's maximum permissible loan guarantee authority from $200 to $250 million. The Senate bill increased the authorization to $500 million. The conferees adopted the Senate provision.

The House bill contained a provision which made clear that the ICC has no safety related jurisdiction, that such jurisdiction goes to the Department of Transportation. The Senate bill gives the ICC complete jurisdiction over quality of service beyond the minimum requirements established by the Secretary of Transportation. The conferees wrote a new compromise provision which gives DOT all safety functions, but mandates the ICC to regulate with respect to adequacy and quality of service provided by Amtrak.

The Senate bill contained a provision prohibiting impoundment of funds by the President, and the House bill contained no such language. The conferees agreed only to prohibit the use of grant agreements to manage the disposition of funds between the Secretary of Transportation and Amtrak. Amtrak would expend such sums in accordance with spending plans approved by Congress at the time of appropriation and with general guidelines to be issued annually by the Secretary.

I believe the report represents basically a fine bill, and very similar to the bill this House passed in September. I congratulate my colleagues on the conference committee from the House, Congressmen JARMAN, DINGELL, ADAMS, PODELL, METCALFE, HARVEY, KUYKENDALL, SKUBITZ, and SHOUP.

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

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

Mr. GROSS. Mr. Speaker, do I understand that the Government guaranty loan program was doubled?

Mr. STAGGERS. No, it was increased from $300 to $500 million. After the bill was passed in the House, Amtrak came and said that the additional loan guaranty would be needed, but that it would not be used unless it was necessary. The law is now $250 million, and we raise this to $500 million. I am sorry, the gentleman from Iowa is correct; it was doubled.

Mr. GROSS. What is it now? $250 million?

Mr. STAGGERS. That is correct.

Mr. GROSS. And it was raised to $500 million?

Mr. STAGGERS. That is right; on the loan guaranty.

Mr. GROSS. Does the gentleman from West Virginia expect that money to be drawn down?

Mr. STAGGERS. The additional money is for the maintenance of way and other items, but it has to have the approval of the Secretary before it can be used.

Mr. GROSS. I thank the gentleman.

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

I rise in support of the conference agreement on S. 2016, the Amtrak Improvement Act of 1973. I support this measure because, with respect to the bill's major provisions, the Senate conferees agreed for the most part to accept the House version which passed this body on September 6 by a vote of 357 to 37.

First, the Senate conferees yielded and accepted the authorization level of $107.3 million proposed in the House bill in lieu of the $185 million provided for in the Senate bill.

Second, very important House provisions which specifically limited the amounts to be paid by Amtrak to the railroads for their providing service to Amtrak were accepted in full by the Senate conferees.

Third, the House provisions for permitting accelerated speeds by passenger trains and preference for such trains over lines shared with freight service were accepted by the Senate representatives.

Finally, the Senate conferees accepted in full the House bill changes in the Board of Directors of Amtrak which would increase the number of consumer representatives from one to three.

All in all, the conference agreement goes a long way to help Amtrak solve many of the problems that have plagued it during its first 3 years, without increasing the Federal expenditure that is required. The agreement will assist in the alleviation of such difficulties as poor track quality that requires slow speeds, and priority of freight service over passenger service on shared lines. Therefore, it is a positive step toward the improvement of the passenger rail system that serves the vital transportation needs of our Nation's citizens.

I urge adoption of the conference report.

Mr. STAGGERS. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I rise to create legislative history.

As a member of the managers on the part of the House, I would refer my colleagues particularly to page 16 of the conference report, and to the bottom of page 15, referring to facility and service agreements. And I would refer my colleagues particularly to the Interstate Commerce Commission docket referred to, in the middle of page 16, as Finance Docket 27353 (Sub-No. 1) "Determination of Compensation under section 402 (a) of the Rail Passenger Service Act, as amended."

Mr. Speaker, the Committee on Interstate and Foreign Commerce in its wisdom has sought to see to it first that Amtrak paid for only the avoidable costs of passenger service to the railroads. We have had some difficulty with the ICC understanding our intentions for passenger service. Recently the ICC in the proceedings referred to took from Amtrak something like $40 million to pay to the ICC largely over the objections of the ICC staff.

The function of the language referred to is set out clearly, and that is that the conferees intend, that the railroads shall be paid above avoidable costs only on the basis of the quality of service afforded. I would point out that the quality of service afforded by Penn Central is uniquely poor. Indeed, I would point out that Penn Central, in securing recently an exemption from the relative Federal Railroad Safety Statutes, has been required by the ICC at this point in the proceedings to upgrade the quality of their service to Class 1, which means that they must be able to operate a passenger train at 10 miles an hour over its entire trackage.

The ICC staff has informed the committee staff in connection with this matter that if this language is adopted, it totally vitiates the purposes of the proceedings referred to earlier and assures that the $40 million assessment against Amtrak—and indirectly against the taxpayers who are subsidizing this creature—will not go into being, and it is the intention of myself as the author of the amendment, a member of the conferees, and I now express also the same intention of the conferees, that the proceedings referred to would be vacated thereby, and it is the intent of the conferees to so vitiate that particular unwise action of the ICC.

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

Mr. DINGELL. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. I thank the gentleman for yielding.

Mr. Speaker, I should like to as a matter of record remind the gentleman from Michigan that in colloquy in committee, the subcommittee hearings with the ICC, we asked him if this was not an indirect subsidy of Penn Central, using Amtrak as a conduit, and he admitted that it was.

Mr. DINGELL. That is correct.

Mr. KUYKENDALL. And I believe the subcommittee was unanimous in this back-door financing to an outfit that, frankly, has disgraced the entire railroad industry.

Mr. DINGELL. I thank my good friend, the gentleman from Tennessee, for his valuable contribution to legislative history.

Mr. Speaker, I should now like to turn to another matter which I think merits the careful attention of the House. I am sure all of my colleagues recall that Amtrak was an attempt to set up a private profitable rail passenger corporation which would be viable in character. I am sorry to report that it appears to be, at least in the mind of one individual, namely, Mr. John Barnum, who holds office in the Department of Transportation, an attempt to nationalize Amtrak, because I note for the benefit of my colleagues that Mr. Barnum has been participating in board of directors meetings at Amtrak, where he serves in that capacity as representative of the Secretary, not as an ordinary member of the board of directors, but as one who later chooses to withhold funds and to influence the decision-making process through the mechanisms of the Department of Transportation and the Bureau of the Budget.

This is at wide variance with the intention of the committee and at wide variance with the intention of the Congress as expressed in the earlier legislative history of this particular piece of legislation.

I would point out, Mr. Speaker, that the conference report deals with this particular behavior, and I wish to bring to Mr. Barnum's attention and to the attention of the Department of Transportation that his behavior is again at variance, not only with the intention of Congress but with the public interest.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. I yield 3 additional minutes to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman from West Virginia.

And to accomplish the end of the subcommittee, of the conferees, and of the Congress, as expressed in our earlier pronouncements, language appears at the bottom of page 20 of the conference report and I quote:

> The conference substitute also assures that appropriated funds will remain available until expended. It also prohibits the use of grant agreements to manage the disposition of funds between the Secretary of Transportation and Amtrak. Amtrak would expend such sums in accordance with spending plans approved by Congress at the time of appropriation and with general guidelines established annually by the Secretary.

It is our intention that Amtrak should function as much as possible as a private corporation and not be dictated to by DOT or by the Bureau of the Budget.

(Mr. DINGELL asked and was given permission to revise and extend his remarks, and to include extraneous material.)

Mr. DINGELL. Mr. Speaker, I would point out that I insert in the RECORD at this point a memorandum by the staff of the Commerce Committee on this point, minutes of the agenda of Amtrak, together with correspondence by Mr. Barnum, which, I sadly reflect, does him small credit, and which reflects a very clear intent and attempt on his part to unduly intrude into and interfere in the affairs of Amtrak in defiance of the earlier intent of Congress, and in defiance of the intent of Congress as expressed in the report of the managers submitted to the Congress today.

The material follows:

DOT DICTATES AMTRAK LINE ITEM EXPENDITURES

Attached is documentation supporting the fact that through its position of being on the board of directors on AMTRAK and the DOT/AMTRAK grant agreement, DOT dictates line item authority over AMTRAK expenditures.

In the AMTRAK board of directors meeting on Septembr 27, AMTRAK presented documentation to support its plan for capital expenditures for the acquisition of 57 passenger cars and 11 electric locomotives for use in the Northeast Corridor in the amount of $32 million. Mr. John W. Barnum voted "no" to this proposal. AMTRAK officials indicated that this vote was tantamount to a veto of the proposal of the acquisition of this equipment. The AMTRAK position is documented by a letter from the Department of Transportation dated October 15 stating that the acquisition of this equipment could not be approved.

The DOT objection explained in its letters to AMTRAK dated September 17 and 25 is that capital expenditures of this nature cannot be approved unless a comprehensive plan is submitted by AMTRAK as to its five-year capital program including expenditures for equipment and stations. AMTRAK officials stated that a plan of this nature is not germane to the subject of the necessity for passenger cars and locomotives.

AGENDA, REGULAR MEETING OF THE BOARD OF DIRECTORS, SEPTEMBER 27, 1973

(1) Approval of Minutes of Meeting Held August 30, 1973.

(2) Operations Reports:

a. On-Time Performance.

b. Ridership.

c. Government and Consumer Mail.

(3) Financial Reports:

a. Profit and Loss Statement for the Months of July and August 1973 and for the Two Months Ended August 31, 1973.

b. Comments on Results of Operations for the Two Months Ended August 31, 1973.

c. Statement of Cash Sources and Uses for the Months of July and August 1973 and for the Two Months Ended August 31, 1973.

d. Balance Sheet as of August 31, 1973 and 1972.

e. Contract Audit Findings as of August 31, 1973.

(4) Other Reports:

a. Legislation.

b. Operating Contract/Cost Reimbursement and Service Issues.

c. Auto Train.

(5) Approval to Initiate Service on the Little Rock and San Joachin Routes.

(6) Five-Year Passenger Car and Locomotive Overhaul and Acquisition Program.

(7) Authorization for Capital Expenditures:

a. Acquisition of 57 High-Performance Cars and 11 Electric Locomotives for Northeast Corridor Service, $32,035,000.

b. Acquisition of 70 Diesel Electric Locomotives, $35,650,000.

(8) Employment Authorizations, Frank D. Abate—Manager of Cars (Replacement), $30,000.

(9) New Business, Dates for November and December Meetings.

(10) Adjournment.

MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF NATIONAL RAILROAD PASSENGER CORPORATION

A regular meeting of the Board of Directors of National Railroad Passenger Corporation was held at the Chicago Club, Van Buren and Michigan Avenue, Chicago, Illinois, on September 27, 1973, at 11:00 p.m.

There were present:

Messrs. John W. Barnum, Frank S. Besson, David E. Bradshaw, John J. Gilhooley, David W. Kendall, Charles Luna, Louis W. Menk, William H. Moore and William J. Quinn, constituting a quorum of the Directors.

Also present by invitation were J. Richard Tomlinson, Executive Vice President of the Corporation; Harold L. Graham, Vice President-Marketing; F. S. King, Vice President-Operations; Robert C. Moot, Vice President-Finance; and Gerald D. Morgan, Vice President-Public and Government Affairs.

Mr. Kendall acted as Chairman of the meeting; Mr. Medvecky acted as Secretary of the meeting.

APPROVAL OF MINUTES

The minutes of the regular meeting of the Board of Directors held on August 30, 1973, had been previously distributed to all Directors. Mr. Luna stated that the language of the minutes pertaining to the approval of the consulting contract with Burns International Security Services did not accurately reflect the agreement that had been reached at the meeting that the contract with Burns would be changed to exclude from the services to be performed by Burns any study with respect to the handling of cash by on-train personnel. This was discussed. Mr. Moore referred to a letter which he had written on the same subject. It was agreed that this portion of the minutes relating to the approval of the contract with Burns International Services would be discussed at the next meeting of the Board.

Mr. Barnum stated that the minutes relating to the route discontinuance cases, particularly relating to the action with respect to the New York/Washington to Kansas City route, while not inconsistent with the statement that he had made at the meeting, did not fully reflect the position which he had stated. On motion duly made and seconded, the minutes of the August 30, 1973, meeting were unanimously approved except as to the statement approving the consulting agreement wtih the Burns International Security Services.

OPERATIONS REPORTS

Mr. King reported to the Board on the on-time performance for the month of August 1973. Mr. Moore reiterated his position that the 5 minute criteria for measuring the on-time performance was unrealistic and should be changed to 15 minutes to make the Corporation's reporting of on-time performance compatible with such reporting in the airline industry. Mr. Bradshaw expressed agreement with the position of Mr. Moore. This was discussed. It was agreed that the Board, at the next regular meeting, would take formal action with respect to the 5 minute criteria used to measure on-time performance.

Mr. Graham reported to the Board on ridership for the month of August 1973. Mr. Kendall presented the government and consumer mail report. The Board discussed these reports.

FINANCIAL REPORTS

Mr. Moot presented financial statements consisting of the following: Profit and Loss Statement for the Months of July and August 1973 and for the Two Months Ended August 31, 1973; Comments on Results of Operations for the Two Months Ended August 31, 1974; Statement of Cash Sources and Uses for the Months of July and August 1973 and for the Two Months Ended August 31, 1973; Balance Sheet as of August 31, 1973 and 1972; and Contarct Audit Findings as of August 31, 1973. The Board discussed these reports.

LEGISLATION

Mr. Morgan reported to the Board on the status of the legislation pending in Congress to authorize funds for the Corporation for fiscal year 1974. Mr. Morgan stated that the conference committees for the respective Houses are scheduled to meet soon to consider this legislation.

AUTO FERRY SERVICE

Mr. Morgan reported to the Board concerning the letter which he had sent to members of Congress stating that the Corporation would operate auto ferry service on the route between Chicago, Illinois, and Florida commencing sometime during the winter. Mr. Morgan advised the Board that one of the matters of concern in the pending legislation are conflicting provisions with respect to the authority outside parties have to operate auto ferry services on the Corporation's routes in competition with the Corporation for intercity passengers. Mr. Morgan stated that the Corporation favors the provisions in the House bill and that in order to hold the House conferees to the House position in the conference it was necessary for the Corporation to make a commitment to run auto ferry service if others were to be excluded from running such service on the Corporation's routes. This was discussed.

OPERATING CONTRACT/COST REIMBURSEMENT ARRANGEMENTS

Mr. Tomlinson reported to the Board that the ICC had issued its decision in the Penn Central/Amtrak compensation case. Mr. Tomlinson reviewed the decision for the Board. Mr. Tomlinson stated that the Corporation had delivered specific proposals for a new contract to six railroads and would be delivering four more specific proposals to the remaining railroads before the end of the week.

LITTLE ROCK, ARKANSAS, AND SAN JOACHIN VALLEY ROUTES

Mr. Tomlinson reviewed for the Board the provisions in the recently-enacted appropriations bill relating to the Corporation's provdiing new services on a St. Louis/Dallas/Fort Worth route and on the San Joachin Valley route. He proposed that the Corporation be authorized to take the necessary steps to obtain the release of funds to provide service on these two new routes. On motion by Mr. Luna, seconded by Mr. Bradshaw, Mr. Barnum not voting, the proposal to take the necessary steps to secure the release of funding was approved.

AUTHORIZATION FOR CAPITAL EXPENDITURES

Mr. Tomlinson proposed that the Corporation be authorized to acquire 57 high-performance cars and 11 electric locomotives for Northeast Corridor service at a cost of approximately $32,035,000 and further that the Corporation be authorized to acquire 70 new diesel electric locomotives at a cost of approximately $35,650,000. This was discussed by the Board. On motion of Mr. Moore, seconded by Mr. Menk, the Corporation was authorized to acquire 57 high-performance cars and 11 electric locomotives for Northeast Corridor service and 70 new diesel electric locomotives. Mr. Barnum voted "no" on these proposals.

Mr. Tomlinson proposed that the Corporation be authorized to expend approximately $100,000 to make improvements to three stations in the State of Illinois at Springfield, Champaign and Bloomington in conjunction with the expenditure by the State of Illinois of $200,000 to improve these stations. On motion of Mr. Bradshaw, seconded by Mr. Gilhooley, this expenditure was approved.

EMPLOYMENT AUTHORIZATION

The Chairman requested approval to employ the following individual at the annual rate shown:

Frank D. Abate—Manager of Cars, $30,000

On motion duly made and seconded, the employment of this individual at the annual rate shown was unanimously approved.

NOVEMBER AND DECEMBER BOARD MEETINGS

The Chairman proposed that there be one meeting to be held in late November or early December to take the place of the two scheduled meetings in the months of November and December because of the holidays. Mr. Gilhooley expressed opposition to this proposal. It was agreed to reconsider the proposal at the next regularly scheduled meeting.

DATE AND PLACE OF NEXT MEETING

The next meeting of the Board will take place on Thursday, October 25, 1973, at Amtrak headquarters at 1:00 p.m.

ADJOURNMENT

There being no further business, on motion duly made, seconded and passed, the meeting was adjourned at 1:00 p.m.

THE UNDER SECRETARY OF TRANSPORTATION,
Washington, D.C., September 17, 1973.

Mr. ROGER LEWIS,
President, National Railroad Passenger Corporation, Washington, D.C.

DEAR ROGER: I am writing you with regard to the FY 1975 budget. I am sure you recall that this is the time of the year when the Department is preparing its FY 1975 budget and legislative program for submission to the Office of Management and Budget. We are scheduled to submit the Department's budget to OMB on October 1.

It is with this in mind that I request that you present to me your recommendations for your FY 1975 program by no later than September 28. Your recommendations should include both your budget and legislative requirements with a detailed justification explaining the basis of your recommendations.

It would be helpful if the material would be presented in the format contained in your September 20, 1972 submission on the FY 1974 budget including route-by-route operating and capital projections for FY 1976 and FY 1977. In addition, you should supply us with actual FY 1973 revenue and cost data on a route-by-route basis, any required revision in your current FY 1974 approved operating and capital programs contained in the President's budget, along with a detailed explanation of the reason therefore, and an explanation of all changes for both FY 1974 and FY 1975 from your September 20, 1972 submission. In addition, OMB has requested that in submitting your recommendations and justification material you specifically provide the information contained in Attachment A.

I recognize that there are a number of major uncertainties confronting Amtrak—the 1973 legislation, the cost reimbursement dispute with Penn Central, and the recovery of funds from the audit program. For each of these items, and any others of similar nature, your submission should indicate the likely budget impact and the assumptions used in making your estimates.

In presenting me with your FY 1975 plans, I request that you give me as a supplement your views on the long term right-of-way and equipment needs in the Northeast Corridor, your views on how these needs should be met and the fiscal impact thereof.

While at this time I am asking only for a program and financial plan for the current and forthcoming year, it is essential, as we discussed at the last Board of Directors meeting, that the Corporation develop a detailed, long term operating and capital plan. Toward that end, I hope that you will be able to present a preliminary draft at an early Board of Directors meeting.

If you have any questions on this, please contact me or my staff.

Sincerely,

JOHN W. BARNUM.

FISCAL YEAR 1975 BUDGET ESTIMATE DATA, AMTRAK

When supplying the information requested below, indicate all relevant assumptions used (e.g., on ridership increases, fare changes, management cost reductions, labor contract increases) which significantly impact the projections made.

1. Provide an update of Exhibits I, II, III IV and VI of the 12/4/72 tables submitted for the FY 1974 request, including actual 1972 and 1973 results. Exhibit VI should include as much comparative ridership data as is available, but is not required on a per month basis.[1]

2. Using the latest available data, provide a table which displays the projected operating profit/loss in FY 1977 by route on a cents per passenger mile basis.

3. Provide a chart displaying the total cost per passenger mile for the years 1972–1976 under the following route structures: (1) Route structure as of May 1, 1973, (2) Route structure of October 1, 1973, (3) Route structure proposed for July 1, 1974, (4) Route structure which includes only those routes which would be profitable in 1977.

4. Show the impact of any proposed changes in the route structure for 1975 by contrasting the proposed system with the 10/1/73 system in the following categories (totals): States served, SMSA's served, population served, estimated passengers in 1976, estimated 1975 and 1976 deficits.

5. Provide a breakdown of the contributions made by any State toward the operation of any trains under section 403.

6. Submit a source and application of funds table for the years 1972–1975.

THE UNDER SECRETARY OF TRANSPORTATION,
Washington, D.C., September 25, 1973.

Mr. ROGER LEWIS,
President, National Railroad Passenger Corporation,
Washington, D.C.

DEAR ROGER: I have reviewed the agenda prepared for the Board of Directors meeting scheduled for September 27, 1973, in Chicago and I am concerned that the material sent to the Board does not provide us with a basis for studying and evaluating in advance the two major items being presented to the Board for decision; namely, the initiation of service over new routes and the acquisition of new equipment. Adequate planning and supporting data needs to be provided by management to the Board in advance of the meeting, if the Board is to properly discharge its responsibilities.

On the issue of new service routes—Little Rock and San oJaquin—we are all aware of the statements and actions of the congressional committees in favor of such service. However, management should present to the Board data on alternate routes, cost/revenue projections, and equipment and facility requirements.

The two specific requests for approval of capital expenditures and Mr. Tomlinson's outline for a five-year capital program suggests to me that the Board cannot really focus on these critical aspects of Amtrak's activities without a great deal more knowledge of the Corporation's capital, marketing, and operating strategies. On September 17 I wrote you on the need to develop detailed and specific operating, marketing, capital, and financial plans for FY 1974 and FY 1975. The equipment program must be fully integrated into these plans. Furthermore, the 1974 equipment plan deviates from the previous estimates that were incorporated in the Secretary's March 15 report to Congress. These deviations need to be reconciled and discussed with OMB. Finally, with regard to the two items before the Board, I have several specific questions.

