annual conventions throughout the state to exchange ideas and get a better knowledge of the working of our government. Over the years these Polish women have sent innumerable letters and telegrams, made contact with state and federal legislators on behalf of qualified individuals seeking jobs, or in connection with expressing the favoring or opposition of bills or proposed legislation. On a town level their support has also been solicited and given to those who they felt merited such support, whether Democrats or Republicans or Independents. Almost every election brings requests from hopeful candidates asking to speak to the membership and soliciting their vote.

It is with pride that members note that at least one of the club's members, the first President, Miss Anna Rusek, was named Postmaster of the Three Rivers post office in 1944 and served the community faithfully until her retirement in 1968.

Through the years the club has actively commemorated historical events. As early as 1926 the July 4th parade included members as a unit; in 1932 note was made of the 200th Anniversary of George Washington's birth; for many years the May 3 observance of Polish Constitution Day included a delegation from the club.

In 1933 it was decided to join the Massachusetts Federation of Polish Women's Clubs, Inc. The affiliation with that group continues to the present. Much has been gained through this association particularly in fostering Polish culture. Several daughters of members have received scholarship grants from the Federation, thus permitting them to continue their education. In 1952 and again in 1969 the Annual Convention of the Federation was held in Three Rivers. Delegates from the entire state of Massachusetts have high praise for the cordiality and hospitality not only of the members of this club but of the entire citizenry of the Town of Palmer. Executive committee members and various committees have included the Three Rivers Polish Women's Club members.

Activities within the framework of the Federation also include the Fifth District which comprises the Western Massachusetts area. Here, also, members continuously hold office and direct the activities of this unit.

Membership has also been held in the Polish American Congress as well as the Kosciuszko Foundation in New York.

Locally membership in the United Polish American Organization Council in the Township of Palmer is felt and appreciated. Since its inception in March of 1955, members have consistently and faithfully served in various offices and committees. They have been called upon to perform a variety of services at the functions sponsored by this group. It can be truly be said that no other local club has contributed more towards the scholarships given annually to local Polish students. The $1000 amounts contributed to date stand unmatched, especially when considering the fact that up to January 1, 1956 membership dues were 5¢ per month, and since that time remained at 10¢ per month.

May 8, 1949 marked the official observance of the club's 25th Anniversary. There was a Mass of Thanksgiving at S.S. Peter & Paul Church and a banquet was held at St. Stanislaus Hall in the evening. Local and state officials as well as the clergy participated in this affair. Messrs. Boyko, Dymon, and Les, three of the four original organizers were invited guests. Atty. Irene Dumas was the main speaker with Miss Lucy Wisniewski of the State Civil Service Commission, Stanley Wondolowski of Worcester, and Rev. Alfons Skoniecki also giving brief talks.

Active support of the parish during the past 50 years has been maintained. Since 1926 when a $25 contribution was made for the church renovation, members have bought church vestments, chimes, contributed for organ, flowers for various occasions. Members services were always given at bazaars, banquets, jubilee observances, anniversaries, etc. The club has always worked harmoniously with the clergy, recognizing that spiritual well being is an integral part of life which affects club activity as well. All are grateful for being a part of S.S. Peter & Paul Parish.

The club has also cooperated with the Franciscan Sisters who staffed the parochial school until its closing in June of 1973. Their help was truly appreciated at times of need and all the ladies have high regard and praise for their invaluable assistance.

Children, locally and elsewhere, have been remembered. For many years annual contributions were made to the S.S. Peter & Paul School for their activities. Orphanages at Hyde Park, Brightside, the blind children in Poland, Youth Camp in Bondsville and Community Day Camp, to mention a few, have also been aided by the club.

Sizeable donations were made in the Wing Memorial Hospital Building Fund as well as the Expansion Fund. Records show that the club's first contribution to the Wing Memorial Hospital was made in 1928. Members served as volunteers in staffing the Wing Gift Shop and cart. As early as 1930 a Community Chest donation was made and this was continued until recently. The Red Cross has also been remembered over the years.

World War II and its various activities brought requests for help with Bond Drives, Blood Banks, U.S.O., Air Raid Committee, National War Fund and Polish Relief. Clothes were sewn and sent to needy, soldiers from Westover were entertained, money and services were generously donated to the various causes.

The post-war period brought a renewal of activity among organizations. Each month brought invitations or requests from religious, civic, political and community groups for participation and donation.

Having outlived its original intent, in 1958 a committee was named to revise the constitution. On October 20, 1958 the name of the club was changed to "Polish Women's Club of Three Rivers." Fostering ethnic culture, encouraging higher education, exchange of cultural ideals, replace the original aim to help with citizenship papers. Integrating this culture with the cultures of other ethnic groups of the U.S.A. offers a new challenge.

Much is being done to implement new ideals. The club constantly sponsors, attends, or contributes toward attainment of these aims. The Pop Concert, 1966 observance of Poland's Millennium, attendance at various plays, Krakowiak Dance Group, Kosciuszko Foundation Presentation Ball, Poznan Boys Choir, Liberace, Kopernik Observance, exhibits, donation of books to schools and libraries dealing with accomplishments of Poles, support of Alliance College, Palmer High School Polish Cultural Club are but a few examples of what the members are striving to achieve.

It is impossible to give just credit to any one individual member. Truly the club's success has been a team effort for the past 50 years. All must, however, remember to include Miss Josephine Roman, the first volunteer teacher, Mrs. Nellie Motyka who served as President for 24 years, Mrs. Bernice Tenczar Treasurer for 20 years, Mrs. Sophie Jorczak, Secretary for 12 years, Mrs. Frances Frydryk, Miss Mary Jajuga, Mrs. Frances Dymon, and particularly those 59 valiant women whose desire to become American citizens started the club toward making possible this—its 50th Anniversary.

HOUSE OF REPRESENTATIVES—*Tuesday, May 7, 1974*

The House met at 12 o'clock noon.

Rev. Edward E. Heydt, United Methodist Church, Mount Savage, Md., offered the following prayer:

Father, God of the Universe, we pause from our tasks to talk with You.

Father, we work hard and with sincere motive to create a just society for all. We strive to live at peace with all men. We are blessed to live in a nation where striving for these ideals has made possible a good life for many. But, we have deceived ourselves by what is thought to be the successes of self-initiative and satisfaction of personal pleasures.

As individuals and as a nation, we need to focus upon You. We need to reaffirm our trust in You. May we fulfill Your desires for us in the history of man.

Father, we have sinned. Forgive our self-centered ways and heal our land. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H.R. 5759. An act for the relief of Morena Stolsmark; and

H.R. 6116. An act for the relief of Gloria Go; and

H. Con. Res. 485. Concurrent resolution authorizing the Clerk of the House to make a technical correction in the enrollment of H.R. 11793.

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

S. 239. An act for the relief of Loretto B. Fitzgerald;

S. 506. An act for the relief of Rosina C. Beltran;

S. 1357. An act for the relief of Mary Red Head;

S. 2220. An act to repeal the "cooly trade" laws;

S. 2593. An act for the relief of Ioan Gheorghe Iacob;

S. 2594. An act for the relief of Jan Sejna;

S. 3124. An act to increase the size of the Executive Protective Service; and

S. 3331. An act to clarify the authority of the Small Business Administration, to in-

crease the authority of the Small Business Administration, and for other purposes.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first bill on the calendar.

MRS. ROSE THOMAS

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

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

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

There was no objection.

COL. JOHN H. SHERMAN

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

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

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

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

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

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

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

There was no objection.

MR. AND MRS. JOHN F. FUENTES

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

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

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

There was no objection.

MURRAY SWARTZ

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

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

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

There was no objection.

ESTELLE M. FASS

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

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

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

There was no objection.

RITA SWANN

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

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

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

There was no objection.

LEONARD ALFRED BROWNRIGG

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

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

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

There was no objection.

FAUSTINO MURGIA-MELENDREZ

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

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

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

There was no objection.

ROMEO LANCIN

The Clerk called the bill (H.R. 4172) for the relief of Romeo Lancin.

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

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

There was no objection.

RUSSELL G. WELLS

The Clerk called the bill (H.R. 8545) for the relief of Russell G. Wells.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WYLIE and Mr. GROSS objected, and, under the rule, the bill was recommitted to the Committee on Interior and Insular Affairs.

AUTHORIZING SECRETARY OF THE INTERIOR TO SELL RESERVED PHOSPHATE INTERESTS OF UNITED STATES IN LANDS IN FLORIDA TO JOHN CARTER AND MARTHA B. CARTER

The Clerk called the bill (H.R. 10626) to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter.

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

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

There was no objection.

KAMAL ANTOINE CHALABY

The Clerk called the Senate bill (S. 245) for the relief of Kamal Antoine Chalaby.

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

S. 245

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the periods of time Kamal Antoine Chalaby has resided in the United States since his lawful admission for permanent residence on October 31, 1962, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act.

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

ERNEST EDWARD SCOFIELD (ERNESTO ESPINO)

The Clerk called the Senate bill (S. 428) for the relief of Ernest Edward Scofield (Ernesto Espino).

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

S. 428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Ernest Edward Scofield (Ernesto Espino) shall be held and considered to be the natural-born alien son of Mr. Raymond V. Scofield, a citizen of the United States: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

MILDRED CHRISTINE FORD

The Clerk called the bill (H.R. 1961) for the relief of Mildred Christine Ford.

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

H.R. 1961

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mildred Christine Ford shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant admissions authorized pursuant to the provisions of section 21(e) of the Act of October 3, 1965.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That, in the administration of the Immigration and Nationality Act, Mildred Christine Ford may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Reverend and Mrs. Samuel Ford, a citizen of the United States and a lawfully resident alien of the United States, respectively, pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The committee amendment was agreed to.

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

NEPTY MASAUO JONES

The Clerk called the bill (H.R. 3203) for the relief of Nepty Masauo Jones.

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

H.R. 3203

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Nepty Masauo Jones shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

SEC. 2. Nepty Masauo Jones shall be held and considered to have satisfied the requirements of section 316 of the Immigration and Nationality Act relating to required periods of residence and physical presence within the United States and, notwithstanding the provisions of section 310(d) of that Act, he may be naturalized at any time after the date of enactment of this Act if he is otherwise eligible for naturalization under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That, in the administration of the Immigration and Nationality Act, Nepty Masauo Jones may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, and a petition filed in his behalf of Janet Middleton Jones, a citizen of the United States, may be approved pursuant to section 204 of the Act: *Provided*, That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The committee amendment was agreed to.

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

RAYMOND MONROE

The Clerk called the bill (H.R. 11392) for the relief of Raymond Monroe.

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

H.R. 11392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Raymond Monroe of Overland Park, Kansas, is relieved of liability to the United States in the amount of $5,445, representing the loss resulting from his erroneous setting of a postage meter on January 3, 1964, as a clerk for the Post Office Department. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this section.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Raymond Monroe of Overland Park, Kansas, an amount equal to the aggregate of any amounts paid by him, or withheld from sums otherwise due him, with respect to the indebtedness to the United States specified in the first section of this Act.

(b) No part of the amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike all after the enacting clause and insert:

That, on such terms as it deems just, the United States Postal Service is authorized to compromise, release, or discharge in whole or in part the liability of Raymond Monroe of Overland Park, Kansas, to the United States in the amount of $5,445, representing the loss resulting from his erroneous setting of the postage meter on January 3, 1964, as a clerk for the Post Office Department.

The committee amendment was agreed to.

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

MRS. GERTRUDE BERKLEY

The Clerk called the bill (H.R. 2950) for the relief of Mrs. Gertrude Berkley.

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

H.R. 2950

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Mrs. Gertrude Berkley, of Arlington, Virginia, the sum of $305 which shall be in full settlement of all her claims against the United States and the District of Columbia arising out of the injuries she sustained when she fell over a sidewalk elevator on F Street Northwest District of Columbia, in 1964.

SEC. 2. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

WILLIAM L. CAMERON, JR.

The Clerk called the bill (H.R. 8322) for the relief of William L. Cameron, Jr.

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

H.R. 8322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized and directed to receive, consider, and if found meritorious, to pay the claim of William L. Cameron, Junior, of Fountain, Colorado, for the destruction of his 1968 Ford Falcon automobile on or about August 29, 1970, when it was set on fire while parked at the headquarters parking lot at the United States Army Post at Baumholder, Germany, as if that claim was cognizable under the Military Personnel and Civilian Employees' Claims Act of 1964, as amended (78 Stat. 767, as amended); and in the consideration of the claim under that Act, the said William L. Cameron, Junior, shall be held and considered to be a person eligible to be compensated under the Act.

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

CPL. PAUL C. AMEDEO

The Clerk called the bill (H.R. 1715) for the relief of Cpl. Paul C. Amedeo, U.S. Marine Corps Reserve.

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

H.R. 1715

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Corporal Paul C. Amedeo, United States Marine Corps Reserve, of Binghamton, New York, is relieved of liability to the United States in the amount of $896.12, representing the amount due to the United States as a result of certain overpayments of pay and allowances received by him during the period beginning April 20, 1966, and ending October 19, 1970, while he was on active duty in the United States Marine Corps. The overpayments were the result of administrative errors which occurred without fault on the part of Corporal Paul C. Amedeo. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for the amount for which liability is relieved by this section.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Corporal Paul C. Amedeo an amount equal to the aggregate of any amounts paid by him to the United States with respect to the indebtedness to the United States referred to in the first section of this Act.

(b) No part of the amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or at-

torney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5: Strike "$896.12" and insert "$606.92".

The committee amendment was agreed to.

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

GABRIEL EDGAR BUCHOWIECKI

The Clerk called the bill (H.R. 3190) for the relief of Gabriel Edgar Buchowiecki.

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

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

There was no objection.

JAMES LENNON

The Clerk called the bill (H.R. 5011) for the relief of James Lennon.

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

H.R. 5011

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, James Lennon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 9, after the words, "shall instruct the proper", strike out the remainder of the bill and substitute in lieu thereof the following: "officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act."

The committee amendment was agreed to.

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

JOSEPHINE GONZALO (NEE CHARITO FERNANDEZ BAUTISTA)

The Clerk called the bill (H.R. 5477) for the relief of Josephine Gonzalo Charito Fernandez Bautista).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Josephine Gonzalo (nee Charito Fernandez Bautista) shall be deemed to be an immediate relative within the meaning of section 201(b) of that Act and may be issued a visa and admitted to the United States for permanent resident if she is found to be otherwise admissible under the provisions of that Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That, for the purposes of sections 203(a)(2) and 204 of the Immigration and Nationality Act, Charito Fernandez Bautista shall be held and considered to be the natural-born alien child of Mr. and Mrs. Petronio D. Gonzalo, lawful resident aliens of the United States: Provided, That the natural parents or brothers and sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill for the relief of Charito Fernandez Bautista."

A motion to reconsider was laid on the table.

LEONOR LOPEZ

The Clerk called the bill (S. 280) for the relief of Leonor Lopez.

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

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

There was no objection.

ESTATE OF PETER BOSCAS, DECEASED

The Clerk called the bill (H.R. 2637) for the relief of the estate of Peter Boscas, deceased.

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

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

There was no objection.

VIORICA ANNA GHITESCU, ALEXANDER GHITESCU, AND SERBAN GEORGE GHITESCU

The Clerk called the bill (H.R. 8543) for the relief of Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu.

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

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

There was no objection.

RAYMOND W. SUCHY

The Clerk called the bill (H.R. 2208) for the relief of Raymond W. Suchy, second lieutenant, U.S. Army (retired).

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

H.R. 2208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Second Lieutenant Raymond W. Suchy (numbered Z 2-475-343, United States Army, retired), of Shorewood, Wisconsin, the sum of $28,915.79 in full settlement of all his claims against the United States for retirement benefits which accrued from March 23, 1945, to March 16, 1962, and which he failed to receive due to administrative error.

SEC. 2. No amount in excess of 10 per centum of the sum appropriated in the first section of this Act shall be paid to or received by any agent or attorney for services rendered in connection with this claim. Any person violating provisions of this section shall be fined not more than $1,000.

With the following committee amendments:

Page 1, line 6: Strike "(numbered Z 2 475 343, United States Army, retired)" and insert "United States Army, retired, (Army Serial Number [redacted] Social Security Number [redacted])".

Page 1, line 9: Strike "$28,915.79" and insert "$28,758.29".

Page 1, line 11: Strike "March 23, 1945, to" and insert "March 24, 1945 to July 17, 1945, and August 30, 1945 to".

Page 2, line 4: Strike "in excess of 10 per centum".

The committee amendments were agreed to.

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

DONALD L. TYNDALL, BRUCE EDWARD TYNDALL, KIMBERLY FAY TYNDALL, LISA MICHELE TYNDALL, AND THE ESTATE OF ELIZABETH M. TYNDALL

The Clerk called the bill (H.R. 3532) for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, Lisa Michele Tyndall, and the estate of Elizabeth M. Tyndall, deceased.

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

H.R. 3532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $82,058.46 to Donald L. Tyndall; the sum of $44,965.84 to the estate of Elizabeth M. Tyndall, deceased; the sum of $25,000 to the legal guardian of Bruce Edward Tyndall, a minor; the sum of $6,000 to the legal guardian of Kimberly Fay Tyndall, a minor; and the sum of $15,000 to the legal guardian of Lisa Michele Tyndall, a minor, in full settlement of all claims against the United States for medical and hospital expenses, funeral expenses, personal injuries, death, property damage, and other damages and losses suffered as the result of an automobile accident which occurred in Duplin County,

North Carolina, on Highway Numbered 24 near the town of Beulaville on October 5, 1967, when a Chevrolet automobile in which the family was riding was struck and demolished by a United States Marine Corps six-wheel truck driven by a member of the Marine Corps. These claims are not cognizable under the tort claims provisions of title 28, United States Code.

SEC. 2. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 3 through 9 and p. 2, line 1, Strike "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $82,058.46 to Donald L. Tyndall; the sum of $44,965.84 to the estate of Elizabeth M. Tyndall, deceased; the sum of $25,000 to the legal guardian of Bruce Edward Tyndall, a minor; the sum of $3,000 to the legal guardian of Kimberly Fay Tyndall, a minor; and the sum of $15,000 to the legal guardian of Lisa Michele Tyndall, a" and insert:

"That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $24,000.00 to Donald L. Tyndall; the sum of $12,000.00 to the Clerk of the Superior Court of Duplin County, North Carolina, to be administered under North Carolina general statute 7A–111 entitled "Receipts and Disbursements of Insurance and other Moneys of Minors and Incapacitated Adults", in behalf of Bruce Edward Tyndall, a minor; the sum of $12,000.00 to the Clerk of the Superior Court of Duplin County, North Carolina, to be administered under North Carolina general statute 7A–111 entitled "Receipts and Disbursements of Insurance and other Moneys of Minors and Incapacitated Adults", in behalf of Lisa Michele Tyndall, a minor; and the sum of $2,000.00 to the Clerk of the Superior Court of Duplin County, North Carolina, to be administered under North Carolina general statute 7A–111 entitled "Receipts and Disbursements of Insurance and other Moneys of Minors and Incapacitated Adults", in behalf of Kimberly Fay Tyndall, a".

Page 3, line 7; Strike "the amount" and insert "each of the amounts".

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, and Lisa Michele Tyndall."

A motion to reconsider was laid on the table.

NOLAN SHARP

The Clerk called the bill (H.R. 7768) for the relief of Nolan Sharp.

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

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

There was no objection.

MARCOS ROJOS RODRIGUEZ

The Clerk called the Senate bill (S. 724) for the relief of Marcos Rojos Rodriguez.

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

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

There was no objection.

The SPEAKER. This ends the call of the Private Calendar.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

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

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

There was no objection.

TEMPORARY SUSPENSION OF DUTY ON CERTAIN FORMS OF ZINC

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 6191) to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty, which was unanimously reported favorably to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, and I shall not object, but I take this time to ask the gentleman from Arkansas, the chairman of the committee (Mr. MILLS), to explain this legislation.

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

Mr. SCHNEEBELI. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 6191 is to suspend for a temporary period, until the close of June 30, 1977, the duty on zinc-bearing ores and certain other zinc-bearing materials.

Suspension of the duty on zinc ores and concentrates is being sought by zinc producers and domestic consumers of zinc due to the shortage of zinc ores and concentrates in the United States. The existing U.S. tariff places domestic smelters at a competitive disadvantage in purchasing zinc ores and concentrates on the world market in relation to other major zinc metal-producing countries where zinc ores and concentrates are imported duty-free.

H.R. 6191 would suspend the duty under rate column numbered 1 of the Tariff Schedules of the United States which is applicable to imports from countries accorded most-favored nation treatment. It would not affect the duty rate under column numbered 2 applicable to imports from Communist countries, except Poland and Yugsolavia.

Mr. Speaker, no objection to H.R. 6191 has been received from the executive departments or from any other source.

The committee was unanimous in reporting this bill and I urge its passage by the House.

Mr. SCHNEEBELI. Mr. Speaker, I support H.R. 6191, a bill to suspend through fiscal 1977 the duties on zinc-bearing ores and certain other forms of zinc. The legislation is designed to ease a shortage of raw materials which has posed severe problems for a substantial segment of the domestic industry.

U.S. smelters have, for a long time, used imported ores and concentrates in the production of zinc metal, but in recent years these shipments have declined markedly, in large part because of tariffs, the committee was informed. We were advised that in 1972, imports of ores and concentrates declined by 26 percent while imports of zinc metal grew by 64 percent.

On an ad valorem basis, the duties range from about 6 to 20 percent. They provide no protection for our zinc mining firms, according to the Interior Department, but they do impose a penalty on our smelters by increasing the cost—and helping to decrease the available supply—of the ores and concentrates needed.

Other major zinc-producing countries already permit the duty-free entry of ores and concentrates. Therefore, our domestic smelting industry has to pay a higher price than its foreign competitors for raw material.

It seems clear to me that not only would this legislation help put the existing domestic industry on a firmer competitive footing, it would provide an important incentive for the construction of new, technologically advanced smelters in the United States.

Mr. Speaker, our committee heard no unfavorable comments on the measure, from the executive departments or from any other source. H.R. 6191 was ordered reported unanimously, and I urge its passage by the House.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill as follows:

H.R. 6191

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting new items: 911.20, 911.21, 911.22, 911.23, 911.24, and 911.25, as follows:

"Item	Articles	Rates of duty 1	2	Effective period
911.20	All zinc-bearing ores (provided for in item 602.20, part 1, schedule 6).	Free	No change	Two year period beginning day after enactment of this bill.
911.21	Zinc dross and zinc skimmings (provided for in item 603.30, part 1, schedule 6).	Free	No change	Two year period beginning day after enactment of this bill.
	Other metal-bearing materials of a type commonly used for the extraction of metal or as a basis for the manufacture of chemical compound:			
	Other:			
	Materials, other than the foregoing, containing, by weight, over 10 percent of any one of the metals copper, lead, or zinc, and to be initially treated at a copper, lead, or zinc plant:			
911.22	When, under the procedure set forth in headnote 5 of part 2C of this schedule, the market price of copper is considered to be below 24¢ per pound (provided for in item 603.49, part 1, schedule 6).	Free on zinc content	No change	Two year period beginning day after enactment of this bill.
911.23	Other (provided for in item 603.50, part 1, schedule 6).	Free on zinc content	No change	Two year period beginning day after enactment of this bill.
	Materials, other than foregoing, containing by weight, over 5 troy ounces of gold per short ton, or over 100 troy ounces of precious metals per short ton:			
911.24	When, under procedures set forth in headnote 5 of part 2C of this schedule, the market price of copper is considered to be below 24¢ per pound (provided for in item 603.54, part 1, schedule 6).	Free on zinc content	No change	Two year period beginning day after enactment of this bill.
911.25	Other (provided for in item 603.55, part 1, schedule 6).	Free on zinc content	No change	Two year period beginning day after enactment of this bill.

SEC. 2. The amendments made by the first section of this Act shall apply to articles entered or withdrawn from warehouse, for consumption on the first day after this bill becomes law.

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

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

There was no objection.

COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read the committee amendment as follows:

Committee amendment:

Strike out all after the enacting clause and insert the following:

That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 907.80 the following new items:

"911.00	Zinc-bearing ores (provided for in item 602.20, part 1, schedule 6).	Free on zinc content.	No change	On or before 6/30/77.
911.01	Zinc dross and zinc skimmings (provided for in item 603.30, part 1, schedule 6).	Free	No change	On or before 6/30/77.
911.02	Zinc-bearing materials (provided for in items 603.49, 603.50, 603.54 and 603.55, part 1, schedule 6).	Free on zinc content.	No change	On or before 6/30/77".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

The amendment was agreed to.

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

ELIMINATION OF DUTY ON METHANOL IMPORTED FOR CERTAIN USES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of this bill (H.R. 11251) to amend the Tariff Schedules of the United States to provide for the duty-free entry of methanol imported for use as fuel, which was unanimously reported favorably to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, and I shall not object, I take this time to ask the chairman to explain the bill.

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

Mr. SCHNEEBELI. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 11251 is to provide for the duty-free status of methyl alcohol—methanol—but only when imported for use in producing synthetic natural gas—SNG—or for direct use as a fuel.

Methanol is currently dutiable under item 427.96 of the Tariff Schedules of the United States—TSUS—at 7.6 cents per gallon if imported from a country accorded most-favored-nation treatment, or 18 cents per gallon if imported from most Communist countries. Under the bill, methanol, when imported for use in producing synthetic natural gas or for direct use as a fuel, would be free of duty when entered from countries accorded most-favored-nation treatment. All other imports of methanol would remain dutiable at existing rates of duty.

Your committee held public hearings on H.R. 11251 on March 4, 1974, during which witnesses called attention to the fact that in such petroleum-producing countries as Saudi Arabia, Iran, and Indonesia, large quantities of natural gas produced in association with petroleum production are simply being flared off and wasted due to the absence of nearby energy markets.

Imports of both natural gas and liquified natural gas—LNG—are accorded duty-free treatment. Methanol, which can be produced from natural gas, is dutiable as a chemical intermediate—methyl alcohol. Widespread use of methanol as an energy source has not been economically feasible until recently.

The development of liquified natural gas facilities in the Caribbean and the Mediterranean areas already has demonstrated the feasibility of processing and transporting over long distances to energy markets the natural gas presently being flared off in certain petroleum-producing areas.

The procedure involved in the production and transportation of liquified natural gas from relative near source countries can be both elaborate and expensive. However, recent research indicates that a more practical and less expensive method of transporting natural gas from more remote areas is to change the natural gas into liquid methanol by a relatively simple chemical process. Firms in the United States and other energy-consuming countries have been working on proposals to acquire this wasted natural gas to process it into methanol and to transport it to their energy markets in that form.

Methanol can be transported in any tanker or vessel suitable for transporting water or gasoline. Once it reaches the energy market, it may be converted into synthetic natural gas and used to supplement the domestic supply of gas in natural gas pipeline distribution systems or it may be used directly as fuel for gas burners modified to accommodate the liquid fuel. However, the existing rate of duty on imports of methanol precludes any further development of such additional foreign sources of energy for the U.S. market.

Refined methanol is produced domestically by a number of chemical companies, which in 1972 produced 6 billion pounds valued at almost $120 million. Crude methanol is not an article of trade,

nor is there any domestic production of methanol for use as a fuel.

The duty-free treatment of methanol as provided in H.R. 11251 does not apply to methanol imported for other purposes, such as chemical uses, which would remain dutiable at the current rates of duty. Attention is called to this fact due to concern expressed by a domestic producer of methanol during the committee's public hearings that duty-free imports of methanol might be diverted to chemical use which would be detrimental to U.S. producers. In this regard, it will be required under general headnote 10(e) of the U.S. Tariff Schedules that methanol imported duty-free under item 427.96 must be intended for the prescribed energy uses, that it must be actually so used, and that proof of such use be furnished the U.S. Customs Service within 3 years after entry.

In order to assure appropriate surveillance of duty-free methanol imported under this legislation, your committee has directed that the U.S. Customs Service shall give notification to the committee of the initial entry of such imports. It has also directed that the Customs Service shall supply specific information to the committee before January 1, 1978, relating to the volume of imports and also at that time, shall inform your committee of any difficulties that may have arisen with respect to the control of duty-free methanol under item 427.96. This information will also permit your committee to reassess any development of domestic energy sources related to the use of methanol such as the possibility of producing methanol from coal and other fossil fuels. Your committee believes that this provision and its careful administration by the Customs Service will serve as adequate prevention of diversion of methanol for uses other than those for which H.R. 11251 expressly provides.

Mr. Speaker, your committee believes that permanent elimination of duty on imports of methanol for use as a fuel is necessary to provide sufficient inducement to American investors in processing plants and to host governments, both in terms of cost and as an aspect of a long-term financial commitment to obtain and process the natural gas in the producing countries.