I have enclosed a series of questions dealing with the problems of new routes and the capital program which I hope will further explain the type and nature of the information I believe the Board should have on Thursday when considering these requests for approval.

Sincerely,

JOHN W. BARNUM.

CAPITAL PLANS

1. An agreement was reached in February between OMB, DOT and Amtrak that no loan authority would be approved prior to the presentation of a complete capital program. (See attached memorandum from Roy Ash—Point 6). It is impossible to pass on a partial budget for rolling stock without (1) far greater detail and justification than is presented and (2) access to the entire capital plan including terminals, maintenance facilities and other capital improvements. Does the Corporation have an integrated capital plan that includes all capital plans? When will it be presented to the Board? Will it be done in conjunction with an overall strategic marketing plan?

2. The Department's Report to Congress and Amtrak's testimony supported FY '74 capital expenditures of $150 million. Amtrak now appears to be proposing a budget of $260.9 million for rolling stock alone. How is this justified?

3. The current capital requests before the Board include the acquisition of 70 new diesel-electric locomotives. Although this appears to be a good investment for Amtrak the Board requires a clear operating plan regarding:

(a) The use of current new locomotives.

(b) The use to be made of new locomotives already on order.

(c) The use of older locomotives.

(d) The use and need for power over a period of years.

4. Also included for Board action is new equipment for the Northeast Corridor. Sevral specific questions occur:

(a) How does this purchase fit in with the Corporation in overall long-term plans on the Northeast Corridor?

(b) Does the removal of conventional trains at conventional fares imply a major corridor marketing policy shift within Amtrak?

(c) How does this strategy apply to other corridors?

(d) Have foreign sources, i.e., less expensive, been examined?

(e) In regard to track improvement, what is the current status of commiting the $50 million allocated for this purpose in the FY '74 capital program?

ROUTE PLANS

1. How does this proposed new service fit within the Amtrack service network?

2. Will the services be experimental?

3. What alternate routes are available for this service? What are their strengths and drawbacks?

4. What are the specific costs and revenues attached to to each alternative route (including loss per passenger mile)?

5. What capital requirements are implied by each alternative? How will this impact on current service or other routes?

OFFICE OF THE SECRETARY OF TRANSPORTATION,
Washington, D.C.

Mr. ROGER LEWIS,
President, National Railroad Passenger Corporation, Washington, D.C.

DEAR MR. LEWIS: Enclosed is a letter from Roy Ash, Director of the Office of Management and Budget, outlining the Administration's decisions on policy and budgetary matters relative to the AMTRAK system in the post July 1, 1973 period.

I understand these policy and budgetary decisions were made after full consultation with AMTRAK and we in the Department trust that they have your full support.

Sincerely,

THEODORE C. LUTZ, *Designate.*

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., February 7, 1973.

Hon. CLAUDE S. BRINEGAR,
Secretary, Department of Transportation,
Washington, D.C.

DEAR MR. SECRETARY: Cooperative consultations among DOT, AMTRAK and OMB have culminated in fundamental policy and budgetary agreements on the nature of the rail passenger system that should be operated as of July 1, 1973. The salient points of these agreements are contained in the enclosure.

The decisions were in large part mutually arrived at with AMTRAK and we assume the program has their full support.

Sincerely,

ROY L. ASH,
Director.

DOT, AMTRAK AND OMB AGREEMENTS ON RAIL PASSENGER SYSTEM TO BE OPERATED AS OF JULY 1, 1973

1. The Administration will request a one-year appropriation of $93M, but an open-ended authorization request that is unrestricted as to year or amounts. The 1974 funding level is:

[In millions]

	1974
Direct operating grants	$93.0
Capital improvement loan guarantees	100.0
Railroad entry fees for NEC Right-of-Way and principal repayment	54.7
	247.7

2. Amtrak and DOT will continue to analyze the *remaining* routes on the Basic System. If at the end of any year of route operation, the loss per passenger mile exceeds 2 cents, and will not be able to meet the 2 cents loss by 1975, Amtrak will take immediate steps to discontinue the route. This is not to suggest that the Administration or Amtrak is committed to keeping routes which do not break even, but rather to make clear that any route which does not continue to meet at least this minimum test is immediately a candidate for discontinuance.

Because the 2 cents per passenger mile is the minimum criterion, DOT and Amtrak will develop a more inclusive set of criteria to be used in judging additions or deletions to the basic system that has been agreed to by all parties.

3. Amtrak, through the Department, should present to OMB as soon as possible a recommended program of legislative changes in the existing Amtrak law.

One of the major recommendations will be specific language to eliminate the role of the Interstate Commerce Commission in determining service discontinuance or any other operating policy. The policy position is to stress the necessity for Amtrak to have flexibility to operate without inefficient and costly regulatory delays.

4. The Department's March 15, 1973, Report to Congress will discuss in detail the revised system, budget and legislative recommendations. The Department's Report should be submitted to OMB as early as possible for clearance.

5. No later than July 1, 1973, Amtrak will file with the ICC or take other appropriate steps to discontinue the following routes:

Chicago—Florida; New York/D.C.—Kansas City; Richmond-Newport News.

Amtrak should take immediate steps to discontinue experimental service on the Washington-Parkersburg route. Amtrak will take steps to provide the Chicago-Houston

[1] NOTE: These exhibits were provided by AMTRAK in a December 8 letter from Richard Tomlinson to John Olsson.

service by combining the Chicago-Newton, Kansas, service of the Houston route with the Chicago-Los Angeles service to meet the 2 cents criteria.

6. $100M of Federal loan guarantees are not to be used until Amtrak, through DOT, submit to OMB a program and financial plan for the acquisition of passenger cars, locomotives and other facilities and equipment.

7. The 1974 railroad entry fee payments of $54.7M will be used as follows— $4.7M for initiation of payback of principal on loan guarantees, and $50M for right-of-way improvements in the Northeast Corridor. The $50M is not to be used to offset operating deficits without DOT and OMB consultation.

8. Amtrak will not initiate any new routes, or major addition in the remainder of FY 1973 without full consultation of DOT and OMB.

9. The $9.1M supplemental appropriation requested in 1973 will continue to be reserved.

NATIONAL RAILROAD PASSENGER CORP.,
September 20, 1973.

To: Roger Lewis.
From: J. Richard Tomlinson.
Subject: Equipment Capital Program.

This memorandum summarizes the proposed equipment capital program as detailed on the attached exhibits.

PROGRAM OBJECTIVES

The objectives of the program are:

1. Complete the initial overhaul of all cars with an expected useful life of 10 years or more and rebuild used locomotives for use on low density routes where new locomotives cannot be economically justified.

2. Replace all other used locomotives with new high horsepower locomotives.

3. Commence upgrading corridor services by replacing conventional equipment with new equipment capable of operating at 125 miles per hour or better. This includes electric locomotive-drawn cars with Metroliner type interiors in the New York-Washington corridor and turbo-trains in the New York-Boston and Chicago corridors.

4. Replace used equipment with less than 10 years useful life (aluminum or aluminum and steel construction) with newly designed bi-level cars. These cars would have head-end power, standard components and provide maximum floor space for revenue production.

5. Provide added capacity to handle reasonable growth which is assumed to be about 15 percent annually on the basic system.

6. Develop a manufacturing supply capability that will enable Amtrak to achieve maximum standardization of cars, locomotives and sub-system components. Commitments would be scheduled with due regard to lead time necessary to procure parts and to permit additional purchases if circumstances warrant.

PROGRAM TOTAL COMMITMENTS

	Total commitment [1]	Number of new units	
		Cars	Locomotives
Fiscal year:			
1974	$261	257	121
1975	34		28
Subtotal	[2] 295	257	149
1976	143	200	40
Total	438	457	189

[1] Includes balance of car overhaul and locomotive rebuild requirements.
[2] Excludes funds required to purchase 49 Metroliners from Penn Central and 12 Metroliners from Budd Co., now under lease.

Based on the assumption that we can commit for 11 new electric locomotives and 57 high-performance cars immediately and are able to order new turbo-trains and bi-level cars next year, we will not have any new cars until the spring of 1975 and will not have sufficient cars until the summer of 1976.

If authority is granted to proceed with the 70 additional diesel-electric locomotives immediately, deliveries will begin in the early spring of 1975 and they will all be available for service by summer of that year.

OTHER CONSIDERATIONS

We have capitalized the initial overhaul of used cars as such expenditures were required to put them in fully serviceable conditions. Subsequent periodic overhauls would normally be charged to operating expense. If these costs are excluded from the equipment program, they will increase future operating losses.

The program excludes funds for overhaul and replacement of cars used in the "200" and "600" series for which jurisdiction has not been determined.

There will be a car shortage in the summer of 1974 and to a lesser degree in the summer of 1975. We will attempt to cover the requirements with short-term leases of usable equipment, where such can be found. At this time, however, the possibilities appear quite limited.

DEPARTMENT OF TRANSPORTATION,
FEDERAL RAILROAD ADMINISTRATION,
Washington, D.C., October 15, 1973.

Mr. RICHARD TOMLINSON,
Executive Vice President,
National Railroad Passenger Corp.,
Washington, D.C.

DEAR MR. TOMLINSON: This letter is with reference to Amtrak's requisition of September 27, 1973, requesting that I guarantee notes 29–31 in an aggregate amount of $16,000,000. As it is important that Amtrak be able to meet its payments to the railroads on the 15th, I am executing the notes as requested by Mr. Sterns. This action is taken despite my intense dissatisfaction and disappointment at the refusal of Amtrak to furnish the Department and my administration with meaningful data concerning Amtrak's programs.

As you are undoubtedly aware, neither the Department or this agency has yet received an answer to Mr. Barnum's letter of September 17 and 25 requesting your plans for the expenditures of funds the Department will make available to Amtrak this year and in the years to come. As a matter of law the Federal Railroad Administration is responsible for seeing that Amtrak expends these funds for the purposes for which they were intended and we cannot do this unless we have a detailed plan. It is also impossible for us to support your needs before the Office of Management and Budget without this information, a process which must be completed by October 25.

Despite the importance of a detailed plan, I have been informed that Amtrak has no intention of submitting the requested information in writing to the Department, and instead we have received several oral, and high generalized, briefings, the content of which changes from briefing to briefing. This is a ridiculous situation as it deprives the Department and my agency of any ability to anticipate Amtrak's needs and to assure that funds released by the Department are spent for purposes authorized by law.

Congress has stated that we should know the purposes for which Federal financial assistance is to be spent. In a three and one half page colloquy between Mr. Lewis and Senator Hartke on May 18, 1973, at the Amtrak Oversight and Authorization hearings, the Senator made several barbed remarks about the lack of planning on the part of Amtrak and concluded:

"I am not going to be a pocketbook pincher on you. You know that. But I think that even DOT has a right to know if you ask for $50 million or $100 million or $200 million what you are going to use it for. That is only good procedure. I think it is a procedure which is commendable."

The colloquy is contained at pages 155–158 of the Hearings before the Surface Transportation Subcommittee of the Committee on Commerce, United States Senate, 93rd Congress, First Session Permit No. 93–25, and I am including copies of the pertinent materials for your reference. In light of this Congressional mandate and my obligations to the public, I will not release any further funds unless the information requested by Mr. Barnum's two letters is forthcoming in a manner satisfactory to the Department and this agency.

Sincerely,

JOHN W. INGRAM,
Administrator.

Mr. HARVEY. Mr. Speaker, we have no further request for time.

Mr. STAGGERS. We have no further request for time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

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. SCHERLE. 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 346, nays 51, not voting 37, as follows:

[Roll No. 539]

YEAS—346

Abzug	Burleson, Tex.	Edwards, Calif.
Adams	Burlison, Mo.	Eilberg
Addabbo	Burton	Erlenborn
Anderson, Calif.	Carey, N.Y.	Esch
	Carter	Eshleman
Andrews, N.C.	Casey, Tex.	Evans, Colo.
Andrews, N. Dak.	Cederberg	Evins, Tenn.
	Chamberlain	Fascell
Annunzio	Chappell	Findley
Archer	Chisholm	Fish
Arends	Clancy	Fisher
Ashley	Clausen, Don H.	Flood
Aspin		Foley
Badillo	Clawson, Del	Ford, William D.
Bafalis	Clay	
Barrett	Cleveland	Fountain
Beard	Cochran	Fraser
Bell	Cohen	Frelinghuysen
Bennett	Collier	Frenzel
Bergland	Collins, Ill.	Frey
Bevill	Conable	Froehlich
Biaggi	Conte	Gaydos
Biester	Corman	Gettys
Bingham	Cotter	Giaimo
Blackburn	Coughlin	Gibbons
Blatnik	Cronin	Gilman
Boggs	Daniel, Robert W., Jr.	Ginn
Boland		Gonzalez
Bolling	Daniels, Dominick V.	Goodling
Bowen		Grasso
Brademas	Danielson	Green, Oreg.
Brasco	Davis, S.C.	Green, Pa.
Bray	Davis, Wis.	Grover
Breaux	Delaney	Gubser
Breckinridge	Dellenback	Gude
Brinkley	Dellums	Gunter
Brotzman	Dent	Haley
Brown, Calif.	Devine	Hamilton
Brown, Mich.	Dickinson	Hammer-schmidt
Brown, Ohio	Diggs	
Broyhill, N.C.	Donohue	Hanley
Broyhill, Va.	Downing	Hanna
Buchanan	Drinan	Hanrahan
Burgener	Dulski	Hansen, Wash.
Burke, Calif.	du Pont	Harrington
Burke, Fla.	Eckhardt	Harsha
Burke, Mass.	Edwards, Ala.	Harvey

Hawkins	Milford	Shuster
Hechler, W. Va.	Mink	Sikes
Heckler, Mass.	Mitchell, Md.	Sisk
Heinz	Mitchell, N.Y.	Skubitz
Helstoski	Mizell	Slack
Henderson	Moakley	Smith, Iowa
Hicks	Mollohan	Smith, N.Y.
Hillis	Moorhead, Calif.	Staggers
Hinshaw	Moorhead, Pa.	Stanton, J. William
Holifield	Morgan	Stanton, James V.
Holt	Mosher	Stark
Holtzman	Moss	Steele
Horton	Murphy, N.Y.	Steelman
Hosmer	Myers	Steiger, Ariz.
Howard	Natcher	Stephens
Hudnut	Nedzi	Stokes
Hungate	Nelsen	Stratton
Hunt	Nix	Stubblefield
Hutchinson	Obey	Stuckey
Ichord	O'Brien	Studds
Jarman	O'Hara	Sullivan
Johnson, Calif.	O'Neill	Symington
Johnson, Colo.	Owens	Talcott
Jones, Ala.	Parris	Taylor, N.C.
Jones, N.C.	Passman	Teague, Calif.
Jones, Okla.	Patten	Teague, Tex.
Jones, Tenn.	Pepper	Thompson, N.J.
Jordan	Perkins	Thomson, Wis.
Karth	Pettis	Thone
Kastenmeier	Peyser	Thornton
Kazen	Pickle	Tiernan
Keating	Pike	Towell, Nev.
Kemp	Poage	Treen
Ketchum	Podell	Udall
King	Powell, Ohio	Ullman
Kluczynski	Preyer	Van Deerlin
Koch	Price, Ill.	Vander Jagt
Kuykendall	Pritchard	Vigorito
Kyros	Quie	Waggonner
Latta	Railsback	Waldie
Lehman	Randall	Walsh
Lent	Rangel	Ware
Litton	Rees	Whalen
Long, La.	Regula	White
Lott	Reid	Whitehurst
McClory	Reuss	Whitten
McCloskey	Rhodes	Widnall
McCollister	Rinaldo	Wiggins
McCormack	Robison, N.Y.	Williams
McDade	Rodino	Wilson, Bob
McEwen	Rogers	Wilson, Charles H., Calif.
McFall	Roncallo, N.Y.	Wilson, Charles, Tex.
McKinney	Rose	Winn
McSpadden	Rosenthal	Wolff
Macdonald	Rostenkowski	Wright
Madden	Roush	Wyatt
Madigan	Roy	Wydler
Mahon	Roybal	Wylie
Mailliard	Ruppe	Wyman
Mallary	Ruth	Yates
Mann	Ryan	Yatron
Maraziti	St Germain	Young, Fla.
Martin, Nebr.	Sarasin	Young, Ga.
Martin, N.C.	Sarbanes	Young, Ill.
Mathias, Calif.	Saylor	Young, S.C.
Mathis, Ga.	Scherle	Zablocki
Matsunaga	Schneebeli	Zion
Mayne	Sebelius	
Mazzoli	Seiberling	
Meeds	Shipley	
Melcher	Shoup	
Metcalfe	Shriver	
Mezvinsky		

NAYS—51

Abdnor	Duncan	Riegle
Alexander	Flowers	Roberts
Armstrong	Flynt	Robinson, Va.
Ashbrook	Fuqua	Roncalio, Wyo.
Baker	Gross	Rousselot
Bauman	Hansen, Idaho	Runnels
Brooks	Huber	Satterfield
Butler	Landgrebe	Schroeder
Byron	Long, Md.	Snyder
Camp	Lujan	Spence
Collins, Tex.	Michel	Steed
Conlan	Miller	Symms
Crane	Montgomery	Taylor, Mo.
Daniel, Dan	Nichols	Vanik
de la Garza	Price, Tex.	Wampler
Denholm	Quillen	Young, Alaska
Dennis	Rarick	Young, Tex.

NOT VOTING—37

Anderson, Ill.	Ford, Gerald R.	Hogan
Broomfield	Forsythe	Johnson, Pa.
Carney, Ohio	Fulton	Landrum
Clark	Goldwater	Leggett
Conyers	Gray	McKay
Culver	Griffiths	Mills, Ark.
Davis, Ga.	Guyer	Minish
Derwinski	Hastings	Minshall, Ohio
Dingell	Hays	Murphy, Ill.
Dorn	Hébert	Patman
Roe	Sandman	Zwach
Rooney, N.Y.	Steiger, Wis.	
Rooney, Pa.	Veysey	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of Pennsylvania for, with Mr. Carney of Ohio against.

Until further notice:

Mr. Hays with Mr. Gerald R. Ford.
Mr. Hébert with Mr. Dingell.
Mr. Rooney of New York with Mr. Patman.
Mr. Davis of Georgia with Mr. McKay.
Mr. Culver with Mr. Anderson of Illinois.
Mr. Dorn with Mr. Zwach.
Mr. Fulton with Mr. Broomfield.
Mrs. Griffiths with Mr. Hastings.
Mr. Gray with Mr. Steiger of Wisconsin.
Mr. Leggett with Mr. Conyers.
Mr. Mills of Arkansas with Mr. Minshall of Ohio.
Mr. Murphy of Illinois with Mr. Goldwater.
Mr. Roe with Mr. Derwinski.
Mr. Minish with Mr. Hogan.
Mr. Clark with Mr. Guyer.
Mr. Landrum with Mr. Johnson of Pennsylvania.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HEARINGS AVAILABLE ON AIRCRAFT CARRIER INCIDENTS

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

Mr. HICKS. Mr. Speaker, on January 22, 1973, I called to the attention of the House the report of the Armed Services Committee's Special Subcommittee on Disciplinary Problems in the U.S. Navy (H.A.S.C. No. 92–81). I had the honor of chairing that subcommittee and the pleasure of working with two distinguished Members of the House, our former colleague, the Honorable DAN DANIEL of Virginia, and our former colleague, the Honorable Alexander Pirnie of New York.

We were gratified by the overwhelmingly favorable comments which the report received. Its relatively few critics, however, believed that the subcommittee had commenced its investigation with preconceived notions as to the nature, causes and effects of the incidents. Denials of this charge would have been of little use, so my response was "When the hearings are published our critics can read them and form their own conclusions."

The delay in publishing the hearings, all of which were held in executive session, was necessary in order to protect the legal rights of various individuals. Some of them were scheduled to be witnesses at courts-martial proceedings and other were defendants. The subcommittee determined that all hearings would be in executive session and that nothing would be released until after judicial proceedings following from incidents aboard the aircraft carriers *Kitty Hawk* and *Constellation*, including all appeals and reviews, had been completed.

I am very proud to say, Mr. Speaker, that in marked contrast to some of the happenings since that time—in the Senate, in the Department of Justice, and in various grand jury proceedings—we suffered no leaks. This is particularly satisfying since I am given to understand that certain of the news media had designated this to be an enterprise story—a designation I am told given to events in which reporters are given extra encouragement to ferret out closely held information.

Mr. Speaker, we are advised that the judicial processes have been completed and the printed hearings of the subcommittee will be made available to the public on Monday. The hearings are published as House Armed Services Committee Document 93–13 and cover over 1,100 printed pages. They have been edited as little as possible in order that the reader might gain as much of the flavor of the testimony as possible as well as all the facts involved. Only the names of those men involved who did not appear before the subcommittee have been expunged. On this point I will say that many of the accused crewmembers of the U.S.S. *Kitty Hawk* refused the subcommittee's invitation to testify. They did so on the advice of their civilian and military counsel and on the advice of those other organizations which participated in their defense before the courts. The subcommittee honored their desires in this matter and chose not to use its subpena powers.

The matter is now open to public scrutiny and I am satisfied that any objective reading of the hearings will substantiate the findings, opinions, and recommendations of the subcommittee's report.

USING THE PRINCELY PAST

(Mrs. GREEN of Oregon asked and was given permission to address the House for 1 minute, to revise and extend her remarks and include extraneous matter.)

Mrs. GREEN of Oregon. Mr. Speaker, a recent article in the Christian Science Monitor concerning the restoration of the old Pioneer Court House in Portland reaffirms my belief that the old and the new can often be combined to the advantage of both.

The old court house, built in 1875, has survived a number of determined drives to destroy it. In 1967, spurred by a controversial new Federal building proposed for the site, the judges of the Ninth Circuit Court of Appeals, supported by the Oregon Historical Society, successfully persuaded the GSA to study the feasibility of restoring and using the stately old building. The result—a lovely historic landmark which will yield the needed amount of new space and do so for much less money. At the same time, it will give to future generations a link to their history and an appreciation for the people and events that have gone before them.

Because I believe there is something to be learned from this successful experiment, I would like to include the full article in the RECORD at this point:

USING THE PRINCELY PAST

(By William Marlin)

Portland, Oregon, didn't think it could do it.

The U.S. Court of Appeals for the ninth circuit didn't.

Neither did the General Services Administration (GSA) back in Washington.

Despite the doubts and debate, Portland's neoclassic, cupolated Pioneer Courthouse, designed by architect A. B. Mullett (1875), has a permanent reprieve—part of this city's efforts to reinstate and *use* the evidence of its past.

One of the most princely buildings of the Pacific Northwest, it has seen many a trial, the most agonizing being the one it went through in 1967. Four years earlier, GSA had revealed plans for a new federal building to replace the landmark which, since losing the courts in the early 1930's, had become an unkempt dovecot for assorted federal agencies. The GSA plan mobilized the Oregon Historical Society which, in turn, mobilized forgotten data and faded daguerreotypes to explain the reasons for preservation—an appeal which fell, typically, on deaf ears.

What didn't fall on deaf ears, however, was the hassle which the ninth circut judges were having with GSA over office space in the proposed new building. Senior Circuit Judge John F. Kilkenny, having known Pioneer Courthouse from the 1920's, persuaded his fellow jurists to take a hard look at it. Following suit (possibly to prevent one), so did GSA. Its 1967 feasibility study bore out what the Historical Society, the judges and many local architects had been saying all along: restoration of the landmark would yield the amount of space needed by the judges in any new building, and more inexpensively.

There is, of course, nothing more American pie than a knock-down, drag-out haggle over cost—and, increasingly, nothing more convincing. GSA officials used to cringe if you called them culturally enlightened—after all, local commercial interests might get the wrong idea. But nowadays, call them economically enlightened, or give them some options to be so, and you just might find GSA beating you to the preservation punch.

This altering of attitude has begun in government, and GSA has launched a program to encourage adaptive use of its surplus properties by local agencies and private groups, beefed up by enabling legislation a year ago. GSA, not to mention Portland, is particularly proud of the Pioneer Courthouse victory because, among other things, it was carried out by concerned (if seemingly conflicting) interests—and done so voluntarily after the alternatives to demolition had been looked into. Need it be said, old daguerreotypes aren't enough.

GSA approval and federal funding, hard won, have returned Pioneer Courthouse to a place of orientation and enjoyment in downtown Portland, given the sensitive work of architects Allen, McMath, Hawkins. Young people rest in the shade of its restored sandstone exterior. The main post office, housed in the building from World War II on, has kept a branch on the first floor, next to offices for the Interstate Commerce Commission. The Court of Appeals is ensconced on the second floor with its walls of oak and fixtures of brass. Upstairs is the Bankruptcy Court. And above that, back the way it was when President Rutherford B. Hayes looked out over this then remote fringe of his country, is the cupola.

A new entrance and lobby have been created, but they are subdued and in character. No other structural changes were required. Heating, lighting, plumbing, air-conditioning, fire codes—these needs were met, without violence to Mullett's design. An old, open-cage elevator, regilded and encased in a new cab, enhances the elegance and excitement of being in the building. Touches of Tiffany-like glass, old barrister benches, heavy chairs are set off by contemporary elements—posters by Corita Kent, guitar music floating in from outside, law students in levis and tweed jackets. You get the feeling that the past is very, very present—right down to the "historic preservation" commemorative stamps which sell like hotcakes in that first-floor postal branch.

One of the more reassuring things about the time we're in now is that increasing numbers of small and medium-size cities are at least trying (if not always successfully) to keep a grip on the evidence of their past at the same time they are grappling with the temptations of growth. People are on the move, as never before. And in more than a figurative sense, so are cities.

Portland, for one, has decided not to pull itself up by the roots to make sure it's growing. Its youngish, professional population—schooled, like so many of us, in the idea of growth and gain at all costs—seems bent on balancing permanence with progress, hoping to regain some of the elemental qualities which their parents either skipped over or relinquished. It is a hope which Judge Kilkenny, remembering back, must have understood a few years ago. With Pioneer Courthouse intact, it is a hope that Portland will not easily forget.

SCHOOL INTEGRATION AND GOOD EDUCATION

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

Mr. PREYER. Mr. Speaker, the vast majority of Americans believe in the ideals of an integrated society and equal educational opportunities. While a small number of parents may be diehard segregationists, most are conscientious and sincere and are concerned for the welfare of their children. They accept integration as right and just.

It is also a fundamental drive of all Americans to give their children the best education possible. Many parents are heartsick to see the deterioration in the quality of education in our schools and what this means for the future of their children. They view massive busing as a major threat to educational quality.

A grave challenge to the political center today is to harmonize the belief in school integration with parents' desires for the best education possible for their children.

The courts have responded to this dilemma by ordering busing to achieve approximate racial balance, thereby emphasizing the values of integration and largely ignoring educational values. Legislative responses to the dilemma have sought to maintain the neighborhood school by restricting the remedies that a court could order, thus emphasizing educational values over integration. This legislative response is not very effective because under our constitutional system the legislature cannot restrict the remedies a court may employ to enforce constitutional rights.

The distinguished gentleman from Arizona (Mr. UDALL) and I believe that Congress can help bring about desegregated schools and an integrated society by some means other than massive busing on the one hand, or constitutionally questionable methods of restricting court remedies on the other.

The noted constitutional scholar Alexander Bickel at Yale has been working with us for several years to develop legislation which poses a constructive alternative to the serious current dilemma. This approach represents a solution that we believe can be supported by all men and women of good will, whatever their political persuasion and whatever their race.

We believe many people in this country are searching for a constructive response to the dilemma posed by busing. We believe they want a remedy that acts affirmatively to alleviate racial segregation and unequal educational opportunities, but that minimizes busing and emphasizes educational quality.

Last year, the gentleman from Arizona (Mr. UDALL) and I introduced a bill, H.R. 13552, designated to give Congress a realistic opportunity to help our educational institutions achieve these goals. Today we are reintroducing that bill, the National Education Opportunities Act, in substantially identical form. A further explanation of it will appear at a later point in today's RECORD.

U.S. POLICY IN THE MIDDLE EAST

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

Mr. JOHNSON of Colorado. Mr. Speaker, once again, the inflamed rhetoric of war is being heard in the Chambers of the Congress. Talk of sustaining freedom and stopping aggression is more frequent. Those old cliches of which we never seem to tire, but which are the slogans behind which we hide our own penchant for intervention. I suppose it is time for it—after all, we have not been in a war for 2 months now.

Mr. Speaker, who can tell what the policy of this country is with respect to war in the Mideast? Is our policy one of supplying Israel with enough arms support to maintain the fighting indefinitely? There is evidence of it.

Or is our policy one of gradual escalation? There is evidence of that, too.

Or is our policy one of reaction to whatever the Russians do? They resupply the Arabs—we resupply the Jews. They provide troops—we provide troops. The Secretary of State indicated that may be our policy in a statement the other day.

Whatever the Nation's policy may be, one thing is certain. Congress will not insist on participating in the decisionmaking process. We have just approved and sent to the President the war powers bill. Section 2(c) says the President can only involve us in war through a declaration of war, specific statutory authorization, or armed attack. But no declaration of war has been made. No treaty with Israel provides for our military support. No attack has been made upon us. Yet we, in the Congress, are acquiescing in our aggressive acts against the Arabs.

Our traditional posture of support for the State of Israel created in 1948 has been expanded to encompass an area from the Golan Heights to the Suez Canal. Did anyone in this body cast a vote for that expansion? Did anyone in this

body have an opportunity to vote on that expansion?

Why are we making war on the Arabs? Make no mistake about it—to provide arms support for one side during a war is an act of war. Churchill said in his memoirs that once the U.S. provided arms aid to England in World War II, that U.S. policy was no longer one of neutrality and that our entrance formally into the war was just a matter of time.

Mr. Speaker, we have ships and troops in the area of the war. We are sending more. We are supplying arms by flying them into Israel in our own airplanes. These are not just acts of friendship toward Israel—they are also acts of war toward Egypt and Syria and the other Arab countries now involved in the war. Why does friendship with Israel mean enmity with the Arabs? There are those in this country who are exploiting the situation for political or religious reasons, but why are we as a nation making war upon the Arabs?

Mr. Speaker, on Tuesday, October 16, the Christian Science Monitor printed an editorial entitled "Some Middle East Facts." It is a sober, calm analysis of the situation. I urge my colleagues to read and consider this superior article before we rush into an irrevocable dangerous position, and lest we become victims of our own inflammatory rhetoric:

SOME MIDDLE EAST FACTS

The reopening of fighting in the Middle East is for many a highly emotional event in which rumor easily replaces fact and assumptions can run far ahead of events.

An example of how easily responsible statesmen can lose control of events came in the middle of last week when it was learned that flights of Soviet freighter planes were landing cargoes in Syria. It was instantly and widely assumed in the halls of Congress in Washington that this represented a violation of the Nixon-Brezhnev agreements, that it constituted a threat to the survival of Israel, that it reflected "irresponsibility" on the part of the Kremlin and that it justified an immediate and massive resupply of American arms to Israel.

Secretary of State Henry Kissinger foresaw from the moment the fighting started how difficult it would be to keep perspectives in hand. He promptly laid out a formula to cover the behavior of the two superpowers—the United States and the Soviet Union. It read:

"We shall resist aggressive foreign policies. Detente cannot survive irresponsibility in any area, including the Middle East."

Where does "irresponsibility" begin?

At the end of the first week Mr. Kissinger was fighting a holding action. He applied the word "moderate" to the Russian resupply operation which had already been characterized from the Pentagon, and in Congress, as "massive." By Monday of the second week State Department spokesman Robert McCloskey accepted the word "massive" for the Soviet shipments to Egypt and Syria and confirmed that the United States had "begun some resupply of Israel to an appreciable extent."

The danger is very real that present resupply operations by both sides will escalate into an arms race which could ruin the Nixon-Brezhnev detente.

In the interest of keeping emotions down, reason up, and detente alive we offer the following observations.

There is nothing in the Nixon-Brezhnev contracts which prohibits some resupply to the warring sides in the Middle East. Every act must be tested against the Kissinger formula. What is "aggressive" and at what point does "irresponsibility" begin?

It is fully understood between Moscow and Washington that the United States will not allow the State of Israel to be wiped out. If the essential survival of Israel were at stake Washington would certainly take emergency measures.

The corollary of this is that Moscow is entitled to see to it that neither Syria, nor Egypt, is wiped out or overrun. Detente is a two-way affair. If Israel is to survive, so too must Syria and Egypt. Last week the Syrians took such heavy losses in the battles for the Golan Heights that a total military collapse for a while appeared possible. Also, the Israelis bombed a Soviet cultural center in Damascus. Under the circumstances some Soviet resupply was highly expectable.

A common assumption during last week was that Egypt and Syria had attacked Israel. We ourselves, in this space, referred to "the Egyptian-Syrian attack on Israel." That was a mistake. There was an Egyptian-Syrian offensive against Israel armed forces. But those Israel armed forces were in occupation of Egyptian and Syrian territories. Israel has not annexed the Golan Heights, the west bank of Jordan or the Sinai Peninsula. Those are all legally Arab territories under Israeli occupation. Last week's Arab attacks were attempts to reclaim Arab territories taken by armed force in 1967 and held in defiance of a UN resolution and, indeed, of the official policies of the United States.

Secretary Kissinger said that "we shall resist aggressive foreign policies." It would indeed be "aggressive" for the Arabs to attack Israel itself. It would be aggressive for Israel to invade Egypt or try to capture Damascus. It is not "aggressive" for the Egyptians and Syrians to try to recapture their own lost lands.

It would be highly irresponsible for the Soviets to encourage any Arab country to try to invade Israel. But it is not irresponsible for the Soviets to give the Syrians the means to try to defend their own capital city. Washington would do the same for Israel. An interesting point bearing on this matter is that Washington has allowed Israel to purchase American Phantoms, but the Soviets have never given Egyptians or Syrians warplanes of comparable range and attack power.

Sometimes overlooked is the fact that the United States has no treaty commitment to Israel. True, there are commitments. But they take the form of executive declarations. Every American president beginning with Harry Truman has personally pledged himself to sustain the State of Israel. Both Republican and Democratic Party platforms have consistently had pro-Israel planks in them, from 1948. But there is no treaty commitment.

The United States itself has no quarrel with the Arab countries. On the contrary it seeks best possible relations with all of them for many reasons, including oil. The United States supplies arms to Jordan and Saudi Arabia as well as to Israel. American national interests would best be served by a peaceful settlement between Israel and her Arab neighbors. There is no American advantage in war among them, or in the conquest of one by another.

Under the "Nixon doctrine" the United States seeks to avoid direct involvement in local and regional quarrels. It has withdrawn from combat in Southeast Asia. It refused to supply arms to Pakistan during the Bangladesh war even though President Nixon favored Pakistan over India.

Ideally, both Moscow and Washington would ban all arms shipments to Arabs and Israelis during the present fighting. As a practical matter both will resupply whatever is deemed necessary to prevent a military disaster on either side. We profoundly hope that Moscow and Washington will keep in closest touch and be extremely careful to ship only within the meaning of the word "responsible."

This is a war over the spoils of another war which means negotiating positions for the future. The United States has no commitment to help Israel retain the spoils of the 1967 war, most of which Washington officially thinks should be handed back to their Arab owners. We urge Mr. Nixon to apply the "Nixon Doctrine" to the present Middle East war. We urge those who favored America staying out of Vietnam, Cambodia, and Bangladesh to follow suit in this instance. We urge all Americans to keep in mind the fact that the issue is not the survival of Israel (which is not in question) but only the spoils of the 1967 war.

THE LATE JAMES STROHN COPLEY

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

Mr. O'BRIEN. Mr. Speaker, James Strohn Copley was a major figure in the field of contemporary journalism. He headed a publishing empire of 15 daily newspapers in Illinois and California, including the Joliet Herald-News in my hometown; 32 weekly newspapers; and the Copley News Service, whose 1,340 subscribers make it the largest supplemental news service in the world.

Although I could not claim close friendship with Mr. Copley, I have had the pleasure of talking with him on several occasions and always have been impressed by his generous spirit, his candor, and the strength of his convictions.

Mr. Copley's untimely passing is a great loss to the Nation, particularly in the areas served by his newspapers.

In extension of my remarks I include Mr. Copley's obituary and an editorial which appeared on Sunday, October 7, in the Joliet Herald-News:

[From the Joliet (Ill.) Herald-News, Oct. 7, 1973]

JAMES COPLEY DIES AT 57

LA JOLLA, CALIF.—James Strohn Copley, a giant voice of American journalism, died of cancer Saturday at the Scripps Clinic and Research Foundation here at the age of 57.

He died at 3:50 p.m. Joliet time.

Copley was chairman of the corporation publishing a group of daily and weekly newspapers in California and Illinois. He also was chairman of the board of Copley News Service, publisher of the San Diego Union and Evening Tribune and editorial page editor of the Union, the "flagship" of his publishing empire.

Services will be at the Immaculata at the University of San Diego at 3:30 P.M. Joliet time Tuesday. Interment will be in Aurora.

Survivors include his widow, the former Helen Kinney whom he married in 1965, three adopted children, David C. (son of Helen), Janice and Michael, and a brother, John Satterlee, who is associated with Illinois Copley newspapers.

Mrs. James S. Copley, who succeeds her husband in direction of corporate affairs, assured executives and employes that the "ring of truth" legacy, a hallmark established by the fallen publisher, will be carried forward without a break in stride.

Robert Letts Jones, president of Copley

newspapers, directed all member newspapers to display the corporate flag, a Copley blue ensign with a town crier's bell, at half mast for 30 days.

Copley was born in St. Johnsville, N.Y., on Aug. 12, 1916. His parents, John and Flora Lodwell, died during the influenza epidemic that swept through the U.S. in 1917 and 1918. Young Copley was adopted by the late Colonel Ira C. Copley and his first wife, Edith Strohn Copley, in 1920.

After attending Phillips Academy at Andover, Mass., from 1930 to 1935, James Copley was graduated from Yale University in 1939 with a bachelor of arts degree. He subsequently was awarded an honorary doctor of laws degree by Chapman College in 1966.

Copley began his newspaper career in 1939, joining the Culver City, Calif., Star-News on the advice of his father, an Illinois utility executive, congressman and publisher. The elder Copley had entered the newspaper business by acquiring the Aurora Beacon in 1905. He purchased a group of Southern California newspapers in 1928, including the San Diego Union and Evening Tribune. Also in the group was the Culver City Star-News. The Culver City paper, Colonel Copley told his son, "is small enough so that you can see the trunk and all of the branches."

Young Copley inaugurated his career literally at ground level, sweeping floors after press runs, soliciting circulation and performing other chores when he was not understudying the editorial aspects of the profession, to which he was always particularly attracted.

After two years at Culver City, Copley continued his apprenticeship briefly at the Alhambra, Calif. Post-Advocate and the Glendale News-Press before going to San Diego in 1941.

Copley's blossoming newspaper career was interrupted by Pearl Harbor, following which tragedy he entered the U.S. Naval Reserve.

He served throughout the conflict and returned to inactive duty in 1946 as a lieutenant. He was promoted to lieutenant commander in 1954, to commander in 1957 and to captain in 1965. For the remainder of his life Copley remained active in The Navy League. In the meantime, he was named to the board of directors of Copley Press in 1942 and vice-president Sept. 3, 1946 upon his return from wartime service.

Colonel Ira C. Copley died Nov. 2, 1947. Each of his adopted sons, James and William, inherited four-ninths of his estate. Mrs. Chloe D. Copley, who inherited the remaining one-ninth followed her husband in death Aug. 1, 1949. In 1959, James Copley assumed sole interest in Copley Press, Inc., by buying the interests of William and that of the estate of his stepmother.

As the chief executive officer of the corporation, Copley pursued a dynamic program of growth and expansion. Additionally, he took an active and personal interest in both the editorial quality and technical character of each newspaper. Through his great interest in technical progress, the Sacramento Union, which he purchased in 1966, within months became the largest U.S. daily utilizing the offset printing process and many other technological innovations. In the same vein, at the time of his death Copley had completed one of the most modern and technologically advanced newspaper plants in the world to publish his two San Diego dailies.

In editorial terms, Copley was an outspoken, forthright champion of the United States of America. His vigorous editorial voice, projected by 15 daily and 32 weekly newspapers, urged preservation of constitutional principles, a strong national defense policy, efficiency in government, prudent fiscal policies, a Republican federal structure and integrity in elected representatives.

He was adamant in his insistence that news offered by Copley Newspapers and Copley News Service be chronicled truthfully, impartially and thoroughly.

To assist in reaching these goals, Copley inaugurated the "Ring of Truth" annual awards for excellence in reporting, editing and news photography. A complementary post college career training program for young journalists was another of his pioneering efforts which has been frequently emulated.

Copley's philosophy is succinctly stated in his widely distributed creed:

"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."

Copley insisted that his publishers must be autonomous so that each of his newspapers could develop a distinctive personality to best serve their community. He believed that the function of the larger corporation was to improve the quality, service and efficiency of individual publications by offering them greater resources and talent.

His dedication to his profession, his services to his country and his involvement in the affairs of his hometown earned him broad recognition.

He was a past president of the Inter-American Press Association, a director of the Associated Press, a director of the American Newspaper Publishers Association Bureau of Advertising, a past member of the board of the American Newspaper Publishers Association, past president of The ANPA Research Institute, member of The American Society of Newspaper Editors, The National Press Club, and Sigma Delta Chi, the national professional journalism society.

Copley, his newspapers and his employes were awarded many medals by the Freedoms Foundation at Valley Forge for their contributions to a strong America.

In his home community of San Diego, Copley was noted for his leadership, philanthropy and charity. His memberships included the San Diego Symphony Orchestra Assn.; the San Diego Zoological Society, the Boy Scouts of America and the San Diego Fine Arts Society.

The Copley Center of Scripps Clinic and Research Foundation, which he served as a director, commemorated his personal interest in the advancement of health and medical facilities. Numerous other hospitals and medical study centers have benefitted from his contributions—including the Scripps Memorial Hospital which he served as a director for 14 years and whose Copley Tower is a product of his philanthropy. He also was a lifetime member of the Aurora, Ill., Association which supervises the Copley Memorial Hospital there. In California, his contributions to his home community earned him the title of Mr. San Diego in 1958.