No unfavorable reports relative to H.R. 11251 were received from any of the executive departments nor was any objection to H.R. 11251 received from any other source.

Your committee was unanimous in favorably reporting this bill and recommends its passage by the House.

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

Mr. SCHNEEBELI. I yield to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, the bill before us, which would provide for the elimination of duty on methanol when it is imported for use as a fuel, is a step in the right direction toward a solution of our energy problems. It does not represent a monumental step but it will prove helpful in supplying the United States with some additional energy.

I am pleased to have been one of the original sponsors of this measure and certainly applaud the Ways and Means Committee for its prompt consideration and action on this bill.

Passage of this bill will allow American industry to proceed with efforts to recover methanol from the flared oil wells that now exist throughout the world. This methanol can then be imported into the United States and either used directly as a fuel or converted into gas and act as a substitute for the increasingly scarce natural gas.

I strongly support the bill.

Mr. SCHNEEBELI. Mr. Speaker, I support H.R. 11251, which would provide for the duty-free entry of methanol, or methyl alcohol, for use in the production of synthetic gas or for use directly as a fuel. It is the committee's intention that no other usage be permitted, and I believe this is a point worth emphasizing.

The primary purpose of the legislation is to increase the country's fuel supply. The committee was told that natural gas, which is now being flared-off into the atmosphere, and thus wasted, in connection with oil production in the Middle East, can be converted to a liquid—methanol—and transported by ship to the United States, where it can be used as an energy source supplemental to both natural gas and liquefied natural gas, both of which now can be entered duty-free. We were advised, however, that this process would be economically feasible only if the 7.6 cents per gallon duty on the imported methanol could be lifted.

The committee further was informed that, although at present there is no domestic production of methanol for use as a fuel, there is domestic production for use in the chemical industry. Some concern was expressed during our public hearings on the bill that the duty-free methanol might be diverted after entry to chemical use.

In regard to this concern, the committee has cited general headnote 10(e) of the Tariff Schedules of the United States, which requires that proof of use, with respect to articles such as this, must be provided to the Customs Service within 3 years following entry.

The committee also included in its report on H.R. 11251 a directive to the Customs Service to supply the committee with substantial information concerning methanol imports under the legislation, including any difficulties or problems arising in connection with administration or control.

In short, Mr. Speaker, we intend to maintain sufficient surveillance to make certain the methanol imported under this legislation is used exclusively in fuel production.

The interested departments and agencies all reported favorably on the bill. For example, the Treasury commented, in part:

Methanol provides a source of clean energy which is critically needed in view of the present energy shortage. Currently, methanol is not produced in large quantities in the United States. There have practically been no foreign imports of methanol. In fact, the revenue collected from merchandise dutiable under item 427.96 for calendar year 1972 was $17. Several companies have proposed to build methanol plants in the Middle East to produce methanol for importation into the United States provided that the tariff on methanol is removed so as to make such importation economical. At a time when the United States needs all the clean fuel it can get, it seems sensible to remove a tariff which is prohibitive to imports of a clean fuel.

Mr. Speaker, H.R. 11251 was ordered reported unanimously, and I urge its passage now.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 11251

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart D of part 2 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out item 427.96 and inserting in lieu thereof the following:

"	Methyl:		
427.96	Imported only for use in producing synthetic natural gas (SNG) or for direct use as a fuel	Free	18¢ per gal.
427.97	Other	7.6¢ per gal.	18¢ per gal. "

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

With the following committee amendment:

Page 1, strike out the matter appearing immediately after line 6 and insert the following:

	Methyl:		
427.96	Imported only for use in producing synthetic natural gas (SNG) or for direct use as a fuel.	Free	18¢ per gal.
427.97	Other	7.6¢ per gal	18¢ per gal.

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

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

There was no objection.

The committee amendment was agreed to.

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

TEMPORARY SUSPENSION OF DUTY ON CRUDE FEATHERS AND DOWNS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11452) to correct an anomaly in the rate of duty applicable to crude feathers and downs, and

for other purposes, which was unanimously reported favorably to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, will the gentleman from Arkansas kindly explain the legislation?

Mr. MILLS. Will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 11452 is to suspend for a temporary period, from the 180th day after enactment to the close of December 31, 1979, the duty on certain feathers and down. These articles are used primarily in the manufacture of pillows, comforters, sleeping bags, and outerwear garments such as parkas and ski jackets.

The object of H.R. 11452 is to correct an anomaly in the duty rate applicable to crude feathers and down which permits imports of finished goods containing these components to enter under a lower duty rate which, of course, places domestic manufacturers at a disadvantage.

The temporary suspension of duty on these articles would also provide, under section 2 of the bill, an opportunity to negotiate reciprocal trade benefits.

Mr. Speaker, the committee amended this bill to provide that feathers and down cleaned for manufacture and entered under rate column No. 1 of the Tariff Schedules of the United States, applicable to nations accorded most-favored-nation treatment, shall meet both test methods 4 and 10.1 of Federal Standard 148(a) promulgated by the General Services Administration. Upon the recommendation of the domestic industry, it is the intention of the committee that meeting both test methods 4 and 10.1 of Federal Standard 148(a) means the following: feathers and down meet method 4—determination of oxygen number (titration method)—when their oxygen number does not exceed 20 grams of oxygen per 100,000 grams of sample when tested by method 4; feathers and down meet method 10.1—determination of turbidity (turbidimeter method)—when they have a turbidity of not less than 75 centimeters when tested by method 10.1. The committee is informed that these test methods and specifications described above are acceptable to the U.S. Customs Service. There would be no change in the duty on those feathers and down cleaned for manufacture under rate column No. 2, which applies to Communist countries, except Poland and Yugoslavia.

All other feathers and down not cleaned for manufacture would be entered duty free under both column 1 and column 2 rates under a separate tariff item.

No unfavorable reports were received from any of the executive departments or from any other source.

The committee was unanimous in favorably reporting H.R. 11452 and recommends its passage to the House.

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

Mr. Speaker, I support H.R. 11452, a bill to suspend temporarily the duty on imported crude feathers and downs.

These articles currently are dutiable at 15-percent ad valorem from non-Communist countries, while products which are made from feathers and down, such as sleeping bags, are dutiable at only 7-percent ad valorem. The central problem addressed by this bill is that the duty structure has encouraged imports of finished products at prices which are placing domestic manufacturers at a competitive disadvantage. The Agriculture Department reported, for example, that:

There currently is a built-in incentive for U.S. manufacturers of feather products to establish facilities abroad and there is some evidence that the trend has already begun.

Suspension of the duty on the raw material would help eliminate this incentive and enable domestic producers of the finished products to compete effectively in the home market.

The committee was informed that imports of the feathers and downs affected by this bill totaled 9 million pounds, valued at $15.7 million, this past year. Major sources of supply were France, West Germany, Taiwan, and mainland China.

Mr. Speaker, the committee heard no objection to the bill, and all reports from interested departments and agencies were favorable. The measure was reported unanimously, and I recommend passage by the House at this time.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 11452

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately before item 903.90 the following new items:

"	Feathers and downs, whether or not on the skin, crude, sorted (including feathers simply strung for convenience in handling or transportation), treated, or both sorted and treated, but not otherwise processed (provided for in item 186.15, part 15D, schedule 1):			
903.70	Not cleaned for manufacture	Free	Free	On or before 12/31/79
903.80	Cleaned for manufacture	Free	No change	On or before 12/31/79 ".

SEC. 2 (a) The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

(b) For purposes of any authority that may be delegated to the President to proclaim such continuance of existing duty-free treatment as he determines to be required or appropriate to carry out a trade agreement with foreign countries or instrumentalities thereof, the duty-free treatment provided by items 903.70 and 903.80 of the Appendix to the Tariff Schedules of the United States shall be considered as existing duty-free treatment.

With the following committee amendments:

Page 1, strike out the matter appearing immediately after line 6 and insert the following:

"	Feathers and downs, whether or not on the skin, crude, sorted (including feathers simply strung for convenience in handling or transportation), treated, or both sorted and treated, but not otherwise processed (provided for in item 186.15, part 15D, schedule 1):			
903.70	Meeting both test methods 4 and 10.1 of Federal Standard 148a promulgated by the General Services Administration	Free	No change	On or before 12/31/79.
903.80	Other	Free	Free	On or before 12/31 79. ".

Page 2, line 4, immediately before "date" insert "180th day after the".

The committee amendments were agreed to.

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

TEMPORARY SUSPENSION OF DUTY ON CERTAIN CARBOXYMETHYL CELLULOSE SALTS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 12035) to suspend for a 1-year period the duty on certain carboxymethyl cellulose salts, which was unanimously reported favorably to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, will the gentleman from Arkansas kindly explain the legislation?

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

Mr. SCHNEEBELI. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 12035 is to suspend for a temporary period, until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts.

As amended by the committee, H.R. 12035 shall be effective the day after enactment.

Carboxymethyl cellulose salts are classified under item 465.87 of the Tariff

Schedules of the United States and are presently dutiable at 8 cents per pound under rate column No. 1, which is applicable to countries receiving most-favored-nation treatment. These chemicals, of which there is only one domestic producer, are used as a synthetic sizing agent in the processing of textiles. The sole producer is currently unable to meet domestic demand and is limiting shipments to its customers who provide chemical compounds of this substance to the textile industry.

Mr. Speaker, there is no objection from the single domestic producer to the proposed temporary duty suspension on carboxymethyl cellulose salts. Planned production expansion by the producer will not be completed in time to alleviate the present shortage in domestic supply. There are no unfavorable reports from any of the executive departments or from any other source.

The committee was unanimous in its favorable report on this bill and recommends its passage.

Mr. SCHNEEBELI. Mr. Speaker, I support H.R. 12035, which would suspend for 1 year the duty on certain cellulose salts which are used in the processing of textile fibers.

Imports of this item were running last year at an estimated annual rate of slightly more than 250,000 pounds valued at about $130,000. The duty is 8 cents per pound or about 16 percent ad valorem. The principal exporting country is the Netherlands.

The committee was informed that there is only one domestic manufacturing company, which cannot meet home demand. The firm has been producing an estimated 70 million pounds a year and is planning to expand capacity. However, this expansion is not expected to compensate for a current, severe short supply situation for at least a year, which is the period of duty suspension called for in this bill.

Favorable reports on the measure were received from interested executive departments and agencies, and the committee heard no objection from any source. The bill was ordered reported unanimously, and I urge its passage now.

Mr. Speaker, I thank the gentleman for his explanation. I would like to call to the attention of the House that this very desirable legislation was originally introduced by the gentleman from Georgia (Mr. YOUNG). I compliment him on this legislation. I withdraw my reservation of objection.

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, and I will not object, what countries basically benefit from this import program?

Mr. MILLS. Mr. Speaker, if the gentleman will yield, most of this product comes from the Netherlands.

Mr. ROUSSELOT. Is there any from Russia or China?

Mr. MILLS. Not that I know of.

Mr. ROUSSELOT. I thank the gentleman from Arkansas, and I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 12035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 905.31 the following new item:

" 907.60	Carboxymethyl cellulose sodium salts of a purity not exceeding 98 percent nor less than 95 percent by weight on a dry weight basis (provided for in item 465.87, part 8A, schedule 4)	Free	No change	On or before the close of the 1-year period beginning on January 1, 1974.",

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after January 1, 1974.

Amend the title so as to read: "A bill to suspend until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts."

With the following committee amendments:

Page 1, strike out the matter appearing immediately after line 6 and insert the following:

"907.60	Carboxymethyl cellulose sodium salts of a purity not exceeding 98 percent nor less than 95 percent by weight on a dry weight basis (provided for in item 465.87, part 8A, schedule 4).	Free	No change	On or before 6/30/75.".

Page 2, line 4, strike out "January 1, 1974" and insert "the day after the date of the enactment of this Act".

Mr. MILLS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the committee amendments be dispensed with and that they be printed in the RECORD.

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

There was no objection.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill to suspend until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the four bills just passed.

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

There was no objection.

PROSPECT OF ANOTHER CRIPPLING NATIONWIDE TRUCKER STRIKE

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

Mr. GUNTER. Mr. Speaker, the country now faces the possible prospect of another crippling nationwide strike by independent truckers, at a time when we are not yet fully recovered from the disastrous effects of the previous strike.

With another strike apparently scheduled by at least one segment of the independent truckers for May 13, I was therefore extremely disturbed to read in the newspaper this morning that the Federal Mediation Service has not yet made an effort to contact those threatening a shutdown and apparently has no plans to do so.

At the same time, little or no effective relief has been provided for the causes of the original nationwide strike, which resulted from the skyrocketing cost of diesel fuel and scarcity of supplies.

I have already introduced legislation to provide meaningful, immediate, and large-scale relief for the Nation's truckers by suspending for 6 months collection of the 4 cent a gallon Federal tax on diesel fuel, tied to a freeze at January 15, 1974, price levels.

However, in view of the prospect of another strike, I believe additional action is called for by the executive branch.

I am therefore introducing today a sense of the House resolution calling on the President to immediately inform the Congress of what steps he is taking or will take in an effort to avert another nationwide crisis similar to the strike which recently imperiled movement of the Nation's food supply and caused unknown economic damage.

I have a particular concern because of a statement attributed to Mr. Mike Parkhurst of Overdrive magazine predicting that a new shutdown will "be tighter in some areas, like Florida" than in others.

But this is a problem that is hardly limited to my own State of Florida.

It threatens the economy of the entire Nation and all its citizens, and therefore deserves prompt attention by all of us.

FINANCING NATIONAL PARTY CONVENTIONS

(Mr. STARK asked and was given permission to address the House for 1 min-

ute and to revise and extend his remarks.)

Mr. STARK. Mr. Speaker, this morning we received a letter from George Bush explaining, in response to efforts by a bipartisan committee to seek ways to finance national nominating conventions, that the Republican National Committee at a recent meeting passed the following resolution:

That the Republican National Committee go on record here and now as being strongly opposed to national financing of national party conventions and continue to explore other alternatives.

Mr. Speaker, one can only assume that those other alternatives will include contributions from Bebe Rebozo, ITT, Howard Hughes, and Arab oil money, as this type of action which we have come to expect from the morally and ethically bankrupt Republican leadership.

NATIONAL PARTY CONVENTION FINANCING

(Mr. CRANE asked and was given permission to address the House for 1 minute.)

Mr. CRANE. Mr. Speaker, with all due respect to my esteemed colleague, the gentleman from California (Mr. STARK), I think that he just took a cheap shot.

Concerning the question of public financing, I think that there are some very sound and profound philosophical reasons for objecting to it, and I am sure that those reasons will be articulated when we get into further discussion of this matter. However, to suggest impropriety as the alternative for public financing, in my estimation, is as improper and as out of line as it would be for Republicans to attempt to suggest that because of Bobby Baker or Billy Sol Estes one might indict the Democratic Party.

Mr. Speaker, I think that the gentleman from California may wish to participate in a more extensive debate when we get into the public financing question, and I would be happy to provide him with some of the good arguments against that concept.

CALL OF THE HOUSE

Mr. BLACKBURN. 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. 207]

Archer	Dingell	Johnson, Pa.
Bevill	Findley	Jones, Ala.
Blatnik	Flowers	Jones, N.C.
Brotzman	Frelinghuysen	Lujan
Brown, Mich.	Gray	Macdonald
Carey, N.Y.	Green, Oreg.	Madden
Carney, Ohio	Griffiths	Martin, N.C.
Chisholm	Haley	Moorhead, Calif.
Clark	Hansen, Wash.	Moorhead, Pa.
Clay	Hébert	Morgan
Conyers	Helstoski	Nichols
Derwinski	Holifield	Nix
Diggs	Johnson, Colo.	Patman
Pickle	Rose	Stephens
Powell, Ohio	Ruppe	Stokes
Reid	Sandman	Stubblefield
Riegle	Sisk	Stuckey
Roncallo, N.Y.	Smith, N.Y.	Treen
Rooney, N.Y.	Stanton, James V.	Udall

The SPEAKER. On this rollcall 376 Members have recorded their presence by electronic device, a quorum.

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

METRIC CONVERSION ACT OF 1973

Mr. TEAGUE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11035) to declare a national policy of converting to the metric system in the United States, and to establish a National Metric Conversion Board to coordinate the voluntary conversion to the metric system over a period of 10 years.

The Clerk read as follows:

H.R. 11035

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Metric Conversion Act of 1973".

FINDINGS

SEC. 2. The Congress finds that—

(1) the use of the metric system of weights and measures in the United States was authorized by the Act of July 28, 1866 (14 Stat. 339); and

(2) the United States was one of the original signatories to the Convention of the Meter (20 Stat. 709), which established the General Conference of Weights and Measures, the International Committee of Weights and Measures, and the International Bureau of Weights and Measures; and

(3) the metric measurement standards recognized and developed by the International Bureau of Weights and Measures have been adopted as the fundamental measurement standards of the United States and the customary units of weights and measures used in the United States have been since 1893 based upon such metric measurement standards; and

(4) the Governments of Australia, Canada, United Kingdom, India, Japan, New Zealand, and the Republic of South Africa have determined to convert, are converting, or have converted to the use of the metric system in their respective jurisdictions; and

(5) the United States is the only industrially developed nation which has not established a national policy committing itself to and facilitating conversion to the metric system; and

(6) as a result of the study to determine the advantages and disadvantages of increased use of the metric system in the United States authorized by Public Law 90-472 (82 Stat. 693), the Secretary of Commerce has found that increased use of the metric system in the United States is inevitable, and has concluded that a national program to achieve a metric changeover is desirable; that maximum efficiency will result and minimum costs to effect the conversion will be incurred if the conversion is carried out in general without Federal subsidies; that the goal for the changeover period be ten years, at the end of which the Nation would be predominantly, although not exclusively, metric; that a central planning and coordinating body be established and assigned to plan and cooridnate the changeover in cooperation with all sectors of our society; and that immediate attention be given to education of the public and to effective United States participation in international standards making.

STATEMENT OF POLICY

SEC. 3. It is therefore declared that the policy of the United States shall be:

(a) to change the United States to the metric system of weights and measures in a carefully coordinated manner in order to reduce the cost of such changeover;

(b) to implement the changeover to the metric system through the voluntary participation of the members of each affected sector and group in the Nation;

(c) to facilitate and encourage the voluntary substitution of metric measurement units for customary measurement units in education, trade, commerce and all other sectors of the economy of the United States with a view to make metric units the predominant, although not exclusive, language of measurement with respect to transactions occurring after ten years from the date the Board commerces implementation of the changeover plan pursuant to section 11;

(d) to encourage efficiency and minimize overall costs to society through application of the general principle that changeover costs shall lie where they fall;

(e) to assist in the development of a broad educational program to be carried out in the Nation's elementary and secondary schools and institutions of higher learning, as well as with the public at large, designed to enable all Americans to think and work in metric terms;

DEFINITIONS

SEC. 4. For the purpose of this Act—

(a) The term "metric system of measurement" means the International System of Units as established by the General Conference of Weights and Measures in 1960 and interpreted or modified for the United States by the Secretary of Commerce.

(b) The term "engineering standard" means a standard which prescribes a concise set of conditions and requirements to be satisfied by a material, product, process, procedure, convention, test method, and the physical, functional, performance and/or conformance characteristics thereof.

(c) The term "international standard or recommendation" means an engineering standard or recommendation formulated and promulgated by an international organization and recommended for adoption by individual nations as a national standard.

ESTABLISHMENT OF NATIONAL METRIC CONVERSION BOARD

SEC. 5. There is hereby established a National Metric Conversion Board (hereinafter referred to as the "Board") to implement the policy set out in this Act.

SEC. 6. The composition of the Board shall be as follows:

(a) twenty-one persons appointed by the President who shall serve at his pleasure and for such terms as he shall specify who shall be broadly representative of the American society including industry, labor, business and commerce, the consumer, education, state and local government, science and engineering, and other affected groups. The President shall designate one of the members appointed by him to serve as Chairman and another to serve as the Vice Chairman of the Board;

(b) two members of the House of Representatives who shall not be members of the same political party and who shall be appointed by the Speaker of the House of Representatives; and

(c) two members of the Senate who shall not be members of the same political party and who shall be appointed by the President of the Senate.

SEC. 7. No vacancy on the Board shall impair the right of the remaining members to exercise all the powers of the Board. Eleven

members of the Board shall constitute a quorum for the transaction of business.

SEC. 8. Unless otherwise provided by the Congress, the Board shall have no compulsory powers.

SEC. 9. The Board shall cease to exist no later than ten years after implementation of the plan begins as called for by section 11.

DUTIES OF THE BOARD

SEC. 10. It shall be the function of the Board to devise and carry out a broad program of encouragement, coordination, and public education with the aim of implementing the policies set forth in this Act. In carrying out this program the Board shall—

(a) consult with and take into account the interests and views of the United States commerce and industry, including small business; science; engineering; labor; education; consumers; government agencies at the Federal, State, and local level; nationally recognized standards developing and coordinating organizations; and such other individuals or groups as are considered appropriate by the Board to carry out the purposes of this section;

(b) provide for procedures whereby industry groups, under the auspices of the Board, shall formulate and recommend to the Board specific programs for coordinating the changeover in each industry and segment thereof, and for suggesting specific metric sizes, shapes, or other measurements for general use consistent with the needs and capabilities of manufacturers, suppliers, consumers, and other interested groups, and further consistent with the national interest;

(c) publicize, in an appropriate fashion, such programs and provide an opportunity for interested groups or individuals to submit comments on such programs. At the request of interested parties, the Board, in its discretion, may hold hearings with regard to such programs;

(d) facilitate and encourage the development as rapidly as practicable of new or revised engineering standards based on metric measurement units in those specific fields or areas in the United States where such standards will result in rationalization or simplification of relationships, improvements of design, or increases in economy consistent with the efficient use of energy and the conservation of natural resources;

(e) facilitate and encourage the retention in new metric language standards of those United States engineering designs, practices, and conventions that are internationally accepted or embody superior technology;

(f) cooperate with foreign governments and public and private international organizations which are or become concerned with the encouragement and coordination of increased use of metric measurement units or engineering standards based on such units, or both, with a view to gaining international recognition for metric standards proposed by the United States and to encouraging retention of equivalent customary units in international standards or recommendations during the United States changeover period;

(g) assist the public through information and educational programs to become familiar with the meaning and applicability of metric terms and measures in daily life. Programs hereunder shall include:

(1) Public information programs conducted by the Board through the use of newspapers, magazines, radio, television, other media, and through talks before appropriate citizens' groups and public organizations.

(2) Counseling and consultation by the Secretary of Health, Education, and Welfare and the Director, National Science Foundation, with educational associations and groups so as to assure that the metric system of measurement is made a part of the curriculums of the Nation's educational institutions and that teachers and other appropriate personnel are properly trained to teach the metric system of measurement.

(3) Consultation by the Secretary of Commerce with the National Conference of Weights and Measures so as to assure that State and local weights and measures officials are appropriately informed of the intended metric changeover and are thus assisted in their efforts to bring about timely amendments to weights and measures laws.

(4) Such other public information programs by any Federal agency in support of this Act which relate to the mission of the agency.

(h) consult, to the extent deemed appropriate, with foreign governments, public international organizations, and, through appropriate member organizations, provide international standards organizations. Contact with foreign governments and intergovernmental organizations shall be accomplished in consultation with the Department of State;

(i) collect, analyze, and publish information about the extent of usage of metric measurements, evaluate the costs and benefits of metric usage, and make efforts to minimize any adverse effects resulting from increasing metric usage;

(j) conduct research, and publish the results of this research on any unresolved problems associated with metric usage, including but not limited to the impact on workers and on different occupations and industries, possible increased costs to consumers, the impact on society and the economy, effects on small business, the impact on the United States international trade position, the appropriateness of using Federal procurement to effect conversion to the metric system, the proper conversion or transition period, and effects on national defense.

SEC. 11. (a) Within twelve months after funds have been appropriated to carry out the provisions of this Act the Board shall, in furtherance and in support of the policy expressed in section 3 of this Act, develop and submit to the Secretary of Commerce for transmittal with his recommendations within ninety days to the President and both Houses of Congress, in accordance with subsection (b), a comprehensive plan to accomplish a changeover to the metric system of measurement in the United States. Such plan may include recommendations for legislation deemed necessary and appropriate.

(b) Upon transmittal of the plan to the President, the plan shall be delivered to both Houses of Congress on the same day and to each House while it is in session. The Board shall implement the plan after sixty (60) legislative days following the date of delivery to the Congress unless both Houses of Congress by concurrent resolution shall have disapproved the plan, in whole or in part, within the same period.

(c) If a plan is disapproved by the Congress a revised plan shall be submitted by the Board to the Secretary within sixty days. Such revised plan shall be subject to the procedures set forth in subsections (a) and (b).

(d) Any amendment to an approved plan shall also be submitted by the Board to the Secretary and the President and delivered to the Congress in accordance with the procedures set out in this section. Such amendments shall be subject to the procedures set forth in subsection (b).

SEC. 12. The Board shall submit annual reports of its activities and progress under this Act to the Secretary, to the President, and to the Congress.

AUTHORITY OF THE BOARD

SEC. 13. In carrying out its duties, the Board is authorized to:

(a) establish a Board Executive Committee, and such other Committees of the Board as it deems desirable;

(b) establish such committees and advisory panels as it deems necessary to work with the various sectors of the American economy and governmental agencies in the development and implementation of detailed changeover plans for those sectors;

(c) conduct hearings at such times and places as it deems appropriate;

(d) enter into contracts in accordance with the Federal Property and Administrative Services Act of 1949, as amended, with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties;

(e) delegate to the Executive Director such authority as it deems advisable;

(f) perform such other acts as may be necessary to carry out the duties prescribed by this Act.

SEC. 14. (a) The Board is hereby authorized to accept, hold, administer, and utilize gifts, donations, and bequests of property, both real and personal, and personal services, for the purposes of aiding or facilitating the work of the Board. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Board.

(b) For the purpose of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States.

(c) Upon the request of the Board, the Secretary of the Treasury may invest and reinvest in securities of the United States any moneys contained in the fund herein authorized. Income accruing from such securities, and from any other property accepted to the credit of the fund authorized herein, shall be disbursed upon the order of the Board.

(d) Funds not expended by the Board at the time of expiration of the life of the Board shall revert to the Treasury of the United States.

COMPENSATION OF THE BOARD

SEC. 15. Members of the Board who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be entitled to receive compensation at a rate not to exceed the daily rate currently being paid grade 18 of the General Schedule under section 5332 of title 5, United States Code, including traveltime, and, while so serving on the business of the Board away from their homes or regular places of business, they may be allowed travel expenses; including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service. Payments under this section shall not render members of the Board employees or officials of the United States for any purpose. Member of the Board who are in the employ of the United States shall be entitled to travel expenses when traveling on the business of the Board.

STAFF SERVICES

SEC. 16. (a) An Executive Director of the Board shall be appointed by the President. The Executive Director shall be responsible to the Board for carrying out the metric conversion program according to the provisions of this Act and the policies established by the Board.

(b) The Executive Director of the Board shall serve full time subject to the provisions of section 5315 of title 5, United States Code.

SEC. 17. (a) The Board is authorized to appoint and fix the compensation of such staff personnel as may be necessary to carry out the provisions of this Act in accordance with the provisions of chapter 51 and subchapter

III of chapter 53 of title 5, United States Code.

(b) The Board is authorized to employ experts and consultants or organizations thereof as authorized by section 3109 of title 5, United States Code, compensate individuals so employed at rates not in excess of the rate currently being paid grade 18 of the General Schedule under section 5332 of such title, including traveltime, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of said title 5 for persons in the Government service employed: *Provided, however,* That contracts for such temporary employment may be renewed annually.

SEC. 18. Financial and administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) and such other staff services as may be requested by the Board shall be provided the Board by the Secretary of Commerce, for which payment shall be made in advance, or by reimbursement, from funds of the Board in such amounts as may be agreed upon by the Chairman of the Board and the Secretary of Commerce. In performing these functions for the Board, the Secretary is authorized to obtain such information and assistance from other Federal agencies as may be necessary.

FUNDS FOR THE BOARD

SEC. 19. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. Appropriations to carry out the provisions of this Act may remain available for obligation and expenditure for such period or periods as may be specified in the Acts making such appropriations.

The SPEAKER. Is a second demanded?

Mr. PARRIS. Mr. Speaker, I demand a second.

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

There was no objection.

GENERAL LEAVE

Mr. TEAGUE. 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 H.R. 11035.

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

There was no objection.