The many other honors received by Copley include the Golden Plate Award presented by the Academy of Achievement, National American Legion Fourth Estate Award, The Order of St. Brigitte, presented by the Americanism Education League, the National Patriotism Award of the Catholic War Veterans, The Gold Medal of the City of Paris, The Silver Beaver Award of the Boy Scouts of America, The National Service Award of The Navy League of the United States, The Ohio Newspaper Association Award for distinguished service to journalism, and The Order of Commander of The Lion of Finland. He was also a recipient of the Maria Moors Cabot Award from Columbia University and the Tom Wallace Award from the Inter-American Press Association for his "long-standing campaign to keep the United States public better informed of developments in Latin America" and for his assistance in helping to improve Latin American newspaper technology.

Among other recognitions conferred upon Copley were the U.S. Navy Distinguished Public Service Award, Veterans of Foreign Wars Gold Medal of Merit, Distinguished American Citizens Award from The National Education Program, The American Foundation Award, a Special National Gold Medal Award and Distingushed Service Award from the Military Order of World Wars, the Naval Sea Cadet Corps School of Honor, The Disabled American Veterans President's Award and two Captive Nations Eisenhower Medals.

Copley's devotion to arts and sciences included membership in Addison Gallery of American Art, American Association of Museums, American Forestry Assn., Cal Tech Science for Mankind Development program, the National Society for Historical Preservation and The American Revolution Bicentennial Commission. The Copley corporate offices in La Jolla house one of the outstanding national collections of art relating to newspapers.

Most of Copley's charitable endeavors were conducted through his own foundations—Union-Tribune Charities, Copley Charities and Southern California Associated Newspapers Charities.

Copley's interest in history was furthered by his memberships in the Aurora Historical Museum, California Historical Society, Sons of American Revolution, Naval Historical Foundation, San Diego Historical Society and Western History Association. Eleven volumes of history commissioned by Copley, relating principally to the Southwest, have won wide acclaim and the James S. Copley Library in La Jolla houses many treasures of literary composition.

Copley's abiding interest in education was underscored by his significant support of three foundations. These were a matching gift scholarship program available to employes, a newspaper scholarship program, major capital gifts to numerous colleges and annual support to more than 50 various education scholarships.

Adjuncts to his newspapers are a department of education that promotes use of newspapers as an educational tool and the Copley career program.

Daily newspapers owned by Copley at the time of his death were: The San Diego Union, founded in 1868; The Evening Tribune, dating from 1895; The Sacramento Union, the oldest daily in the West, founded in 1851; Alhambra Post-Advocate, 1887; Burbank Daily Review, 1886; Glendale News-Press, 1905; Monrovia Daily News-Post, 1903; South Bay Daily Breeze, Torrance, 1894; San Pedro News-Pilot, 1901. All of these are in California.

Copley Illinois daily newspapers and the year of their founding are: The Beacon News (Aurora), 1846; Daily Courier-News (Elgin), 1876; Herald-News (Joliet), 1877; Illinois State Journal (Springfield), 1831: Illinois State Register (Springfield), 1836; Wheaton Journal, 1933.

Additionally the Copley Corporation includes 32 weekly newspapers.

Copley served as chairman of the board of the Copley News Service, the largest supplemental news service in the world, with 1,340 current client outlets.

Copley also owned The Copley International Corporation; Copley Computer Services, Inc. in San Diego; Communications Hawaii, Inc. which operates Radio station KGU in Honolulu; Seminar, a quarterly journalism review, and Copley Productions, which develops documentary films of civic and cultural interest. He also maintained a typography consulting division in the La Jolla corporation general offices.

Copley's residence was "Foxhill" on the La Jolla highlands, a home he deeply loved and whose construction he supervised personally. He had a second home in Borrego Springs, a desert community to which he devoted special interest and energies.

Mrs. Copley will continue to reside at Foxhill.

[From Joliet (Ill.) Herald-News, Oct. 7, 1973]

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, chairman of the corporation publishing Copley Newspapers, taken summarily from his 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.

Armed however, 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.

His newspapers, basically Republican in their editorial viewpoint, reflected his own dedication to that article of faith, and his determination always to print the truth earned for 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—director of the Associated Press, director of the American Society of Newspaper Editors, director of the American Newspaper Publishers Association, president of the Inter-American Press Association, and many others. 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 of these 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 and every corner of the world—will make their judgment today and it will resound with the ring of truth that he so cherished himself.

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 selfless 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. Speaker, it is a great honor for me to participate in honoring the late James Strohn Copley, an unparalleled American patriot and a giant in American journalism. Although I was not an intimate friend of Mr. Copley, I did have the precious opportunity to talk with him on several occasions. I was impressed and awed by his generous spirit, his candid honesty, and the overwhelming magnitude of his personality. His relentless pursuit of truth, his personal conviction, and his legacy of benevolent deeds will long be remembered by this Nation and by me. Mr. Copley's untimely demise will be felt by all Americans, and particularly great will be the loss felt by his colleagues and contemporaries.

I shall not recite his unending list of awards and honors that were justly bestowed upon Mr. Copley during his life, those can be found in the Copley News Service obituary.

Today, I wish briefly to comment on one aspect of Mr. Copley's character that made him an institution, a legend in his own life—his integrity and his never-ending quest for the truth. Integrity—a word so often used and a concept so blatantly abused in the political life of our Nation's Capital today—was the very foundation of James S. Copley's life—his success, respect, admiration and his influence were all based on his uncompromising integrity. I need not remind those of us joining in this special order today that integrity cannot be bought or sold—it must be lived.

James Copley was a living embodiment of this ideal, an example for all of us to follow. It is especially important to accentuate this aspect of his life at this time when we are witnessing a large erosion of faith and confidence of our citizens in the integrity of our governmental institutions and its leaders. The desperate need to restore this faith can perhaps be augmented in large measure by the exemplary life of James Copley.

The review of Mr. Copley's life helps to reinstill the feeling of integrity and greatness which are the direct products of our constitutional form of government, with its attendant basic principle of freedom of the press. To the disgruntled, discouraged and frustrated citizens of this Nation, I say—

Look upon the life of James S. Copley for a renewal of your spirit and faith, here was a living example of the greatness which this Nation is capable of producing, thru hard work, dedication and integrity.

Preceding were the expressions of those persons who worked and lived closely with James Copley, from the Copley News Service and an editorial from the Joilet Herald News, a member of the Illinois chain of Copley newspapers. To these sentiments I can only add my wholehearted agreement. James S. Copley was a giant of a man in every sense and he shall be sorely missed by this Nation.

STATEMENT ON INTRODUCTION OF BILL TO ELIMINATE EMPLOYMENT DISCRIMINATION ON BASIS OF MILITARY DISCHARGE STATUS

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

Mr. DELLUMS. Mr. Speaker, today I have introduced a bill to amend the 1964 Civil Rights Act to eliminate employment discrimination on the basis of military discharge status.

Last November, the Department of Defense's Task Force on the Administration of Military Justice in the Armed Forces concluded that the military—like all other institutions in our society—is permeated with racial discrimination, especially within the military justice system.

A major conclusion of the Task Force was:

The Task Force believes that the military system does discriminate against its members on the basis of race and ethnic background. The discrimination is sometimes purposive; more often, it is not. Indeed, it often occurs against the dictates not only of policy but in the face of determined efforts of commanders, staff personnel and dedicated service men and women.

The answer is not as neat as we might wish it. Part of it is, in our judgment, that the military in its own right continues to pursue certain policies and practices which have the effect of disproportionately impacting on racial and ethnic minorities.

The report studied the military discharges of 919,349 enlisted males who were released from the armed forces during fiscal year 1971. Approximately 21 percent were black. The report found that, first, in all services, blacks received a lower proportion of honorable discharges, and second, a higher proportion of general and undesirable discharges than whites with similar education levels and test scores on aptitude tests.

However the problem finding employment with the burden of any unfavorable discharge is not limited to members of racial minorities. We have all received letters from constituents concerning their inability to obtain employment because of their discharge status. We are all aware of servicemen who receive less than honorable discharges for certain offenses peculiar to the military, and have little—if any—relationship to potential civilian jobs. However, ex-servicemen are refused employment simply because of the type of discharge received, not on account of the offense which brought about the discharge.

The legislation I have introduced today addresses itself to this dilemma. It eliminates use of the "discharge status" as a basis for denying employment. This distinction must not be allowed, and we should act quickly to end this unneeded discrimination and prejudice.

JOINT COMMITTEE ON THE BUDGET

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

Mr. WHITTEN. Mr. Speaker, I have been pleased to serve as cochairman of the Joint Committee of the House and Senate of 32 members to prepare and plan and introduce a bill to regain control of the budget, the so-called congressional budget.

It has been a pleasure to work with my colleague, the cochairman (Mr. ULLMAN) as well as the other 32 members of the committee. I am highly gratified that all 32 of us were able to agree upon a report and that the 32 of us joined in introducing a bill.

Since that time, numerous bills have been introduced. We have had studied those bills prepared by members of the Rules Committee and various of our colleagues. We have had time to think about some of the provisions we had.

On yesterday, I introduced a bill H.R. 10961, which in my judgment brings together the best parts of the various bills that we have. I am unable to present the bill at this time because it is at the Printing Office. It should be available tomorrow. However, in connection with my remarks, I shall give a brief summary of the provisions of the bill. I commend it to the study of the Members of Congress and to those others who are interested.

Mr. Speaker, I think it will answer many of the problems we have in many ways, and in my extension of remarks I shall go into them in greater detail.

The major provisions of the budget control bill which I have introduced are as follows:

1. Changes the fiscal year to October 1st to allow more adequate time for consideration of the budget;

2. Provides that annual bills authorizing budget authority must be passed by March 31, and in the event such authorizations are not passed, provision is made for an automatic one-year extension of the existing authorization;

3. Provides that the members of the Budget committee, to be selected from the Appropriations Committee, the Ways and Means Committee, and the legislative committees, shall be rotated among the members of their committee. The chairmanship shall also rotate among the three groups.

4. Provides that back-door obligational authority, except trust funds, shall be available only as prescribed in the annual appropriation bills;

5. Provides for two budget resolutions as follows:

a. *The first resolution,* to be passed by May 1, will establish tentative targets on total budget outlays, total budget authority, total revenues, the overall level of the public debt, and the amount of surplus or deficit considered appropriate in the light of economic conditions and such other factors as may be relevant.

Although these targets shall serve as guidelines, compliance with the totals will not be required in the subsequent passage of the appropriation bills;

b. *A final budget resolution,* to be enacted after passage of the appropriation bills, providing a final determination of the legislative budget totals with direction to the Appropriations Committee to take such action, in the form of a budget reconciliation bill, as may be necessary to conform the appropriation bills with the revised totals and the Ways and Means Committee to report such tax measures as may be necessary to conform to the revenue total.

6. Timetable and procedure for processing of appropriation and revenue bills:

a. Prior to the reporting of the first appropriation bill the Committee on Appropriations shall complete its subcommittee markups and Full Committee action on all of the annual appropriation bills and report to the House a summary of its recommendations in comparison with the target figures contained in the first budget resolution;

b. By August 1 action shall be completed by Congress on all of the annual appropriation bills which shall then be held by the Congress pending conformity with the second budget resolution and enactment of the budget reconciliation bill;

c. Upon passage of the second concurrent resolution:

(1) the Committee on Appropriations shall report, if necessary, a budget reconciliation bill providing such rescissions and amendments as may be necessary to conform the appropriation bills to the totals approved in the second budget resolution; and

(2) to the extent required, the Ways and Means Committee shall report, as a separate chapter of the budget reconciliation bill, a tax measure which will raise the amount of additional revenue required to provide the revenue total established in the resolution.

7. In the event Congress fails to enact a budget reconciliation bill, or enacts a bill which is not in conformity with the totals on budget outlays and revenues approved in the second concurrent resolution, the Budget committee shall, in order to maintain the spending priorities set by Congress, report legislation providing for a proportionate reduction, by line item, in appropriations and other obligational authority available to provide such amounts as may be necessary to keep expenditures during the fiscal year within the level of budget outlays and the appropriate level of surplus or deficit established in the resolution.

POLITICAL CLOUT AND BANK CHARTERING

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

Mr. ST GERMAIN. Mr. Speaker, the recent disclosures by press and television pertaining to a charter application for a national bank in Florida, which, among other things, implicates the close personal friend of the President, Mr. C. G. Rebozo, and by inference casts doubt upon the integrity of reviewing officials charged with the duty of reaching such decisions solely based upon the general public's need for additional services in a free and competitive environment.

Mr. Speaker, these questions being raised at a time when public confidence is at its lowest ebb concerning Government and its officials at the highest levels must not be left unanswered. Accordingly, as chairman of the Subcommittee on Bank Supervision and Insurance of the House Committee on Banking and Currency, with the fullest support and cooperation of our committee chairman, WRIGHT PATMAN, I hereby advise the House that our subcommittee intends to investigate this matter and related questions to the fullest. All books, records, and documents related to this matter have been requested and will be received shortly. I have every reason to believe that the agencies involved will be fully cooperative and I wish to assure the House that agency officials will be given every opportunity to justify decisions made in this instance.

As we all know, charters for financial institutions are to be granted based on the public needs and necessity of the community and the economic viability of the institutions in question and on no other basis, be it political pressure or otherwise. The question which we have to answer is whether or not the refusal to grant a charter in this instance was based on these two inviolate criteria or whether other factors were involved.

Mr. Speaker, the House may expect a thorough probing investigation with a report of our findings as expeditiously as possible. I approach this task with a sincere desire to avoid prejudging the case in any manner—but our duty compels us to bring all the facts to light lest public confidence be diminished in the soundness of our banking system and in the integrity of those supervisory officials charged by law with protection of the public interest.

MASS TRANSIT URGED

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, the urgency to develop a mass transportation system is becoming increasingly evident. Pollution, congested highways, not to mention the wear and tear on individuals as they crawl through traffic to their employment, all combine and cogently make the case for steps and for action now to help alleviate the present situation.

This summer the Washington and Baltimore areas again have experienced a number of serious pollution alerts. While no one would wish upon us the misery caused by these pollution alerts, at least we can be grateful that they have created the kind of public attention needed to force the improvement of our mass transportation systems and reduce automobile traffic.

It should be noted that the clean air law, now scheduled to take full effect in 1975, will result in various restrictions on the use of the automobile and in a drastic alteration in commuting habits. Many communities are considering action to boost the cost of downtown parking, prohibit further construction of parking facilities, impose special auto-use taxes, and in extreme cases, ban the auto from downtown areas altogether. The current national concern over petroleum products further emphasizes the need for more and better mass transportation.

In an effort to solve the commuting problem, I introduced a bill on June 23, which would authorize the Secretary of Transportation to conduct a feasibility study for an experimental high-speed ground transportation system between Washington and Annapolis and a high-speed marine vessel system between the Baltimore-Annapolis area and the Yorktown-Williamsburg-Norfolk area.

As part of the study, the Secretary of Transportation would be required to consider questions of social advisability, environmental impact and economic practicability. The study must include such factors as possible growth patterns resulting from the system, anticipated effects on competing modes of transportation and the advisability of placing it in another location.

Mr. Speaker, I believe the need is clearly evident that we need a balanced transportation system if we are to combat the effects of air pollution and efficiently move commuters.

I am today introducing a bill designed to encourage the use of rail commuter services for the Washington-Baltimore metropolitan area. Our rails have the potential of helping us to solve the difficult pollution and transportation problems we are facing. This legislation would amend the Washington Metropolitan Area Transit Authority Compact by requiring the inclusion of rail commuter service in mass transit plans. Specifically, the bill directs that within 180 days, after enactment, the board of directors of the authority "shall adopt a program for the development of rail commuter service" as part of its mass transit plan.

I would point out that the State of Maryland is very interested in the potential of railways in helping to solve our transportation and pollution problems. The State, for example, has expressed its willingness to help defray some of the cost of the Amtrak run to Cumberland. Unfortunately, the same forward-looking attitude has not existed at the Washington Metropolitan Transit Authority. Metro is on the way and I am sure that the citizens of this area look forward to its completion, but the urgency of our transportation and pollution problems make it essential that we move as quickly as we can, particularly when our actions will complement the Metro system when it becomes operational.

Mr. Speaker, I hope that my colleagues will join with me in pushing for a balanced transportation system in the Washington-metropolitan area so that we will be ready to meet the influx of visitors expected for the bicentennial celebration in 1976. The text of the bills follows:

H.R. 10935

A bill to amend the Washington Area Transit Authority Compact to require the inclusion of rail commuter service in the mass transit plan, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby gives its consent to and adopts and enacts for the District of Columbia an amendment, as set forth in section 2 of this act, to the Washington Metropolitan Area Transit Authority Compact (D.C. Code sec. 1–1431) for which Congress has heretofore granted its consent (Public Law 89–774; 80 Stat. 1324).

SEC. 2. Paragraph 13 of article VI of the Washington Metropolitan Area Transit Authority Compact is amended—

(1) by redesignating subparagraph (b) as subparagraph (c); and

(2) by adding immediately following subparagraph (a) a new subparagraph (b) as follows:

"(b) Within one hundred and eighty days from the enactment of this subparagraph, the Board shall adopt a program for the development of rail commuter service as a part of the mass transportation plan referred to in this paragraph. Upon adoption of such program, the Board shall immediately take appropriate steps to secure the implementation thereof including the seeking of funds therefor as appropriate under the provisions of the Urban Mass Transportation Act of 1964 (Public Law 88–365; 78 Stat. 302)."

SEC. 3. The Commissioner of the District of Columbia is authorized and directed to enter into and execute an amendment to the Washington Metropolitan Area Transit Authority Compact substantially as set forth in section 2 of this Act with the States of Virginia and Maryland.

AS YE SOW, SO SHALL YE REAP IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, the situation the United States finds itself in today with respect to the Middle East is ironic and quite dangerous.

It is ironic for two reasons. For one, President Nixon now has on his desk a war powers resolution which he has been threatening to veto ever since Congress first began considering it. News reports Monday indicate that Americans are now flying military supplies, and even new fighter aircraft, directly into Israel. Under section 4(a) (1) and (2) of the war powers resolution, President Nixon would be required to report these actions to the Congress within 48 hours.

News reports also indicate that Secretary Kissinger stated Monday night that although the United States does not now plan to send troops into the Middle East, if the Russians send in troops, it will be a different matter. Even such an intimation that the United States might send troops into the Middle East requires prior consultation with the Congress.

There is currently no authority whatsoever for the President to send troops to the Middle East. The 1957 Middle East Resolution has been declared inoperative by Secretary Rogers on a number of occasions. No other authority exists.

The position of the United States is ironic for yet another reason. There was a time not too long ago when, by one simple word, the United States might have forestalled this latest outbreak of violence. In July of this year the United States cast its fifth veto at the United Nations. On that occasion, the United States stood alone in objecting to a rather mild statement by the Security Council on Middle East policy, a statement which our NATO allies were willing to accept.

Had the United States voted for the resolution, or even abstained, perhaps today there would be peace in the Middle East. By vetoing the resolution, the United States may have scuttled the Arabs' final effort to settle the Middle East controversy peacefully. It is regrettable and tragic if it caused the Arabs to see as their only alternative the violent fighting which has ensued.

Surely no one, least of all the Israelis, now feels that our veto at the United Nations could justify the blood which has been shed in the last week.

This time, unlike 1967, the Arabs launched the first attack. And though it may have seemed inevitable to them, it is also nonetheless inexcusable.

The danger is that as a result of these renewed hostilities, a new wave of anti-Israeli sentiment may develop in the United States. Already I have received several letters urging that our Government not resupply Israel for war losses. I have yet to hear from anyone who wants the United States actually to threaten military intervention in the Middle East, and Sunday President Nixon was quick to retract his reference to President Eisenhower's landing of marines in Lebanon in 1957.

The point is that one of the truly great accomplishments of President Nixon in the field of foreign policy is about to come tumbling down. The carefully balanced policy which the President charted and has pursued in the Middle East for the past 5 years is fast being destroyed.

For years, the United States has insisted on full adherence to the U.N. Security Council's Resolution 242, calling for a return of occupied lands, and at most, insubstantial alterations of boundaries which predated the 1967 war. The United States cannot now call for any less adherence to that position, when the lack of adherence is the very reason there is fighting in the Middle East today.

To be sure, it is in everyone's interest to bring about a cease-fire. However, at the same time, it is essential that the provisions of the United Nations' resolution be observed by all parties.

For Israel that means the right to live within secure and recognized boundaries. For the Arabs, it means the right to have occupied lands returned.

These goals bear repeating during these troubled times. They should be the signal beacon, the ultimate object of the cease-fire for which we all long.

In this critical hour, the United States should reaffirm clearly its support for U.N. Resolution 242.

TRIUMPH OF ARENA STAGE CO.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. HANSEN) is recognized for 15 minutes.

Mr. HANSEN of Idaho. Mr. Speaker, this city has reason to be proud that its first resident theater—The Arena Stage Co.—has become the first such group of actors to travel to the Soviet Union, presenting important American drama. There have been musical groups, musical plays, touring ballet companies, and other artists, but Arena Stage is the breakthrough in presenting serious drama. The group traveled under the aegis of the State Department, which paid for the tour as part of the cultural exchange program.

The Arena Stage Co. chose to present the Russians with a highly dramatic play, "Inherit the Wind," written by Jerome Lawrence and Robert E. Lee, which cannot fail to have made an imprint on the capital of a country which is wracked with internal tension caused by the challenge of dissident intellectuals. Its theme is freedom of speech, a freedom denied citizens of the U.S.S.R.

The Russian writer, Alexander Solzhenitsyn, and the scientist, Andrei D. Sakharov, and others have been harassed and threatened. Solzhenitsyn also spent time in prison, and he used the ex-

perience in writing books which were subsequently smuggled to the West, such as "One Day in the Life of Ivan Denisovitch." "The First Circle" is, in my opinion, one of the best novels written on the struggle of man to be free and the indomitability of the human spirit. Choosing this play for Russian consumption was perhaps a risky thing for Zelda Fichandler, the producing director of Arena, and Alan Schneider, Arena's director.

"Inherit the Wind" is, of course, the story of the struggle for the freedom of a young man to teach a controversial subject—evolution. The time is the 1920's and the protagonists are—names are disguised—William Jennings Bryan, representing the reaction of fundamentalist religionists to the concept of evolution, and Clarence Darrow, the great liberal lawyer and defender of the poor and the controversial, who argued the case for freedom of speech.

Taking risks, however, is part of Mrs. Fichandler's genius; for she is responsible as much as anyone for making Arena the mecca for new playwrights and superior plays.

The Russian audiences cheered this production of "Inherit the Wind" even more than the second play, "Our Town" by Thornton Wilder. In order to facilitate understanding of the English, headsets were used for simultaneous translation of the dialog.

The Russian people have been overwhelmingly hospitable to the troupe, a spokesman told me. The company will return October 17, today, and all of us should join in a warm, enthusiastic welcome. They have performed a service in representing the American people by carrying in their persons and in the words of the American plays, a message of good will from the citizens of the United States.

The history of Arena Stage Co. and what it has accomplished is one that gives me hope. I believe in a vital, living theater, a theater which speaks to the condition of man. That message may be one of inspiration, of hope or despair, or of deep, biting criticisms of conditions within the society.

Our great playwrights, no less so than the ancients such as Aeschylus, Euripides, Sophocles, and Aristophanes, probe deeply into the soul of man and his society, and lay it bare in words which provide a challenge for man to change, to evolve into a higher being, and to recognize the oneness of all mankind. The best of our playwrights provide this insight and challenge.

It has been a mission of Zelda Fichandler, who has long been the guiding genius of Arena Stage Co. to seek out new playwrights who have something to say and who say it well. Arena also discovers new talent and provides a training ground for actors who have gone on to other areas. George Gizzard, who is currently starring on Broadway, got his start at Arena, as did Pernell Roberts, who was a University of Maryland student and actor at Arena before traveling to Hollywood and "Bonanza." John Voight was a Catholic University student and Arena actor. He has made a name for himself as a good actor in "Midnight Cowboy" and in his latest, "Deliverance." Frances Sternhagen started at Arena. Ronny Cox, Melinda Dillon, Nicholas Coster, Alan Openheimer are others whose names come to mind.

Alan Schneider, Arena's gifted director, was also a Catholic University student who started at Arena as an actor. Robert Prosky, the fine character actor, has been with Arena for years as a strong part of its resident company.

Mrs. Fichandler has sought and found excellence, and Arena Stage productions are honored countrywide. I can think of several plays which have been produced during the past decade which perhaps could not have found an outlet had she not been willing to take a chance and risk money for their production—plays such as "The Great White Hope." This play made a star of James Earl Jones because of his magnificent performance. Howard Sackler wrote the story of the deliberate emotional destruction of James Johnson, the black man who had the temerity to win the heavyweight boxing title and marry a white woman. While the time was the 1920's, the message was today.

Mrs. Fichandler produced the critically acclaimed "Indians" by Arthur Kopit which, again, had a racial theme, treating the physical destruction of the American Indians, and the cynical reneging on treaty rights of the Great Plains tribes. The play was a popular and critical success in Washington, but failed in New York, as did "Moonchildren" by Michael Weller, which was a contemporary work about the younger generation, a story poignantly and sensitively told. It deserved better on Broadway, as did "Indians."

In her latest attempt at bringing a new play into being Mrs. Fichandler has produced a brilliant musical adaptation of Lorraine Hansberry's "Raisin in the Sun" written by the late playwright's husband, Robert Nemiroff, which was a critical and popular success in Washington.

I saw my first Arena Stage play about 23 years ago at the Old Hippodrome Theater in downtown Washington. The setting was seedy, but the acting was first rate. I also remember veteran actor Robert Prosky from the early years, too, in the Old Vat, the second home of Arena in an old brewery which has since been obliterated by the freeway near the JFK Center. It was not until 1961 that Arena had a home of its own, built on a site in Southwest, at 6th and M, in a redevelopment area. Then 10 years later the Kreeger Theater was built, and we now have two showcases for new plays, or old plays of merit.

Another, smaller reading theater is contemplated, where new talent and new plays can be developed. Mrs. Fichandler has a standard of excellence in choosing plays and hers is the final choice on what is produced. She has received and read literally hundreds and hundreds of scripts, many of which are not producible.

I am a member of the Select Subcommittee on Education, which drafts legislation in this area, such as the bill to provide funding for the National Foundation on the Arts and Humanities. The Arts Endowment has been helpful in aiding struggling theater groups such as Arena. The endowment has since 1969 contributed $972,500 to Arena Stage, dollars which must be matched. The Ford Foundation has sustained them through the years—$800,000 since their beginning. Now, however, they are offering what they call a challenge grant for the next 4 years. They will receive a total of $617,000 if they can raise that amount; and they have a specific quota to raise for each of the 4 years.

Their deficit, I understand, is about $1,450,000. They have raised $950,000 from the box office, leaving approximately $500,000 to be raised.

Arena is not an experimental theater, but it does stress the production of new plays—it calls itself a theater for the people—for they do not stray too much from the mainstream.

We are indeed fortunate in Washington that new playwrights and actors—three out of four are unemployed—do have such an outlet and that Arena has such a fine resident company.

We welcome them back, in triumph, from Russia. We know from reports that they have done a splendid job representing America. Because of this, and because I have been the beneficiary for so many years in the past of so much excellent theater at Arena, I wanted to take this opportunity to pay tribute to a very fine organization.

ONE MAN'S SOVIET TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 60 minutes.

Mr. ASHBROOK. Mr. Speaker, the Washington Post reported that Armand Hammer was offered the position of Ambassador to the Soviet Union but turned the position down. Let us take an in-depth look at this Armand Hammer and his deals with the Soviets to see how incredible this offer was.

On April 12 of this year Occidental Petroleum Corp. signed the largest commercial agreement in the history of Soviet-American trade. Armand Hammer is the chairman of Occidental Petroleum Corp. Before the announcements of the recent deal, Occidental Petroleum was enjoying less than an encouraging business reputation.

Armand Hammer was born May 21, 1898, in New York City, to Julius and Rose Robinson Hammer. He graduated from Columbia University in 1919 and received an M.D. degree from the College of Physicians and Surgeons, Columbia University, in 1921.

His father, Julius Hammer, was a longtime member of the Socialist Party. In 1919 when the Socialist Party split and two Communist Parties were formed from the left wing faction—the Communist Party of America and the Communist Labor Party—Julius Hammer joined the Communist Labor Party.

Benjamin Gitlow, who served as a national Communist Party leader until 1929, identified Julius Hammer as a member of the New York City committee

of the Left Wing of the Socialist Party which later formed the CLP. In January 1919, the Soviet Government appointed Ludwig C. A. K. Martens as its official representative. He opened an office in New York at 110 West 40th Street. According to Gitlow the establishment of this Soviet pseudo-Embassy was made possible by the "generous financial assistance" of Julius Hammer. Gitlow further stated that Hammer was an adviser to Martens.

After the formation of the Communist Labor Party during the summer of 1919 Gitlow reported:

The Communist Labor Party first established its national headquarters in Cleveland, but soon afterwards moved to New York, where its headquarters were established at 108 East 12th Street, in a house rented for us by Dr. Julius Hammer, who not only paid the rent but later bought the house and turned it over to our Party.

While this was going on Armand Hammer was a student at Columbia University. However, he was closely involved with his father's political and business activities. Julius Hammer, a physician, had invested all of his savings in a small company that sold shampoos, mouthwashes, and pharmaceutical chemicals. During Armand's sophomore year his father told him that the business was in such bad financial shape that unless something could be done to revive it Armand would be compelled to leave school. As a result, Armand and his older brother Harry began working in the business. Armand continued to attend Columbia while working. In 1919, the firm invested money in antiseptics et cetera, and when prices rose, made a good deal of money.

On August 16, 1919, the New York World reported that Dr. Julius Hammer was being held on $5,000 bail after being indicted for first degree manslaughter as a result of the death of a woman upon whom he was performing a criminal operation—an abortion.

On June 24, 1920, during the course of Hammer's trial the New York Tribune and the New York World both reported that a juror on the case had reported to the judge that a man had offered him a $10,000 bribe for a favorable verdict in the Hammer case.

The judge continued the case after hearing the juror, Joseph L. Maher, state that a man had approached him and told him that he knew where there would be $1,000—note, not $10,000 as originally reported—waiting for him if he would hold out and prevent an agreement on the jury in the case. The juror later stated that it was his belief that the man who attempted to bribe him was interested in another case similar to Dr. Hammer's and believed that a favorable verdict in one would influence the other.

The New York Tribune and New York Sun of June 27, 1920, reported the arrest of Thomas Sheehan in the bribery charge. The Tribune also reported a group of doctors coming to the defense of Hammer.

Julius Hammer was convicted of manslaughter, first degree, and sentenced to State Prison for 3½ to 15 years.

After Hammer's conviction, a number of doctors who purportedly had made statements defending Hammer denied that the statements attributed to them were authentic. District Attorney Martin of Bronx County stated that he was investigating this matter.

The New York Tribune of July 24, 1920, reported that District Attorney Francis Martin of Bronx County sought to have William Cope committed for contempt of court for refusing to answer questions of the grand jury. Cope, a former newspaperman, had refused to answer questions concerning his work as public relations man for Julius Hammer during the abortion trial. Among the questions he refused to answer were, "Who paid you the $100 a day in the Hammer case?" and, "Who employed you as publicity man in the Hammer case?"

In the meanwhile, leaders of the Communist Labor Party including Benjamin Gitlow were arrested on criminal anarchy charges. Gitlow tells in his book, "I Confess," how he was released on bail after Dr. Julius Hammer supplied $10,000 worth of liberty bonds.

Gitlow was eventually convicted and was sent to Sing Sing after a famous case that went up to the Supreme Court. In his book Gitlow describes the situation he found after being transferred back to Sing Sing at one point during his term in jail.

Gitlow wrote:

Back in Sing Sing life was more pleasant. There we found Dr. Julius Hammer, serving a sentence for an illegal abortion, having been betrayed to the authorities by political enemies, presumably. Dr. Hammer financed Martens' Soviet Bureau, had joined the Communist Labor Party and had generously helped to finance its activities. In addition to Hammer, there were also Isaac E. Ferguson and Charles E. Ruthenberg, who had both been sent to Sing Sing for five to ten years. These three had arrived in Sing Sing while we were in Dannemora. But soon after our return a fourth Communist newcomer came, a Russian comrade named Paul Manko, the last Communist prisoner to arrive in Sing Sing during our stay there. Manko, an ordinary rank and file member of one of the Russian branches, was arrested for distributing leaflets, indicted and convicted as a dangerous Red leader and sent to Sing Sing. He was obviously a psychopath and probably a paranoic. He had delusions that there was a cosmic plot afoot to poison him, and hence refused all food and drink. The keepers treated him gently and with consideration. We politicals delegated Dr. Hammer, who as a physician understood his mental condition better than any of us who moreover spoke Russian, to persuade Manko that no one was plotting against him. But that proved the most unfortunate choice we could have made, for Manko detested Hammer as the alleged seducer of his wife. That was apparently another of his phobias. Instead of listening to Hammer, he threatened to settle scores with him in Russia, as one Bolshevik to another. Moreover, the very next time his wife came to visit him, he created a scene, scolded her in voluble Russian at the top of his voice, and the poor woman left dumbfounded and in tears. We were quite sure that she was perfectly innocent of her husband's charges and that Manko having improvised the seduction charge against Hammer to protect himself from the doctor's intervention, played the irate cuckold to the bitter end with the consistency of a maniac.

As late as 1929, Gitlow collected Communist Party dues from Julius Hammer who was at that time in Moscow.

In 1929, Benjamin Gitlow, Jay Lovestone, and hundreds of their followers were expelled from the Communist Party for not supporting the position taken by Joseph Stalin. An examination of the first volume of the Lovestoneite magazine, Revolutionary Age, November 1, 1929, to March 15, 1930—10 issues—which listed hundreds of Lovestoneites expelled from the CPUSA did not list Julius Hammer among them. Had Hammer been expelled from the party his name would undoubtedly have been listed because of his prominence in the movement.

In later years, Julius Hammer turned up in some Communist fronts. In December 1944 he was listed as a member of the Committee for the Celebration of the 20th Anniversary of the Icor Association. This group, which has been officially cited as a Communist front by California and Massachusetts State committees, had the responsibility of raising funds for the Soviet Jewish Autonomous Republic of Biro Bidjan. Hammer was listed in the December 1944 issue of its official magazine, Nailebn, which means new life. In 1945, he appeared as a stockholder for the People Radio Foundation Inc., which was cited as a Communist front by Attorney General Tom Clark. This group which was controlled by the International Workers Order had as its purpose the establishment of a pro-Communist FM radio station in New York City.

In February 1946, Julius Hammer was listed as a member of the National Board of the American Committee of Jewish Artists, Writers, and Scientists, a Communist front which has been officially cited by the California committee. On February 25, 1946, he also served as a sponsor of a testimonial dinner given by this organization for Communist Party member Albert Kahn.

Julius Hammer died in 1948 at age 74 according to the New York Herald Tribune of October 20, 1948. His wife Rose Robinson Hammer died in 1960 according to the New York Times of February 18, 1960.

While his father was in prison Armand Hammer went to the Soviet Union. He arrived there in 1921. Although we know from the confidential financial report cited above that he was fairly wealthy, he was definitely not a millionaire but appears to have indicated to the Soviet authorities that he was. Boris Reinstein, an American Communist, brought Armand Hammer in contact with Lenin. On October 14, 1921, Lenin wrote a memorandum to all members of the Central Committee of the Russian Communist Party—Bolsheviks—in which he stated:

Attention, all members of the C.C. Reinstein informed me yesterday that the American millionaire Hammer, who is Russian-born (is in prison on a charge of illegally procuring an abortion; actually, it is said, in revenge for his communism), is prepared to give the Urals workers 1,000,000 poods of grain on very easy terms (5 per cent) and to take Urals valuables on commission for sale in America.

This Hammer's son (and partner), a doctor, is in Russia, and has brought Semashko $60,000 worth of surgical instruments as a gift. The son has visited the Urals with

Martens and has decided to help rehabilitate the Urals industry.

An official report will soon be made by Martens.

LENIN.

On October 15, 1921, Lenin wrote a letter to Martens who had been the Soviet representative in the United States asking him:

Can you get Hammer to take an interest in a scheme to electrify the Urals, so that Hammer should provide not only the grain, but also the electrical equipment (naturally on a loan basis)?

At the 11th Congress of the Russian Communist Party held in March and April 1922, Lenin explained the necessity to use non-Communists to "build communism with the hands of non-Communists." To Lenin, the Hammers, although they were Communists, could be portrayed as American capitalists who had found it expedient to work with the Soviets. They would in turn attract other Americans. In a letter to Martens dated October 19, 1921, Lenin wrote:

COMRADE MARTENS: If Hammer is in earnest about his plan to supply 1 million poods of grain to the Urals (and it is my impression from your letter that your written confirmation of Reinstein's words makes one believe that he is, and that the plan is not just so much hot air), you must try and give the whole matter the precise juridical form of a contract or concession.

Let it be a concession, even if a fictitious one (asbestos or any other Urals valuables or what have you). What we want to show and have in print (later, when performance begins) is that the Americans have gone in for concessions. This is important politically. Let me have your reply.

With Communist greetings,

LENIN.

In a letter, written October 22, 1921, to Soviet Foreign Minister Chicherin, Lenin said:

Agreements and concessions with the *Americans* are of *exceptional importance* to us.

On October 27, 1939, Lenin wrote to a member of the People's Commissariat for Foreign Trade, Radchenko, concerning a contract with Hammer. He said:

Comrade Martens has sent me the contract with the American company (Hammer and Mishell) signed by you. I believe this contract to be of enormous importance, as marking the beginning of trade. It is absolutely necessary that you should give special attention to the actual fulfillment of our obligations.

On October 28, 1921, Lenin wrote a note to V. M. Mikhailov, the secretary of the Central Committee of the Russian Communist Party. He spoke of the importance to the Soviets that—

American capital should take an interest in our oil. We believe it to be vastly important to attract American capital for the construction of a paraffin separation plant and an oil pipeline in Grozny.

On November 3, 1921, Lenin wrote a letter to Armand Hammer in which he asked him to greet his father and other Communists then in jail in the United States. He also made reference to the deal that had been made where the Soviets had exchanged a concession in the Ural mountains for flour supplied by Hammer.

On May 11, 1922, Lenin wrote another letter to Hammer in which he thanked him for a letter Hammer had given him "from American comrades and friends who are in prison." Lenin also gave Hammer a letter to the Soviet official Grigory Zinoviev who was instructed to help Hammer. Lenin later phoned Zinoviev to make sure that Hammer did not run into any redtape. Copies of Lenin's letters and a memo on telephone conversations are as follows:

DEAR COMRADE HAMMER: Excuse me please; I have been very ill; now I am very much better. Many thanks for Your present—a very kind letter from American comrades and friends who are in prison. I enclose for You my letter to Comrade Zinoviev or for other comrades in Petrograd if Zinoviev has left Petrograd. My best wishes for the full success of Your first concession; such success would be of great importance also for trade relations between our Republic & United States. Thanking You once more. I beg to apologize for my bad English. Please address letters & telegrams to my secretary (Fotieva or Smolianinoff). I shall instruct them.

Yours truly,

LENIN.

To Lydia Fotieva and V. A. Smolyaninov (Fotieva was Lenin's Secretary):

Have this translated for you both, read it; make note of Armand Hammer and *in every way help him* on my behalf if he applies.

11/V. LENIN.
11/V. 1922.

To Comrade Zinoviev (to Comrade Zinoviev or his deputy):

I beg You to help the comrade Armand Hammer; it is extremely important for us that his first concession would be a full success.

Yours,

LENIN.

I beg you to give every assistance to the the bearer, Comrade Armand Hammer, an American comrade, who has taken out the first concession. It is extremely, extremely important that his whole undertaking should be a complete success.

With communist greetings,

V. ULYANOV (LENIN).

(The first section is in English, the second part was in Russian, in the original).

11.V. 1922.

Telephone message to Zinoviev and his deputy in Petrograd (Make sure this is not lost in the event of Zinoviev's departure or absence):

Today I wrote a letter of reference to you and your deputy for the American Comrade Armand Hammer. His father is a millionaire and a Communist (he is in prison in America). He has taken out our first concession, which is very advantageous for us. He is going to Petrograd to be present at the discharge of the first wheat ship and to arrange for the receipt of machinery for his concession (asbestos mines).

It is my earnest request that you issue orders at once to see that there is no red tape and that reliable comrades should personally keep an eye on the progress and speed of all operations for this concession. This is of the utmost importance. Armand Hammer is travelling with the director of his company, Mr. Mishell.

LENIN.

When Hammer returned to the United States some months later pursuant to Lenin's wishes he publicized the mining concession in an interview published by the New York Times on June 14, 1922. He showed the Times reporter the second Lenin letter quoted above and claimed that he had received a 20-year concession from the Soviets. He pretended that he was simply an American capitalist and told the Times:

When I conferred with officials of the Government I told them I was a capitalist; that I was out to make money but entertained no idea of grabbing their land or their empire. They said in effect, "we understand you did not come here for love. As long as you do not mix in our politics we will give you our help." And that is the basis on which I conducted negotiations.

Hammer, of course, did not show the New York Times reporter the first Lenin letter, or the enclosures to the second letter which would have made it clear that he was not a capitalist but at least a Communist sympathizer and that his father was at that time in an American jail.

An article from the New York World dated June 1922—the exact date has been obliterated from the original copy—reports that a private dinner was held at the Hotel Commodore by Hammer to promote his Soviet American business deals.

According to the article:

A rich slice of the prospective trade with Russia which the financial centres of the world have been looking forward to for the last two years is within the grasp of American interests.

Lenin continued to issue instructions to aid Hammer. A letter written on November 17, 1921, to Martens marked "urgent" ordered "a triple checkup" to insure cooperation with Hammer, and a footnote in the Lenin collected works shows that this related to the wheat deal.

When the goods sent to America by the Soviets turned out to be of bad quality Lenin complained in a letter to Soviet official Alexei Rykov.

Lenin saw the deals with Hammer as a path to American business. He expressed this view in a letter dated May 24, 1923, to Joseph Stalin with the request that he circulate it to all members of the Politbureau—a footnote shows that Lenin's proposal was adopted on June 2, 1922. Lenin's letter to Stalin follows:

URGENT, SECRET

To Comrade Stalin with a request to circulate to all Politbureau members (being sure to include Comrade Zinoviev). On the strength of this information from Comrade Reinstein, I am giving both Armand Hammer and B. Mishell a special recommendation on my own behalf and request all C.C. members to give these persons and their enterprise particular support. This is a small path leading to the American "business" world, and this path should be made use of in every way. If there are any objections, please telephone them to my secretary (Fotieva or Lepeshinskaya), to enable me to clear up the matter (and take a final decision through the Politbureau) before I leave, that is, within the next few days.

24/V. LENIN.