Mr. TEAGUE. Mr. Speaker, I rise in support of H.R. 11035, the Metric Conversion Act. This bill was reported without dissenting vote by the Committee on Science and Astronautics, and it has the support of the administration.

In making the change to the metric system our country is behind the rest of the world. In fact, as the map before you shows, with the exception of eight small nations, Barbados, Burma, Ghana, Liberia, Muscat and Oman, Nauru, Sierra Leone, and Southern Yemen—none of whom are important industrial powers, the United States is the only country in the world which has not made the decision to change to the metric system.

Twenty-five years ago many of our important trading partners, including Canada and England, were still using the customary measures. Today each one of them is making the change to the metric system, and only America has not officially taken this step.

The purpose of the bill is to declare, as a matter of national policy, that the United States will convert to the metric system of weights and measures on a voluntary basis. To perform this coordinating function, the bill provides for the establishment of a National Metric Conversion Board with a life of 10 years, and with a membership of 21 persons broadly representative of all sectors of American society which will be affected by this change.

The United States is now in the early stages of converting to the metric system. Many companies have already announced that they are changing the sizes of their products and the standards to which they are manufactured to the metric system. For example, this year the General Motors Corp. announced that all automobiles manufactured in the United States, including the parts and components made by their subcontractors and other suppliers, will be made according to the metric system within the next few years. Similarly, the school systems of California, Maryland, and Massachusetts have announced that textbooks will be entirely changed to the metric system by the year 1976.

The choice before the committee and the Congress is not whether we should go on the metric system or not. That conversion has already begun. The choice is between continuing the conversion process in an entirely uncoordinated fashion, as is the case now, or going forward with the conversion process on a coordinated basis. The testimony heard by the committee indicated that there was wide agreement on the desirability of going forward with this changeover.

Furthermore, it became apparent that many firms which are now considering conversion are only awaiting a firm statement by the Congress and the President committing the United States to the conversion and to the metric system before they, too, adopt the metric system. The bill includes such a policy statement as well as provisions for the establishment of a National Metric Conversion Board to carry out the coordination function.

The bill declares that it shall be the policy of the United States to change to the metric system in a coordinated manner, and that the purpose of this coordination shall be to reduce the total cost of the changeover. The changeover shall be carried out by means of the vountary participation of each affected sector and group in the Nation.

In order to encourage the efficient changeover and to minimize the overall costs, the general principle that changeover costs shall lie where they fall is included in the policy statement. That part of the changeover period involving active Federal participation shall be 10 years and the goal of the Federal participation in the process shall be that after 10 years metric units shall be the predominant, but not the exclusive, language of measurement in the United States. And finally, the policy of the United States shall be to assist in the development of a broad, national public education program.

The bill provides for the establishment of a National Metric Conversion Board. The Board shall be composed of 21 persons who will be appointed by the President. The members shall serve at the pleasure of the President and they shall serve such terms as he specifies. They shall be broadly representative of those groups in American society which will be affected by the changeover to the metric system, and shall include representatives of industry, labor, business and commerce, the consumer, education, State and local government, science and engineering, and other affected groups.

The membership shall include, in addition, two Members from the House of Representatives and two Members from the Senate of the United States. The President shall designate one of the Members to serve as Chairman and another to serve as Vice Chairman of the Board. The bill further provides that the Board shall have a life of 10 years and that unless otherwise provided by the Congress it shall have no compulsory powers.

The bill provides that the Board shall perform three major functions: The development of a broad, overall conversion plan for the United States, the implementation of this conversion plan in all sectors of American society where weights and measures are used, and the conduct of a program of public education in the metric system at all levels from elementary to adult education with the objective that the American people become familiar with the meaning and use of metric terms and measures in their daily lives.

The Board shall consult with and take into account the interests and views of industry, labor, the consumer, and other groups who would be affected by the changeover to the metric system. The intent of this consultation process is that each sector or industry in the country shall be asked, on a voluntary basis, to develop its own plan for the conversion to the metric system in such a time period as that group feels to be in their own best interest insofar as efficiency and minimum costs are concerned.

The Board shall carry out programs of public education and information aimed at making every citizen of the United States familiar with the metric system. These programs shall include public information activities conducted by the Board itself through the use of newspapers, magazines, radio, television, and other media; consultation by the Secretary of Health, Education, and Welfare and by the Director of the National Science Foundation with education associations and other education groups to insure that the metric system is made a part of the curriculum in all of the Nation's educational institutions and that teachers are trained to teach the metric system; consultation by the Secretary of Commerce with the National Conference of Weights and Measures to assure that weight and measure officials in each State and local jurisdic-

tion are fully informed of the metric changeover activities in the country and are assisted in their efforts to bring about timely amendments to weight and measure laws; and such other public information activities by any Federal agency which would relate to the mission of the agency.

The bill provides that the Board shall prepare a comprehensive, overall metric conversion plan for the changeover of the United States to the metric system in accordance with the policies established by the act. The plan may include recommendations for legislation deemed necessary or appropriate by the Board. The plan shall be completed by the Board within the first 12 months after funds have been appropriated to the Board. When it is completed the plan shall be submitted to the Secretary of Commerce who, no later than 90 days after he received it shall submit it to the President and to both Houses of the Congress accompanied by such recommendations that he deems appropriate.

The bill further provides that the plan shall be submitted by the Secretary to both Houses of the Congress on the same day and on a day on which each House is in session. The Congress after reviewing the plan may disapprove it, in whole or in part, by concurrent resolution within 60 days of receipt of the plan. If the plan is not disapproved by the Congress, the Board shall implement it after the 60-day congressional review period has expired. If the Congress does disapprove the plan, then the bill provides that the Board shall submit to the Secretary of Commerce a revised plan within 60 days of the date of such disapproval.

The revised plan shall be submitted by the Secretary of Commerce with his recommendations, if any, to the Congress and be subject to the same period of 60 days of review and disapproval as the original plan. If, after a plan has been approved and implementation has begun, the Board determines that there is a need to amend the plan, an amendment to the plan shall be submitted by the Board for review and approval in the same manner as the original metric conversion plan.

I am convinced that this bill is good for the country. Perhaps I will never learn the total metric system myself, but there is no doubt that today's schoolchildren will learn it sooner or later, and before long the housewife who goes shopping will understand it.

American industry has begun to adopt the metric system in growing numbers, and those companies which are going metric are doing so because it makes economic sense. Even though the change involves added cost, they are going ahead because in the long run the change will more than pay for itself.

But the change to the metric system is proceeding in an entirely uncoordinated manner with the result that the total cost of going metric is much higher than it needs to be, mainly because it will take longer. This bill will provide a way to reduce the time of the transition period and thereby reduce the total cost.

I want to stress, however, that H.R. 11035 would preserve the right of each individual and each business firm to decide whether to go metric. The bill provides that the adoption of the metric system shall be entirely voluntary. As noted, the bill would establish a National Metric Conversion Board which, among other things, would have the job of assisting those who want to adopt the metric system and coordinate the change with others in the same industry.

The life of the Board would be limited to 10 years. After that time period we expect that the metric system would be in general use in our schools and industry, although the customary units might still be found in many places where it is advantageous to keep them.

The Committee on Science and Astronautics has had this subject under study since 1959. In 1968 our work led to the enactment of Public Law 90-472 which called upon the Secretary of Commerce to investigate and appraise the relative merits of adopting or not adopting the metric system. The result of the study was the report "A Metric America" which was issued in 1971. It recommended the adoption of the metric system over a 10-year period.

H.R. 11035 was reported by the committee after extensive hearings last spring. I know that some would like a bill that goes further by providing subsidies. The committee concluded that this would be unwise and that no exceptions should be made to the general principle that "costs shall lie where they fall." A similar bill was passed by the Senate in the 92d Congress which followed this same principle.

Mr. Speaker, H.R. 11035 is a step in the right direction for America. I urge its adoption by the House today.

Mr. Speaker, we will have this map in front of the House for just a few minutes. The white shows the countries not committed to the metric system, and the colored portion shows the countries that are committed to the metric system. It is very easy to see where our country stands.

Mr. Speaker, regardless of what is said following what I have to say, this bill is completely voluntary. It does not cost one single solid cent, except for the administration of the bill. It is simply an attempt to try to give guidance to something that is happening in a haphazard way.

Mr. Speaker, the committee held extensive hearings on this bill. It has been pending in the Congress since 1886. I never expect to learn the metric system, and the only reason I am supporting the bill is because I think it is good for our country.

There are statements being made about this bill that are absolutely false, and I hope the Members will take the time to know what is in the bill and will support the bill.

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

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

Mr. MOSHER. I thank the gentleman for yielding.

I am sure the gentleman from Texas will agree with me that we on the Science Committee fully understand the concern that has been expressed for possibly the impact on small business as a result of this bill.

With that in mind, as an effort to make legislative history today, will the gentleman from Texas respond as to whether or not he agrees with the following statement I am going to read, which is in a few brief paragraphs?

It is definitely the understanding and intent of our committee that small businesses should be able to get loans under the provisions of the Bible amendment to section 7(b) of the Small Business Act in order to meet special economic hardships that might result from passage of this metric bill.

For example, a small business that could be eligible in our view for an economic disaster relief loan would be a parts supplier to a major firm that decides to go metric and informs its suppliers that they must convert immediately to metric output in order for their products to be used in the future by the big firm.

I spoke just a few hours ago with the Small Business Administrator, our former colleague, Tom Kleppe, and he told me that he agrees with our belief that Bible amendment assistance would be available to small firms forced to convert capital equipment to metric faster than they would normally replace their equipment.

The Commerce Department and the Office of Management and Budget agree with this opinion, according to conversations we had with them this morning.

The committee feels that this loan assistance is completely in keeping with the "no cost" nature of this legislation and that it is consistent with our intent to let the costs of conversion lie where they fall. The small business would be required to pay back the full loan plus the Government's cost of borrowing. The SBA loans, though, are clearly necessary to assure that the small firms can get the capital they need in this time of tight money and exorbitant interest rates.

To get the best perspective on the so-called Bible amendment I would like to quote briefly from Senator BIBLE's statement on the floor of the Senate on February 7, 1973, when he introduced his legislation:

> I believe that a uniform approach of one statute would be desirable and would avoid many problems. It would consolidate the existing enactments under a single statute and provide a single framework for the extension of this loan program to other fields. We believe that helping small business into compliance with new governmental standards is sensible and it is also sound as a budget matter.

Finally, let me note that the National Small Business Association, representing almost 50,000 independent firms, has written to me advising that they support this bill as long as they are assured eligibility for SBA economic disaster relief loans.

Mr. TEAGUE. I would certainly agree

with the gentleman from Ohio and would not object at all to it being written in the bill. I know the gentleman is attempting to make legislative history. I certainly agree with the gentleman from Ohio.

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

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

Mr. BELL. Mr. Speaker, today, I would like to urge my colleagues to unanimously support H.R. 11035, the Metric Conversion Act of 1973. As the ranking minority member of the Subcommittee on Science, Research and Development that originally investigated this legislation, I can attest to the fact that this particular measure is both necessary and beneficial to our country.

The Metric Conversion Act of 1973 would convert America's system of weights and measures from the customary inches, feet, pounds, and quarts to the metric system of centimeters, meters, kilograms, and liters. Currently, the United States is joined in its resistance to the metric system only by Barbados, Burma, Gambia, Ghana, Jamaica, Liberia, Muscat and Oman, Nauru, Sierra Leone, Southern Yemen, Tonga, and Trinidad.

I am convinced that this change is both inevitable and beneficial, and that we must now move to accomplish the change in a planned, orderly and equitable fashion. Metric conversion will provide three large areas of benefit to the United States. First, America's position in international trade will be substantially improved. Second, once completed, it should yield great savings at home and in industry because of its inherently great efficiency. I also believe that metric conversion by the United States would make a significant aspect of daily life truly international by bringing the peoples of the world closer together.

The bill before us today, H.R. 11035, declares a national policy of converting to the metric system and establishes a National Metric Conversion Board to coordinate the conversion activities over a period of 10 years. It is important to point out and to emphasize that this conversion is entirely voluntary.

At this time I would like to remind my fellow colleagues that many industries are presently in the process of converting to the metric system; many industries have already converted to the system; many industries are currently working in a system using standard measurements at home and metric measurements abroad. This latter system is extremely costly, but nevertheless must be in existence if a company desires to remain in the foreign market. A prime example of this is in the automobile industry. In our country today there are many cars on the market with metric components.

It is inevitable that we will consistently increase our use of the metric system, even in the absence of congressional action. It would seem, therefore, that the wise decision for Congress to make at this time would be to provide the country with an orderly and effective means for metric conversion. Individual States have already taken the initiative in this regard. California is leading the Nation in metrification. By the fall of 1976 all mathematics and science textbooks used in all California schools will use only metric measurements. Ohio has road signs designated in metric and Maryland is fast following California's lead in the area of education.

The time has come for Congress to take the initiative—we cannot wait until there is a "crisis situation" before we convert to metric. H.R. 11035 gives us the opportunity, not to surge forward and become pioneers, but rather to catch up with the other nations of the world. The United States needs H.R. 11035 and we cannot afford to delay this legislation any longer.

Mr. TEAGUE. There is no question that California is in the lead and we hope all our schools will be going to the metric system.

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

Mr. TEAGUE. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Speaker. I appreciate the gentleman yielding.

As the gentleman knows, this is really quite an important bill, and it goes into a great many fundamental aspects of American society, including business and education and the military and the general economy. It gets right down into the daily lives of the American people, and, as the gentleman said a minute ago, we do not know a great deal about it.

What I find it difficult to understand, I may say to the gentleman from Texas, is why a bill of this magnitude is brought here under a suspension of the rules with 20 minutes debate on each side and with no opportunity to educate ourselves. It does seem to me a bill of this kind ought to be brought in here with a rule and with opportunity to discuss it and also to amend it. I regret that the gentleman and his committee have seen fit to try to do this under a suspension. It is too important a bill.

Mr. TEAGUE. I would say to the gentleman from Indiana I agree with him completely. Our committee went to the Rules Committee and asked for an open rule on this bill. They not only gave us an open rule but they also made in order amendments that were subject to a point of order. That is exactly the reason this bill is brought before the House the way it is.

Mr. DENNIS. The gentleman is just saying he got a rule and he does not want to use it. I think we ought to have a rule.

Mr. TEAGUE. We got a rule making in order amendments that were subject to a point of order. This is a complete reversal of what we have been hearing here about closed rules. We did not ask for a closed rule. We asked for an open rule, but we certainly did not expect the committee to give us a rule making in order amendments the committee had considered thoroughly and had voted down. The Rules Committee not only wanted to give us a rule but they also wanted to write the bill.

Mr. DENNIS. I appreciate the gentleman's statement, but the rest of us have some input besides the Rules Committee and the gentleman's committee. It is nevertheless true that without any rule at all we are going to try to ram this through the House with 20 minutes for each side under a suspension of the rules.

Mr. TEAGUE. Mr. Speaker, I will agree with the gentleman, but I still do not expect the Committee on Rules to rewrite the bill after all this hard work has been done on it.

Mr. PARRIS. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I want to agree wholeheartedly with the chairman of the committee. I would support this measure coming to the floor of the House under an open rule.

I testified before the Committee on Rules in that behalf; but what happened was that the Rules Committee granted a special rule which permits this coming to the floor of the House—with the right to offer nongermane amendments in violation of the House Rules—amendments which are desired by certain limited elements of organized labor. These proposed nongermane amendments are contrary to the whole purpose and purport of this bill and would require the waiving rules. The measure before us would establish a Federal mechanism enabling the private economy and our private educational institutions to voluntarily convert to the metric system over a 10- to 12-year period. However, those nongermane amendments would make a boondoggle precisely of the kind the gentleman from Indiana is opposed to.

I sponsored a much stronger bill, but I reconciled myself to supporting this bill which comes to the floor of the House today, even though I felt we needed a lot more discipline because we are lagging behind. As the map which was displayed indicated, we are the last industrial country in the world that has not converted, or is not in the course of converting to the metric system.

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

Mr. McCLORY. I yield to the gentleman from Indiana

Mr. DENNIS. I just wonder what the big rush is. We have been 200 years without this.

Mr. McCLORY. Let me answer that.

Mr. DENNIS. This is one of the last things the people in my district, whom I represent, are asking for.

Mr. McCLORY. Mr. Speaker, there is no great rush here. We have been at this since the founding of our Nation. In 1790 George Washington directed Thomas Jefferson, who was then Secretary of State, to investigate the subject of a system of weights and measures. This authority to fix standards of weights and measures is provided in the Constitution, as the gentleman knows. In 1821 Secretary of State John Quincy Adams recommended that the new French sys-

tem would be a viable system for our Nation to adopt.

In 1968 the Congress authorized a 3-year study, a very responsible 3-year study which was completed and came to us and to every Member of Congress in July 1971. This report provided the precise kind of mechanism that we are recommending today

It has taken a long time to get this measure to the floor of the House and it has taken a long time for this Nation to come of age, so far as the adoption of a viable system of weights and measures which we can use on an international basis. Today is the day of decision and today is the day when the Congress of the United States should recognize that we are in the 20th century, that we are a world power dealing with nations throughout the world with whom we have to carry on extensive trade and commerce. That is the reason why this legislation can benefit the entire Nation.

The educational institutions of our country are already converting. General Motors is already converting and 40,000 General Motors suppliers are already converting.

It is possible, of course, that they may want to do it in their own private individual way; but I say that the Federal Government has a responsibility to establish the mechanism by which all industry may act on a voluntary basis, and so that all education on a voluntary basis over a 10- or 12-year period of time may convert to the metric system of measurements.

The nongermane amendments that I expect will be offered, if this measure comes to the floor under the rule voted by the Rules Committee, will authorize Federal handouts, in the form of Federal subsidies, gratuities, and loans for businesses and for workers.

Let me say that 145,000 automobile repair shops without any Federal subsidies, and without any Federal compulsion, are already repairing foreign cars manufactured according to metric measurements. We do not need that kind of a subsidy program. Our private economy can and should absorb the costs. We should "let the costs lie where they fall"—as the report recommends. The exaggerated estimates of what this program of gradual conversion would cost are outlandish.

Every nation that has converted has found tremendous advantages which develop in the course of conversion, and the costs are not what they are estimated to be. In the course of converting they have developed labor-saving and cost-saving practices. Converting to the metric system would enable the Nation to improve and advance.

Let me suggest that we support this bill today. The bill after it leaves here, of course, will go to the Senate; but I think this is a good bill in its present form. All the offers of amendments have been reconciled by the committee. I have resigned myself to take this bill in this form.

The other amendments that the gentleman from Hawaii (Mr. MATSUNAGA) would like to offer were carefully considered by the committee over a long period of time. This is a very late date in our history for us to consider this legislation. I hope it will be adopted and approved overwhelmingly today.

Mr. Speaker, even without this legislation the United States is in the process of converting to the metric system of weights and measures. The present legislation, H.R. 11035, does not determine whether or not this country will go metric. However, what we decide here today answers a simple question—will the changeover to the metric system in this country result from costly drift, or will it progress through efficient design? In my opinion, we must, by passing this bill, bring our unplanned and uncoordinated drift to a halt and provide a structure for change, which will thereby save the people of this country millions of dollars that otherwise will be lost through inefficiency and waste.

Mr. Speaker, as I indicated earlier, Thomas Jefferson, then Secretary of State under President Washington, attempted to establish a uniform and stable system of weights and measures, in which all units of measure would be divisible by 10. At about this same time the metric system was developed in France. It possessed many qualities that had appealed to Jefferson, and it has had great and lasting influence throughout the world.

Mr. Speaker, to a degree Jefferson's early efforts in this country bore fruit, but only after the passage of many years. The Congress sanctioned the metric system in 1866 for use in this country. Later this country endorse the Treaty of the Meter and joined every other major country in the world in endorsing the metric system as the internationally preferred system of weights and measures. In 1893, the metric system was adopted as the standard of measure for this Nation.

All during this time there were great pressures applied to Congress to prevent the country from adopting the metric system as the predominant language of measure. There were several reasons for this obdurate opposition. For example, some people objected to the metric system because it was considered to be "foreign" and thus not to be trusted. Foreign, however, did not mean England and its dependencies. These English-speaking countries represented our major trading partners. Along with Japan, these same countries are still major trading partners—but with a difference. They have all made conversion to the metric system. Thus, if we are to retain our old trading partners, remain competitive, and enlarge our position in world trade, we too must convert to metric.

This is a step that many companies have recognized as vital and have taken on their own initiative, allowing costs to lie where they fall. For example, one of the most outspoken opponents of the metric system for many years was the automobile industry, but it has now begun a voluntary conversion program. This step was not taken because the industry suddenly realized that the metric system was the superior kind of measure—only because it became economically necessary to convert and thereby remain competitive.

Mr. Speaker, so far in this country economic compulsion has been the driving force for voluntary conversion. H.R. 11035 will retain this free enterprise characteristic. The bill calls for a voluntary conversion over a 10-year period so that at the end of the goal year, 1986, the Nation will be predominantly but not exclusively metric. Thus, large and small business and other sectors of the economy are not being compelled to convert to the metric system. To the contrary, all segments of our society will voluntarily decide to convert when it becomes economically feasible, if not profitable, for them to do so. The Metric Conversion Board, made up of representative segments of our economy, will coordinate and plan continuing metric conversion, taking all viewpoints into consideration.

In addition, it is important to point out that attempts by certain groups to adversely influence the Congress against metric conversion by citing conversion costs of billions of dollars, with little or no real substantiation for such claims, have been of no avail. Up to this time we have had no such costs and we expect none in the future. If this country was not already going metric and if adopting this legislation meant that we would in a mandatory way change over to metric the next day, then and only then would conversion costs be of the proportions claimed by these groups. Out of consideration of and concern for conversion costs, Congress decided to extend the voluntary conversion period over 40 years—more time may be granted by the Metric Conversion Board if it is necessary—so that we can have a reasonable length of time in which to convert. In 10 years many instruments, machines, and so forth, will wear out, and can be replaced with metric equivalents. It is the intent of Congress that at the end of 10 years we will be predominantly but not exclusively metric. Thus, we are tacitly recognizing that the process of conversion may not be 100-percent completed after 10 years, but that which may remain will have been planned for and coordinated with the rest of the economy.

Mr. Speaker, three labor unions, which by no means represent all labor, have been making claims about huge conversion costs and how such costs will hurt the worker and the country. We know that over 10 years the costs will not be high and that in the experience of the rest of the world, the workers, have, indeed, benefited from metric conversion. For example, I recently received a telegram from the English Metrication Board in London, in which it is made quite clear that workers in Great Britain have supported metric conversion. The main point English labor wanted to make clear was that it did not favor a prolonged conversion period. The telegram reported that by the end of 1973 over 80 percent by value of all new design in Great Britain was metric, except in the public sector where the changeover is virtually accomplished. In addition, al-

most all materials and components are now being made in metric sizes in that country.

Mr. Speaker, I have been told that in every country in the world that has recently undertaken metric conversion the workers have supported such a change. I can only conclude that they have taken such a position because it serves their best interests. Thus, I am sure that the majority of the workers in the United States support metric conversion and the present legislation. Experience in this country has shown that companies replace measurement-sensitive tools for their workers and provide on-the-job instruction of the metric system to their workers, some of whom have found the metric system easier to learn than the customary system and have said so for publication.

Mr. Speaker, it is important to note that most of the tools used by workers in this country and elsewhere are not measurement sensitive, that is, very few tools now in use would have to be replaced with metric tools. For example, a carpenter may need a new measuring tape or simply use the metric measure on his dual unit tape, but he will not need to buy new hammers, saws, nails, et cetera. For auto mechanics, such a changeover will make little difference since they have been repairing metric made foreign autos for years and have had the tools for just as long.

Mr. Speaker, in regard to education, we have been instructing our young scientists and engineers for many years in the use of the metric system. It is worthy of our attention to note that the metric system has been and still is the language of measure in our outstanding and famous scientific community. Most of our scientific institutions are predominantly metric and have been for years. In regard to general public instruction, I have been told that California has begun the conversion process in all of its public schools, and that other State school systems are taking similar steps.

Mr. Speaker, I have a deep and abiding faith and confidence in the ability of the American people to learn and adapt to new conditions, even a different manner of measure. There are abundant examples of this ability to change throughout our history and even in the present. This is what makes our country great and strong. However, the question is not will we change, but how will we change? This is what is so crucial about this legislation. In order to prevent waste, duplication of effort, and other costly problems, we must have a structure for a planned change. This is the only way to prevent waste and the astronomical costs and damage to workers. Some groups are so overly concerned about their particular interests that they fail to recognize the voluntary nature of our planned and coordinated conversion to metric. They fail to understand that each sector of the economy will be represented and have its interests represented on the Metric Conversion Board. In another regard, we must coordinate and promote metric conversion if this Nation is to have any influence on the establishment of world metric standards, in which we must participate actively—if we are to remain competitive in world markets. I call upon all my colleagues to support the present legislation and vote for its passage.

Mr. Speaker, why it is that when we propose a Federal program—or we propose the cooperation and assistance of a Federal department or agency—we feel there has to be a Federal subsidy, I do not know.

Opponents of this legislation today, purporting to speak for the working men and women of the Nation, want us to vote a subsidy, a gratuity, for tools for workmen—or reparation. The working men and women of the Nation are not so useless—so helpless—that they cannot secure their own tools—without the creation of a new Federal bureaucracy and a handout of Federal funds.

According to my advice there are 145,000 automobile repair shops in this country, all of which already have the tools with which they can repair Volkswagens—and other cars made according to the metric system.

Carpenters will be able to use their same hammers. And it will take them but a few hours to adjust to the use of centimeters and meters on their new rules and squares and other measuring devices.

And whatever they do, they will do voluntarily with the other carpenters and tradesmen—over a 10- or 12-year period—with a maximum of cooperation—and a minimum of governmental interference—as well as a minimum of personal expense—or inconvenience.

This is a relatively weak bill. It provides very little in the way of Federal compulsion. In my view, we would benefit far more from a measure which contained greater discipline—and which would avoid the opportunities for virtual nullification of this legislation by the possible disapproval of a metric conversion plan or other steps which are possible under the pending measure.

But one saving—all important—feature of this bill is that it does not provide for Federal subsidies or grants or gratuities which would convert the whole subject to metric conversion into a bureaucratic boondoggle and a maze of confusion, favoritism, and conflict.

Let me ask, for instance, what justification could we have for providing Federal grants to any economic segment of our society whether it be in the area of education, or in behalf of business large or small, or the working men and women of the country, unless at the same time we were willing to provide equal benefits for those educational institutions and systems which have already undertaken a program of metric conversion with their own resources, their own funds, or with money borrowed in order to carry out a voluntary program, including funds which they have already repayed.

The metric study which was undertaken over a period of 3 years, and which was followed by a survey of business, large and small, as well as the educational community and other areas of interest in this subject, indicated no justification for any such subsidy or grant programs. The report contained a flat proposal that the costs shall fall where they lie. Indeed, that has been the experience of other nations. This bill carries out that principle and avoids that hazard to the maximum.

And I urge you to give it your overwhelming support.

Mr. TEAGUE. Mr. Speaker, I yield 5 minutes to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Mr. Speaker, I rise in reluctant opposition to the motion to suspend the rules and pass H.R. 11035, the proposed Metric Conversion Act of 1973.

My reluctance stems from two sources. First, I find myself opposing two great friends for whom I have the greatest respect, the distinguished gentleman from Texas (Mr. TEAGUE), and the distinguished gentleman from Georgia (Mr. DAVIS), the chairmen of the full committee and the subcommittee, respectively, out of which the bill was reported. These two gentlemen have worked diligently to come up with a measure that would ease the trauma of metric transition for as many Americans as possible.

Second, I find myself in the most awkward position of opposing the passage of a bill which, in principle, I favor. As a matter of fact, I have sponsored bills similar to H.R. 11035 in this Congress and the 92d Congress. My objections go, not to the substance of H.R. 11035, but to its being considered under suspension of the rules.

H.R. 11035 was the subject of intense consideration in the Rules Committee, of which I am a member. A rule was granted for this bill on March 11 of this year. It is an open rule, permitting full and open discussion of the merits of the bill and of any amendments a Member of the House might wish to offer. It also makes in order the offering of two possibly nongermane amendments, covering matters which were considered by the legislative committee but rejected.

Yet today the House is being asked to approve this highly controversial bill under a procedure more properly reserved for noncontroversial matters—a procedure which completely precludes any amendments.

I am convinced that at least three amendments to H.R. 11035 are necessary.