Hammer was later to put an altruistic facade on his Russian adventures. In the August 1945 issue of Spirits, a magazine of the liquor industry, Hammer had a puff piece describing his life. He claimed that he went to Russia to do medical relief work. The article said:

Graduating from Columbia in 1921 and anxious to begin practicing medicine, Hammer decided that this ambition could wait a year or so and volunteered for medical relief work. He was sent to Russia. The Soviet was then still in its infancy and Hammer quickly saw that the chief need of Russia was good food and plenty of it, so, at the age of 23, he performed the difficult task of persuading the young government that it should allow him to organize his own American export company. This device was a necessity, be-

cause the country had no gold and it was imperative that Russian materials be exchanged for food with other nations.

Carrying out the duties of his company, Hammer obtained the Russian agencies for Ford Motor, U.S. Rubber and other leading companies' products. One of his export items was white oak staves, used in the United Kingdom for aging Scotch and in Germany for beer barrels.

The Soviets were in fact not short of gold. As Lenin explained in an article in Pravda, November 6–7, 1921, entitled, "The Importance of Gold Now and After Complete Victory of Socialism":

We must save the gold in the R.S.F.S.R., (Russian Soviet Federated Socialist Republic) sell it at the highest price, buy goods with it at the lowest price. When you live among wolves you must howl like a wolf, while as for exterminating all the wolves, as should be done in a rational human society, we shall act up to the wise Russian proverb: "Boast not before but after the battle."

In late 1922 Hammer was back in Moscow. A member of the American Communist Party, Charles Recht, writing in the Communist Party magazine Soviet Russia Pictorial for March 1923 told of attending the celebration for the anniversary of the Russian Revolution, November 1922. Dr. Armand Hammer and his brother, Victor Hammer, were with Recht and other American Communists on that date.

Armand's brother Victor left a son in the Soviet Union. The New York Times of July 23, 1956, reported that Victor Hammer had just returned from the Soviet Union "after a reunion here with his Soviet citizen son whom he had not seen for 30 years." The Times Dispatch dateline Moscow reported that Victor Hammer's son was also named Armand and that Victor was a prominent art dealer in New York and operated the Hammer Galleries with his brother Armand.

Armand Hammer has had two public relations type pieces in the New Yorker magazine. The first on December 23, 1933, described his version of his life in Russia and promoted the sale of the Czarist crown jewels which Hammer had brought back. Other promotion articles for the sale of the Romanoff jewels appeared in most newspapers and magazines. Some samples are included here as exhibits 16 A, B, and C, from the Washington Post, February 13, 1932; the New York Post, January 3, 1933, and Time magazine, August 21, 1933. A similar promotion piece was printed in the New York Daily News on February 16 1941, when Hammer was selling the Hearst collection in cooperation with Gimbels Department Store.

Despite the public relations hoopla promoted by Hammer on the value to American business of his Soviet deals, there is some indication that he had difficulties. The New York Times of August 18, 1927, reported that his asbestos concession had suffered from competition with Soviet-owned deposits of superior quality and that Hammer had gone into the pencil manufacturing business.

On November 22, 1927, the New York Times reported that Dr. Julius Hammer, head of A. Hammer, Inc., was in the United States seeking a half-a-million-dollar loan for the pencil factory.

The Chicago Daily News of March 6, 1929, reported that Armand Hammer had been attacked in the Soviet Press for attempting to share $4,000 of his million-and-a-quarter-dollar turnover with employees of the pencil factory. Apparently, profit-sharing was not considered appropriate by the Communists.

Other financial information on Armand Hammer shows a number of interesting items. In exchange for his efforts in behalf of the Soviet Union, Hammer received favors from the Soviets including in 1925 a virtual monopoly on the manufacture of lead pencils from wood obtained in America through the medium of his Allied American Corp. Profits in 1 year amounted to more than $1 million. Hammer's pencil manufacturing business was sold to the Soviet Union in 1930. Hammer lived in Russia for 10 years and allegedly had profited by some $9 million when he gave up his concessions.

After returning to the United States, Hammer's activities included an interest in an original A. Hammer & Co., Inc., in New York City, which along with importing staves used in the manufacture of barrels, and other Russian goods, acted as an investment house, and had been known to operate in the stock market. Late in 1935, that company discontinued activity under the original name and for a while did business as Hortense Galleries. He also had a number of other interests in this country.

To protect themselves against inflation, Armand and a younger brother Victor had been investing part of their profits in art objects, mainly jewelry, silverware, and other items that had once belonged to the Russian royal family. When the Hammer's left Russia they took all this treasure with them. Some of this merchandise was disposed of through Hammer Galleries, Inc., of New York City, of which Armand Hammer was president.

In 1944, it appears Hammer saw a new opportunity when he learned that the American Distilling Co. was about to declare a dividend of one barrel of whisky per share. He bought 5,000 shares on margin—and to make his 5,000-barrel dividend go further, he mixed the whisky with alcohol made from potatoes purchased from Government surpluses. It was reported that the blend was sold to the wartime whisky-parched public, and to other distillers. To produce the alcohol, he began buying distilleries. In 1956 he sold the nine distilleries he had purchased for over $10 million.

Also, Hammer bought a farm in Red Bank, N.J., and began breeding Aberdeen Angus cattle. The cattle business turned out to be a bonanza. A giant champion bull named Prince Eric in 3 years sired 2,000 calves and earned $2 million for Hammer. In 1953, most of his cattle were auctioned off at a 3-day sale that brought more than $1 million.

After taking over Occidental Petroleum in 1957, he headed a syndicate that bought the Mutual Radio Network, becoming president and chairman of the board. He sold his interest in Mutual in September 1958, to give his full attention to Occidental Petroleum.

In 1956 Hammer had moved from New York to California where he swiftly spotted a new opportunity. This was Occidental Petroleum, which was a 33-year-old petroleum producer, whose shares had plunged to a value of 20 cents each. A friend approached him and asked him to finance two wildcat wells in Bakersfield, Calif., for $120,000.

Dr. Hammer was told of the tax advantages in oil and he decided to take a chance. Both wells came in much to his surprise. The management of Occidental then asked him for $1 million to obtain 11 oil leases in Los Angeles and in 1957, asked him to be president of the company. Hammer received a major interest in the company, and later merged it with Gene Read Drilling Inc. In 1963 Occidental expanded into fertilizers, and has since added chemicals, coal, plastic, and other products. The company's activities are world-wide, with activities extending into such areas as Canada, Alaska, Libya, Mexico, Belgium, Venezuela, Ghana, and Peru.

Recently, Hooker Chemical Corp., a leading chemical company, became a wholly-owned subsidiary of Occidental Petroleum Corp. through an exchange of Occidental securities with a market value of $800 million.

The only incident of Hammer publicly taking a political position at variance with a Soviet position was in 1940 when he advocated the lend-lease program where American destroyers were exchanged for British bases. This was during the Soviet-Nazi Pact when the Soviets were opposed to our giving Britain any military aid. The Washington News of November 29, 1940 reported a meeting between Armand Hammer and President Roosevelt, at which time, Hammer promoted the lend-lease deal.

Hammer has frequently been accused of at least shady if not illegal activities. The New York Times of October 12, 1968 reported that the late Hale Boggs of Louisiana had accused three executives of the Occidental Petroleum Corp. of attempting to bribe him. Hammer answered that the charges were "false and outrageous."

The Los Angeles Times of April 18, 1968 reports a $50 million lawsuit against Hammer by an Occidental Petroleum shareholder which charged him with "various violations of Federal Securities laws".

The Los Angeles Times of March 6, 1971, reported that Occidental Petroleum had announced that:

A New York Federal District Court has formally entered a consent decree permanently enjoining the company and its Board chairman, Armand Hammer, from violation of Federal antifraud regulations. Hammer and Occidental consented to the injunction but denied any wrong doings or rule violations in the past.

The Wall Street Journal of November 27, 1967, carried a lengthy report accusing Hammer and Occidental Petroleum of fraudulent publicity in promoting the company's stock. The newspaper stated:

The critics make these charges: Quarterly earnings reports sometimes have made it appear the company's operating income was rising faster than was actually the case; a blizzard of press releases has excitedly reported the same goods news items twice or

more on some occasions; not-so-favorable items haven't always been disclosed as fully or as promptly; some public statements haven't been entirely accurate.

The Wall Street Journal report indicated a number of instances where Hammer had manipulated publicity on his own behalf.

An insight into Hammer's personal finances was provided by his 1941 to 1952 income tax return which he submitted to the court in connection with his 1956 divorce. During this period of time he was certainly worth millions of dollars and admitted in court on May 5, 1954, a net worth of $2 million. However, in 1949 he showed a total income of $25,000 from United Distillers of America, Inc., a corporation owned by him. In 1950 his income from the same source was again $25,000. In 1951, he showed an income from United Distillers of America of $25,000 but also showed $1,038 in dividends and interest and $80 in wages from the First Bank and Trust Co. of Perth Amboy, N.J. In 1952, he showed his income as $25,000 from United Distillers of America plus $3,600 in wages as a self-employed person.

Although Hammer is Jewish he has had close business relationships with the Arab oil interests. Stories concerning this appeared in the Oil and Gas Journal, August 14, 1967, Fortune magazine, July 28, 1968, and Los Angeles Times, July 19, 1970. Additionally, John Connally was reported to be negotiating for Occidental Petroleum with Saudi Arabia in December of 1972.

A lengthy article entitled, "Who Is Armand Hammer?" appeared in the Los Angeles Times of November 9, 1969. It is not an unflattering article but it does indicate some of his wheeling and dealing.

The Los Angeles Examiner of March 8, 1961, reported on Hammer's meeting with Nikita Khrushchev. The story which apparently came from Hammer said that the meeting was arranged by "mutual acquaintance" Soviet Deputy Premier Anastas Mikoyan. According to Hammer he gave Khrushchev good advice about how to improve the Soviet image in the United States and promote trade.

On December 1, 1962, the New Yorker magazine carried an interview with Hammer in which he promoted his close association with Soviet officials and he boasted that Khrushchev had mentioned him in a speech some months before.

The Soviet propaganda magazine Soviet Life for April 1965 published a friendly interview with Hammer that he had given to a Soviet correspondent at a 5-day conference in Moscow of businessmen held November 1964.

Armand Hammer's whole life has been one of wheeling and dealing and using every opportunity to make a profit. He has certainly utilized his close relationship with the Soviets that dates back to his early Communist connections.

In the 1920's Armand Hammer's Soviet concessions were very fortunate to receive meaningful compensation. While other concessions were expropriated, the Hammer debts, internal and external, were paid by the Soviet Government. Adding to the uniqueness of the Hammer involvement with the Soviet Union was the Soviet's allowing Armand Hammer to export profits out of that country.

In 1926 the following remark was made by a Soviet spokesman on the topic of foreign concessions in the Soviet Union:

> On the one hand, we admit capitalist elements, we condescend to collaborate with them; on the other hand our objective is to eliminate completely, to conquer them, to squash them economically as well as socially. It is a furious battle, in which blood may necessarily be spilled.

Once again many American businessmen see possibilities for great profits coming from trade with the Soviets. Is there any proof that the situation will be different now than in the 1920's and 1930's? Then, a very few like Armand Hammer, who seemed to have a special relationship with Communist leaders, profited while others were expropriated. All served Communist interests in building up the Soviet industrial base. The Soviet dependence on Western technology is a subject that needs more exposure.

DR. ELBURT F. OSBORNE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, Dr. Elburt F. Osborne has just announced his retirement from the Office of Director of the Federal Bureau of Mines. His retirement is a very real loss to the Federal Government, because his work at the Bureau clearly made him one of the finest Directors the Bureau has known.

He came to the Bureau as one of the most distinguished professors at Pennsylvania State University, a recognized authority in the field of mines and minerology. I came to know him immediately, because there was proposed a remarkable new technique to fill mine voids which was under consideration at the time, and Dr. Osborne initiated an immediate study of this technique, and directed the establishment of a demonstration of this technique in the anthracite region. In this demonstration project, a single borehole injection system was used to backfill mine voids in the Greenridge section of the city of Scranton. The whole of a coal mine refuse bank was crushed and was pumped into the underground mine voids. More than 450,000 cubic yards of this waste bank material was flushed underground, using only five boreholes. Through one borehole alone, nearly 200,000 cubic yards were spread through 30 underground acres to support the surface. The injection of this material was done both in dry beds and in beds inundated with mine water. In this one process, the mine beds were filled and the surface stabilized, the unsightly mine refuse bank was erased, and the land on which the bank stood was reclaimed for future use.

For that one program, Doctor Osborne would have been remembered as an outstanding Director of the Bureau, but there were many other significant things attained during his tenure. I will touch only a few.

In the mineral intelligence field, the Bureau's outstanding statistical and economic analysis work has become even more important to Government and industry as an aid in planning, and the data provided by this program have become the foundation for a new annual report to the Congress, through the new Office of the Assistant Director for Mineral Position Analysis.

The Administration of the Coal Mine Health and Safety Act, and the Metal and Nonmetallic Mine Safety Act became his responsibility. Mine inspections were greatly increased, and mine health and safety research was expanded.

The Bureau also pioneered work on recycling urban refuse. The Bureau's citrate process for removing sulfur dioxide from stack gases is presently undergoing its first field trials. A synthane pilot plan for converting coal to pipeline gas is under construction. A promising new experiment on in-situ coal gasification has begun. A new plant at Tilden, Mich., will soon go on stream with a Bureau flotation system for processing nonmagnetic taconite.

In many fields, this remarkable man, Dr. Osborne has distinguished himself as an outstanding public servant and has helped push the boundaries of knowledge back further in the whole field of mineral research. Doctor Osborne has now taken the position of distinguished professor at the Carnegie Institute of Washington here in the Nation's Capital. I know my colleagues here in the Congress wish him well in this new position. He is a distinguished professor, indeed.

FIFTY-FIFTH ANNIVERSARY OF CZECHOSLOVAKIAN INDEPENDENCE

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, October 28 is the anniversary of the declaration of independence for Czechoslovakia for it was on this date in 1918 that the first law was passed by the Czechoslovakian National Council. The Council had been established somewhat earlier, with Tomas Masaryk, Josef Durich, and Eduard Benes, as president, vice president, and general secretary respectively. Gen. Milan Stefanik, a Slovak aviator who had fought for France during World War I, also served on the council.

Prior to the declaration of independence, Czechoslovakia had been part of the huge Austro-Hungarian empire. Its collapse began when it became obvious that the central powers were doomed to defeat as the first global conflict hastened toward its end.

Austria fell during the night of October 27 and 28 and several new countries came into being as the conglomeration of territories that had been ruled for centuries by the Hapsburgs disintegrated. One of the new nations was Czechoslovakia.

On October 30 a manifesto of the Slovak National Council declared that Slovakia would unite with the Czechs. Masaryk, Benes, and Stefanik proclaimed the Republic of Czechoslovakia the same day.

From 1918 to 1935, Masaryk served as

president and Benes as foreign minister of the infant republic, the latter becoming president in 1935. National Socialism, a force that had gained power in neighboring Germany 2 years earlier, soon took over Czechoslovakia, along with other nations that had emerged from the ashes of World War I. While allied success in the Second World War brought about the annihilation of nazism, a brief interval of freedom ended with the communization of Czechoslovakia.

The oppression and the monumental failure of the Soviet-imposed Communist government was so great that a pragmatic group of Communists attempted to readjust the economy and government structures of Czechoslovakia from within, recognizing that only by disposing of the dogmatic Marxist structures and returning to a Western-oriented economy could they improve the living standards of the people. This limited attempt to institute non-Communist reforms was unacceptable to the Soviet Union, and on August 20, 1968, the Russians and the troops of the German, Polish, Hungarian, and Bulgarian puppet regimes forcibly occupied Czechoslovakia and reinstalled Moscow Communist loyalists in the government and the Communist Party in Czechoslovakia.

Mr. Speaker, the spirit of Masaryk, Benes, Stefanik, and other great defenders of liberty lives on in Czechoslovakia, even though the nation that they established has become one of the numerous colonies of the imperialists in Moscow.

The Czechoslovakian National Council of America and the Czechoslovak-American and exile organizations in Washington, D.C., are sponsoring a reception on October 25 commemorating the 55th anniversary of the restoration of Czechoslovak independence. On that date I shall be in Ankara, Turkey, to represent the U.S. Congress on the Economic Committee of the North Atlantic Assembly.

The NATO meeting this year is crucial for we will be considering the issue of cutting troop strength in Europe. I shall stand firm, because the freedom-loving peoples of the world, particularly in Eastern Europe, have already learned the bitter lesson that the Soviets cannot be trusted on their word alone. We must insist the Soviets show us some evidence of human justice before we make economic or military concessions of any kind.

I am proud to join Chicagoans and all Americans of Czechoslovak descent in their hopes and their prayers that on some October 28 in the near future the people of Czechoslovakia will again celebrate October 28 in freedom and true independence. The forces that labor in the cause of human freedom will not be denied forever.

WE MUST STAND FIRM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 15 minutes.

Mr. PODELL. Mr. Speaker, yesterday's announcement of the winners of the 1973 Nobel Peace Prize was, to be blunt, a shock to me. I must say, however, that I am pleased to see Secretary of State Kissinger honored for his valiant efforts at ending the fighting in Vietnam. He did something which many people once believed was impossible.

In a way, the timing of the Nobel Prize announcement is ironic, coming as it does while the war in the Middle East rages on. The longer this war goes on, the closer the United States comes to what may be the final confrontation with the Soviet Union. Every ship in the Mediterranean, every plane airlifting materials into the war zone, exacerbates the tensions. The United States exercised admirable, although not easily justifiable restraint in waiting a full 4 days to begin resupplying Israel after the Soviets began sending more weapons to Egypt and Syria. That wait will, hopefully, not hamper the Israelis in their fight for survival. But it did indicate to the world the real interests of both the United States and Russia in maintaining peace.

How strange it is, Mr. Speaker, that a nation who has so much to gain from peace and détente should be literally pouring gasoline on a burning fire. Could it be that the Soviet Government is deliberately inciting the Arabs in this war, so that Russia and not the United States will derive the ultimate benefit of Middle Eastern oil? I do not think this is so far-fetched as it may seem. It is something we must consider as we are assaulted by the barrage of Arab oil blackmail. The major oil-producing states, Saudi Arabia and Kuwait, are among the most conservative in the Arab bloc, and have consistently been anti-Soviet, if not fully pro-American. What sort of pressures have been put on these nations to make them use oil as a weapon against the United States? They are surely able to withstand the pressures coming from their fellow Arabs. But could they easily withstand pressures coming from the Soviet Union?

It is so easy to become paranoid about this new war, to see the Soviet Union as a Machiavellian mentality orchestrating the whole sordid mess. But we must realize that big-power politics has a lot to do, perhaps more than we are willing to admit, in the state of affairs in the Middle East. Who has been supplying Egypt and Syria with weapons? Who has been training their fighter pilots? Who has been helping them raise their armies to a reasonable level of competence, if not the Soviet Union?

Earlier this year, and all last year, we saw great strides taken toward reaching a new working arrangement with the Soviet Union. The two nations seemed closer, and it seemed that the cold war was truly over. True, it turned out that as a result the American consumer became a sucker in the great "grain robbery," but the fact of the matter is that channels with the Soviet Union were opened could now prove invaluable.

Secretary Kissinger was instrumental in developing these new channels. If the Secretary wants to show the world that he really deserves the prize he was awarded yesterday, I can think of no better way than to arrange face to face negotiations with the Russians, in order to get them to stop resupplying the Arabs. For without weapons this war will come to an end.

However, until we see a definitive response from Russia that shows they are genuinely interested in preserving world peace, this Nation must do everything possible to support Israel. We must not continue to resupply that beleaguered little nation, but we must make sure that she has military superiority over her enemies. Prime Minister Golda Meir said that the war will not end until Israel's enemies are destroyed. This war has taught us the common sense of what she said. For unless the Arab States are shown that it is consummate folly, if not outright insanity, to continue warring against Israel, they will never be willing to negotiate a peace settlement, and we will be treated to the spectacle of another outbreak of fighting every few years.

We must be ready to make sacrifices for our support of Israel. I do not mean men or lives, but material comfort, for I do not for a minute doubt that the Arabs will at the very least curtail our supplies of petroleum. But such sacrifices will in the long run be worth it, if, by maintaining our support of Israel, we help her to defeat those who have tried to destroy her. Israel must make a show of strength now as never before, in order to end Arab threats to her existence.

I cannot reiterate strongly enough how important it is for us to support Israel. The United States was instrumental in creating that nation, we have supported her for the last 25 years, often when she had no other friend in the world community. It would be an abomination in the eyes of God and man were we now to support her less than fully, for fear of being blackmailed. In these next few crucial days, we must make it absolutely clear to Saudi Arabia, Russia, and every one else who is interested, that we have a commitment which we intend to honor fully. In the long run, the United States can only benefit from such a position.

ON LEGISLATION TO DECRIMINALIZE MARIHUANA

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the national movement toward removing or substantially reducing the criminal penalties against the possession for personal use of marihuana has taken a major step forward as a result of two recently enacted Oregon statutes.

The statutes, passed in the 1973 session of the Oregon State Legislature and signed by Governor McCall, have as their aim the substantial reduction of penalties for private possession and use of marihuana. The statutes provide that possession of less than 1 ounce of marihuana be classed as a violation—that is neither a felony nor a misdemeanor—and punishable by a maximum of a $100 fine. Possession of more than 1 ounce of marihuana may be treated by the court, at its discretion, as a misdemeanor—which in Oregon is punishable by no more than 1-year imprisonment and/or user may be expunged upon a successful petition to the court by the indi-

vidual, 3 years after the person's conviction.

A civil lawsuit has been filed in Federal district court in Washington, D.C., by the National Organization for the Reform of Marihuana Laws—NORML—to have prohibitions against personal marihuana use presently in existence on the Federal, State, and local levels declared unconstitutional as "an unwarranted intrusion into the private lives of millions of Americans." In addition, the suit seeks to establish the position that current penalties for marihuana use constitute cruel and inhuman punishment, and that the present laws deny "equal protection of the laws" since the use of potentially more harmful substances such as alcohol and cigarettes have no penalty attached.

The National Commission on Marihuana and Drug Abuse—the Shafer Commission—appointed by President Nixon has stated as its first recommendation that possession of marihuana for personal use no longer should be considered as a criminal offense, though it does urge that marihuana possessed in public remain contraband, subject to seizure and forfeiture.

Such prestigious and conservative organizations as the American Bar Association and the National Education Association have urged that marihuana possession for personal use be decriminalized. The ABA even supports the dropping of penalties for "casual distribution of small amounts not for profit." Texas has made the possession of 2 ounces or less of marihuana a misdemeanor punishable with a maximum of a 6-month jail sentence and a $1,000 fine. The new penalty is in sharp contrast to the previous situation in Texas where the average sentence served for marihuana violators was 9½ years, and one defendant received the incredible sentence of 30 years for the use, not sale of marihuana.

It is clear that a profound rethinking on this subject is occurring and in light of these developments I am surprised that my bill, H.R. 6570, which would decriminalize—not legalize—personal possession of marihuana, has garnered only eight sponsors.

The Javits-Koch bill has three straightforward provisions: First, possession of marihuana for personal use, whether in public or private, of 3 or less ounces would no longer be a crime; second, marihuana in an individual's lawful possession would no longer be considered contraband subject to seizure and forfeiture; third, marihuana intoxication would not be a valid defense to any violation of Federal law; and fourth, that the sale, distribution, or transfer for profit would continue to be a crime.

My bill, I believe, would put into legislation what is now accepted as the reasonable attitude of the medical, legal, and sociological professions—and most importantly, the bill reflects the attitude of the people of this country.

The Shafer Commission in its original report found that 24 million Americans have tried marihuana at least once, that 8,300,000 still use the drug occasionally, and that 500,000 are heavy users. The Shafer Commission's most recent figures as of February 1973 showed that 26 million Americans, or 16 percent of the adult population, have used drugs at least once, and that 13 million Americans smoked marihuana on a regular basis. The number of potential felons under present law that thus exist is simply staggering. This wholesale disregard for the marihuana statutes by a substantial segment of our population can only serve to bring law in general into disrepute and public contempt. We must remove the present savage penalties that apply to the mere possession of marihuana. And, remember, my bill does not in the least affect the current criminal penalties against sale for profit of marihuana, which will continue.

Let us not try to enforce the unenforceable. Let us bring our laws in line with reality. Let us change the law by decriminalizing possession for personal use of marihuana.

The following are two articles from the Washington, D.C., Star-News and Time magazine which deal with the Oregon and other governmental actions to reduce penalties for marihuana possession. I have also included the Congressional Research Service summary of the Federal legal recommendations of the National Commission on Marihuana and Drug Abuse—the Shafer Commission:

GRASS GROWS MORE ACCEPTABLE

It could be written off to the kids last year when the city council of Ann Arbor, Mich., voted to make marijuana use a misdemeanor subject to a maximum fine of $5, payable by mail. And this spring the radicals were apparently responsible as 60% of Berkeley, Calif., voters passed the "marijuana initiative," which ordered police to give marijuana laws "their lowest priority" and required authorization of the city council for any "arrest for possession, use or cultivation" of the weed. Both cities' policies were later knocked out. But last month in Washington, D.C., a still more revolutionary idea came from an unxpected source: the American Bar Association proposed the total removal of criminal laws against marijuana possession in small amounts.

POPULAR DRUG

With the A.B.A. behind decriminalization of pot, can the rest of the nation be far behind? Perhaps not. Since 1971 state legislatures across the nation, with the notable exception of Rhode Island, have reduced possession of small amounts of grass from a felony to a misdemeanor. Supporting the trend are prestigious organizations like the National Conference of Commissioners on Uniform State Laws (lawyers, judges, law professors and state officials who draft model legislation). The American Medical Association favors the misdemeanor penality for poession in "insignificant" amounts, though it advocates more research on the drug. A National Commission on Marijuana and Drug Abuse survey shows that 26 million Americans have tried grass, and 13 million are regular users.

Just how far the weed has come with the middle class since the first furtive puffs in college dormitories in the 1960s was evident at the A.B.A. convention. A year ago, Whitney North Seymour Sr., past president of the A.B.A., helped water down a decriminalization motion. This year Seymour was the first speaker in favor of the revised resolution. Says he: "Reflecting on the consequences of criminal penalties to the 20-odd million young people using marijuana, I decided that we ought to concentrate on trying to stop sales and start removing penalties for possession." Seymour was joined by a host of law-and-order spokesmen, and the motion even received personal endorsement from a representative of the hard-line National District Attorneys Association. When the votes were counted, the A.B.A. was solidly behind dropping penalties for both possession of limited quantities and "casual distribution of small amounts not for profit." The "lawyers" vote showed concern that police and courts have been busy with pot cases at the expense of more serious crime. The A.B.A. was also distressed over the dangerous legal precedent of open disregard for marijuana laws. Concluded Frank Fioramonti, legislative counsel to NORML (National Organization for the Reform of Marijuana Laws): "When the A.B.A. delegates get around to advocating a progressive step, you know it's an idea whose time has come."

The idea has arrived in some other surprising places:

Until this year Texas was known as a dangerous place indeed to smoke. Eight hundred marijuana offenders were in jail, serving an average sentence of 9½ years for possession. Thirteen were in for life and Lee Otis Johnson, a black activist arrested in 1968, was sentenced to 30 years for having passed a marijuana joint to an undercover agent. Last May the Texas legislature voted to make possession of two ounces or less of marijuana a misdemeanor punishable with a maximum six-month jail sentence and $1,000 fine.

In 1968 pot-smoking hippies were a key target of Atlanta police. Virtually all of Georgia drug-law enforcement resources were directed against pot. Then last year the state legislature reduced first-offense possession of one ounce or less to a misdemeanor. Today only 20% of the state's anti-drug campaign is aimed at marijuana.

On Oct. 5, Oregon will become the first state to remove completely criminal penalties for the private possession and use of grass. The new law reclassifies possession of up to one ounce as a "violation," with a maximum penalty of a $100 fine. Offenders will receive no criminal record, in effect making pot smoking no more criminal in Oregon than illegal parking.

Elsewhere in the country, resistance to softer pot laws continues. Though possession of marijuana in small quantities is now just a misdemeanor in Maine, police around Baxter State Park this summer are conducting a campaign to arrest campers who light more than camp fires. So far, raiders have busted more than 150 vacationers and slapped them with a total of $40,000 in fines. In Massachusetts, despite reduced penalties for marijuana use, 47% of all drug arrests in the state are still for pot. Florida Circuit Court Judge Edward Cowart declares: "The thing that bothers me most is that authorities say they have yet to find someone on the hard stuff who didn't start with marijuana." Says Albert Le Bas, chief of the civil division of the Los Angeles County sheriff's office: "Our concern is that there is still conflicting medical testimony on how harmful it is to the body."

California legislators voted last year to reduce marijuana possession to a misdemeanor, but Governor Ronald Reagan vetoed the bill. State law now offers a range of penalties for first offense pot possession from probation to a ten-year jail term. The nation's harshest drug law is New York's making life sentences mandatory for some hard-drug offenses but leaving marijuana possession punishable as either a misdemeanor or a felony. State police officials say that enforcement will be minimal against pot smokers. Prosecution of pushers in New York, as in all other states, will remain a top priority.

It was not long ago that Keith Stroup, head of NORML, appeared to be a rather improbable lobbyist, but now he and his Washington based organization believe that they are at the threshold of success. Former Attorney General Ramsey Clark will soon file a NORML suit in Washington federal district

court arguing that the capital's pot-possession laws are unconstitutional. A favorable decision there would add credence to Stroup's prediction that marijuana may be legal nationwide by 1976.

OREGON POT PENALTY NOW JUST A TICKET

(By William Hines)

For the next several months at least, the state of Oregon is likely to be happy land for members of the drug subculture.

In a move unparalleled on the state level in this country, the Oregon legislature passed—and Gov. Tom McCall late last month signed—a measure removing nearly all penalties for simple possession and use of marijuana.

As a result, since July 23, under Oregon law, possession of up to an ounce of pot has been not a felony or even a misdemeanor but a mere "violation," similar to a traffic ticket, punishable only by a fine of no more than $100 and not carrying with it the stigma of a permanent criminal record.

The purpose of the law, as perceived by McCall and the majority of the state legislators, was not to foster the drug habit, but to remove a lifelong blot from the records of youngsters guilty of nothing more than smoking a disapproved but not very dangerous weed. Trafficking in marijuana remains a felony, in Oregon as elsewhere.

Owing to a technicality unintended by the law's framers, criminal penalties for possession of up to an ounce of hashish or "hash oil" also were eliminated. As any "head" will testify, an ounce of either of these marijuana derivatives is a substantial amount.

McCall said upon signing the measure that he was aware of the hashish loophole but was reluctant to veto the bill because of it, lest a death blow be dealt to the worthwhile objective of decriminalizing marijuana. He urged the legislature to close the loophole when it meets early next year.

CONGRESSIONAL RESEARCH SERVICE SUMMARY

RECOMMENDATIONS

"The Commission is of the unanimous opinion that marihuana use is not such a grave problem that individuals who smoke marihuana, and possess it for that purpose, should be subject to criminal procedures. On the other hand, we have also rejected the regulatory or legalization scheme because it would institutionalize availability of a drug which has uncertain long-term effects and which may be of transient social interest.

"In general, we recommend only a decriminalization of possession of marihana for personal use on both the State and Federal levels. The major features of the recommended scheme are that: production and distribution of the drug would remain criminal activities as would possession with intent to distribute commercially; marihuana would be contraband subject to confiscation in public places; and criminal sanctions would be withdrawn from private use and possession incident to such use, but, at the State level, fines would be imposed for use in public."

RECOMMENDATIONS FOR FEDERAL LAW

Possession of marihuana for personal use would no longer be an offense, but marihuana possessed in public would remain contraband subject to seizure and forfeiture.

Casual distribution of marihuana for no remuneration or insignificant remuneration not involving profit would no longer be an offense.

A plea of marihuana intoxication shall not be defense to any criminal act committed under its influence, nor shall proof of such intoxication constitute a negation of specific intent.

THE NUTRITION PROGRAM FOR THE ELDERLY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I recently introduced H.R. 10551, a bill to amend title VII of the Older Americans Act of 1965 relating to the nutrition program for the elderly, which was approved on my initiative in the last Congress. The bill provides for the extension of this program and the authorization of appropriations of $150 million for fiscal year 1975, $175 million for fiscal year 1976, and $200 million for fiscal year 1977.

My able and distinguished colleague JOHN BRADEMAS, chairman of the House Select Education Subcommittee of the Education and Labor Committee, has joined me in the introduction of this legislation. He was a strong and effective advocate of the original bill I introduced in 1970, and I am pleased to have his cosponsorship and support of the extension.

In the other body, Senator EDWARD M. KENNEDY of Massachusetts, who sponsored my original bill in the Senate in 1971, has introduced identical extension legislation, joined by Senator CHARLES PERCY of Illinois. Senator KENNEDY, with the support of 21 cosponsors, won Senate passage of this legislation in December 1971 by a vote of 88 to 0. This overwhelming endorsement of the bill in the Senate occurred during the 1971 sessions of the White House Conference on Aging and the support which the conference delegates gave to the proposal was a key element in the adoption by the Congress of this significant legislation.

The House approved the bill on a 350 to 23 rollcall vote early in 1972 and the President signed the bill into law in March of that year. He then requested funding at the authorized level—$100 million—for the fiscal year 1973. This was voted by the Congress but implementation of the program was delayed until late this spring by the controversy over the HEW appropriations bill—as you know, we are still operating on a continuing resolution with regard to HEW programs.

We did, nevertheless, obtain the first $100 million for the program in the 1973 supplemental appropriation, with a provision that the money remain available through the end of calendar 1973. For fiscal 1974 the House recommended $100 million and the Senate recommended $110 million in the Labor-HEW appropriations bill currently in conference.

Now we are asking a modest expansion of the program for fiscal 1975, to $150 million, and authorizations for further growth to $175 million for fiscal 1976, and $200 million in fiscal 1977. These figures, of course, may have to be increased significantly if inflation continues to raise food prices and other costs in providing these nutritious meals for our older citizens.

Mr. Speaker, when I introduced the original bill on May 28, 1970, during Senior Citizens Month, millions of older Americans already were feeling the effects of food shortages and rising prices. Many of these elderly men and women also were isolated and lonely and lacked the ability to purchase raw foods and prepare meals for themselves. The White House Conference on Food Nutrition and Health in May of 1969 had recognized their plight and had expressed it in one of the conference's final recommendations which stated:

The U.S. Government, having acknowledged the right of every resident to adequate health and nutrition, must now accept its obligation to provide the opportunity for adequate nutrition to every aged resident.

My original bill recognized the acute need for a national program aimed at providing the elderly with low-cost, nutritionally sound hot meals served in strategically located centers such as community centers, senior citizens centers, schools, and other public or private nonprofit institutions. The bill directed itself to the maintenance of both the physical and mental health of the elderly through provision for balanced meals, through education in nutrition, through various social and rehabilitative services, and through the encouragement of greater physical and mental activities.

The original bill contemplated the utilization of the most modern technology in meal preparation, delivery and service. Today, all Americans are becoming more and more aware of the need to learn ways to eat better for less money. Bulk buying, freezing techniques, and the proper purchase and preparation of raw foods to preserve their nutritional values, may all be utilized to the fullest extent in the nutrition program for the elderly to accelerate the implementation of the program and provide for the greatest number of meals possible.

It provided that the Federal Government underwrite the cost of equipment, labor, management, supporting services, and food under a 90 to 10 percent matching formula with the States. The elderly participants would pay a low cost for the meals, or in accordance with policy determined by the local sponsors of the programs, the balance of the cost of the program would be provided from other local public or private sources of financial and volunteer support for the program.

It is one thing to pass a law, it is another to fulfill all the objectives of that law. In the nutrition program for the elderly, our Nation has an expression of a national commitment to a better life for the aged. The $100 million funding which has just been released for the first year of implementation would have provided 250,000 hot meals a day for at least 5 days a week, according to original Administration on Aging estimates. I am informed that this estimate now will decrease substantially because of the continuing inflation.

I understand State agencies responsible for the implementation of the program have received over the past year more requests for grant applications from church, synagogue, senior center, community, county and city groups and organizations than can be handled initially. Potential sponsors representing minority groups, which have a specific priority under the original bill, have indicated their strong support and interest in the program to me personally over the past few months.

The National Council of Senior Citizens and the American Association of Retired Persons, National Retired Teachers Association continue their most effective and dedicated support for the program.

Mr. Speaker, the continuing interest and support in the nutrition program for the elderly is to be contrasted with the support of the elderly's needs through our general revenue sharing plan. I understand very few community groups or organizations concerned with the welfare of the older American have been successful in securing general revenue sharing funds. I have requested a detailed report of allocations under general revenue sharing to programs designed specifically and exclusively to provide for older Americans 60 years of age and over.

In this year of the first implementation of the original bill, we know that 40 percent of all older Americans 65 and over are poor or near poor; among blacks the proportion of elderly poor is almost 50 percent; and nearly 33⅓ percent of the elderly of Spanish heritage fall at or below the poverty level. We cannot deny that the unabated rise in inflation will intensify this poverty among the elderly.

The proportion of our elderly to the total population is increasing. Current predictions indicate that, in the next 25 years, 45 million Americans will reach the age of 65 and the population of older people will nearly double, rising from 20 million to 35 or 40 million. With improvement in health services, millions of people may live to be 80 and 90 years of age.

Today, millions of our elderly are suffering from hunger and malnutrition. Millions have a very low expectation of services and they make only minimal demands. But each of these older Americans contributed his fair share to our Nation's strength and wealth during his working years and he has the right to expect the Nation to contribute to his need for dignity, self-reliance, independence and health in his old age.

Mr. Speaker, I urge that we renew our national commitment to the elderly by acting quickly and favorably on the extension and expansion of our support for the nutrition program.

I ask unanimous consent that the current allotments under Public Law 92–258 be printed in the RECORD at this time.

THE CURRENT ALLOTMENTS UNDER PUBLIC LAW 92–258—ALLOTMENTS UNDER NUTRITION PROGRAM FOR THE ELDERLY

State	60 plus population	$100,000,000 appropriated
Total	28,936,791	$100,000,000
1. Alabama	475,203	1,570,652
2. Alaska	12,197	500,000
3. Arizona	233,729	775,748
4. Arkansas	334,603	1,110,948
5. California	2,571,747	8,514,078
6. Colorado	266,890	881,096
7. Connecticut	414,991	1,379,108
8. Delaware	63,815	500,000
9. District of Columbia	103,713	500,000
10. Florida	1,344,185	4,453,370
11. Georgia	543,299	1,800,052
12. Hawaii	67,488	500,000
13. Idaho	97,963	500,000
14. Illinois	1,571,497	5,200,388
15. Indiana	701,393	2,317,668
16. Iowa	477,392	1,580,228
17. Kansas	367,545	1,216,296
18. Kentucky	476,224	1,580,228
19. Louisiana	449,386	$1,484,456
20. Maine	165,124	526,742
21. Maryland	443,561	1,465,302
22. Massachusetts	888,972	2,940,182
23. Michigan	1,089,225	3,601,004
24. Minnesota	564,373	1,867,542
25. Mississippi	320,336	1,063,062
26. Missouri	783,632	2,595,406
27. Montana	97,171	500,000
28. Nebraska	250,396	833,212
29. Nevada	48,844	500,000
30. New Hampshire	110,272	500,000
31. New Jersey	1,011,034	3,342,422
32. New Mexico	105,158	500,000
33. New York	2,813,580	9,308,986
34. North Carolina	614,180	2,030,353
35. North Dakota	93,813	500,000
36. Ohio	1,426,582	4,721,530
37. Oklahoma	421,310	1,398,262
38. Oregon	321,207	1,063,062
39. Pennsylvania	1,831,564	6,062,330
40. Rhode Island	147,164	500,000
41. South Carolina	286,272	948,136
42. South Dakota	109,740	500,000
43. Tennessee	555,977	1,838,810
44. Texas	1,436,955	4,579,838
45. Utah	112,540	500,000
46. Vermont	66,453	500,000
47. Virginia	538,034	1,781,348
48. Washington	460,089	1,522,766
49. West Virginia	278,969	919,406
50. Wisconsin	661,349	2,193,166
51. Wyoming	43,730	500,000
52. American Samoa	1,029	250,000
53. Guam	2,550	250,000
54. Puerto Rico	258,661	852,366
55. Trust Territory	5,045	250,000
56. Virgin Islands	3,630	250,000

THE C–5A SHOWS ITS MUSCLE

(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 would like to invite the attention of my colleagues to an article in this morning's Washington Post by Joseph Alsop. This article reports on U.S. efforts to airlift aid to Israel. Let me quote the specific items I would like to bring to your attention concerning our efforts to airlift materials to Israel:

Fears of a similar winter further caused at least two American allies, Britain and Spain, to deny the U.S. landing rights for planes employed in the airlift to Israel.

It is ironical, but it is a fact, that the job really could not be done in time without the huge C–5A transports—the very airplanes that have been somehow transformed into a scandal by the hyper-active antidefense lobby.

This is again a testimonial to those of vision who persisted in the efforts to develop the C–5A. The Nation owes a vote of thanks to them and those in Congress who recognized the need for an aircraft with the capabilities of the C–5A.

I include the entire article at this point:

[From the Washington Post, Oct. 17, 1973]

THE BELATED U.S. AIRLIFT TO ISRAEL

(By Joseph Alsop)

Late last Friday night, the Israeli ambassador, Simca Dinitz, delivered an almost despairing personal message from Prime Minister Golda Meir. The message informed President Nixon and Secretary of State Henry A. Kissinger that without immediate, massive resupply, growing shortages in critical military areas would end by driving Israel out of the war.

The specter of Israel's eventual defeat—no less—in truth precipitated the American decision to organize the airlift to Israel announced at the State Department on Monday. It was a belated decision. Partly this was because of overly high hopes of diplomatic arrangements with the Soviet Union. But above all the delay was caused by the frantic warnings of the big oil companies that serious aid for Israel would impair if not entirely stop the flow of Arab Oil to the U.S.

The chances are, in truth, that we have a mighty cold winter ahead of us. Fears of a similar winter further caused at least two American allies, Britain and Spain, to deny the U.S. landing rights for planes employed in the airlift to Israel.

Hence our C–140 and C–5A transports are having to go out with far less than capacity loads, because of the need to carry extra gasoline in place of the ammunition and many other things that Israel needs so urgently. It is ironical, but it is a fact, that the job really could not be done in time without the huge C–5A transports—the very airplanes that have been somehow transformed into a scandal by the hyper-active antidefense lobby.

Because of the C–5As, even Skyhawk planes are being airlifted to Israel, along with the more normal airlift cargo like ammunition of all types, already mentioned, of which the Israelis were getting horribly short. Phantom fighters are being flown to Israel direct, with air-refueling, and flown, thank God, in considerable numbers. Tank replacements are the great difficulty, but are going by sea from Europe.