The first is one to extend the transition period from 10 years to 15 years. The committee took its 10-year figure directly from the study, "A Metric America," from which the basic conversion recommendation was taken. That study offers no solid justification for choosing 10 years. Some wanted more time, the study said, and some wanted less. My own contacts among business and labor representatives almost universally favor a longer transition period. The administration, through the Department of Commerce, has informed me that it "would have no objection to extending the changeover period from 10 to 15 years and prolonging the life of the Board from 10 to 15 years."

Another amendment I am unable to offer today because of the procedural setting concerns small businessmen. My amendment would make eligible for SBA loans those small businessmen who would suffer serious economic injury as a result of the conversion plan. The National Federation of Independent Business, with about 350,000 members, testified some time ago that it would oppose any metric bill not including this loan authorization. In fact, the "Metric America" study admitted that:

> The Government would have a special responsibility toward small businessmen in the conversion period, and that training programs and other forms of technical assistance might warrant Government support.

The third amendment to H.R. 11035 which I am being denied the privilege of offering, relates to worker assistance. Many thousands of individual workers are required by employers to furnish their own tools. Many work for several employers in the course of a year. One labor union alone, the United Brotherhood of Carpenters and Joiners, estimates that its members would lose some $350 million dollars if H.R. 11035 were to pass as reported. It is beyond the technical capacity of an individual Member to calculate what the overall costs of worker assistance might be; indeed, the committee itself finds it impossible to put an accurate price tag on overall conversion. So my amendment is formulated in the most flexible terms possible, to give the Board the authority needed to assist workers who would be injured by the conversion. This, too, was recognized by the "Metric America" study. In addition to technical training for self-employed craftsmen, which "might warrant Government support," the report states that:

> Workers' loss of experience would be real and substantial, and that it would be important to ensure that this problem is dealt with equitably in the design of a national plan.

Mr. Speaker, the underlying principle in H.R. 11035 is that metric conversion should "let the costs lie where they fall." This ignores the fact that the legislation itself causes the costs to fall differently than if no legislation were enacted. Indeed, if the legislation were not designed to speed up the conversion process, there would be little justification for it.

Unfortunately, the suspension procedure provides no opportunity to debate these issues fully. I urge my colleagues, therefore, to oppose passage of H.R. 11035 under suspension of the rules, so that it can be considered under the rule already accorded it by the Rules Committee.

Mr. TEAGUE. Will the gentleman yield for just 1 minute for a question?

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

Mr. TEAGUE. Did the gentleman appear before the committee or express any interest in these ideas before it went to the Rules Committee?

Mr. MATSUNAGA. Did I appear before the committee?

Mr. TEAGUE. Yes.

Mr. MATSUNAGA. No, because I was not notified as to when the hearings were being held.

Mr. TEAGUE. At the beginning of this Congress it was announced that this bill would be taken up. If the gentleman had been really interested, he would have let it be known.

Mr. MATSUNAGA. Mr. Speaker, I will point out to the gentleman that the amendments which I propose were even recommended by his study called "Metric America." Why the gentleman's committee, after 3 years of study coming up with a recommendation, turned down the recommendations, I do not know.

Mr. TEAGUE. If the gentleman will yield further, every amendment the gentleman has suggested was considered and was voted down.

In fact, some of them were considered so far out of line that they did not even vote on them. The amendments were considered in committee, and the Department of Commerce recommended 10 years; they did not recommend 15 years.

Mr. Speaker, I would not object to 15 years. It is completely voluntary. There is not one compulsory thing in this bill except to provide for a study.

The SPEAKER. The time of the gentleman from Hawaii (Mr. MATSUNAGA has expired.

Mr. TEAGUE. Mr. Speaker, I yield 2 additional minutes to the gentleman from Hawaii (Mr. MATSUNAGA).

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

Mr. MATSUNAGA. Mr. Speaker, I wish first to respond to the gentleman from Texas (Mr. TEAGUE) and then I will yield to the gentleman from Illinois (Mr. McCLORY).

The gentleman will recall that when this measure was taken before the Committee on Rules, hearings were held. At that time real interest was created among labor representatives, and the Carpenters Union, in particular, was really concerned about this bill as it was reported out by the gentleman's committee, and its representatives suggested an amendment. I would like to offer such an amendment.

Mr. Speaker, the small businessmen's association, the National Federation of Independent Business, consisting of 350,000 or more members throughout the United States, voiced opposition to the bill as it was reported out of the gentleman's committee, and I proposed to quell that objection by offering an amendment, as was proposed by that businessmen's association.

These amendments, the gentleman will recall, are in keeping with recommendations in the committee's very own report called "A Metric America."

Mr. Speaker, if the gentleman will check, he will find that to be so. I see that the gentleman is shaking his head.

The amendments which I propose to offer, in any event, were discussed fully in the committee and rejected. But why should we not, under the open rule which was granted by the Committee on Rules, have an open debate here on the floor, and allow the House to determine whether the amendments should be adopted or rejected?

I am all for the bill. As the gentleman knows, I was one of only four members in the Committee on Rules who voted to report the bill out in its original form under an open rule. That effort, however, failed, and it was only after I had worked up an amended rule, making my amendments in order, that the rule was granted. All I am asking is that the bill, H.R. 11035, be called up for consideration by the House under that rule, instead of under suspension of the rules.

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

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

Mr. TEAGUE. Mr. Speaker, I will ask the gentleman one more question:

Did not the report state that the costs shall be borne where they lie?

Mr. MATSUNAGA. Mr. Speaker, this is what the committee proposal intends to do. However——

Mr. TEAGUE. It is what the report says.

Mr. MATSUNAGA. Yes, the report says that, and my amendments would put the costs squarely where they lie, and would be directly in line with what the committee intended.

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

The SPEAKER. The time of the gentleman from Hawaii (Mr. MATSUNAGA) has expired.

Mr. MATSUNAGA. Mr. Speaker, I regret that I do not have any further time in which to yield to the gentleman.

Mr. TEAGUE. Mr. Speaker I yield 1 additional minute to the gentleman from Hawaii (Mr. MATSUNAGA), so that the gentleman from Illinois may ask a question.

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

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

Mr. McCLORY. Mr. Speaker, the question I have is this:

The legislation before us provides that there would be a plan which would come back to the House of Representatives after a year, and there would be 60 days provided within which the House and the Senate could disapprove the plan. Among the powers given to the Metric Conversion Commission is the power to recommend legislation for the House and the Senate to consider. So that if any such legislation was recommended by them or by the representatives of labor, under the Metric Planning Commission, if it was recommended that we should have a subsidy provided for labor, and that we should pay for the tools of the working men and provide subsidies for an educational program—which I do not think is essential at all—but if that were decided, then we would have an opportunity at a later time to pass upon that proposition.

We do not need, Mr. Speaker, to build this provision into the bill at the present time and create another bureaucratic monster.

Mr. MATSUNAGA. Mr. Speaker, I was granted 1 additional minute so that the gentleman could ask a question, not make a statement.

Mr. McCLORY. Mr. Speaker, I will ask the gentleman: Is that not a fact, that it would be in the bill and we could get those proposals from the Commission as provided?

The SPEAKER. The time of the gentleman from Hawaii (Mr. MATSUNAGA) has expired.

Mr. MATSUNAGA. Mr. Speaker, I am afraid the gentleman has used all the time at my disposal.

Mr. PARRIS. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. TEAGUE. Mr. Speaker, will the gentleman yield for 30 seconds?

Mr. GROSS. Mr. Speaker, I will yield to the gentleman if he will yield me additional time.

Mr. TEAGUE. Mr. Speaker, I will yield to the gentleman whatever time I use.

Mr. Speaker, I would like to congratulate the gentleman from Iowa (Mr. GROSS) for coming before the committee and offering his thoughts. The gentleman gave us his views, after giving a lot of thought and study to this bill, which I know the gentleman opposes.

Mr. GROSS. I thank the gentleman from Texas for his remarks and say to him that while we are on opposite sides of this issue it is not often we find ourselves so arrayed.

Mr. Speaker, before the end of this debate of only 40 minutes, on a bill that is estimated to cost the people of this country between $60 billion and $100 billion, I would like to hear an explanation of why it is before us under suspension of the rules instead of the rule that was granted some 6 weeks ago that would have permitted 2 hours.

Mr. TEAGUE. Will the gentleman yield?

Mr. GROSS. I would like to make my statement.

Mr. TEAGUE. I will yield the gentleman another minute if he will allow me time to answer that.

Mr. GROSS. How many minutes did the gentleman yield?

Mr. TEAGUE. It is the amendments that have been offered that would cost $60 billion. It is not what is in the bill but it is the amendments that have been offered that would cost that.

Mr. GROSS. How much time did the gentleman yield, Mr. Speaker,

Mr. TEAGUE. Whatever I used I will yield.

Mr. GROSS. Mr. Speaker, how much time did the gentleman consume?

The SPEAKER. Will the gentleman from Texas yield 1 minute to the gentleman from Iowa?

Mr. TEAGUE. I yield the gentleman 1 minute.

Mr. GROSS. Mr. Speaker, last year I presented to the House a study by the General Accounting Office which thoroughly discredited the Department of Commerce report urging the establishment of an accelerated program to convert this country to the metric system.

I asked the GAO to make a study of the report because I suspected it was biased. Those suspicions were fully confirmed.

I have also obtained a transcript of a meeting held by members of the Commerce Department's Metric System Study Advisory Panel, at which the Department's report to Congress was discussed.

Mr. Speaker, this document is a blueprint of how to deceive the American people and Congress. I do not believe I have ever read a more damning record of such intent.

The writers of the Commerce Department report, urging conversion to the metric system, were afraid that if the American people knew the true costs of this project they would reject it out of hand. So, they simply decided not to tell them. And they decided not to tell the Members of Congress.

The comments of members of the advisory panel are most interesting. These people knew the cost of the proposed conversion would be a staggering $60 billion or more. Not $10 billion, or $20 billion, but $60 billion.

It bothered panel member William J. Harris, a vice president of the Association of American Railroads. He said:

I think the $60 billion figure is just going to stick in people's minds and . . . stick in people's throats, and I don't know what to do about it . . . It comes out awfully hard, even though you have explained around it.

Panel member Daniel De Simone, who was also the director of the study responded in this fashion:

Bill, what you say about the $60 billion figure has been said by many other people who consider it rather scary and unwarranted in terms of the data we have analyzed.

The next panel member to comment on this staggering cost figure was William D. Rinehart, assistant general manager of the American Newspaper Publishers Association Research Institute, who had this to say:

The bill, as provided by Congress, asked the Commerce Department to evaluate the cost. Sixty billion, if that's the cost, I think it is the responsibility of the Secretary of Commerce to record it as such.

To hide it or to put it into some other form in this report would cause the report to be dishonest.

This is precisely what happened.

Earlier in the meeting, however, Mr. De Simone had, in effect, dismissed the necessity of stating the cost in the report by saying,

We can almost presume that Congressmen and Senators will not read the whole thing.

That bears repeating.

We can almost presume that Congressmen and Senators will not read the whole thing.

Perhaps he was right.

Thomas Hannigan, director of research and education for the International Brotherhood of Electrical Workers said:

What we should be doing is something for the Congressmen, as the law requires . . . it's an attempt to bypass Congress, an attempt to go to the constituents without going through Congress.

It is a biased promotional effort and, therefore, actually in effect going beyond Congress.

Mr. Hannigan went on to criticize the report's drafters and said,

. . . I cannot go along with this report with my name on it, because it's going to be subject to intense criticism, the mass public is against it.

Mr. Speaker, the General Accounting Office has told us that the Commerce Department's metric report is twisted, distorted and misleading.

One of the Department's advisory panel members decries the "terrible bias that flows through here" and calls it nothing more than "a biased promotional effort."

Another member fears what would happen if the Congress and the public were told what the cost will be and, as any of you who have read the report know, the $60 billion cost figure does not appear in it. Of course, the author, Mr. De Simone, did not expect many of us to read the report in the first place.

I do not believe it would be either fair or principled for Members of this body to approve legislation, on the strength of a biased report, that will cost the American taxpayers $60 billion.

If such a question were put to the people themselves, I am convinced that they would flatly reject it. The transcript of the advisory panel meeting shows the same conviction.

The proponents of this legislation would have you believe that the conversion mandated by it will be a purely voluntary thing. If voluntary conversion is what is sought, then I submit there is no need whatsoever for this bill.

The proponents of this legislation would have you believe that the American people are fairly beating down the doors of Congress, demanding that it be passed. Nothing could be further from the truth.

I know of no housewife who is looking forward to buying a complete new set of measuring cups and spoons, or of having to learn to cook all over again using metric recipes.

Hank Aaron will no longer hit a baseball a country mile and you will not be able to walk that far for a Camel. Metric will be good for the advertising agencies and some special interests, but bad, thoroughly bad for the average American for he will have to pay the $60 billion this legislation will cost.

I want to remind Members of the House once again that no less an authority than the Comptroller General of the United States has said that this 10-year crash conversion program will:

Be more costly than the 50-year no-plan change-over—contrary to what was shown by the (Commerce Department's) Study.

The General Accounting Office also concluded that this crash metric conversion program:

Would tend to increase costs and prices of (United States) products and thus place these products at even more of a competitive disadvantage vis-a-vis the products of foreign firms that are already metric.

In addition to increasing costs of U.S. products, the General Accounting Office

has found that this program will also dramatically increase imports of metric products into this country.

And there is no proof whatever that this legislation will bring one scintilla of benefit to the people of this country.

The one sure thing involved in all of this is a minimum price tag of $60 billion.

We already have enough problems in this country without saddling our people with such an enormous additional burden.

The people of this country have given no indication they want this legislation and I urge that it be overwhelmingly defeated.

Mr. PARRIS. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I am grateful to my good friend and colleague from Ohio (Mr. MOSHER) for granting me this time given the limited time available under this suspension procedure and the fact that I am not a member of the committee. I am in wholehearted and enthusiastic support of the Metric Conversion Act as reported by the committee and intend to vote for it on final passage today.

Mr. Speaker, we have often been accused of being a Congress by crisis—responding and acting on problems only when they reach crisis proportions. And I suppose there will be some who will argue here today that because we are not currently saddled with a metric crisis, this legislation is unnecessary. We have enough immediate crises to deal with, they will argue, without having to worry about a long-range program for converting to the metric system.

Mr. Speaker, I would like to take issue with that attitude. I would suggest that our public image would not be so low today, and we would not be confronted with as many crises today, if we had only bothered to do a little long-range planning on problems before they got out of hand and became crises. That is exactly what we are being asked to do in this legislation today. And I do not think I am overstating the case one bit by suggesting that unless we act now on metric conversion, it will one day come back to haunt us as a crisis.

Mr. Speaker, I am proud to claim as a constituent one of the most renowned experts on metrication, Mr. Kenyon Y. Taylor, president of Beloit Tool Corp. and coauthor of two books on metric conversion. Here is what he had to say in his testimony before the House Science and Astronautics Committee:

When international pressures force conversion, assuming we do not have a coherent national program, only those few companies which have planned ahead, or which are multi-national and have foreign operations capable of supplying guidance and products, will be able to survive. The smaller industrial organizations which have no foreign components, which have not systematically prepared for conversion, will find themselves faced with excessive re-tooling costs as well as intense international competition with extensive metric experience.

Mr. Taylor went on to testify, and again I quote:

Conversion to the metric system is inevitable. As the world becomes smaller, as competition for trade increases, the United States—to date the only major power not utilizing the metric system—will find itself involved in an expensive crash program which no doubt will result in too little too late, unless we begin planning now.

In conclusion, Mr. Speaker, I appreciate the fact that there are some who object to this bill on the grounds that metric conversion will be costly and disruptive. But I would submit that if we do not act now on a rational and national long-range conversion program, we will one day be faced with staggering costs and chaos by comparison. To those who say, we cannot afford to, I can only respond, we cannot afford not to. I therefore urge passage of this bill today.

At this point in the RECORD, Mr. Speaker, I ask unanimous consent to include the full text of Mr. Taylor's statement to the House Science and Astronautics Committee.

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

There was no objection.

The letter referred to is as follows:

BELOIT TOOL CORP.,
South Beloit, Ill., March 22, 1973.

Hon. JOHN W. DAVIS,
Rayburn Office Building,
Washington, D.C.

DEAR CONGRESSMAN DAVIS: Following your suggestion subsequent to the opening session of the Metric Sub-Committee meeting on Monday, March 19, 1973, I would like to confirm for the record my verbal comments to you and other members of the Committee.

We urgently need a Federal Metric Conversion Coordinating Commission which can provide guidance and serve as a clearinghouse for information on metrication—conversion to the Metric System. While many industrial enterprises of all sizes already have begun the process, including large organizations such as IBM, Caterpillar, Minneapolis Honeywell, and others, many more, particularly the smaller ones, have not. Sources of information and assistance are extremely limited. No overall national direction exists. When International pressures force conversion, assuming we do not have a coherent national program, only those few companies which have planned ahead, or which are multi-national and have foreign operations capable of supplying guidance and products, will be able to survive. The smaller industrial organizations which have no foreign components; which have not systematically prepared for conversion, will find themselves faced with excessive retooling costs as well as intense international competition with extensive metric experience.

Subsidies are not needed. Additional lengthy studies are not needed. Trial runs are not needed. What is needed is a Federal commission which can implement a well-planned schedule for orderly conversion to a metric America within a logical, acceptable time frame, administered by Congress and free of domination by large industry or special interest groups, enabling thousands of small business concerns to convert to the metric system in an orderly manner at minimum cost. I favor the time frame of ten years, as is proposed in legislation (HR 2351) introduced by Representative Robert McClory (R-Ill.) which would establish the metric system as the nation's only legal system of weights and measures a decade after passage. We need a law such as this to encourage smaller industrial organizations to begin metrication now, and to take advantage of assistance available from the federal commission which also would be established. We need this legislation not so much for the sake of the small industrialists, but more for the sake of the vital segment of the economy which they represent.

Four myths now discourage many small industrial organizations from implementing conversion procedures: The first myth has it that conversion involves extensive costs. From everything we have seen and heard, and we have been on the front lines for the past ten years, estimated costs of conversion as presented in the U.S. Metric Study report and in testimony in Senate hearings seem greatly exaggerated. In fact, given some basic planning, firms presently undergoing conversion estimate that what costs are incurred can be recaptured in a period as short as one year. Present tax provisions involving investment credit and accelerated depreciation make retooling very feasible, and costs of supplying employees with necessary personal hand tools have proved to be only a fraction of estimates.

The second myth is that conversion to the metric system will have negative impact on the average factory worker. We now have enough experience to know that this is untrue. Even older employees accept and adapt to the new system quickly. What special training is required can be provided very inexpensively on an on-the-job or pre-employment basis. Any unusual problems can be handled through collective bargaining at the plant level.

The third myth intimates that conversion will create virtually endless confusion and, as a result, reduced productivity and efficiency. But the facts of the matter indicate the opposite. Some companies already have found that use of the metric system in their foreign operations results in simpler, more accurate computations, reduced inventories, and a rationalized product line which can move freely across national borders without tariff. The Common Market, for example, has ruled that after 1978 importation of non-metric products will be disallowed.

The fourth myth is that metrication will never occur so there's no need to worry about it. But I submit that conversion to the metric system is inevitable. As the world becomes smaller, as competition for trade increases, the United States—to date the only major power not utilizing the metric system—will find itself involved in an expensive crash metrication program which no doubt will result in too little too late, unless we begin planning now. Present demand for information and assistance in regard to metrication far exceeds available supply. The main source of information and assistance is Beloit Tool Corporation. Just to give you an idea of the demand, we have sixteen men in the field whose job is to conduct seminars and other educational programs on metrication. Several thousand representatives of industry already have attended more than 400 such seminars in the last three years alone. As another example, not too long ago I coauthored two books on metrication, *"USA Goes Metric" and "Discover . . . Why Metrics"*. The demand was so overwhelming that we had to establish our own publishing house, Swani, and to date more than 150,000 copies of the books have been distributed. But our resources are limited and we can only hope to satisfy a small fraction of the overall demand.

In addition to my corporate responsibilities with Beloit Tool Corporation, I am affiliated with the Center for Metric Education, University of Michigan at Kalamazoo, which was established by the Office of Education to develop metric curricula for 1100 vocational and technical schools; Metric Advisory Council of the Society of Manufacturing Engineers, and the Metric Advisory Council of the Metal-Cutting Tool Institute. In all these areas the need for strong leadership from Congress is evident.

Sincerely.

KENYON Y. TAYLOR,
President.

Mr. ANDERSON of Illinois. Mr. Speaker, with regard to the argument presented by the gentleman from Iowa (Mr. GROSS) as to the $60 billion that the gentleman was talking about, let me say that not one dime of that is mandated as an expenditure under this bill. Not one dime of that is going to come out of the Federal Treasury, but only from those companies who choose to voluntarily convert to this system.

The SPEAKER. The time of the gentleman has expired.

Mr. PARRIS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I had an amendment to this bill, but inasmuch as the bill is being considered under a suspension of the rules, as the gentleman from Hawaii (Mr. MATSUNGA) has suggested, there is no opportunity to offer that amendment. I would therefore respectfully refer the Members to page 21 of the committee report on which that amendment is discussed at some length.

The amendment simply would have provided for the authority of the executive branch of this Government or the Congress, to approve any conversion plan developed by the board to insure that the people who will implement this proposal in the real world will have an input into the final product.

Mr. Speaker, if I had had the chance to offer this amendment I am confident that every Member in this body would favor its adoption. If you oppose the bill and the conversion program it would be one more step in the final adoption. If you favor conversion, then approval of the executive branch would strengthen the conversion, and unify the efforts for conversion. If you are on this side of the aisle, then you put the monkey on the back of the administration for approval. If you are on the other side of the aisle you give the administration an opportunity for effective input into a final plan. If you are a liberal, you insure greater input of Government in the process of conversion. If you are a conservative, you have more control over the independent board prior to conversion.

Mr. Speaker, as I have suggested, I am sure everyone in this House would have supported this amendment if I had the chance to offer it for consideration.

What this plan is going to do is to create a Board composed of 21 people appointed by the President who will be broadly representative of the American society, including industry, labor, business and commerce, the consumer, education, State and local governments, science and engineering, and other affected groups—whatever that is.

In the subcommittee, and in the full committee, the plan was originally conceived to be subject to approval by the President. That was stricken out. The plan then was conceived to be approved by the Secretary of Commerce, and that was stricken out. Now this bill before us has no approval of any representative of the executive branch or of any agency designed to implement the program. It is not even required to be shown to the Department of Commerce prior to the time it is submitted to the Congress, and we then have 60 days in which to reject it by concurrent resolution.

I respectfully suggest that we cannot blow our collective noses around here in 60 days.

Mr. Speaker, I commend both Chairman TEAGUE of the full committee and Chairman DAVIS of the subcommittee for their long and tireless efforts on behalf of this legislation. I feel that the legislation they are now proposing reflects an imaginative and generally well-reasoned approach to metric conversion. But I do feel that the bill does reflect one major shortcoming—a shortcoming which can be remedied with only a minor change of language. I refer to a provision that would require that the plan generated by the National Metric Conversion Board for metric conversion within the United States be submitted to the President, as well as to the Congress, for review and approval.

Mr. Speaker, the original administration metric bill submitted to the Congress provided for the metric conversion plan to be submitted to the President for review and approval, and, to the Congress for review only. My amendment, in essence, addresses what I feel to be the appropriate role of the executive branch and the Congress with respect to the review and approval of the metric conversion plan.

The recommendations in the administration bill were the results of an exhaustive 3-year study commissioned by the Congress and directed by the Department of Commerce. The 42-member panel which performed the study based its findings on extensive public hearings, supplementary investigations, plus invited oral and written contributions to numerous conferences. All together, some 200 presentations were offered and discussed not including approximately 100 additional written papers which were received.

Based upon these findings, the Secretary of Commerce recommended that final review and approval/disapproval power for the metrication plan be vested in the Congress and the President respectively. This recommendation that the President be the sole approving authority was in recognition of the fact that metric conversion in the United States impacts significantly on such vital areas as the U.S. stake in world trade, our relations with global trading partners, the transacting of domestic business in both the public and private sectors, and in fact, our national security.

However, based upon further independent analysis or study, the provision requiring formal executive branch approval has now been deleted by the Science Committee. The rationale which was propounded for the amendment was that the Secretary of Commerce, as spokesman for the President, would provide appropriate executive perspective through his "recommendations."

Mr. Speaker, I take exception to our preempting the executive branch from playing a more substantive role in the conversion of this Nation to the metric system. I disagree because the counsel and expertise upon which the Chief Executive and the Commerce Department base their recommendations represent a significant and independent source separate and distinct from that of either the National Metric Conversion Board or the Congress.

Instead of a truly substantive involvement, the executive branch now has no authority in this entire matter except to transmit its recommendations to the Congress for consideration. In fact, there is not even a requirement that the Secretary of Commerce be permitted to see the metric plan until the plan has been completed and prepared for final transmittal to the Congress. I would emphasize one further point in this regard. Although the administration originally acquiesced to the final recommendations of the Science Committee downgrading the role of the executive branch, the administration has now changed its position and is strongly in favor of the amendment I am proposing today. The administration's support for the change I am recommending was communicated directly to me within the past several weeks. The rationale for the administration recommendation is identical to that which I have been discussing and which appears on page 21 as my additional views in the committee report.

In my opinion, we are implementing a major and far-reaching change in our system of weights and measures by the passage of this bill and the subsequent adoption of the conversion plan. Clearly, the public interest demands that this Nation summon its full executive and legislative resources in accomplishing the conversion.

I therefore regret that the legislation in its present form adopts the parochial point of view that the Congress be established as the only body of expertise in approving or disapproving a formal plan for the conversion of our Nation to the metric system.

Mr. Speaker, the United States has been foundering long enough in its totally uncoordinated conversion to the metric system. It would be desirable if we took the necessary step to provide for a more planned and coordinated conversion—a conversion which means significant international trade advantages, a more simplified commercial system, a stimulated industry, and a large savings for the American consumer, but we can not abrogate our responsibilities to insure that that conversion plan be realistic and effective.

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

Mr. PARRIS. I yield to the distinguished chairman.

Mr. TEAGUE. I thank the gentleman for yielding.

I should like to say to the gentleman that I, for one, support his amendment. If it comes up in conference, I shall vote for it.

Mr. PARRIS. I appreciate very much the chairman's statement, and I appreciate his position in that regard.

I would simply suggest, Mr. Speaker,

that this is perhaps a technical but, in my opinion, fatal defect in this bill, and that the public interest demands that this nation summon all of the expertise of the legislative and the executive branches in developing a plan and accomplishing a conversion to make a major change in our basic system of weights and measures, rather than leave the final development and implementation of a conversion plan to an appointed board, which we will not in realistic terms be able to control.

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

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

Mr. GROSS. I thank the gentleman for yielding.

Mr. Speaker, I noted that the gentleman from Illinois (Mr. ANDERSON) did not say who is going to pay this enormous bill. He questioned my statement, but he did not say who was going to cough up at least $60 billion. The gentleman in the well of the House and every other Member of the House know very well that the toolmakers in Rockford, Ill., are going to hand the cost right on down to those who buy their tools, and so will the manufacturers of every other product.

Mr. PARRIS. The people who are going to pay for this, ultimately, are the people who pay for everything in the United States—the consumers.

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

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

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

Mr. Speaker, at a time when we are concerned with our balance of payments and our position in world technology in highly sophisticated products, the people of this country are surely going to pay if we do not see the wisdom of adopting the metric system that will enable us to be truly competitive in the markets of the world—in Trinidad, in Southern Yemen, Tobago, and countries like that, fine, but then do not expect the United States to remain a competitive force.

Mr. PARRIS. I would respectfully suggest the gentleman review the comments made by the GAO in its report printed in the hearings on this legislation, and particularly as it relates to the expected increase in imports after conversion.

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

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

Mr. GROSS. That is exactly right. Let him read the GAO report.

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

Mr. PARRIS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I thank the gentleman for yielding.

Mr. Speaker, the gentleman's case emphasizes the need to defeat the bill as presented under the suspension of the rules, because even the chairman of the committee recognizes the merits and soundness of the gentleman's amendment. Yet he is proscribed from offering it because the bill is being considered under suspension.

Mr. PARRIS. I would say to the gentleman I have great and high regard for the chairman of the committee and for the chairman of the subcommittee, who put a great deal of effort into this legislation, but it is simply in its present form, a defective legislative proposal.

The SPEAKER. The time of the gentleman has expired.

Mr. PARRIS. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. MOSHER).

(Mr. MOSHER asked and was given permission to revise and extend his remarks, and to include extraneous matter.)

Mr. MOSHER. Mr. Speaker, the National Small Business Association says that its position on metric conversion by H.R. 11035 is that it supports voluntary conversion which this bill calls for, provided there are economic-disaster-type loans made available to small business. Earlier in the session in colloquy with the chairman of the committee, we certainly made legislative history here, indicating the committee's intention, and I think the Congress intends that such loans would be available.

The letter is as follows:

NATIONAL SMALL BUSINESS ASSOCIATION,
Washington, D.C., May 7, 1974.

Hon. CHARLES A. MOSHER,
House Office Building, Washington, D.C.

DEAR MR. MOSHER: National Small Business Association's position on the metric conversion bill, H.R. 11035, is that it supports voluntary conversion, provided there is economic disaster-type loans made available to small business.

It is our understanding the Small Business Administration has determined that under existing authority it may make economic disaster-type loans under Section 7(b) (5) of the SBA Act. It is also our understanding that the Office of Management and Budget and the Commerce Department concur in this decision.

It is important that the foregoing references to the SBA and OMB and the Commerce Department be made part of the legislative history.

Should the vote go against the metric bill today NSB will make every effort to see that an amendment providing economic disaster-type loans at reasonable interest rates is introduced on the floor the next time the bill is considered.

This loan provision is not inconsistent with the expressed intent of the Congress which states that costs of conversion must lie where they fall. A loan provision is not a grant. It's merely federal assistance aimed at aiding compliance where necessary because of either legislative or economic compulsion upon small business.

Sincerely,

CARL BECK,
Chairman, Metric Committee.

Mr. MOSHER. Mr. Speaker, I suggest that metrication means doing what comes most naturally. In weights and measures, that is.

This metric conversion program is a superb example of American commonsense and practicality. It is a move for greater accuracy, efficiency, economy and rationality.

So, Mr. Speaker, I enthusiastically join with the Science Committee and subcommittee chairmen, Messrs. TEAGUE and DAVIS, and with nearly all members of our Science Committee, in strong support of H.R. 11035, which will declare as national policy our intent to convert to the metric system in the United States, to convert on an orderly basis, but to convert voluntarily.

I emphasize most emphatically that this legislation will not mandate metric on anyone. I repeat, it is a voluntary program.

Opponents talk a lot about heavy costs for industry as the price for metric conversion.

But I say it need not cost any industry anything, unless that industry decides of its own accord, voluntarily, that going metric will be a good investment that will in the long run—or immediately, probably—will be profitable.

Thus, our bill provides that only "the rule of reason" is the rule that shall prevail when any industry or firm shall determine voluntarily whether or not to go metric.

The costs to the Government, to the taxpayers, will be only those of administering the conversion program; and, again, I argue those costs will be more than warranted as a sound investment.

In fact, so sensible is metric conversion, and necessary from a good business point of view, it is happening very rapidly in our country anyway. This bill will only pick up that existing momentum and channel it most efficiently; it is a bill that only provides leadership, not coercion.

Abundant testimony before our Committee supports the need for it, especially if America is to maintain its world preeminence in science and technology.

Mr. Speaker, I submit we on this world may still be in our infancy, in what we need to know and what we will learn and produce, in the realms of science and technology, and to the extent we in the United States persist in our "off horse" measures, to that extent we will increasingly fall behind the rest of the world, losing our leadership that is so crucially important for us, and I believe for humanity in general.

It is said that the establishing and acceptance of world standards in technology is still only some 10 percent complete, but the progress is rapid, and to the extent that American standards are ignored—as they will be, if not in metric terms—to that extent American industry and the American economy, including American labor, will be sorry losers.

Mr. Speaker: in the last 20 years the metric system has become the dominant language of measurement in the world. The United States stands almost alone today in our failure thus far to go metric. We are the unrealistic, hidebound, impractical island of outmoded weights and measurements.

But even within this country, the metrication is slowly but steadily increasing in use. And therein lies the problem.

The growing use of metric weights and measures in the United States is proceeding in a relatively haphazard and un-

planned way, with individual companies, industries, and local governments making the changeover whenever and in whatever way it appears advantageous to do so.

The conversion thus far has therefore been best characterized by the confusion and misdirection which has resulted.

The legislation now under consideration here seeks to provide the necessary direction and coordination in this country's continuing conversion.

The primary motivation for the changeover, however, is not so much to bring order to an otherwise chaotic process of conversion; there are other, more compelling arguments.

First, there is significant potential for increased exports of our manufactured products made to metric standards; the people and industries in countries that have been predominantly metric for many years do much prefer to purchase metric designed products. Our gain in exports is estimated to be on the order of $600 million annually.

Second, there is the potential for cost savings when a common design can be used for products both here and internationally. If there is to be global uniformity of manufacturing procedures, it is now evident that it is our inch-pound measurement units which must yield since the millimeter-kilogram units are so firmly entrenched on a worldwide basis.

Furthermore, changing to metric designs affords the opportunity of greatly reducing the excessive varieties and sizes of products. The gains that can be realized by rationalizing our "off the shelf" product lines are immense. Not only can money be saved because of reduced inventories and greater production of each size, but also in materials saved, the value of which we are more aware now that the need for conservation of our resources is becoming more clearly recognized.

I also feel it important to emphasize that the goal of the metric legislation is to promote a voluntary conversion in which this country would become predominantly, although not exclusively, metric.

The objective of this legislation is not complete conversion regardless of costs—it is instead metrication to the extent reasonable at a minimum cost. The point is that the conversion will proceed in some sectors at a relatively rapid pace, in certain others at a slower pace, and finally, in some sectors, there may never be a measurable impact.

And just as industry will convert to the metric system only as it is economically justifiable to do so, so will the Federal Government. Where an agency deems extra funds necessary for metric conversion, the request will have to be justified on the basis of the benefits to be obtained from the change recommended.

I would further stress to my colleagues that the present bill, as it authorizes the establishment of a National Metric Conversion Board responsible for the generation of a conversion plan, requires that the proposed conversion plan be referred to the Congress for appropriate review.

Thus, once the formal metric conversion plan has been drawn up, the sole power to approve or disapprove is vested in the Congress. I know that I can speak for my colleagues on the Science Committee when I point out that this committee will continue with a very vigorous oversight effort with respect to both the Board's activities in generating the plan, as well as the subsequent conversion itself once the plan is adopted.

Mr. Speaker, the longer the United States waits to convert to the metric system, the longer this country will have to pay the extra costs associated with maintaining, and operating under, a dual measurement system. Clearly, it is time to get on with the business of conversion. The time has come for a national decision on a positive course of action and I sincerely welcome the opportunity to lend my support to this initiative.

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

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

Mr. GROSS. I thank the gentleman for yielding.

Is the gentleman suggesting that economic-disaster loans must be a part of the conversion to the metric system?

Mr. MOSHER. I would say certainly not.

The SPEAKER. The time of the gentleman has expired.

Mr. PARRIS. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Speaker, I join with my colleagues, the Science Committee members in offering my enthusiastic support for the metric conversion legislation presented here today.

Mr. Speaker, over 3 years ago the Congress requested a comprehensive study of the metric question because this body sensed that the world trend toward metric usage called for a new assessment. This investigation proceeded over many different avenues including public hearings, detailed surveys of international trade, business and industry, education, and national security, to mention only a few. The result of this effort plus the combined activities of the Science Committee is reflected in the legislation now before us—legislation long overdue.

At the present time, this country is the only major industrialized country which does not use the metric system. With the countries of Canada, Great Britain, and Australia presently in the process of converting to metric usage, only eight small, underdeveloped nations, in addition to the United States, have yet to start metrication.

Moreover, we continue to see increasing use of the metric system in this country with a great majority of businessmen, educators, and other informed advisers emphasizing that metric conversion is in the best interests of our country. We also see convincing evidence that it is far better for the Nation to move to the metric system by plan rather than by no plan at all.

After thorough study, this committee believes that a most effective means to convert is through a national commitment to a coordinated but voluntary changeover. It also appears that this Nation should begin as quickly as possible in adopting the metric system in order to facilitate U.S. participation in developing the expanding body of international engineering standards which serve in turn to regulate world trade in scientific and technical products.

The legislation also reflects a number of key principles which will serve to guide the conversion.

The first reflects the so-called rule of reason. In effect, conversion to the metric system will be made only where and when it is advantageous to do so. In other words, individual organizations will make this determination on their own as to the worthwhileness of converting their own particular operations.

There is also no provision for subsidies, cost reimbursements, tax remittances, or the like. The committee has concluded that this type of financial assistance may encourage unreasonable or unnecessary changes whereas the policy we desire to encourage is one in which changes will be implemented only if reasonable and commensurate with benefits to be gained.

In addition, the changeover will be entirely voluntary. This principle is in keeping with congressional intent to provide the greatest flexibility in conversion and to prevent excessive cost burdens being imposed on any sectors of our society.

Finally, although the Federal Government will be responsible for coordinating the overall conversion program, the initiative for both planning and the actual converting will rest with the private sector. The plan itself, in fact, will be solely the work of representatives from such diverse activities as labor, consumer affairs, education, construction, engineering-oriented industry, and the like.

Based upon these key principles, the legislation now before us reflects a changeover period of 10 years after which the United States would be predominantly, though not exclusively, metric. This 10-year period represents only a guideline however—a time period which will be the common goal of those participating in the conversion. A specific time period is also desirable in order to encourage a near-term conversion since studies have shown that it will be less costly to change the earlier the conversion proceeds.

Mr. Speaker, this committee has been studying the metric conversion for a number of years—even before the enactment of the 1968 legislation which authorized the 3-year National Bureau of Standards effort. Our conclusion which we have seen reinforced by virtually all with whom we have worked is that the United States should change to the international metric system in a deliberate and careful fashion, and that this be done through a coordinated national program. H.R. 11035 reflects the firm commitment of the Congress to a positive program for changeover. The legislation also responds to the progressive elements of our society which recognize both the

inevitability and desirability of an effective, prompt, and planned conversion program.

I urge all Members of the Committee of the Whole House to agree with me in providing this bill our fullest support.

Mr. TEAGUE. Mr. Speaker, I yield to the gentleman from Ohio (Mr. LUKEN) such time as he may consume.

Mr. LUKEN. Mr. Speaker, I thank the distinguished chairman of the Committee for giving me this time and commend him for all the effort he and his Committee have expended to bring us this bill.

Mr. Speaker, I am in favor of metric conversion. And I therefore regret to oppose this bill today. I do so only because the procedures under which the bill is presented preclude a fair chance for decision on a few important issues.

First, I believe the bill as it stands is unfair to the small businessman. The costs to him that conversion will require are in many cases prohibitive because of the small profit margins he must work under. Nonetheless, small businessmen do not oppose metric conversion, nor do they demand that the Government pay their conversion costs. What they do ask for is reasonable help to see them through the transition period. Small businesses which would suffer economic injury should be allowed to take out SBA loans to cover the costs. After all, is that not what the SBA is for?

My second concern with the bill as it stands is for the worker who must maintain his own tools to do the job required by his employer. Electricians, carpenters, plumbers, and others have an enormous personal investment in their tools. It would be unfair for us to simply legislate the obsolescence of what to them is a major capital investment. It is only fair that the Government minimize the economic hardship of conversion for these workmen.

Mr. Speaker, as I said, I do not oppose metric conversion. On the contrary, I favor it. I think this country must convert to improve opportunities for small and large business to compete with foreign producers. I believe conversion will enhance jobs and create new jobs. And I believe we must decide the issue soon so that our schools can know how to plan their lessons and so that businessmen and workers can begin to plan their conversion budgets.

But conversion must be done the proper way. A matter as important as this one must be allowed to enjoy the benefits of the full legislative process.

By defeating this bill today we will not kill conversion. We will simply let it come up another day, open to amendments and debate on those amendments. Indeed, the open rule for the bill has already been prepared.

So, Mr. Speaker, I urge my colleagues to do as I plan to do. Vote against this bill today. And then, later, we shall take it up again and debate it properly. At that time we can pass legislation for metric conversion in a way that is fair to all.

Mr. PARRIS. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. QUILLEN).

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

I rise in support of this measure. It is important and it is long overdue. I remind the Members of this House, progress does not stand still. America is not a backward country. America has always taken leadership throughout her history. I know this bill is long overdue and should be enacted now for the benefit of commerce. Our international trade is being hampered. Our small businesses will not be damaged, but will be helped. The labor force of this country will not be damaged, but new jobs will be created. The Government of this country is aware of what must be done. This is not a handout but a helping hand.

Mainly this measure is long overdue. We must enact it and we must get started on a volunteer basis and go forward if we are to compete in the world market, and compete we must.

Mr. PARRIS. Mr. Speaker, we have no further request for time.

I would remind the Members of this House that we have heard a great deal of comment around here over the last few months about responsibility and the exercise of congressional prerogatives. I would suggest to the Members of this House, when we promote a plan the significant impact of which has been discussed here this morning without the input, which is unrealistic, of the executive branch of this Nation, I think that constitutes a fatal defect in this legislation, and I would respectfully suggest that this bill should therefore be rejected by this House.

Mr. TEAGUE. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia (Mr. DAVIS), chairman of the subcommittee which has done so much work on this legislation.

Mr. BURLISON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Speaker, conversion to the metric system is a monumental step surrounded by considerable controversy. My vote today should not be interpreted as taking a position on the substantive merits of the issue. My "nay" vote merely says that the issue is too important and too controversial to be disposed of under suspension of the rules. This bill should be fully and completely debated and subject to amendment at the House's will.

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

Mr. DAVIS of Georgia. I yield to the gentleman from Missouri (Mr. SYMINGTON).

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

If this bill made any specific demand on any sector of the economy, I could understand and maybe appreciate some of the objections made to it. This bill does not do that. It provides, after all these long years, for the creation of a plan which is then to be submitted to the Congress for approval.

There is nothing in the bill which prescribes a conversion period which such plan might recommend or the compensation to labor that the plan might recommend or indeed the total likely cost as predicted by a metric study which is 3 years old and which is not binding for 1 minute on the nature and content of the plan.

I wish to assure my colleagues that the gentleman from Iowa was not alone in his concern with the report of the General Accounting Office concerning the U.S. metric study.

When these preliminary findings were made known to the Subcommittee on Science, Research, and Development, an additional hearing was scheduled on May 10, 1973, so that we might carefully consider their possible significance with respect to the legislation then before the Subcommittee. At that time, we not only were privileged to hear the comments of the distinguished Representative from Iowa, but we also asked the Director of the National Bureau of Standards to discuss the GAO charges concerning the report prepared by that Bureau.

Let me point out, however, that the decision of our committee to recommend the particular legislation that is before you today was not based as much on the findings of the NBS study as on the very substantial rate of the changeover to metric now in progress in our country.

The GAO letter of March 27, 1973, to Representative GROSS reported three preliminary findings.

First, it was noted that the metric study report mentioned a possible $600 million increase in exports resulting from metrication, but neglected to mention a possible increase of $100 million in imports. Dr. Richard W. Roberts, Director of the National Bureau of Standards, explained that the $100 million was considered by the Bureau of Domestic Commerce of the Department of Commerce to be so uncertain of precise determination concerning international trade, that it was not included. Perhaps more important, he pointed out that even if the net gain of exports over imports were taken as $500 million—instead of $600 million—as of 1970 when the data were collected, the gain would be much greater today and will be even greater in the future.

The second GAO finding was that the metric study did not take into account the time value of money in its analysis of the cost of metrication by plan versus no plan. The GAO found that had this factor been considered, planned conversion would be less costly if the costs of conversion were $10 billion or less, but would be higher if conversion costs were at the $25 billion or $40 billion levels also mentioned as examples in the report. Dr. Roberts acknowledged that this more sophisticated cost analysis could lead to such a conclusion. However, he emphasized that under the metric legislation being considered by the subcommittee, the changeover to metric will be made in accord with the "rule of reason," with

changes made only when the costs involved will be compensated by benefits. Under these conditions, the best available estimates indicate that the net cost of conversion should be less than $10 billion. Accordingly, the belief of the GAO that the $10 billion planned conversion would be less costly, lends added urgency to the enactment of the legislation that is before us today—which provides for planning the metric changeover now in progress in the United States.

Finally, the GAO letter suggested that the U.S. metric study did not inquire directly into the impact of metrication on small business. In his testimony on May 10, 1973, Dr. Roberts assured the subcommittee that the surveys of both manufacturing and nonmanufacturing industries, which were a basic part of the study, included a substantial sampling of small business. Furthermore, well over 50 percent of the small firms surveyed increased metric usage.

It may also be significant to note that only a few days after this hearing before the Science, Research and Development Subcommittee, the General Accounting Office concluded its investigation of the NBS metric study and made no further report of its findings beyond the preliminary and tentative report that was the subject of our hearing.

Finally, of course, we must not confuse this 3-year-old study with a conversion plan which has yet to be begun much less submitted to Congress. A key element of such plan would be cost effectiveness.

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

Mr. DAVIS of Georgia. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I strongly support this legislation. Establishment of the metric system is long overdue.

There is a widespread notion that the change to the metric system is supported only by those in industry. However, this is not the case; let me briefly detail the widespread support for the weights and measures which is already in force in every industrialized nation in the world.

First, the changeover to metric is supported by a large number of nationally representative groups, many of which are nonindustrial and nontechnical. For example, the following major groups are definitely committed: the American Home Economics Association, representing the consumer; the National Grange, representing the farmer; and the National Education Association.

The National Education Association's support is an indication of the interest and support of our teachers. They have long been in favor of the change, primarily because the decimal nature of the metric system make it easier for them to teach and easier for the students to learn and use than our more cumbersome current measurement system. In fact, the States of California, Maryland, Michigan, Alabama, and South Carolina are now formally committed to metric education. This list is certain to grow as we move closer to metric in this country.

Finally, consumers not represented by these groups are becoming increasingly aware of the change to metric, and those that are aware of the change and understand the reasons for it largely support it.

The National Bureau of Standards reports that those consumers viewing its display on the results of the U.S. metric study rarely express opposition to the idea of going metric, especially after viewing the world map that shows how few are the nonmetric countries today. The common response is "I had no idea we are so isolated." A growing number of the average citizens say that they are aware of the probable change to metric.

Incidentally, this growing awareness of the change is certainly due in part to the many stories about metric change that have been in the Nation's newspapers. And perhaps the positive response shown is related to the fact that metric editorials, appearing in nearly all of our newspapers over the past 2 years, are 91 percent in favor of metric, 2 percent opposed, and the remainder neutral. I doubt if many issues today can show such support.

Also of interest here is a finding in a survey of consumers done by the Survey Research Center of the University of Michigan for the U.S. metric study. It showed that those consumers possessing accurate knowledge about metric were strongly in favor—3 to 1—of a change.

I am sure not all of our constituents are metric proponents. In fact, the University of Michigan survey showed that consumers who were not so well informed were not as enthusiastic about the change. This clearly points out the need for public education. But it also suggests that such an effort will, in fact, be successful in convincing most persons of the wisdom of a change to metric.

Thus there is much support for the change to metric from the man on the street—that is, the man on the street who has had some contact with or has some knowledge of metric units of measurement such as the meter, liter, and kilogram. And it is generally agreed that one of the first major responsibilities of the National Board this legislation will create is to do all in its power to see that all of our citizens become informed thoroughly and accurately.

Although I personally feel that this far-reaching and important legislation should be debated more fully under an open rule, it seems to me that every Member of the House should clearly express his preference on the substance of this legislation. When it comes down to a question of favoring or opposing the metric system, I cast my vote in favor of the metric system.

Mr. DAVIS of Georgia. Mr. Speaker, I would like to address a few general remarks concerning conversion to the metric system. In the first place, my good friend, the gentleman from Hawaii, (Mr. MATSUNAGA) pointed out that the carpenters union is opposed to this bill. For the life of me, I cannot see why a carpenter would be. There is no such thing as a metric saw. The saw will saw a board to any length one might want to saw it. There is no such thing as a metric pair of pliers. There is no such thing as a metric hammer. There is no such thing as a metric screwdriver.

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

Mr. DAVIS of Georgia. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman convert 2 inches into the metric system for me?

Mr. DAVIS of Georgia. Yes, 50 millimeters.

Mr. GROSS. Fifty millimeters?

Mr. DAVIS of Georgia. Well, that is not precise, but it is almost exact.

Mr. Speaker, I ask unanimous consent to proceed for such time as was consumed by laughter during the time the House was not in order.

Mr. Speaker, 1 inch is 2.54 centimeters. Two inches would be twice that amount. One-half inch, by the way, is 1.27 centimeters. That happens to be the only inch measurement that is used worldwide and they are used in the tapes of airport towers, seismographs and other tape-recording instruments all over the world. Other countries do not call it half an inch. They call it 1.27 centimeters.

What I am saying is that we are not changing the size of anything. Everything will still be the same size when we are finally on the metric system. We will just have another name for the size, that is all. Everybody will be the same height. I hope I weigh a little less than I weigh now.

What I am trying to say, it is a matter of language.

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

Mr. DAVIS of Georgia. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Lest the Members are left with the wrong impression that carpenters use no tools where metric conversion would be involved, the gentleman would concede there is not a steel square, there is not a try-square, there is not a rule but which needs to be converted and which the carpenters union estimated will cost its members about $350 million.

Mr. DAVIS of Georgia. I cannot believe that; plus the fact we all know that a steel rule wears out, all tools wear out, and can be replaced with the metric system.

Furthermore, inches can be converted to centimeters, and so forth, by a small conversion table no larger than a credit card. The amount of trouble involved might well be compared to that which confronts a checkout clerk in a supermarket in computing the amount of sales tax due on a purchase.

Mr. Speaker, the bill before the House, H.R. 11035, has two purposes. One is to confirm, as a matter of national policy, a change to the metric system of weights and measures which is already well underway in this country. The other purpose of the bill is to establish a National Metric Conversion Board to assist and coordinate, on the basis of voluntary participation, the efforts of those busi-

ness firms and school systems who wish to make the conversion to the metric system in the most efficient and economical manner.

Before I describe the content of this bill, Mr. Speaker, there are a few general observations which I would like to make. It is worth noting that the United States is not the only country which is making the changeover to the metric system. In the years since the end of the World War, all of the industrialized countries who in 1945 shared with us the use of the inch, the pound, and the degree Fahrenheit, have begun the process of changing to the metric system. England began in 1965, South Africa in 1966. Ireland in 1968, New Zealand in 1969, Australia in 1970, and our neighbor to the north, Canada, in 1970. Each of these countries, with a substantial economy of its own, decided that it was in their interest to make this change.

The result has been that the United States today is the only industrial country which has not formally adopted a policy of changing to the metric system. The list of those countries who are in the same position is short and does not include any of our major trading partners. Barbados, Burma, Ghana, Liberia, Muscat and Oman, Nauru, Sierra Leone, Southern Yemen, and the United States of America are the only countries which have not made the decision to convert to the metric system.

But while we in this country have not formally adopted the metric system, there is abundant evidence that individual companies, schools, and other organizations have found it to their advantage to make the change to the metric system. It would be impossible for me to recite the complete list of those who have made the change, or who are now in the process of making the changeover. But let me give some examples which I think will illustrate the extent of this.

The pharmaceutical industry, with its heavy basis in scientific research, has long used the metric system. The photographic equipment industry is also a longtime user of the metric system. More recently, several companies in the computer industry including IBM and Honeywell, have announced a changeover to the metric system. In the construction equipment industry Caterpillar Tractor and Clark Equipment have announced a changeover to the metric system. Many of these firms have large export sales, but the list of firms is not limited to those with important markets abroad. In the auto industry, Ford has begun the changeover and the engine for the Pinto is already made in this country to metric measurements. General Motors announced last April that all new development projects would be carried forward on metric rather than in the customary units of measurement, and the many suppliers of auto parts will be following GM's lead. In the farm equipment industry the John Deere Co., the Massey Ferguson Co., and the International Harvester Co. have begun the change to the metric system.

Perhaps most notable of all, the schools of America have begun to teach the metric system, although it is still only in small numbers. Requests for copies of the committee hearings have come from a number of teachers and principals who want to introduce this subject in their schools, and the State boards of education in California, Maryland, and Michigan have announced that their textbooks are to include the metric system no later than 1976.

These examples show, Mr. Speaker, that in many areas of our society where weights and measures are used or taught, the change to the metric system has begun. Furthermore, most of these decisions to change to the metric system have been made in the last few years and the number of such decisions is increasing fast. The testimony heard by the committee indicated that there was wide agreement on the desirability of going forward with the changeover. Furthermore, it became apparent that many firms who are now considering conversion are only awaiting a firm statement by the Congress and the President committing the United States to the conversion to the metric system, before they, too, adopt the metric system.

In the United States the choice before us is, therefore, not whether to go metric or remain with the customary system of measures. The changeover has begun and is now in the early stages. The choice before us is whether we shall continue to make the changeover in an entirely uncoordinated fashion as we are doing now, or whether the Federal Government should assist in coordinating the changeover to the metric system and thus make it more efficient and less costly.

And that brings me to the question of costs. In recent days there have been suggestions that the cost of going metric would be very high, and several rather astronomical figures have been mentioned. The committee made a close examination of this question and arrived at several conclusions. First of all, the $50 or $60 billion figures which have been mentioned are based on changing everything without regard to need or economic merit. Such an approach is neither feasible or desirable, and the cost estimates based on that approach are therefore entirely unrealistic.

This bill provides that the costs of metrication shall "lie where they fall." This is the principle which has been followed by the other countries which have changed to the metric system, and which was recommended by the U.S. metric study. This principle, rather than a program of Federal subsidies, provide a strong incentive to minimizing costs, and will insure that the change to the metric system will be done in the most efficient and least wasteful manner. If industry makes the change when and where it is called for based on its own judgment of the costs and benefits, it will have a strong incentive to hold down costs. Furthermore, the timing of the changeover will strongly affect costs. No one would argue that a perfectly good machine tool be scrapped simply in order to replace it with a new one built to metric standards. Instead, the dials on the existing tool will be replaced at a fractional cost, and eventually, when the tool wears out or becomes uneconomical to operate, it will be replaced with a new metric tool. The bulk of the cost of the new tool will then be replacement costs, not metric costs.

However, this is not to say that the cost of making the change to the metric system will be negligible. They will be substantial, and an important purpose of the bill is to reduce the total cost to American society. The bill would achieve a reduction in the cost of metrication in two ways: One, by providing a mechanism for the voluntary coordination of the changeover, and two, by reducing the length of time which the conversion will take. The coordination function of the Board is based on the experience of several of the other countries now making the change. The Board would bring together each sector of American industry on a voluntary basis to assist them in developing the new metric standards that would be needed and the time schedule on which the changeover could be made.

No one would be bound to the 10-year period over which the Board would be in existence. Some sectors of industry may find it best to make the conversion in a shorter period of time. Others may decide that a longer period, such as 12 or 14 years, is best for them. In that case they would have the benefit of assistance by the Board for the first 10 years, and would then have to make the conversion over the remaining 4 years on their own. In any case the coordination function of the Board will serve to reduce confusion, cut dual inventories, and lessen the mismatching of components, and, as a result, would reduce the total cost to the American economy.

The bill provides that the National Metric Conversion Board shall consist of 21 members, appointed by the President, and that the members shall be broadly representative of industry, labor, the consumer, education, and other affected groups. The first function of the Board shall be the preparation of plan for its future work. This plan shall be submitted to the Congress where it can be disapproved in whole or in part by a vote in either House. The Board would have no compulsory powers whatever, and would accomplish its educational and coordination work entirely through voluntary participation.

Mr. Speaker, this bill deserves the support of every Member.

A summary of the benefits and costs analysis and a telegram follow:

COMMITTEE ON SCIENCE
AND ASTRONAUTICS,
Washington, D.C., February 19, 1974.

MEMORANDUM

To: Members of the Committee on Science and Astronautics.
From: John Holmfeld, Staff.
Subject: Costs and Benefits of the Metric System.

During the current consideration of the

Metric Bill, H.R. 11035, which was reported out by the Committee on Science and Astronautics on October 23rd, 1973, a number of questions related to the Metric system have been discussed.

At the request of several members of the Committee, a summary of the estimates of costs and benefits developed by the U.S. Metric Study, and contained in the report "A Metric America", has been prepared and is attached for your information.

THE COSTS AND BENEFITS OF METRIC CONVERSION

(A Summary of the Benefits and Costs Analysis in the U.S. Metric Study, Prepared by the Staff, Committee on Science and Astronautics, U.S. House of Representatives. February 19, 1974)

SUMMARY

Conversion to the Metric Systems in the United States will involve substantial costs as well as large benefits. The U.S. Metric Study concluded that over the long run the benefits would outweigh the costs. Furthermore, the Study found that the costs could be reduced and the benefits would come sooner if the Metric Conversion was done in a coordinated, as opposed to an uncoordinated fashion. However, both benefits and costs are difficult to estimate with any degree of accuracy.