At the moment when the U.S. decision was taken, the Israelis had in fact lost about one third of their entire inventory of 488 military aircraft. They had lost over a third of their 1,800 tanks. In certain ammunition categories, only a few days of supply were still in hand. In short, there was no exaggeration in Prime Minister Meir's message.

All the foregoing facts point to the inescapable conclusion that for several different reasons, including concealment in both Jerusalem and Tel Aviv, far too optimistic a view of the course of the war has been propagated in this country. This reporter was among the over-optimists. Now that the real situation has been uncovered at last, another general review of that situation is thus in order.

The worst of Israel's supply problems will be eliminated by the crucial U.S. decision taken in response to the Golda Meir message. But that does not insure Israel's eventual success. Instead, it only eliminates a factor that might soon have led to Israel's being literally overwhelmed by weight of Soviet arms and Arab numbers.

In the North, the Syrian army has been decisively defeated. Yet as these words are written, the problem for Israel in the North still remains to be solved. This is mainly because of the Iraquis and the Jordanians, who look like they will keep the Northern front active for a while, when Israel really desperately needs to turn toward the Sinai front.

On the Sinai front, meanwhile, the need for military miracles by the Israelis is even more pressing. They have already performed one, to be sure. When the Egyptians made their attempted break-out aimed towards the strategically vital Mitla and other passes in the Sinai, they had above 70,000 men on the east bank of the canal, with about 800 tanks. The Israeli containing force was no more than 30,000 men, with the rest in proportion. But the major Egyptian break-out attempt was brilliantly frustrated.

For the Israelis, however, going over to the offensive on the Sinai front will be a far harsher problem. All along the canal, the Egyptians have organized themselves in "phalanxes"—the word used by the Israeli staff for bristling, mutually protective formations of infantry, tanks and missiles. Along the canal, moreover, the Egyptians are also under the umbrella of the great numbers of Soviet anti-aircraft missiles on the Suez Canal's west bank.

No one can tell, of course, whether or not the Israelis will manage to find another of their magnificently bold and original solutions for the problem of those "phalanxes."

But despite the U.S. airlift, it is still too early a day to allow optimism to set in.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McCLORY (at the request of Mr. GERALD R. FORD), until 2:30 p.m. today, on account of official business.

Mr. CARNEY of Ohio (at the request of Mr. O'NEILL), for today and October 18, on account of official business.

Mr. GUYER (at the request of Mr. GERALD R. FORD), for October 17–18, on account of official business.

Mrs. HANSEN of Washington, for October 23 through October 29, on account of official business in district.

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. MALLARY) to revise and extend their remarks and include extraneous matter:)

Mr. HOGAN, for 10 minutes, on October 17.

Mr. FINDLEY, for 5 minutes, today.

Mr. HANSEN of Idaho, for 15 minutes, today.

Mr. TALCOTT, for 5 minutes, today.

Mr. ASHBROOK, for 60 minutes, today.

Mr. McDADE, for 5 minutes, today.

(The following Members (at the request of Mr. RYAN) and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PODELL, for 15 minutes, today.

Mr. FUQUA, for 10 minutes, today.

Mr. ROSTENKOWSKI, for 10 minutes, on October 18.

Mr. PODELL, for 15 minutes, on October 18.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WYLIE following the remarks of Mr. LATTA.

Mr. REID notwithstanding the fact it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $574.

(The following Members (at the request of Mr. MALLARY) and to include extraneous matter:)

Mr. BELL.

Mr. ARCHER.

Mr. BAKER.

Mr. WYMAN in two instances.

Mr. HOSMER in three instances.

Mr. SHOUP in two instances.

Mr. BOB WILSON in two instances.

Mr. GOLDWATER.

Mr. ERLENBORN.

Mr. FINDLEY.

Mr. HARSHA.

Mr. HANSEN of Idaho.

Mr. COHEN.

Mr. ESCH.

Mr. DERWINSKI.

Mr. HOGAN.

Mr. HANRAHAN in two instances.

Mr. SHRIVER.

Mr. ASHBROOK in two instances.

Mr. McKINNEY.

Mr. GROVER in two instances.

Mr. STEELE.

Mr. LANDGREBE.

Mr. DELLENBACK.

Mr. GILMAN.

Mr. CAMP.

Mr. KUYKENDALL.

(The following Members (at the request of Mr. RYAN) and to include extraneous matter:)

Mrs. SULLIVAN in two instances.

Mr. DIGGS.

Mr. FRASER in five instances.

Mr. GONZALEZ in three instances.

Mr. BADILLO in two instances.

Mr. FLOOD in two instances.

Mr. RARICK in three instances.

Mr. RIEGLE in two instances.

Mr. DOMINICK V. DANIELS.

Mr. HARRINGTON in four instances.

Mr. HANNA in five instances.

Mr. FASCELL in three instances.

Mr. EDWARDS of California in two instances.

Mr. WALDIE in five instances.

Mr. SYMINGTON.

Mr. MANN in six instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2013. An act to amend the act of June 14, 1926 (43 U.S.C. 869), pertaining to the sale of public lands to States and their political subdivisions, to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 9590. An act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes.

ADJOURNMENT

Mr. RYAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Thursday, October 18, 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:

1457. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on activities under the export expansion facility program during the quarter ended March 31, 1973, pursuant to Public Law 90–390; to the Committee on Banking and Currency.

1458. A letter from the Director, District of Columbia Bail Agency, transmitting the 1971 and 1972 annual reports of the Agency, pursuant to 23 District of Columbia Code 1307; to the Committee on the District of Columbia.

1459. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting a report listing all employees of the Commission by name, title, grade, and salary, as of June 30, 1973, pursuant to section 705(e) of Public Law 88–352; to the Committee on Education and Labor.

1460. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to improve the program of health insurance for the aged and disabled; to the Committee on Ways and Means.

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. FISHER: Committee on Armed Services. H.R. 10366. A bill to amend title 10, United States Code, to remove the 4-year limitation on additional active duty that a nonregular officer of the Army or Air Force may be required to perform on completion of training at an educational institution. (Rept. No. 93–595). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. H.R. 10367. A bill to amend section 269 (d) of title 10, United States Code, to authorize the voluntary assignment of certain Reserve members who are entitled to retired or retainer pay to the Ready Reserve, and for other purposes. (Rept. No. 93–596). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 10965. A bill to increase the number of fuel-economy automobiles purchased by the Federal Government; to the Committee on Government Operations.

By Mr. ASPIN:

H.R. 10966. A bill to amend title 10 of the United States Code to place certain limitations on the space available transportation system operating within the armed services; to the Committee on Armed Services.

By Mr. BELL:

H.R. 10967. A bill to establish in the State of California, the Channel Islands Marine National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BIAGGI:

H.R. 10968. A bill to provide for the establishment within the Department of Health, Education, and Welfare of a National Center on Child Abuse and Neglect; to provide a program of grants to States for the development of child abuse and neglect prevention and treatment programs; and to provide financial assistance for research, training, and demonstration programs in the area of prevention, identification, and treatment of child abuse and neglect; to the Committee on Education and Labor.

By Mr. BROTZMAN:

H.R. 10969. A bill to strengthen interstate reporting and interstate services for parents of runaway children, to provide for the development of a comprehensive program for the transient youth population for the establishment, maintenance, and operation of temporary housing and psychiatric, medical, and other counseling services for transient youth, and for other purposes; to the Committee on Education and Labor.

By Mr. DELLUMS:

H.R. 10970. A bill to amend the Civil Rights

Act of 1964 to eliminate employment discrimination on the basis of military discharge status; to the Committee on Education and Labor.

By Mr. DU PONT:

H.R. 10971. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new automobile with respect to its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every automobile, to provide funding to develop more efficient automobile engines, and for other purposes; to the Committee on Ways and Means.

By Mr. GOODLING (for himself, Mr. DINGELL, and Mr. KARTH):

H.R. 10972. A bill to delay for 6 months 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. HANSEN of Idaho:

H.R. 10973. 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. HEINZ:

H.R. 10974. A bill to provide for a 7-percent cost-of-living increase in social security benefits, effective immediately; to the Committee on Ways and Means.

By Mr. HOGAN:

H.R. 10975. A bill to amend the Washington Area Transit Authority Compact to require the inclusion of rail commuter service in the mass transit plan, and for other purposes; to the Committee on the District of Columbia.

By Mr. HUNGATE:

H.R. 10976. 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. LITTON:

H.R. 10977. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. BURLISON of Missouri, Mr. COHEN, Mr. HARSHA, Mr. LANDGREBE, Mr. MADIGAN, Mr. QUIE, Mr. SISK, Mr. VIGORITO, and Mr. WON PAT):

H.R. 10978. 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. McCLOSKEY:

H.R. 10979. A bill to offer amnesty under certain conditions to persons who have failed or refused to register for the draft or who have failed, or refused induction into the Armed Forces of the United States, or have deserted the Armed Forces, and for other purposes; to the Committee on the Judiciary.

H.R. 10980. A bill to offer amnesty to persons who have failed or refused to register for the draft or who have failed, or refused induction into the Armed Forces of the United States, or have deserted the Armed Forces, and for other purposes; to the Committee on the Judiciary.

By Mr. MOAKLEY:

H.R. 10981. A bill to provide that compensation received by a veteran for service-connected wartime disability shall not be taken into account in determining his eligibility for Federal housing assistance or the amount or extent of such assistance; to the Committee on Banking and Currency.

H.R. 10982. A bill to amend the National Housing Act to provide further assistance to public and private nonprofit corporations for the conversion of existing single family housing for occupancy by elderly persons of low or moderate income; to the Committee on Banking and Currency.

H.R. 10983. A bill to provide for the direct financing of low- and moderate-income housing programs under sections 235 and 236 of the National Housing Act; to the Committee on Banking and Currency.

H.R. 10984. A bill to transfer to the Department of Commerce responsibility for carrying out special impact programs heretofore carried out by the Office of Economic Opportunity; to the Committee on Education and Labor.

H.R. 10985. A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle, Wash., Boston, Mass., San Francisco, Calif., Galveston, Tex., New Orleans, La., Baltimore, Md., Staten Island, N.Y., and Norfolk, Va.; to the Committee on Interstate and Foreign Commerce.

H.R. 10986. A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10987. A bill to amend section 801 of title 38, United States Code, to provide assistance in acquiring specially adapted housing to additional group of severely disabled veterans; to the Committee on Veterans' Affairs.

H.R. 10988. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for security device expenses; to the Committee on Ways and Means.

By Mr. NICHOLS:

H.R. 10989. A bill to amend title 5 of the United States Code with respect to the observance of Veterans Day; to the Committee on the Judiciary.

By Mr. PATMAN (by request):

H.R. 10990. A bill to improve the efficiency and flexibility of the financial system of the United States in order to promote sound economic growth, including the provision of adequate funds for housing; to the Committee on Banking and Currency.

By Mr. PREYER (for himself and Mr. UDALL):

H.R. 10991. A bill to provide for affording equal educational opportunities for students in the Nation's elementary and secondary schools; to the Committee on Education and Labor.

By Mr. RIEGLE (for himself, Mr. BREAUX, Mr. CLEVELAND, Mr. DAVIS of Georgia, and Mr. STOKES):

H.R. 10992. A bill to amend the Occupational Safety and Health Act of 1970 to improve the administration of that act with respect to small businesses; to the Committee on Education and Labor.

By Mr. ST GERMAIN:

H.R. 10993. A bill to provide full deposit insurance for public units and to increase deposit insurance from $20,000 to $50,000; to the Committee on Banking and Currency.

By Mr. SATTERFIELD:

H.R. 10994. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the authority of the Secretary of Health, Education, and Welfare with respect to foods for special dietary use; to the Committee on Interstate and Foreign Commerce.

By Mr. SAYLOR:

H.R. 10995. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new automobile with respect to its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every automobile, to provide funding to develop more efficient automobile engines, and for other purposes; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself and Mr. MOAKLEY):

H.R. 10996. 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. THONE:

H.R. 10997. A bill to establish an Office of Rural Health within the Department of Health, Education, and Welfare, and to assit in the development and demonstration of rural health care delivery models and components; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN (for himself and Mr. REUSS):

H.R. 10998. A bill to authorize the Administrator of the General Services Administration to provide technical assistance to units of local government to implement programs which are designed to increase the use of carpools by commuters; to the Committee on Government Operations.

By Mr. VANIK (for himself, Mr. MATSUNAGA, Mr. JAMES V. STANTON, Mr. CORMAN, Mr. RIEGLE, Mr. WOLFF, and Ms. ABZUG):

H.R. 10999. A bill to authorize and direct the Secretary of Commerce to study applications of solar energy, to establish a system of grants for solar energy research, and to establish the solar energy data bank; to the Committee on Science and Astronautics.

By Mr. VANIK (for himself, Mr. METCALFE, Mr. FRASER, Mr. WYATT, Mr. STOKES, and Mr. DU PONT):

H.R. 11000. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new automobile with respect to its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every automobile, to provide funding to develop more efficient automobile engines, and for other purposes; to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 11001. A bill to promote public confidence in the integrity of Congress by providing for public disclosure of Federal income tax returns by the President and Vice President and Members of Congress and candidates for each such office, and for other purposes; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON of California (for himself, Mr. DOMINICK V. DANIELS, Mr. NIX, Mr. WALDIE, Mr. WILLIAM D. FORD, Mr. BRASCO, Mr. CLAY, Mrs. SCHROEDER, and Mr. MOAKLEY):

H.R. 11002. A bill to amend title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BROOMFIELD:

H.J. Res. 776. Joint resolution proposing an amendment to the Constitution of the United States with respect to the reconfirmation of judges after a term of 8 years; to the Committee on the Judiciary.

By Mr. MIZELL:

H.J. Res. 777. Joint resolution authorizing the President to designate the first week in March, of each year, as "National Beta Club Week"; to the Committee on the Judiciary.

By Mr. HUBER (for himself and Mr. QUIE):

H. Con. Res. 354. Concurrent resolution offering honorary citizenship of the United States to Alexander Solzhenitsyn and Andrey Sakharov; to the Comimttee on the Judiciary.

By Mr. LONG of Maryland (for himself, Mr. McFALL, Mr. SIKES, Mr. HARRINGTON, Mr. VEYSEY, Mr. EILBERG, Mr. ANDERSON of California, Mr. DOMINICK V. DANIELS, Mr. HANLEY, Mr. RANGEL, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. HELSTOSKI, Mr. RODINO, Mr. WALDIE, Mr. FRASER, Mr. BRASCO, Mr. DRINAN, Mr. BELL, Mr. HAYS, Mr. BINGHAM, Mr. KOCH, Mr. WON PAT, Mr. HECHLER of West Virginia, and Mr. STAGGERS):

H. Con. Res. 355. Concurrent resolution expressing the sense of the Congress with respect to possible curtailment of oil supplies

from Arab producers; to the Committee on Ways and Means.

By Mr. LONG of Maryland (for himself, Ms. ABZUG, Mr. NIX, Mr. KYROS, Mr. BOLAND, Mr. PODELL, Mr. O'HARA, Mr. CHARLES WILSON of Texas, Mr. BADILLO, Mr. BIAGGI, and Mr. SARBANES):

H. Con. Res. 356. Concurrent resolution expressing the sense of the Congress with respect to possible curtailment of oil supplies from Arab producers; to the Committee on Ways and Means.

By Mr. FINDLEY:

H. Res. 604. Resolution to authorize a feasibility study for locks along the Mississippi River; to the Committee on Public Works.

By Mr. FINDLEY (for himself, Mr. BEARD, Mr. DOWNING, Mr. ESHELMAN, Mr. KEMP, Mr. MADIGAN, Mr. MICHEL, Mr. MOAKLEY, and Mr. STUDDS):

H. Res. 605. Resolution to authorize markers in Statuary Hall for the location of the desks of nine former Members of Congress who became President; to the Committee on House Administration.

By Mr. GOLDWATER:

H. Res. 606. Resolution to create a Select Committee on Privacy; to the Committee on Rules.

By Mr. LATTA:

H. Res. 607. Resolution expressing the sense of the House with respect to prohibiting combat by U.S. troops in the present conflict in the Middle East; to the Committee on Foreign Affairs.

By Mr. LATTA (for himself, Mr. WYLIE, and Mr. SYMMS):

H. Res. 608. Resolution expressing the sense of the House with respect to prohibiting combat by U.S. troops in the present armed conflict in the Middle East; to the Committee on Foreign Affairs.

By Mr. MARAZITI:

H. Res. 609. Resolution preventing U.S. troops from being introduced in the Middle East conflict without prior congressional authorization; to the Committee on Foreign Affairs.

By Mr. MOAKLEY (for himself, Mr. LEHMAN, and Mr. STARK):

H. Res. 610. 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. MOAKLEY (for himself and Mr. CLAY):

H. Res. 611. Resolution expressing 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. SIKES (for himself, Mr. LEHMAN, Mr. GUNTER, Mr. FASCELL, Mr. PEPPER, Mr. HALEY, Mr. ROGERS, Mr. CHAPPELL, Mr. FUQUA, Mr. BAFALIS, and Mr. BURKE of Florida):

H. Res. 612. Resolution to seek peace in the Middle East and to continue to support Israel's deterrent strength through transfer of military supplies; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ST GERMAIN:

H.R. 11003. A bill for the relief of Charles William Thomas, deceased; to the Committee on the Judiciary.

By Mr. WYATT:

H.R. 11004. A bill for the relief of Jorge Mario Bell; 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:

By the SPEAKER:

328. Petition of the Kentucky State Council, Junior Order United American Mechanics, Edgewood, Ky., relative to aid to North Vietnam; to the Committee on Foreign Affairs.

329. Also, petition of Leonard H. Davis, Vandalia, Ohio, and others, relative to inequities in the National Guard Technician Act of 1968; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

EDUCATION IN THE 1970'S

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 17, 1973

Mr. WALDIE. Mr. Speaker, there are few today who do not realize that we are living in an era of rapid social and technological change. These changes extend to all aspects of our society, affecting the very foundation of our culture. Everyday we can see more of our basic values and ethics being brought into question, and can witness the effects of the acceleration of technological and scientific acumen on our institutions and society.

Change breeds apprehension, and conjures up the futuristic worlds envisioned by George Orwell and Aldous Huxley in their classic books.

However, change need not be our enemy, for we do have some controls over our destiny.

With this perspective in mind an important and relevant consideration should be our educational system, and the alterations in it which may be needed to keep abreast of the new ideas and innovations.

Mr. Don Moore, a member of the California Task Force on Early Education, discussed in a recent speech to the Contra Costa County Teachers Conference the importance of how we educate the children now entering the educational system to cope with change, and how the system itself should be modified to reflect the changes in our world.

What and how we teach our children today will be a critical contribution to the world of tomorrow. His speech follows:

TASK FORCE ON EARLY EDUCATION

I hope to accomplish two objectives in the time allotted to me today.

First, to profile the child as he is today—as he comes to us in the schools.

And second, to assess his future needs in terms of the society into which he is apt to graduate.

Let's take a look at the 5-year-old we'll be seeing for the first time next September.

He has already learned a complete language system, including vocabulary, syntax, phonology, morphology, and semantics.

If he has been confronted with two language systems, he has learned two language systems between ages 2 and 4.

He apparently has done this with relative ease whether the language was Chinese, Greek, Hungarian or Swahili.

He can imagine things that do not exist and create them with tools without having been taught to imagine, to create, or to work.

He can laugh at himself and at others. He can cry when he is hurt physically and cry when he is fed.

He can hate selfishly enough to place his baby sister in the electric dryer and turn it on.

He can love unselfishly enough to risk his own life to help another who is in danger.

He can be physically punished with little damaging effect so long as he is completely convinced that the hand on his bare bottom belongs to someone who really cares about him personally.

On the other hand, he can be irreparably damaged by one parent withholding an invisible, unmeasurable and largely indefinable feeling called love.

Left alone he will figure out by experimentation the secret of reproduction and will by some strange chemistry reproduce his specie, love, nurture and educate his offspring.

On the other hand, led to believe that the same strange chemistry is wrong or evil or dangerous, he can become impotent, frigid, neurotic, suicidal and/or insane.

He can create music, dance, poetry and epic literature without understanding harmony or counterpoint, rhythm or melody, iambic pentameter or rhyme and without spending 10 weeks analyzing Silas Marner.

In fact, he does all this and more—without trained, credentialed teachers—without instructional materials or curriculum—without principals, superintendents, school boards, special buildings and equipment, an Educational Code or a State Legislature.

He does it all without Freud, Dewey, Piaget, Bruner, Skinner, Jensen or any other in-vogue educational high priest to sprinkle holy water on the process.

And there he is at age 5 for good or bad—knowing more already than all we teach him in the next 13 years of his life.

And here we are confronted by two demanding groups.

Neither recognizing that the child is half educated before the schools get him. *And* that his learning pattern and potential are already largely structured.

One group, the adult society for the most part, want the schools to be accountable to them for educating children as they believe children should be educated.

The other, the younger generation mainly, are telling us that what society wants is irrelevant to children's real needs and that the schools are obsolete anyway.

Okay, there's the first dilemma. *But*, that's only half the story.

Let's now take a look at the future of our society. The world this five year old will graduate into in 1986!

A few months back a young man who works with me at the Times Mirror Company came to me holding a letter in his hand.

He had worked for the company for three years and the letter was from the Vice President of Personnel.

His question to me was: "Do you think I should join the company retirement plan?"