BENEFITS OF METRICATION

The benefits of Metrication are especially difficult to measure in dollars and cents. The U.S. Metric Study asked a large number of firms, including many who are making the Metric changeover now, to provide estimates of the benefits expected. Few were able to provide a dollar figure for the expected benefits. This is because some of the benefits are intangible and will never be measurable, because the benefits will come some time in the future and are not, like the costs, confined to a short period of time, and because some benefits can not be attributed exclusively to the Metric changeover.

Direct benefit

The benefit which is expected from Metrication is first and foremost that Metric is a simpler system. It has fewer units of measurement, it is easier for schoolchildren to learn, and it is easier for everyone to use in making calculations.

Indirect benefits

The U.S. Metric Study found that a number of indirect, but very real benefits would arise from converting to the Metric system. These benefits include the reduction in the number of different parts made and kept in stock as a result of the adoption of Metric standards (For example, in Britain the number of standard nuts and bolts was reduced from 400 to 200 and the number of ball bearing types from 280 to 30), compatibility with the military equipment of our allies, time available to schoolteachers to teach other subjects, and greater ease for housewives in using the unit pricing system in supermarkets.

Balance of trade

The one type of benefit for which Dollar estimates were made is the effect of Metrication on the U.S. balance of trade. The Metric study concluded that sales of American products abroad would increase annually by approximately $600 million, and that imports would increase by approximately $100 million for a total net benefit to the balance of trade of approximately $500 million per year.

COSTS OF METRICATION

It is not as difficult to place a Dollar figure on the cost of Metrication as it is to put a Dollar figure on the benefits. However, estimates of costs are still highly uncertain and vary greatly depending on the assumptions used and the manner in which the costs are charged off. The U.S. Metric Study concluded that conversion to the Metric system in the United States will be expensive and that a program for coordinating the changeover could reduce the total cost.

Rule of reason

The U.S. Metric Study recommended that in making the changeover the "Rule of Reason" be applied. The Rule of Reason means that costs should not be incurred unless there are corresponding benefits. In the case of Metrication it means that no machine or piece of equipment should be replaced solely for the purpose of making the change to the Metric System. Rather, a machine should be replaced when it wears out or when, for any other reason, it becomes uneconomical to operate. At that time the changeover to the Metric System for that machine should take place and only the additional cost of buying a Metric machine as opposed to a machine with the customary system (if any) should then be charged as a Metrication cost.

An extreme example of the application of the Rule of Reason is that railroad tracks should not be torn up simply for the purpose of making the distance between the rails exactly one meter. It will probably never be economical to make that change. An actual example of the application of the Rule of Reason is found in the case of school textbooks. The cost of printing and issuing new textbooks throughout the U.S. simply to make a change to the Metric System would be large, according to some estimates about $1 billion. However, textbooks are reissued on the average of every four years. If the change to Metric is made at the time the textbooks are changed anyway, the cost attributable to Metrication would be very small.

Two types of costs

The cost of making the Metric changeover involves two types of costs: The direct, "out-of-pocket" costs and the indirect, or "paper" costs. Direct costs are those costs attributable solely to Metric Conversion. Examples of direct costs are: A Metric highway sign, a Metric dial on a machine tool, a metric micrometer, and the cost of carrying a dual inventory. An indirect cost is a cost arising indirectly from the changeover to Metric. Examples of indirect costs are: The cost of worker training, the costs of mistakes, the temporary loss to workers on piece work. Indirect costs frequently are difficult to measure in Dollars and Cents.

The manufacturing sector

By far the largest cost impact of Metrication will be felt in the manufacturing sector. Several estimates of the costs of Metrication in this sector were made and they differ because the assumptions on which they are based differ.

The $25 Billion Cost Estimate. In response to a request for detailed cost estimates from 4,000 U.S. manufacturing companies, the U.S. Metric Study received 126 such estimates. The analysis of these responses and a simple extrapolation to all U.S. industry led to a total cost estimate of $25 billion. However, this extrapolation assumes that the 126 firms are typical of the more than 300,000 industrial firms in the U.S. The U.S. Metric Study concluded that this was not the case. For example, a single large mining and refining company had cost estimates which were much higher than those anticipated by similar firms. If this single estimate was omitted from the extrapolation, the total estimate was reduced by $3 billion to $22 billion. The U.S. Metric Study therefore performed a more complex, but also more valid analysis of the same data which led to the following estimate.

The $10 Billion Estimate. A statistical analysis of the 126 responses mentioned above was made. This analysis eliminated, insofar as possible, the lack of representativeness in the responses and the overestimates found in some of the estimates. The analysis led to the finding that the costs for the manufacturing sector should lie between a high of $14.3 billion and a low of $6.2 billion. The approximate midpoint between these two figures is $10 billion.

The nonmanufacturing sector

Non-manufacturing companies were asked to estimate how Metric conversion would increase their annual cost of doing business. The majority estimated that their expenses would rise by about one half of one percent during the changeover period. When extended to the country as a whole, this would mean a total cost of about $1 billion per year or roughly $10 billion for the 10 year conversion period.

Cost of dual inventories

Many U.S. companies would have to maintain a dual inventory of spare parts. For the 10-year period the cost is estimated at $5 billion, or $500 million per year. In some businesses, such as auto repair firms, this cost is already being incurred. A longer conversion period would extend this annual cost.

The Federal Government

The cost of adopting the Metric system by the Federal Government was made in two parts; one part covered the Department of Defense, and the other covered all other agencies.

Defense Department Cost Estimate. The estimate made for the U.S. Metric Study by the Department of Defense (DOD) (Interim Report No. 9) amounted to $18 billion. This cost estimate is based on several assumptions which were not used in making cost estimates for the Manufacturing sector and other sectors. It is therefore a good deal higher than it would be if such assumptions as the "Rule of Reason" had been applied.

The assumption used in the DOD estimate was that the Metric Conversion will be made on a "directed" basis. For example, modification of the 144,000 machine tools in the DOD Industrial Plant Equipment Center would be made regardless of immediate needs. This is estimated at a cost of $115 million, and that total cost is included in the total DOD estimate. In some areas of technology, such as aircraft engines, the U.S. has been predominant throughout the world, and customary units are therefore used in many countries outside the U.S. The DOD study assumes that in these fields of technology a total conversion will be made. In sum, the DOD study assumes that the Metric system will be mandatory in all DOD activities after the conclusion of the 10-year changeover period, except for spare parts.

The Rest of the Federal Government. The other 55 departments and agencies that were surveyed were much more optimistic about costs. Conversion expenses over ten years would be about $600 million. This would amount to 30 cents per capita per year, and after the conclusion of the ten year conversion period the annual savings were estimated at 11 percent of the total conversion costs.

The $60 billion cost estimate

The estimate of $60 billion for U.S. Metrication, which appears in some discussions of this subject, was arrived at by adding the $25 billion estimate for the manufacturing sector, the $18 billion estimate for the Department of Defense, the $10 billion estimate for the non-manufacturing industry and the $5 billion for the cost of dual inven-

tories. This results in a total of $58 billion which is then brought to $60 billion by estimating that all other costs will amount to $2 billion.

The $60 billion estimate is an estimate of what a Metric conversion would cost if, over a 10-year period, a total conversion was made, and all costs of replacing tools, equipment and facilities were charged solely to the Metric conversion. As noted in discussing the rule of reason above this is not a reasonable way to charge Metrication costs and does not reflect the actual changeover practices now being followed by those firms, school districts, and others who are now actually making the changeover.

COMPARISON OF COSTS AND BENEFITS

The U.S. Metric Study concluded that a clear-cut balance sheet comparing benefits and costs of metrication could not be developed. This is due to the inability to measure benefits in dollars and cents and due to the uncertainty attached to the cost estimates.

The study found that the choice before the Congress and the country is not whether to go Metric or not. Schools, commerce, and industry in the U.S. have begun to adopt the Metric system in increasing numbers. The choice therefore is whether the changeover shall continue on an uncoordinated, firm-by-firm and school-by-school basis, as is now the case, or whether a modest effort of voluntary coordination shall be made.

Based on this finding the Metric Study concluded that the most meaningful analysis of the cost question would consist of a comparison of the costs of conversion over a 10-year period and the costs of conversion over a much longer period. For study purposes a 50-year period was used.

Using the same assumptions for both time periods the Metric Study found that a coordinated changeover aimed at making the U.S. "predominantly, but not exclusively" metric over a 10-year period would reduce the total cost to the U.S. economy.

[Telegram]

MAY 2, 1974.

Hon. JOHN W. DAVIS,
House Office Building,
Washington, D.C.

The National Education Association supports H.R. 11035, conversion your support in achieving final passage of this bill, which is a major step in resolving this extremely important national issue.

STANLEY J. MCFARLAND,
Director of Government Relations, National Education Association.

Mr. FRENZEL. Mr. Speaker, I shall support H.R. 11035, the metric conversion bill, with some misgivings.

The growth in use of metric measures in this country has been significant. The growth will continue whether or not we pass this bill. Since the bill does not impose mandatory conversion, is wholly voluntary, and is intended to provide coordination and leadership to the inevitable development of the metric system, it seems to be a pretty safe piece of legislation.

The complaints from small business groups would seem to be answered by the dialog between the chairman and the ranking minority member of the Science and Astronautics Committee. If holdups are forced by this bill, which seems an unlikely prospect, small businesses should be protected by loans through SBA. I believe that any businesses, large or small, or any employee would be better served under the bill, than under a system of random growth of the metric system.

With some national leadership, on the other hand, both export-oriented and domestically oriented firms will get better guidance to make their conclusions, if they choose to do so, in the manner that serves their interests best.

I am sorry the bill has been handled under suspension. This is a bad procedure. We should have an opportunity to amend. But, even under the procedure I shall vote for the bill.

Mr. BAKER. Mr. Speaker, if H.R. 11035 passes, American farmers 10 years hence will be reporting their crop yield as X number of hectoliters. The prospective buyers, who a few years earlier were quite comfortable thinking in terms of bushels, will quickly multiply X hectoliters by 2.84 thereby revealing Y numbers of bushels.

In 10 years the Occupational Safety and Health Administration may well hire an army of mathematicians to translate the nebulous world of OSHA regulations into unfamiliar metric measurements.

Small businessmen and American workers will have shoveled out much of their narrow profit margin for new instruments and tools of every kind.

And everyone will have purchased a calculator to figure out everything from body temperature to the amount of flour for a recipe.

The justification for metric conversion is, of course, to keep American industry in a competitive position with metrical industrial powers. But we must realize that if it will be easier for Americans to sell American products abroad, it will also be easier for other nations to sell foreign products in America. And as a GAO report pointed out, the added costs of metric conversion will actually make U.S. exports more costly and place these products at even more of a competitive disadvantage vis-a-vis the products of foreign firms that are already metric.

Another GAO report last year estimated that we may expect that U.S. exports will increase by a total of $5 billion during the 10-year conversion period. But when compared to the staggering estimated cost to convert—$45 to $100 billion—the trade advantages look less attractive.

If we do opt for the metric system we should decide how we can convert with a minimum of inconvenience and cost. As the GAO has indicated, a 10-year conversion will be far more costly than a gradual and voluntary conversion.

I think we can learn from the British experience. Six years after conversion, a Gallup poll shows that 57 percent of the British people oppose the metric system. If disenchantment is this high in a nation tied to the metrically oriented Common Market, it is doubtful whether America will convert more smoothly—especially when, as indicated by a National Bureau of Standards report, 60 percent of the American people are totally unfamiliar with the metric system.

I am most concerned about the 5,200,000 small businessmen and millions of American skilled workers who do not have the resources of large corporations to absorb the expense of remeasuring all aspects of their businesses. Conversion will be a nonproductive expense for all businesses, but it will be worse for small businesses because they are minimally involved in foreign trade, and hence the cost conversion offers no ultimate benefit in increased business. The cost of metric conversion for the small businessman will therefore be doubly unjustified: it will be nonproductive, and it will not result in an expanded market.

The 10-year crash program may well be financially disastrous for small businessmen and American workers. As small businesses fold, the large corporations would gobble up the old markets of the small businessmen, and business ownership would be greatly concentrated.

If there is real need for small businesses—as opposed to giant international corporations—to convert, then they will do so as the need arises, gradually and naturally. It makes no sense to force them to convert against their will.

Mr. RARICK. Mr. Speaker, the committee has heard a lot of emotionally charged rhetoric that somehow we Americans are lagging behind the entire world because we have not converted to metric. I would simply remind the Members that we are the only country that has put a man on the moon—not once, but numerous times. And this was done by the inch, pound, foot system—not by metric. Also, I have never heard of any of these other progressive countries turning down our aircraft, tanks, or other sophisticated weaponry or refusing our agricultural products because they were harvested and packaged by the pound, bushel, or short ton.

As for the charges that unless we convert to metric, we will lose our international markets, one need only to look at the foreign automobiles on our streets and the foreign goods and materials in our stores to question whether the market we are losing is overseas under metric or here at home from foreign imports converted to the inch, foot, pound system.

The proposed National Metric Conversion Act, which we are discussing today, to coordinate the "voluntary conversion" to the one-world, metric system is deserving of a great deal of serious consideration before we attempt to impose it on the American public. It is, after all, a revolutionary concept to our people who are accustomed to thinking in terms of feet, inches, pounds, miles-per-hour, and so forth—the American system.

The metric system has been authorized for use in the United States since 1866, yet except in the scientific and related fields, the average citizen has not converted to the metric system as a means of communication. Metric remains an alien language, probably because it is incompatible with our everyday lives and is of little practical benefit. Or, it might be said, the average American feels

if the present system works, why change it simply for the benefit of change.

There has been so much hoopla in the press suggesting that national conversion to a foreign measurement system is an "inevitable reform" that many of our colleagues seem to accept this as a foregone conclusion. We must examine some of the realities of this legislation before we move to hastily impose a foreign measurement on our people after almost 200 years of successful use of a proven system of measurement communication.

One great concern is the effect of this legislation on small businesses in America doing business with Americans. Truly, passage of this bill will only further the old adage that "the big boys get richer and the small boys get poorer." Succinctly, as Mr. George C. Lovel points out in his forthcoming book, "The Coming Metric Disaster"—

If one cannot produce to metric specifications as would be required by Government Contract (by 1985), or is competitively placed at a disadvantage with his giant counterparts, then he voluntarily closes shop or goes bankrupt.

What I am saying is that we have only recently seen the tragic effect of the energy crisis on small businesses; this will again be the case if this Congress sees fit to enact measurement control legislation. Langague, like economics, should be free—left to the people, not to political edict.

My residence lot is 100 times 175 feet or 17,500 square feet. It took me one second to compute this because of the multiple 10 idea—but it was not metric. Our monetary system is decimalized, but it is not metric. In metric, my lot is 30.48 times 53.34 meters or 1624.8032 square meters. A lot 88 times 110 feet would be 9680 square feet or 26.9984 times 33.528 meters which comes to 95.450552 square meters. Metric proponents claim simplicity. That all one needs to do is move the decimal back and forth—don't you believe it. When you think of all the parcels of land all over the country and all the real estate transactions recorded in the public records, one can envision somewhat the confusion metric would provoke. And that is only the beginning. Think of all the land surveys, and distances based on the mile from a central point in Washington, D.C.—the official land tracts based on a mile square—the maps and the distances between places; and try to convert to metric remembering that 1 mile equals 1,609,344 meters. In cubic measurements, one usually has an answer with 12 decimals; thus, a 2 inch cube, or 8 cubic inches, ends up as 0.000131096512 cubic meters.

To get around this decimal problem, metric has a table of 15 prefixes. Thus, the above cube would be 131,09512 tetra meters, or is it nano, or giga, or micro? This leads to another flaw in the metric wonderland—the "teaching math is easier" syndrome.

Because we cannot get rid of inch-based things which surround us, we will need to learn both systems—on top of these add the layer of 15 prefixes which must be taught, memorized and understood. There are other deeper and more subtle problems to the metric educational fallacy which England now is discovering to her dismay. One educator contends that fractions will no longer be taught and this theme was touted in one of the world's most widely read digest. They may be beating a dead horse, however, a music teacher friend of mine observed. He reports that fractions may have already been deleted from the curriculum for most teenagers today are unable to comprehend or relate to the simplest half-notes, quarter-notes, eighths, and sixteenths.

Additionally, it is not clear what the effect of this legislation will be on American companies operating in competition with foreign firms. Quoting Mr. Lovell—

As U.S. producers switch to metric standards, the U.S. trade deficit will grow sharply because the competitive advantage will swing further to foreign producers who will have had production experience with such standards, whereas U.S. producers will have to acquire it and educate U.S. consumers to accept it. There will be added costs to U.S. producers from retooling, double inventories, errors due to unfamiliarity with the new system, and costs arising from the necessity to continue producing to the old specifications for many years to service existing inch-based equipment. These added costs would automatically give the foreign metric-based producers an additional cost advantage by opening the gates to a "new" flood of exports into this country.

It may prove acceptable to foreign consumers but of serious long-term impact on the real world market—the U.S. consumers.

The true effect of this legislation on American consumers is not clear. Certainly, the primary problem stems from the fact that it will be impossible to get rid of the inch-foot based things around us. Some of the adverse results of this will be economic; others will be financial, and some will be political. In each case, the American people will be faced with endless inconveniences and confusion, which in some cases could expect to be with us for centuries.

Proponents of this legislation argue that the United States alone in the world is the only country that has not established a national policy on converting to the metric system. This is really a rather tenuous argument. After all, this is the greatest country in the world, with the greatest technology. If the scientists want to use the metric system, then they certainly have the freedom to do so; however, it seems unconscionable to ask the carpenter, farmer, real estate agent, or consumer to change to the metric system, including bearing the cost of the conversion, simply because the scientists, intellectuals, and multinational business interests feel that it would be advantageous to them for foreign trade—especially since the world market has already accepted and is using the U.S. system.

One of the great advantages of life in America is that its people are so diverse. I know that the Members would hesitate to change the language of our society from English to, say, Esparanto or Swahili simply for the proposed benefit of international trade. It is, I suggest, just as troublesome to pass legislation such as that before us, which proposes an international one-world measurement for use in America.

I know our people may not understand this bill before us today but they will next year and the years thereafter if it should pass. As for me, I am an American. I am satisfied with America and our system which has and is serving our people well. I shall cast my people's vote against this legislation and I urge my colleagues to join in opposing this anti-American legislation.

Mr. KOCH. Mr. Speaker, I am voting "no" on this bill although I would vote "yes" if it were to come up under the regular parliamentary procedure. I believe, however, that no controversial bill, and this measure is controversial, should be brought to the floor under the suspension calendar which limits debate to only 40 minutes and bars the offering of any amendments. I urge my good friend, Mr. TEAGUE, chairman of the Science and Astronautics Committee, to bring this bill up under the rule already provided by the Rules Committee and let the House work its will.

Mr. DRINAN. Mr. Speaker, the Metric Conversion Act, which we have before us, is an important proposal for improving the American system of weights and measures by conforming it to the systems of other nations. It will undoubtedly facilitate international exchanges in a number of areas, as well as achieve certain domestic benefits.

To be sure, conversion has already been undertaken in some sectors of the Nation. The scientific community has used the metric system for a number of years, and students studying science, at whatever level, have worked with it. Thus the act really seeks to promote and encourage its wider use, rather than introduce a totally unfamiliar system into the United States.

In my judgment, conversion to the metric system has two principal advantages. First, the system, based on the number 10, is easier to use than our system. Anyone who has attempted any type of calculation involving weights and measures is aware of the difficulties of our present arrangement.

From the grammar school student to the supermarket shopper, the daily struggles with ounces and pounds, inches and feet, are very frustrating. Since our monetary system is based on 10, it is foolish not to use weights and measures based on the same decimal. The consumer would benefit greatly under the new system, as well as the pupil striving for comprehension, notwithstanding the new math.

Furthermore, the metric system is nearly universal among the nations of the world. Our conversion to that system would be very helpful for our international exchanges.

The difficulties I have with the Metric Conversion Act, as presented to us today, do not go to its underlying purpose. My objection is that the bill is here under

a suspension of the rules, allowing no amendments. That is too stifling a manner in which to consider this important measure. This is particularly true since the Rules Committee has already granted an open rule when the proposal comes up in the regular course of business.

While the principal thrust of the bill is exemplary, there are a few provisions that might well benefit by amendment. For example, the act appears to preclude the use of Federal aid to assist the voluntary conversion to the metric system. Those directives, it seems to me, are too inflexible.

The National Metric Conversion Board, which this bill would establish, will be devising a master conversion plan over the next 12 months. It is very possible that, as the Board focuses on the practical problems associated with the conversion, Federal financial assistance may be necessary. It seems to me that we should not foreclose the Board from including in its plan or recommending to the Congress a conversion program which calls for Federal subsidies, whether in the form of loans, grants, tax deductions, or other incentives.

I can envision that small businesses and workers would particularly feel the economic impact of the conversion. Persons who are employed in the crafts or as mechanics might well have to invest in new tools. Companies which metricate will surely have to purchase new equipment or convert their old machinery to the new system. If it is in the national interest to change to the metric system, it is surely in the national interest to ease the financial burdens which accompany it.

It goes almost without saying that it is important to complete the conversion process at the earliest practicable date. We should not tarry over the consideration of this measure. It has been over 100 years, however, since Congress first authorized the use of the metric system. Thus to debate final passage using the extraordinary procedure of a suspension seems to me a bit hasty in light of this history. The more prudent course, I suggest, is to await the return of the Metric Conversion Act to the floor under the rule authorized by our committee.

Mr. RAILSBACK. Mr. Speaker, as one who has cosponsored similar legislation with Congressman McCLORY, I would just like to add my support to H.R. 11035, the Metric System Conversion Act. The purpose of this bill is to declare and implement voluntary conversion to the metric system within the next 10 years.

Under the metric system, all units have a uniform relationship—which is based upon the decimal. The meter—which roughly corresponds to our yard—is the principal unit. All measures of capacity, surface, volume, and weight are derived from it. The scale of subdivisions and multiples is 10.

As far back as 1866, the U.S. Congress legalized the metric system, and a few years later the United States was a party to "the Treaty of the Meter." By signing this treaty, our country, along with every other major country in the world, endorsed the metric system as "the internationally preferred system of weights and measures." However, our Government then made no concerted effort to authorize a program to actually provide for the conversion to such a system.

In 1965, Great Britain began implementing the metric system. Since at that time the United States was about the only industrialized Nation not using metric units, Congress was prompted to reevaluate our position. Hearings were held which led to the eventual enactment of legislation directing the Secretary of Commerce to study the desirability of increasing the use of the metric system in our country. To carry out this directive, an advisory panel was set up, composed of persons who represented all walks of life. In part, the summary of their findings read:

> . . . eventually the United States will join the rest of the world in the use of the metric system as the predominant common language of measurement. Rather than drifting to metric with no national plan to help the sectors of our society and guide our relationships abroad, a carefully planned transition in which all sectors participate voluntarily is preferable. The change will not come quickly, nor will it be without difficulty; but Americans working cooperatively can resolve this question once and for all.

I think it is clear from this report that we must proceed in an orderly manner with metric conversion. In addition, the metric system is in itself desirable for a number of reasons.

First, it is already used by our Government for several purposes, including tariff matters and weighing foreign mail.

Second, many private industries use metric measures. Deere & Co., which has offices in my congressional district, began its own conversion nearly 10 years ago—using dual dimensions in many of their technical drawings. In fact, at least 10 percent of all U.S. manufacturers currently use the metric system, and 90 percent prefer a coordinated policy on this matter. Ford Motor Corp. will soon produce our first entirely metric automobile engine. And the pharmaceutical industry and the medical profession already use such measurements.

Perhaps the most compelling argument in favor of the metric system, however, is in regard to our trading position. At a time of integrated commerce which has been of such benefit to American businessmen and farmers—and in turn the American consumer—it is only prudent for the United States to adjust its systems to those internationally accepted. By 1978, nonmetric products are not even expected to be allowed to enter the European Economic Community, so the metric system seems clearly in our own best interests.

The bill before us today will provide for conversion in an orderly, thorough manner. It recognizes the need of coordination, voluntary participation, and the importance of education about the system itself. Very briefly, H.R. 11035 sets up a board to devise an appropriate program which must be submitted to the Secretary of Commerce within a year. The Secretary would then, along with his own recommendations, submit this plan to the Congress for final approval. While I preferred the bill I originally cosponsored as it provided for a more immediate commitment, H.R. 11035 does have an advantage of insuring careful planning on an action which will virtually affect every American citizen. I therefore urge immediate enactment of the Metric System Conversion Act.

Mr. ESCH. Mr. Speaker, I rise in support of H.R. 11035, the declaration of national policy to convert to the metric system in the United States. I join with the gentleman from Georgia (Mr. DAVIS) in my support for this measure and commend him for his leadership in developing this legislation.

Mr. Speaker, I would like to emphasize three very important points concerning this legislation. First, that this country has already begun the process of metric conversion, but that there needs to be some order brought to that conversion process. Second, that this country will reap significant economic benefits from such a conversion. And, third, that the legislation provides for a voluntary conversion.

The United States is one of the few nations left in the world which has not yet officially adopted the metric system. Yet within this country the metric system is slowly, but steadily increasing in use. Many industries have already announced that they are changing the sizes of their products and the standards to which they are manufactured to the metric system. Concerns in the automotive industry, pharmaceutical industry, and the medical profession have already begun the conversion to the metric system.

Similarly, the school systems of a number of States have announced that their textbooks will be entirely changed to the metric system by the year 1976. The choice before the Congress, therefore, is not whether we should move toward the metric system; that conversion has already begun. The choice is between continuing the conversion process in an entirely uncoordinated fashion, as is the case now, or going forward with the conversion process on a coordinated basis. The legislation before us today provides the necessary direction and coordination for that process.

The legislation has four major provisions. First, it establishes a national policy of voluntary metric conversion in the United States; second, the conversion period would span ten years after which time the metric system would be the predominant, but not sole, system of weights and measures in the United States; third, the costs of conversion would lie where they fell; and fourth, a Metric Conversion Board comprised of representatives of all major sectors in society would be appointed to guide the Nation through the conversion period.

My second point, Mr. Speaker, is that this legislation makes sound economic sense. During the hearings before our subcommittee, it was clearly demonstrated that there is significant potential for increased export of our manufac-

tured products made to metric standards. The gain in exports is estimated to be $600 million annually. Through testimony from various industrial representatives it was also demonstrated that there is tremendous potential for cost-savings when a common design can be used for products both at home and abroad. To realize that common design worldwide, it is evident that our inch-pound measurement units must give way to the millimeter-kilogram units which are so firmly entrenched on a worldwide basis.

Third, I should stress that the goal of this legislation is to promote a voluntary conversion in which this country would become predominantly, although not exclusively, metric. The objective of this legislation is not complete conversion regardless of cost. It is instead metrication to the extent reasonable at a minimum cost. The conversion may proceed in some sectors at a relatively rapid pace, in certain others, at a slower pace, and in some sectors there may be no measurable impact at all.

Mr. Speaker, this is legislation that is economically beneficial. It is legislation which facilitates a process that is already underway in this country. It is legislation which provides flexibility and accommodation so that the interests of all sections of the economy are taken into account. I would urge my colleagues to support this legislation.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. TEAGUE) that the House suspend the rules and pass the bill, H.R. 11035.

The question was taken.

Mr. PARRIS. 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 153, nays 240, not voting 40, as follows:

[Roll No. 208]

YEAS—153

Adams	Cotter	Gubser
Alexander	Coughlin	Gude
Anderson, Ill.	Cronin	Gunter
Andrews, N.C.	Danielson	Hamilton
Ashley	Davis, Ga.	Hanna
Aspin	Davis, Wis.	Hanrahan
Bell	de la Garza	Hansen, Idaho
Bennett	Dellenback	Harrington
Bergland	Dellums	Hechler, W. Va.
Biester	Denholm	Heinz
Boggs	Dorn	Hicks
Boland	Downing	Hogan
Bolling	du Pont	Hosmer
Brademas	Edwards, Ala.	Howard
Breaux	Edwards, Calif.	Ichord
Brooks	Esch	Kastenmeier
Brown, Ohio	Fascell	Landrum
Broyhill, Va.	Fisher	Lent
Buchanan	Foley	Long, La.
Burgener	Forsythe	McClory
Burleson, Tex.	Fraser	McCloskey
Casey, Tex.	Frenzel	McCormack
Cederberg	Frey	McEwen
Chamberlain	Fuqua	McKay
Cohen	Gettys	McKinney
Conable	Giaimo	Mallary
Conte	Gibbons	Mann
Conyers	Goldwater	Maraziti
Corman	Griffiths	Mathis, Ga.
Mayne	Rhodes	Vander Jagt
Meeds	Robison, N.Y.	Veysey
Michel	Roncalio, Wyo.	Waldie
Milford	Rostenkowski	Ware
Miller	Roush	Whalen
Mink	Ruppe	White
Minshall, Ohio	Ryan	Wiggins
Montgomery	Sarasin	Wilson, Charles, Tex.
Mosher	Schneebeli	Winn
Moss	Schroeder	Wolff
O'Hara	Selberling	Wyatt
O'Neill	Shipley	Wydler
Owens	Smith, Iowa	Wylie
Pettis	Smith, N.Y.	Yates
Pike	Steelman	Young, Alaska
Poage	Stratton	Young, Fla.
Powell, Ohio	Symington	Young, Ill.
Preyer	Teague	Young, S.C.
Pritchard	Tiernan	Young, Tex.
Quie	Towell, Nev.	Zablocki
Quillen	Udall	
Railsback	Ullman	
Rees	Van Deerlin	

NAYS—240

Abdnor	Duliski	McFall
Abzug	Duncan	McSpadden
Addabbo	Eckhardt	Madigan
Anderson, Calif.	Eilberg	Mahon
Andrews, N. Dak.	Erlenborn	Martin, Nebr.
Annunzio	Eshleman	Mathias, Calif.
Archer	Evans, Colo.	Matsunaga
Arends	Evins, Tenn.	Mazzoli
Armstrong	Findley	Melcher
Ashbrook	Fish	Metcalfe
Badillo	Flood	Mezvinsky
Bafalis	Flynt	Minish
Baker	Ford	Mitchell, Md.
Barrett	Fountain	Mitchell, N.Y.
Bauman	Froehlich	Mizell
Beard	Fulton	Moakley
Biaggi	Gaydos	Mollohan
Bingham	Gilman	Moorhead, Calif.
Blackburn	Ginn	Moorhead, Pa.
Bowen	Gonzalez	Murphy, Ill.
Brasco	Goodling	Murphy, N.Y.
Bray	Grasso	Murtha
Breckinridge	Gray	Myers
Brinkley	Green, Pa.	Natcher
Broomfield	Gross	Nedzi
Brown, Calif.	Grover	Nelsen
Brown, Mich.	Guyer	Obey
Broyhill, N.C.	Hammer-schmidt	O'Brien
Burke, Calif.	Hanley	Parris
Burke, Fla.	Harsha	Passman
Burke, Mass.	Hastings	Patten
Burlison, Mo.	Hawkins	Pepper
Burton	Hays	Perkins
Butler	Hébert	Peyser
Byron	Heckler, Mass.	Podell
Camp	Henderson	Price, Ill.
Carter	Hillis	Price, Tex.
Chappell	Hinshaw	Randall
Chisholm	Holt	Rangel
Clancy	Holtzman	Rarick
Clark	Horton	Regula
Clausen, Don H.	Huber	Reuss
Clawson, Del	Hudnut	Riegle
Clay	Hungate	Rinaldo
Cleveland	Hunt	Roberts
Cochran	Hutchinson	Robinson, Va.
Collier	Jarman	Rodino
Collins, Ill.	Johnson, Calif.	Roe
Collins, Tex.	Jones, Okla.	Rogers
Conlan	Jones, Tenn.	Rooney, Pa.
Crane	Jordan	Rosenthal
Culver	Karth	Rousselot
Daniel, Dan	Kazen	Roy
Daniel, Robert W., Jr.	Kemp	Roybal
Daniels, Dominick V.	Ketchum	Runnels
Davis, S.C.	King	Ruth
Delaney	Kluczynski	St Germain
Dennis	Koch	Sarbanes
Dent	Kuykendall	Satterfield
Derwinski	Kyros	Scherle
Devine	Lagomarsino	Sebelius
Dickinson	Landgrebe	Shoup
Diggs	Latta	Shriver
Dingell	Lehman	Shuster
Donohue	Litton	Sikes
Drinan	Long, Md.	Skubitz
	Lott	Slack
	Luken	Snyder
	McCollister	Spence
	McDade	Staggers
Stanton, J. William	Taylor, N.C.	Widnall
Stark	Thompson, N.J.	Williams
Steed	Thomson, Wis.	Wilson, Bob
Steele	Thone	Wilson, Charles H., Calif.
Steiger, Ariz.	Traxler	Wright
Steiger, Wis.	Vander Veen	Wyman
Stuckey	Vanik	Yatron
Studds	Vigorito	Zion
Sullivan	Waggonner	Zwach
Symms	Walsh	
Talcott	Wampler	
Taylor, Mo.	Whitehurst	
	Whitten	

NOT VOTING—40

Bevill	Jones, Ala.	Roncallo, N.Y.
Blatnik	Jones, N.C.	Rooney, N.Y.
Brotzman	Leggett	Rose
Carey, N.Y.	Lujan	Sandman
Carney, Ohio	Macdonald	Sisk
Flowers	Madden	Stanton, James V.
Frelinghuysen	Martin, N.C.	Stephens
Green, Oreg.	Mills	Stokes
Haley	Morgan	Stubblefield
Hansen, Wash.	Nichols	Thornton
Helstoski	Nix	Treen
Holifield	Patman	Young, Ga.
Johnson, Colo.	Pickle	
Johnson, Pa.	Reid	

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Nichols.
Mr. Blatnik with Mr. Morgan.
Mr. Flowers with Mr. Carney of Ohio.
Mrs. Green of Oregon with Mr. Martin of North Carolina.
Mr. Haley with Mr. Thornton.
Mrs. Hansen of Washington with Mr. Stubblefield.
Mr. Holifield with Mr. Brotzman.
Mr. Jones of Alabama with Mr. Leggett.
Mr. Madden with Mr. Rose.
Mr. Mills with Mr. Frelinghuysen.
Mr. Pickle with Mr. Bevill.
Mr. Patman with Mr. Johnson of Pennsylvania.
Mr. Reid with Mr. Macdonald.
Mr. Stephens with Mr. Lujan.
Mr. Sisk with Mr. James V. Stanton.
Mr. Nix with Mr. Young of Georgia.
Mr. Stokes with Mr. Jones of North Carolina.
Mr. Helstoski with Mr. Roncallo of New York.
Mr. Carey of New York with Mr. Sandman.

The result of the vote was announced as above recorded.

VETERANS' AND SURVIVORS' COMPENSATION INCREASES

Mr. DORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14117) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and the rates of dependency and indemnity compensation for their survivors, and for other purposes.

The Clerk read as follows:

H.R. 14117

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 314 of title 38, United States Code, is amended—

(1) by striking out "$28" in subsection (a) and inserting in lieu thereof "$31";

(2) by striking out "$51" in subsection (b) and inserting in lieu thereof "$57";

(3) by striking out "$77" in subsection (c) and inserting in lieu thereof "$86";

(4) by striking out "$106" in subsection (d) and inserting in lieu thereof "$122";

(5) by striking out "$149" in subsection (e) and inserting in lieu thereof "$171";
(6) by striking out "$179" in subsection (f) and inserting in lieu thereof "$211";
(7) by striking out "$212" in subsection (g) and inserting in lieu thereof "$250";
(8) by striking out "$245" in subsection (h) and inserting in lieu thereof "$289";
(9) by striking out "$275" in subsection (i) and inserting in lieu thereof "$325";
(10) by striking out "$495" in subsection (j) and inserting in lieu thereof "$584";
(11) by striking out "$47" and "$616" and "$862" in subsection (k) and inserting in lieu thereof "$52" and "$727" and "$1,017" respectively.
(12) by striking out "$616" in subsection (l) and inserting in lieu thereof "$727";
(13) by striking out "$678" in subsection (m) and inserting in lieu thereof "$800";
(14) by striking out "$770" in subsection (n) and inserting in lieu thereof "$909";
(15) by striking out "$862" in subsections (o) and (p) and inserting in lieu thereof "$1,017";
(16) by striking out "$370" in subsection (r) and inserting in lieu thereof "$437"; and
(17) by striking out "$554" in subsection (s) and inserting in lieu thereof "$654".

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 2. Section 315(1) of title 38, United States Code, is amended—
(1) by striking out "$31" in subparagraph (A) and inserting in lieu thereof "$36";
(2) by striking out "$53" in subparagraph (B) and inserting in lieu thereof "$61";
(3) by striking out "$67" in subparagraph (C) and inserting in lieu thereof "$77";
(4) by striking out "$83" and "$15" in subparagraph (D) and inserting in lieu thereof "$95" and "$17", respectively;
(5) by striking out "$21" in subparagraph (E) and inserting in lieu thereof "$24";
(6) by striking out "$36" in subparagraph (F) and inserting in lieu thereof "$41";
(7) by striking out "$53" and "$15" in subparagraph (G) and inserting in lieu thereof "$61" and "$17", respectively;
(8) by striking out "$25" in subparagraph (H) and inserting in lieu thereof "$29"; and
(9) by striking out "$48" in subparagraph (I) and inserting in lieu thereof "$55".

SEC. 3. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

"Pay grade	Monthly rate
E-1	$215
E-2	221
E-3	228
E-4	241
E-5	248
E-6	254
E-7	266
E-8	281
E-9	[1] 294
W-1	271
W-2	282
W-3	291
W-4	307
O-1	271
O-2	281
O-3	301
O-4	318
O-5	350
O-6	394
O-7	$427
O-8	467
O-9	502
O-10	[2] 549

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the widow's rate shall be $316.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by section 402 of this title, the widow's rate shall be $589.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $26 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to a widow shall be increased by $64 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

SEC. 4. Section 413 of title 38, United States Code, is amended to read as follows:

"Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:
"(1) One child, $108.
"(2) Two children, $156.
"(3) Three children, $201.
"(4) More than three children, $201, plus $40 for each child in excess of three.".

SEC. 5. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$55" and inserting in lieu thereof "$64".

(b) Subsection (b) of section 414 of such title is amended by striking out "$92" and inserting in lieu thereof "$108".

(c) Subsection (c) of section 414 of such title is amended by striking out "$47" and inserting in lieu thereof "$55".

SEC. 6. Section 337 of title 38, United States Code, is amended by striking "January 31, 1955" and inserting in lieu thereof "December 31, 1946".

SEC. 7. The first section and sections 2, 3, 4, and 5 of this Act shall take effect on the first day of the second calendar month which begins after the date of enactment.

The SPEAKER. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

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

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from South Carolina (Mr. DORN).

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation, and to include extraneous material.

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

There was no objection.

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

Mr. Speaker, the basic purpose of this bill is to provide appropriate increases in the rates of compensation payable to service-disabled veterans, including the rates of additional allowances for dependents payable to certain of such veterans and, finally, to increase the monthly rates of dependency and indemnity compensation to the widows and children of veterans who have died from service-connected disabilities. This bill was developed after 2 days of open hearings on the compensation programs conducted by our very diligent and capable subcommittee on compensation and pension headed by our most distinguished and longtime former chairman of the full committee, the gentleman from Texas (Mr. TEAGUE). I wish to commend him and his fellow Members, the gentleman from Texas (Mr. ROBERTS), the gentleman from Mississippi (Mr. MONTGOMERY), the gentleman from Georgia (Mr. BRINKLEY), the gentleman from Arkansas (Mr. HAMMERSCHMIDT), and the gentleman from Ohio (Mr. WYLIE).

Mr. Speaker, I am sure that the record will clearly demonstrate that our committee has consistently through the years given particular attention to the needs and adequacy of the programs for our service-connected veterans and their survivors. In this connection I think I should point out that while we have endeavored through the years to equate the monthly rates with increases in the cost of living, we have not overlooked the fact that experience has shown that the greater need lies with the more seriously disabled veterans who in many cases are completely unable to supplement their disability compensation payments with outside income. Accordingly, in this bill as in previous measures we have proposed somewhat greater increases on behalf of the severely service-connected disabled veterans.

I should like to note particularly that for many years there has been a modest statutory award payable for the loss of a limb, eye, et cetera, in addition to the basic rate of compensation payable according to the percentage of the disability. This has become known among veterans' groups as the so-called "k" award.

For the first time in over 20 years we have reconsidered this award and granted a 10-percent increase, from $47 to $52, and as I indicated this is payable in addition to the new increased basic rate of compensation in the particular case.

As chairman of the Veterans' Affairs Committee I am proud to be a part of the unanimous committee approval of this very worthwhile legislation. I now feel that it is appropriate to yield such time as he may desire to the chairman of the subcommittee, the gentleman from Texas, who will explain in more detail the specific provisions of H.R. 14117.

Mr. TEAGUE. Mr. Speaker, the rates of compensation for service-disabled veterans were last increased on August 1, 1972. Since that time we are all very much aware of the large increase in the

cost of living which has caused our committee to give a very high priority to determine the adequacy of this benefit for our disabled veterans. In March the VA recommended an increase of 12 percent in the compensation rates, later advising that a 13-percent increase would be acceptable. After careful consideration the committee has reported a bill which would provide approximately 11 percent increase in the lower rates of disability up to 18 percent for the more severely disabled, including the totally disabled cases and all of the higher statutory awards. The table which I will include following my remarks sets forth the dollar amount of each of the existing rates and the new rates proposed. The additional allowances for dependents where the veteran is rated 50 percent or more service-disabled are increased 15 percent across the board.

With regard to the DIC rates authorized for widows and children of veterans who have died from service-connected causes, we find that they have not been increased since January 1, 1972, almost 2½ years ago. While the VA agreed to an increase of 15 percent, it appears that the consumer price index has already increased above that percentage since the last increase in rates. Keeping in mind the proposed effective date in the bill of the rate increases, namely, the first day of the second calendar month following the date of enactment, the committee has concluded that an increase of 17 percent in the DIC rates is fully justified and the rates are increased accordingly. The table I have referred to also reflects a comparison of the present and proposed rates under this program.

Finally, the bill extends the so-called presumptive period for finding service-connection of a chronic or tropical disease for veterans who served during the period following World War II—after December 31, 1946—and prior to the beginning of the Korean conflict period—June 27, 1950. When we passed the cold war GI bill in 1966 this presumption of service-connection was extended to veterans who served after January 31, 1955, which, until 1964, was for the most part a peacetime period. Accordingly, the committee feels that to continue the exclusion of those who served during this short period between World War II and the Korean conflict is an unwarranted distinction.

Mr. Speaker, H.R. 14117 carries the joint sponsorship of 23 members of our committee. I believe it represents a reasonable and fully justified increase in the rates of monthly compensation payable to our service-connected disabled veterans and to the widows and children of such veterans who have died—each of such groups certainly deserves our prime consideration. I therefore strongly recommend approval of the bill.

Mr. Speaker, under consent previously granted, I include at this point in my remarks a brief sectional analysis of the bill, a table showing the additional cost for each of the first 5 years and certain relevant statistical data which I believe will be of interest to the Members:

SECTIONAL ANALYSIS OF THE BILL

SECTION 1

This section provides increases in the basic rates of disability compensation ranging from 10.7 percent to 18 percent, depending upon the degree of severity of disability. An increase of 18 percent is provided for total disability and all of the higher statutory awards involving combinations of severe disabilities.

SECTION 2

Additional allowances for service-disabled veterans are provided on behalf of spouses, children and dependent parents in all cases where the veteran is rated 50 percent or more disabled. Under the bill these rates are increased 15 percent across the board.

SECTIONS 3, 4 AND 5

Dependency and indemnity compensation (DIC) is payable to widows, children and dependent parents of veterans whose death is determined to be the result of service. The rates of DIC for parents were increased in connection with the veterans' pension bill which was enacted last year as Public Law 93-177. This bill increases the rates for widows and children by 17 percent across the board.

SECTION 6

This section would extend the longstanding presumption of service-connection for wartime veterans to those veterans who served between the end of World War II, December 31, 1946 and before June 25, 1950, the beginning of the Korean Conflict period.

SECTION 7

The effective date of the increased rates authorized by the first section and sections 2, 3, 4 and 5 of the bill is the first day of the second calendar month following the date of enactment. Section 6 would be effective the date of approval of the bill.

ADDITIONAL COST FOR 1ST 5 YEARS

[In millions]

	Secs. 1 and 2	Secs. 3, 4, and 5	Total
1st year	$434.3	$102.1	$536.4
2d year	432.7	103.8	536.5
3d year	430.9	105.5	536.4
4th year	428.3	107.3	536.6
5th year	424.7	109.1	533.8

HISTORY OF WARTIME SERVICE-CONNECTED COMPENSATION [1] INCREASES FOR DISABLED VETERANS*—JULY 1, 1933, THROUGH AUG. 1, 1972

Disability [1]	July 1, 1933 rate	Jan. 19, 1934 + Percent increase	Jan. 19, 1934 = Rate	P.L. 312, 78th Cong., June 1, 1944 + Percent increase	P.L. 312, 78th Cong., June 1, 1944 = Rate	P.L. 182, 79th Cong., Oct. 1, 1945 Rate	P.L. 662, 79th Cong., Sept. 1, 1946 + Percent increase	P.L. 662, 79th Cong., Sept. 1, 1946 = Rate	P.L. 339, 81st Cong., Dec. 1, 1949 + Percent increase	P.L. 339, 81st Cong., Dec. 1, 1949 = Rate	P.L. 356, 82d Cong., July 1, 1952 + Percent increase	P.L. 356, 82d Cong., July 1, 1952 = Rate	P.L. 427, 82d Cong., Aug. 1, 1952 + Percent increase	P.L. 427, 82d Cong., Aug. 1, 1952 = Rate
(a) Rated at 10 percent [1]	$9	11.1	$10	15.0	$11.50		20	$13.80	8.7	$15	5	$15.75		
(b) Rated at 20 percent [1]	18	11.1	20	15.0	23.00		20	27.60	8.7	30	5	31.50		
(c) Rated at 30 percent [1]	27	11.1	30	15.0	34.50		20	41.40	8.7	45	5	47.25		
(d) Rated at 40 percent [1]	36	11.1	40	15.0	46.00		20	55.20	8.7	60	5	63.00		
(e) Rated at 50 percent [1]	45	11.1	50	15.0	57.50		20	69.00 / 60.00	8.7	75	15	86.25		
(f) Rated at 60 percent [1]	54	11.1	60	15.0	69.00		20	82.80	8.7	90	15	103.50		
(g) Rated at 70 percent [1]	63	11.1	70	15.0	80.50		20	96.60	8.7	105	15	120.75		
(h) Rated at 80 percent [1]	72	11.1	80	15.0	92.00		20	110.40	8.7	120	15	138.00		
(i) Rated at 90 percent [1]	81	11.1	90	15.0	103.50		20	124.20	8.7	135	15	155.25		
(j) Rated at total [1]	90	11.1	100	15.0	115.00		20	138.00	8.7	150	15	172.50		
(k) (1) Additional monthly payment for anatomical loss or loss of use of any of these organs: 1 foot, 1 hand, blindness in 1 eye (having light perception only), 1 or more creative organs, both buttocks, organic aphonia (with constant inability to communicate by speech), deafness of both ears (having absence of air and bone conduction)—for each loss [2]	[3] 25			40.0		[3] $35	20	[3] 42.00					11.9	[3] $47
(2) Limit for veterans receiving payments under (a) to (j) above														
(3) Limit for veterans receiving payments under (l) to (n) below						300							33.3	400
(l) Anatomical loss or loss of use of both hands, both feet, 1 foot and 1 hand, blindness in both eyes (5/200 visual acuity or less), permanently bedridden or so helpless as to require regular aid and attendance	150			33.3		200	20	240.00					10.8	266
(m) Anatomical loss or loss of use of 2 extremities so as to prevent natural elbow or knee action with prosthesis in place, blind in both eyes, either with light perception only or rendering veteran so helpless as to require regular aid and attendance	174			34.3		235	20	282.00					11.0	313
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent, use of prosthesis or anatomical loss of both eyes	200			32.5		265	20	318.00					11.0	353

Footnotes on page 13376.

HISTORY OF WARTIME SERVICE-CONNECTED COMPENSATION [1] INCREASES FOR DISABLED VETERANS*—JULY 1, 1933, THROUGH AUG. 1, 1972—Continued

Disability [1]	July 1, 1933 rate	Jan. 19, 1934 + Percent increase =	Rate	P.L. 312, 78th Cong., June 1, 1944 + Percent increase =	Rate	P.L. 182, 79th Cong., Oct. 1, 1945 Rate	P.L. 662, 79th Cong., Sept. 1, 1946 + Percent increase =	Rate	P.L. 339, 81st Cong., Dec. 1, 1949 + Percent increase =	Rate	P.L. 356, 82d Cong., July 1, 1952 + Percent increase =	Rate	P.L. 427, 82d Cong., Aug. 1, 1952 + Percent increase =	Rate
(o) Disability under conditions entitling veteran to 2 or more of the rates provided in (i) through (n), no condition being considered twice in the determination, or deafness rated at 60 percent or more (impairment of either or both ears service-connected) in combination with total blindness (5/200 visual acuity or less)	$250			20.0		$300	20	$360.00					11.1	$400
(p) (1) If disabilities exceed requirements of any rates prescribed, Administrator of VA may allow next higher rate or an intermediate rate, but in no case may compensation exceed						300	20	360.00					11.1	400
(2) Blindness in both eyes (with 5/200 visual acuity or less) together with (a) bilateral deafness rated at 40 percent or more disabling (impairment of either or both ears service-connected) next higher rate is payable, or (b) service-connected total deafness of 1 ear next intermediate rate is payable, but in no event may compensation exceed														
(q) Arrested tuberculosis, minimum monthly compensation rate														[3] 67
(r) If veteran entitled to compensation under (o) or to the maximum rate under (p), and is in need of regular aid and attendance, he shall receive a special allowance of the amount indicated at right for aid and attendance in addition to (o) or (p) rate														
(s) Disability rated as total, plus additional disability independently ratable at 60 percent or over, or permanently housebound														

HISTORY OF WARTIME SERVICE-CONNECTED COMPENSATION [1] INCREASES FOR DISABLED VETERANS* JULY 1, 1933 THROUGH AUG. 1, 1972

Disability [1]	P.L. 695, 83d Cong., Oct. 1, 1954 + Percent increase =	Rate	P.L. 85-168, Oct. 1, 1957 + Percent increase =	Rate	P.L. 87-645, Oct. 1, 1962 + Percent increase =	Rate	P.L. 89-311, Oct. 31, 1965 + Percent increase =	Rate	P.L. 90-493, Jan. 1, 1969 + Percent increase =	Rate	P.L. 91-376, July 1, 1970 + Percent increase =	Rate	P.L. 92-328, Aug. 1, 1972 + Percent increase =	Rate	Percent increase from July 1, 1933, to Aug. 1, 1972	Rates proposed by H.R. 14117
(a) Rated at 10 percent [1]	7.9	$17	11.8	$19	5.3	$20	5.0	$21	9.5	$23	8.7	$25	12.0	$28	211.1	$31
(b) Rated at 20 percent [1]	4.8	33	9.1	36	5.6	38	5.3	40	7.5	43	7.0	46	10.9	51	183.3	57
(c) Rated at 30 percent [1]	5.8	50	10.0	55	5.5	58	3.4	60	8.3	65	7.7	70	10.0	77	185.2	86
(d) Rated at 40 percent [1]	4.8	66	10.6	73	5.5	77	6.6	82	8.5	89	7.9	96	10.4	106	194.4	122
(e) Rated at 50 percent [1]	5.5	91	9.9	100	7.0	107	5.6	113	8.0	122	10.7	135	10.4	149	231.1	171
(f) Rated at 60 percent [1]	5.3	109	10.1	120	6.7	128	6.3	136	8.1	147	10.9	163	9.8	179	231.5	211
(g) Rated at 70 percent [1]	5.2	127	10.2	140	6.4	149	7.4	161	8.1	174	10.9	193	9.8	212	236.5	250
(h) Rated at 80 percent [1]	5.0	145	10.3	160	6.3	170	9.4	186	8.1	201	10.9	223	9.9	245	240.3	289
(i) Rated at 90 percent [1]	5.0	163	9.8	179	6.7	191	9.4	209	8.1	226	10.6	250	10.0	275	239.5	325
(j) Rated at total [1]	4.9	181	24.3	225	11.1	250	20.0	300	33.3	400	12.5	450	10.0	495	450.0	584
(k) (1) Additional monthly payment for anatomical loss or loss of use of, any of these organs: 1 foot, 1 hand, blindness in 1 eye (having light perception only), 1 or more creative organs, both buttocks, organic aphonia (with constant inability to communicate by speech), deafness of both ears (having absence of air and bone conduction)—for each loss [2]	—									(3)						52
(2) Limit for veterans receiving payments under (a) to (j) above	—									[2] 500	12.0	560	10.0	616		727
(3) Limit for veterans receiving payments under (i) to (n) below	5.0	420	7.1	450	16.6	525	14.3	600	16.6	700	12.0	784	9.9	862		1,017
(l) Anatomical loss or loss of use of both hands, both feet, 1 foot and 1 hand, blindness in both eyes (5/200 visual acuity or less), permanently bedridden or so helpless as to require regular aid and attendance	4.9	279	10.8	309	10.0	340	17.6	400	25.0	500	12.0	560	10.0	616	310.7	727
(m) Anatomical loss or loss of use of 2 extremities so as to prevent natural elbow or knee action with prosthesis in place, blind in both eyes, either with light perception only or rendering veteran so helpless as to require regular aid and attendance	5.1	329	9.1	359	8.6	390	15.4	450	22.2	550	12.0	616	10.1	678	287.4	800

Footnotes on page 13376.

HISTORY OF WARTIME SERVICE-CONNECTED COMPENSATION [1] INCREASES FOR DISABLED VETERANS* JULY 1, 1933 THROUGH AUG. 1, 1972—Continued

Disability [1]	P.L. 695 83d Cong. Oct. 1 1954 + Percent increase =	Rate	P.L. 85-168 Oct. 1 1957 + Percent increase =	Rate	P.L. 87-645 Oct. 1 1962 + Percent increase =	Rate	P.L. 89-311 Oct. 31, 1965 + Percent increase =	Rate	P.L. 90-493 Jan. 1, 1969 + Percent increase =	Rate	P.L. 91-376 July 1, 1970 + Percent increase =	Rate	P.L. 92-328 Aug. 1, 1972 + Percent increase —	Rate	Percent increase from July 1, 1933, to Aug. 1, 1972	Rates proposed by H.R. 14117
(n) Anatomical loss of two extremities so near shoulder or hip as to prevent, use of prosthesis or anatomical loss of both eyes	5.1	$371	8.1	$401	9.7	$440	19.3	$525	19.0	$625	12.0	$700	10.0	$770	285.0	$909
(o) Disability under conditions entitling veteran to 2 or more of the rates provided in (1) through (n), no condition being considered twice in the determination, or deafness rated at 60 percent or more (impairment of either or both ears service-connected) in combination with total blindness (5/200 visual acuity or less)	5.0	420	7.1	450	16.7	525	14.3	600	16.7	700	12.0	784	9.9	862	244.9	1,017
(p) (1) If disabilities exceed requirements of any rates prescribed, Administrator of VA may allow next higher rate or an intermediate rate, but in no case may compensation exceed	5.0	420	7.1	450	16.7	525	14.3	600	16.7	700	12.0	784	9.9	862	.....	1,017
(2) Blindness in both eyes (with 5/200 visual acuity or less) together with (a) bilateral deafness rated at 40 percent or more disabling (impairment of either or both ears service-connected) next higher rate is payable, or (b) service-connected total deafness of 1 ear next intermediate rate is payable, but in no event may compensation exceed								600	16.7	700	12.0	784	9.9	862	.....	1,017
(q) Arrested tuberculosis, minimum monthly compensation rate										[3]						
(r) If veteran entitled to compensation under (o) or to the maximum rate under (p), and is in need of regular aid and attendance, he shall receive a special allowance of the amount indicated at right for aid and attendance in addition to (o) or (p) rate				150	33.3	200	25.0	250	20.0	300	12.0	336	10.1	370	.....	437
(s) Disability rated as total, plus additional disability independently ratable at 60 percent or over, or permanently housebound				265	9.4	290	20.7	350	28.6	450	12.0	504	9.9	554	.....	654

[1] The basic rates payable for those 10 percent through 100 percent disabled, subsection (a) through (j), may be increased if the veteran qualifies for additional payments listed in subsection (k).

[2] Payment generally made for one loss only, until enactment of P.L. 90-77, effective Oct. 1, 1967, which permitted payment to be made for each loss, to a maximum monthly payment of $500 per month.

[3] Veterans who have active tuberculosis are rated as totally disabled, and receive compensation at the 100 percent rate. When the disease becomes inactive, the degree of disability is reduced over a period of several years, so that after it has been inactive for at least 6 years, the veteran receives the monthly payment of $67. P.L. 90-493 repealed subsection (q) on Aug. 19, 1968 with a savings provision under which any veteran who was receiving or entitled to receive the $67 minimum on that date continues to receive this payment.

*Rates for wartime service. (Rates for peacetime were 80 percent of wartime rate until P.L. 92-328 effective July 1, 1973 which provides for equalization of wartime and peacetime rates.)

The tables which follow outline the amounts of increases in all cases under H.R. 14117:

Percentage of disability or subsection under which payment is authorized	Increase From—	To—
(a) 10 percent	$28	$31
(b) 20 percent	51	57
(c) 30 percent	77	86
(d) 40 percent	106	122
(e) 50 percent	149	171
(f) 60 percent	179	211
(g) 70 percent	212	250
(h) 80 percent	245	289
(i) 90 percent	275	325
(j) 100 percent	495	584

Percentage of disability or subsection under which payment is authorized	Increase From—	To—
Higher statutory awards for certain multiple disabilities:		
(k) (1) Additional monthly payment for anatomical loss or loss of use of, any of these organs: 1 foot, 1 hand, blindness in 1 eye (having light perception only), 1 or more creative organs, both buttocks, organic aphonia (with constant inability to communicate by speech), deafness of both ears (having absence of air and bone conduction)—for each loss	$47	$52
(2) Limit for veterans receiving payments under (a) to (j) above	616	727
(3) Limit for veterans receiving payments under (l) to (n) below	862	1,017

Percentage of disability or subsection under which payment is authorized	Increase From—	To—
(l) Anatomical loss or loss of use of both hands, both feet, 1 foot and 1 hand, blindness in both eyes (5/200 visual acuity or less), permanently bedridden or so helpless as to require regular aid and attendance	$616	$727
(m) Anatomical loss of use of 2 extremities so as to prevent natural elbow or knee action with prosthesis in place, blind in both eyes, either with light perception only or rendering veteran so helpless as to require regular aid and attendance	678	800
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent, use of prosthesis or anatomical loss of both eyes	770	909

Percentage of disability or subsection under which payment is authorized	Increase From—	Increase To—
Higher statutory awards for certain multiple disabilities—Continued		
(o) Disability under conditions entitling veteran to 2 or more of the rates provided in (1) through (n), no condition being considered twice in the determination, or deafness rated at 60 percent or more (impairment of either or both ears service-connected) in combination with total blindness (5/200 visual acuity or less)	$862	$1,017
(p) (1) If disabilities exceed requirements of any rates prescribed, Administrator of VA may allow next higher rate or an intermediate rate, but in no case may compensation exceed	862	1,017
(2) Blindness in both eyes (with 5/200 visual acuity or less) together with (a) bilateral deafness rated at 40 percent or more disabling (impairment of either or both ears service-connected) next higher rate is payable, or (b) service-connected total deafness of one ear next intermediate rate is payable, but in no event may compensation exceed	862	1,017
(q) [This subsection repealed by Public Law 90-493.]		
(r) If veteran entitled to compensation under (o) or to the maximum rate under (p), and is in need of regular aid and attendance, he shall receive a special allowance of the amount indicated at right for aid and attendance in addition to (o) or (p) rate	370	437
(s) Disability rated as total, plus additional disability independently ratable at 60 percent or over, or permanently housebound	554	654

In addition to basic compensation rates and/or stautory awards to which the veteran may be entitled, dependency allowances are payable to veterans who are rated at not less than 50 percent disabled. *The rates which follow are those payable to veterans while rated totally disabled.* If the veteran is rated 50, 60, 70, 80, or 90 percent disabled, dependency allowances are payable in an amount bearing the same ratio to the amount specified on the next page as the degree of disability bears to total disability. For example, the veteran who is 50 percent disabled receives 50 percent of the amounts which appear on the next page.

	Increase From	Increase To
If and while veteran is rated totally disabled and—		
(A) has a wife but no child living	$31	$36
(B) has a wife and 1 child living	53	61
(C) has a wife and 2 children living	67	77
(D) has a wife and 3 or more children living (plus for each living child in excess of 3)	83 15	95 17
(E) has no wife but 1 child living	21	24
(F) has no wife but 2 children living	36	41
(G) has no wife but 3 or more children living (plus for each living child in excess of 3)	53 15	61 17
(H) has a mother or father, either or both dependent upon him for support for each parent so dependent	25	29
(I) for each child who has attained age 18 and who is pursuing a course of instruction at an approved educational institution	48	55

The following increases are provided for widows of deceased veterans whose deaths are service-connected and who are receiving dependency and indemnity compensation (DIC) payments:

WIDOWS[1 2]

Pay grade	From	To
E-1	$184	$215
E-2	189	221
E-3	195	228
E-4	206	241
E-5	212	248
E-6	217	254
E-7	227	266
E-8	240	281
E-9	250	[3] 294
W-1	232	271
W-2	241	282
W-3	249	291
W-4	262	307
O-1	232	271
O-2	240	281
O-3	257	301
O-4	272	318
O-5	299	350
O-6	337	394
O-7	365	427
O-8	399	467
O-9	429	502
O-10	469	[4] 549

[1] If there is a widow with 1 or more children of the deceased veteran below the age of 18, the DIC monthly rate for the widow is increased by $26 for each such child.

[2] The widow's aid and attendance rate is increased from $55 to $64.

[3] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, the widow's rate is increased from $270 to $316.

[4] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, the widow's rate is increased from $503 to $589.

When there is no widow receiving dependency and indemnity compensation, payment is made in equal shares to the children of the deceased veteran. These rates are increased as follows:

(1) One child, from $92 to $108.

(2) Two children, from $133 to $156.

(3) Three children, from $172 to $201.

(4) More than three children, from $172 plus $34 for each child in excess of three to $201, plus $40 for each child in excess of three.

The additional payment to a child who has attained the age of 18 and who became permanently incapable of self-support while under such age is increased from $55 to $64.

If DIC is paid to a widow and there is a child of her deceased husband who has attained the age of 18 and who became permanently incapable of self-support while under such age, DIC is also payable to each such child, concurrently with the DIC payment to the widow, in the amount of $92. This additional payment is increased to $108.

If DIC is payable to a widow and there is a child of her deceased husband who has attained the age of 18 but has not attained the age of 23 and is pursuing a course of instruction at an educational institution approved under the veterans' education programs, DIC is paid to each such child, concurrently with the DIC payment to the widow, in the amount of $47. This additional payment is increased to $55.

COMPENSATION—DISABILITY, DEGREE OF IMPAIRMENT, TYPE OF MAJOR DISABILITY, PERIOD OF SERVICE: JUNE 1973

Degree of impairment	Total: Number	Total: Percent of total	Total: Monthly value	Total: Average monthly value	Tuberculosis (lungs and pleura): Number	Tuberculosis (lungs and pleura): Percent of total tuberculosis	Tuberculosis (lungs and pleura): Percent of degree of impairment	Tuberculosis (lungs and pleura): Average monthly value
All periods: Total	2,203,041	100.0	$259,061,389	$117.59	61,561	100.0	2.8	$124.23
No disability	29,133	1.3	1,884,708	64.69	27,248	44.3	93.5	65.86
10 percent	865,895	39.3	24,129,977	27.87	1,344	2.2	.2	54.83
20 percent	341,823	15.5	17,445,952	51.04	7,705	12.5	2.3	66.67
30 percent	313,520	14.2	24,203,556	77.20	11,799	19.2	3.8	75.39
40 percent	178,512	8.1	19,290,122	108.06	1,562	2.5	.9	108.28
50 percent	112,697	5.1	19,436,301	172.47	2,645	4.3	2.4	174.27
60 percent	113,459	5.2	32,978,208	290.66	1,637	2.7	1.4	277.70
70 percent	72,532	3.3	26,301,892	362.62	1,251	2.0	1.7	276.16
80 percent	36,580	1.7	14,191,451	387.96	1,972	3.2	5.4	321.12
90 percent	12,732	.6	5,545,730	435.57	137	.2	1.1	416.39
100 percent	126,158	5.7	73,653,492	583.82	4,261	6.9	3.4	529.47
World War I: Total	65,163	100.0	11,489,809	176.32	9,996	100.0	15.4	131.60
No disability	798	1.2	47,312	59.29	463	4.6	58.0	67.00
10 percent	10,180	15.6	349,577	34.34	27	.3	.3	58.78
20 percent	15,700	24.1	995,656	63.42	7,054	70.6	44.9	66.90
30 percent	8,507	13.0	717,124	84.30	607	6.1	7.1	87.94
40 percent	6,267	9.6	726,118	115.86	345	3.5	5.5	118.47
50 percent	5,403	8.3	906,728	167.82	92	.9	1.7	166.95
60 percent	5,515	8.5	1,692,707	306.93	125	1.2	2.3	371.49
70 percent	2,540	3.9	842,292	331.61	37	.4	1.5	287.08
80 percent	1,550	2.4	561,633	362.34	13	.1	.8	363.62
90 percent	364	.6	152,777	419.72	11	.1	3.0	350.00
100 percent	8,339	12.8	4,497,885	539.38	1,222	12.2	14.7	519.86

COMPENSATION—DISABILITY, DEGREE OF IMPAIRMENT, TYPE OF MAJOR DISABILITY, PERIOD OF SERVICE: JUNE 1973—Continued

Degree of impairment	Total				Tuberculosis (lungs and pleura)			
	Number	Percent of total	Monthly value	Average monthly value	Number	Percent of total tuberculosis	Percent of degree of impairment	Average monthly value
World War II:								
Total	1,351,425	100.0	$150,186,401	$111.13	32,452	100.0	2.4	$128.69
No disability	17,734	1.3	1,174,100	66.21	16,919	52.1	95.4	67.00
10 percent	551,007	40.8	15,578,606	28.27	745	2.3	.1	60.05
20 percent	201,914	14.9	10,355,413	51.29	421	1.3	.2	66.88
30 percent	198,639	14.7	15,526,883	78.17	6,668	20.6	3.4	77.14
40 percent	111,816	8.3	12,170,683	108.85	751	2.3	.7	108.06
50 percent	69,112	5.1	12,082,240	174.82	1,287	4.0	1.9	183.16
60 percent	69,000	5.1	20,269,737	293.76	1,085	3.3	1.6	277.40
70 percent	42,510	3.2	15,792,097	371.49	1,021	3.2	2.4	277.24
80 percent	21,788	1.6	8,295,263	380.73	1,778	5.5	8.2	322.17
90 percent	6,818	.5	2,896,777	424.87	112	.3	1.6	417.79
100 percent	61,087	4.5	36,044,602	590.05	1,665	5.1	2.7	561.23
Korean conflict:								
Total	240,756	100.0	32,412,658	134.63	11,190	100.0	4.6	90.59
No disability	7,645	3.2	507,698	66.41	7,340	65.6	96.0	67.00
10 percent	85,982	35.7	2,460,703	28.62	256	2.3	.3	64.11
20 percent	37,173	15.4	1,912,838	51.46	105	.9	.3	66.38
30 percent	32,985	13.7	2,593,586	78.63	2,289	20.4	6.9	77.19
40 percent	20,328	8.4	2,232,060	109.80	254	2.3	1.2	107.11
50 percent	11,784	4.9	2,157,556	183.09	344	3.1	2.9	176.81
60 percent	13,231	5.5	4,047,826	305.94	202	1.8	1.5	267.00
70 percent	9,074	3.8	3,527,371	388.73	98	.9	1.1	296.51
80 percent	4,319	1.8	1,829,303	423.55	77	.7	1.8	357.05
90 percent	1,567	.7	712,119	454.45	8	.1	.5	422.38
100 percent	16,668	6.9	10,431,588	625.85	217	1.9	1.3	549.06
Vietnam era:								
Total	354,062	100.0	44,596,458	125.96	2,196	100.0	.6	256.39
No disability	164	0	8,274	50.45	5	.2	3.0	67.00
10 percent	141,035	39.8	3,993,101	28.31	202	9.2	.1	28.00
20 percent	57,766	16.3	2,964,199	51.31	22	1.0	.0	54.50
30 percent	45,960	13.0	3,599,305	78.31	412	18.7	.9	76.91
40 percent	27,495	7.8	3,024,484	110.00	74	3.4	.3	105.61
50 percent	19,140	5.4	3,261,068	170.38	645	29.4	3.4	170.74
60 percent	16,270	4.6	3,493,949	276.21	91	4.1	.6	246.07
70 percent	12,559	3.6	4,333,798	345.08	30	1.4	.2	259.80
80 percent	6,562	1.9	2,693,646	410.49	11	.5	.2	402.00
90 percent	3,287	.9	1,520,457	462.57	2	.1	.1	498.50
100 percent	23,824	6.7	14,704,177	617.20	702	32.0	2.9	528.59
Regular establishment:								
Total	191,609	100.0	20,365,670	106.29	5,727	100.0	3.0	101.20
No disability	2,791	1.4	147,264	52.76	2,521	44.0	90.3	54.15
10 percent	77,690	40.5	1,747,962	22.50	114	2.0	.1	46.47
20 percent	29,267	15.3	1,217,693	41.61	103	1.8	.4	52.99
30 percent	27,427	14.3	1,766,505	64.41	1,823	31.8	6.6	62.21
40 percent	12,609	6.6	1,136,777	90.18	138	2.4	1.1	87.62
50 percent	7,255	3.8	1,028,246	141.73	277	4.8	3.8	140.42
60 percent	9,441	4.9	2,473,315	261.98	134	2.4	1.4	237.11
70 percent	5,848	3.1	1,806,074	308.84	65	1.1	1.1	229.92
80 percent	2,361	1.2	811,606	343.76	93	1.6	3.9	255.83
90 percent	696	.4	263,600	378.74	4	.1	.6	307.00
100 percent	16,227	8.5	7,966,628	490.95	455	8.0	2.8	431.11
Spanish American War:								
Total	13	100.0	7,493	576.38				
No disability								
10 percent								
20 percent								
30 percent								
40 percent								
50 percent	1	7.7	149	149.00				
60 percent	1	7.7	179	179.00				
70 percent	1	7.7	259	259.00				
80 percent								
90 percent								
100 percent	10	76.9	6,906	690.60				
Mecican Border Service:								
Total	13	100.0	2,900	223.08				
No disability	1	7.7	47	47.00				
10 percent	1	7.7	28	28.00				
20 percent	3	23.1	153	51.00				
30 percent	2	15.4	154	77.00				
40 percent								
50 percent	2	15.4	314	157.00				
60 percent	1	7.6	495	495.00				
70 percent								
80 percent								
90 percent								
100 percent	3	13.1	1,709	569.66				

COMPENSATION—DISABILITY, DEGREE OF IMPAIRMENT, TYPE OF MAJOR DISABILITY, PERIOD OF SERVICE: JUNE 1973

Degree of impairment	Psychiatric and neurological diseases				General medical and surgical conditions			
	Number	Percent of total psychiatric and neurological diseases	Percent of degree of impairment	Average monthly value	Number	Percent of total general medical and surgical conditions	Percent of degree of impairment	Average monthly value
All periods:								
Total	476,132	100.0	21.6	$197.74	1,665,348	100.0	75.6	$94.43
No disability					1,885	.1	6.5	47.00
10 percent	145,837	30.6	16.8	27.78	718,714	43.2	83.0	27.83
20 percent	26,150	5.5	7.6	51.69	307,968	18.5	90.1	50.59
30 percent	82,155	17.3	26.2	76.30	219,566	13.2	70.0	77.63

COMPENSATION—DISABILITY, DEGREE OF IMPAIRMENT, TYPE OF MAJOR DISABILITY, PERIOD OF SERVICE: JUNE 1973—Continued

Degree of impairment	Psychiatric and neurological diseases				General medical and surgical conditions			
	Number	Percent of total psychiatric and neurological diseases	Percent of degree of impairment	Average monthly value	Number	Percent of total general medical and surgical conditions	Percent of degree of impairment	Average monthly value
All periods—Continued								
40 percent	26,218	5.5	14.7	$106.55	150,732	9.0	84.4	$108.32
50 percent	41,972	8.8	37.2	167.49	68,080	4.1	60.4	175.46
60 percent	18,912	4.0	16.7	252.01	92,910	5.6	81.9	298.76
70 percent	35,370	7.4	48.8	387.60	35,911	2.2	49.5	341.04
80 percent	9,886	2.1	27.0	399.34	24,722	1.5	67.6	388.74
90 percent	3,351	.7	26.3	444.07	9,244	.5	72.6	432.78
100 percent	86,281	18.1	68.4	564.92	35,616	2.1	28.2	636.10
World War I:								
Total	13,182	100.0	20.2	264.95	41,985	100.0	64.4	159.15
No disability					335	.8	42.0	47.00
10 percent	679	5.2	6.7	35.18	9,474	22.6	93.0	34.21
20 percent	1,803	13.7	11.5	65.91	6,843	16.3	43.6	59.18
30 percent	1,563	11.9	18.4	85.76	6,337	15.1	74.5	83.59
40 percent	1,057	8.0	16.9	118.78	4,865	11.6	77.6	115.05
50 percent	1,896	14.4	35.1	168.30	3,415	8.1	63.2	167.57
60 percent	868	6.6	15.7	224.00	4,522	10.8	82.0	321.06
70 percent	902	6.8	35.5	332.86	1,601	3.8	63.0	331.94
80 percent	423	3.2	27.3	325.67	1,114	2.7	71.9	376.25
90 percent	45	.3	12.4	424.89	308	.7	84.6	421.45
100 percent	3,946	29.9	47.3	537.15	3,171	7.5	38.0	549.68
World War II:								
Total	308,126	100.0	22.8	175.76	1,010,847	100.0	74.8	90.87
No disability					815	.1	4.6	47.00
10 percent	108,386	35.2	19.7	28.10	441,876	43.7	80.2	28.26
20 percent	16,976	5.5	8.4	51.15	184,517	18.3	91.4	51.26
30 percent	56,465	18.3	28.4	77.16	135,506	13.4	68.2	78.64
40 percent	17,743	5.8	15.9	106.87	93,322	9.2	83.4	109.23
50 percent	25,239	8.2	36.5	170.61	42,586	4.2	61.6	177.06
60 percent	11,497	3.7	16.7	249.06	56,418	5.6	81.7	303.19
70 percent	20,736	6.7	48.8	409.04	20,753	2.1	48.8	338.61
80 percent	5,670	1.9	26.0	397.45	14,340	1.4	65.8	381.38
90 percent	1,614	.5	23.7	428.49	5,092	.5	74.7	423.88
100 percent	43,800	14.2	71.7	579.73	15,622	1.5	25.6	622.08
Korean conflict:								
Total	45,379	100.0	18.9	277.95	184,187	100.0	76.5	101.99
No disability					305	.2	4.0	47.00
10 percent	10,137	22.3	11.8	28.27	75,589	41.0	87.9	28.55
20 percent	2,016	4.4	5.4	51.63	35,052	19.0	94.3	51.40
30 percent	6,501	14.3	19.7	77.22	24,195	13.1	73.4	79.14
40 percent	2,357	5.2	11.6	107.80	17,717	9.6	87.2	110.11
50 percent	3,744	8.3	31.8	179.92	7,696	4.2	65.3	184.92
60 percent	2,167	4.8	16.4	278.00	10,862	5.9	82.1	312.23
70 percent	4,247	9.4	46.8	414.83	4,729	2.6	52.1	367.39
80 percent	1,193	2.6	27.6	442.74	3,049	1.7	70.6	417.72
90 percent	447	1.0	28.5	468.90	1,112	.6	71.0	448.15
100 percent	12,570	27.7	75.4	611.89	3,881	2.1	23.3	675.32
Vietnam era:								
Total	69,676	100.0	19.7	217.15	282,190	100.0	79.7	102.42
No disability					159	.1	97.0	47.00
10 percent	17,194	24.7	12.2	28.27	123,639	43.8	87.7	28.32
20 percent	3,852	5.5	6.7	51.47	53,892	19.1	93.3	51.30
30 percent	11,575	16.6	25.2	77.56	33,973	12.0	73.9	78.59
40 percent	3,656	5.3	13.3	108.16	23,765	8.4	86.4	110.30
50 percent	7,606	10.9	39.7	164.25	10,889	3.9	56.9	174.64
60 percent	3,111	4.5	19.1	256.03	13,068	4.6	80.3	281.30
70 percent	5,867	8.4	46.7	344.44	6,662	2.4	53.1	346.02
80 percent	1,909	2.7	29.1	408.46	4,642	1.6	70.7	411.35
90 percent	1,050	1.5	31.9	471.18	2,235	.8	68.0	458.49
100 percent	13,856	19.9	58.2	563.77	9,266	3.3	38.9	703.82
Regular Establishment:								
Total	39,763	100.0	20.7	220.16	146,119	100.0	76.3	75.50
No disability					270	0.2	9.7	39.84
10 percent	9,441	23.7	12.2	22.21	68,135	46.6	87.7	22.50
20 percent	1,503	3.8	5.1	41.37	27,661	18.9	94.5	41.58
30 percent	6,051	15.2	22.1	62.50	19,553	13.4	71.3	65.20
40 percent	1,405	3.5	11.1	87.09	11,063	7.6	87.8	90.60
50 percent	3,486	8.8	48.1	138.11	3,492	2.4	48.1	145.45
60 percent	1,269	3.2	13.5	243.66	8,038	5.5	85.1	265.28
70 percent	3,618	9.1	61.9	316.63	2,165	1.5	37.0	298.19
80 percent	691	1.7	29.3	359.86	1,577	1.1	66.8	341.88
90 percent	195	.5	28.0	374.63	497	.3	71.4	380.92
100 percent	12,104	30.5	74.6	472.90	3,668	2.5	22.6	557.94
Spanish American War:								
Total	3	100.0	23.1	791.33	10	100.0	76.9	511.90
No disability								
10 percent								
20 percent								
30 percent								
40 percent								
50 percent					1	10.0	100.0	149.00
60 percent					1	10.0	100.0	179.00
70 percent					1	10.0	100.0	259.00
80 percent								
90 percent								
100 percent	3	100.0	30.0	791.33	7	70.0	70.0	647.43

COMPENSATION—DISABILITY, DEGREE OF IMPAIRMENT, TYPE OF MAJOR DISABILITY, PERIOD OF SERVICE: JUNE 1973—Continued

Degree of impairment	Psychiatric and neurological diseases				General medical and surgical conditions			
	Number	Percent of total psychiatric and neurological diseases	Percent of degree of impairment	Average monthly value	Number	Percent of total general medical and surgical conditions	Percent of degree of impairment	Average monthly value
Mexican Border Service:								
Total	3	100.0	23.1	$450.00	10	100.0	76.9	$155.00
No disability					1	10.0	100.0	47.00
10 percent					1	10.0	100.0	28.00
20 percent					3	30.0	100.0	51.00
30 percent					2	20.0	100.0	77.00
40 percent								
50 percent	1	33.3	50.0	149.00	1	10.0	50.0	165.00
60 percent					1	10.0	100.0	495.00
70 percent								
80 percent								
90 percent								
100 percent	2	66.7	66.7	600.50	1	10.0	33.3	495.00

COMPENSATION—DISABILITY: CLASS OF DEPENDENT, PERIOD OF SERVICE—JUNE 1973

Class of dependent	Total			World War II		World War I		Korean conflict		Vietnam era		Regular establishment		Spanish-American War		Mexican Border Service	
	Number	Monthly value	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value
Total veterans	2,203,041	$259,061,389	$117.59	1,351,425	$111.13	65,163	$176.32	240,756	$134.63	354,062	$125.96	191,609	$106.29	13	$576.38	13	$223.08
Veterans less than 50 percent disabled (no dependency benefit)	1,728,883	86,954,315	50.30	1,081,110	50.69	41,452	68.41	184,113	52.72	272,420	49.88	149,781	40.17			7	56.43
Veterans 50 percent or more disabled	474,158	172,107,074	362.97	270,315	352.85	23,711	364.98	56,643	400.86	81,642	379.79	41,828	343.06	13	576.38	6	417.50
Without dependents	118,194	43,004,018	363.84	57,545	361.68	8,594	371.88	11,081	398.14	29,061	361.47	11,902	342.27	7	515.43	4	423.25
With dependents	355,964	129,103,056	362.69	212,770	350.46	15,117	361.05	45,562	401.52	52,581	389.92	29,926	343.37	6	647.50	2	406.00
Wife only	158,614	56,024,162	353.21	108,385	347.70	14,724	360.26	10,825	399.34	15,226	365.86	9,446	332.00	6	647.50	2	406.00
Wife, child or children	166,826	60,168,571	360.67	88,908	242.75	310	391.64	28,533	390.97	32,567	393.56	16,508	339.32				
Wife, child or children, and parent or parents	3,588	1,692,311	471.66	1,903	441.66	1	862.00	812	536.21	513	500.15	359	442.88				
Wife, parent or parents	1,888	866,523	458.96	1,284	448.52	3	269.67	236	516.25	260	462.35	105	454.96				
Child or children only	16,292	6,093,331	374.01	7,614	358.18	75	378.00	3,410	397.70	2,861	408.10	2,332	349.07				
Child or children and parent or parents	624	310,856	498.17	238	469.61			170	553.72	115	518.37	101	448.94				
Parent or parents only	8,132	3,947,281	485.40	4,438	485.41	4	534.75	1,576	512.70	1,039	491.62	1,075	439.13				
Total dependents on whose account additional compensation was being paid	749,447			405,936		15,547		132,663		119,153		76,140		6		2	
Wives	330,916			200,480		15,038		40,406		48,566		26,418		6		2	
Children	402,200			196,857		501		89,000		68,047		47,795					
Parents	16,331			8,599		8		3,257		2,540		1,927					

COMPENSATION—DEATH: TOTAL, CLASS OF BENEFICIARY, PERIOD OF SERVICE—JUNE 1973

Class of beneficiary	Total			World War II		World War I		Korean conflict		Vietnam era	
	Number	Monthly value	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value
Total cases	373,643	$62,178,173	$166.41	200,639	$146.80	36,553	$194.77	39,401	$157.44	47,528	$203.42
Compensation	107,379	8,197,700	74.34	85,937	76.71	854	81.96	16,486	76.70	33	134.03
Dependency and indemnity compensation	260,516	52,427,473	201.24	110,431	196.51	35,688	197.44	21,880	212.84	47,466	203.43
Dependency and indemnity compensation and compensation	5,748	1,553,000	270.18	4,271	271.59	11	272.27	1,035	272.38	29	266.62
Widow alone	147,515	32,053,132	217.29	72,377	215.83	34,898	196.14	12,135	243.72	7,555	233.59
Widow and children	34,247	9,174,569	267.89	8,341	250.36	525	278.38	3,079	268.68	14,605	276.55
Widow, children, and mother	3,293	1,153,346	350.24	388	343.22			172	346.07	1,932	353.07
Widow, children, and father	457	156,893	343.31	50	334.96			24	332.92	286	346.85
Widow, children, mother, and father	1,112	408,191	367.08	45	358.09			45	351.18	811	369.59
Widow and mother	8,317	2,440,772	293.47	5,349	286.76	23	287.39	1,008	298.42	822	305.86
Widow and father	1,354	387,932	286.51	961	283.63			128	293.51	117	295.93
Widow, mother, and father	1,444	440,959	305.37	804	305.11			203	287.17	265	314.01

COMPENSATION—DEATH: TOTAL, CLASS OF BENEFICIARY, PERIOD OF SERVICE—JUNE 1973—Continued

Class of beneficiary	Total			World War II		World War I		Korean conflict		Vietnam era	
	Number	Monthly value	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value
Children alone	23,183	$2,873,252	$123.94	3,798	$124.31	484	$146.19	2,069	$124.24	9,207	$125.10
Children and mother	2,471	502,080	203.19	255	206.81			191	199.83	1,118	206.78
Children and father	353	70,737	200.39	33	207.36			29	199.76	164	206.10
Children, mother, and father	954	209,266	219.36	37	221.59			55	215.47	561	222.32
Mother alone	107,949	8,646,495	80.10	80,718	80.88	598	82.11	13,917	78.21	5,815	77.72
Father alone	16,172	1,310,973	81.06	12,587	83.35	23	79.61	1,926	76.98	756	66.45
Mother and father	24,822	2,349,576	96.66	14,876	94.32	2	80.00	4,420	88.02	3,514	105.39
Total dependents	516,088			241,144		37,280		54,342		105,439	
Widows	197,739			88,335		35,446		16,794		26,393	
Children	121,319			20,924		1,186		10,707		57,734	
Mothers	150,362			102,472		623		20,011		14,838	
Fathers	46,668			29,413		25		6,830		6,474	

	Regular establishment		Spanish-American War		Civil War		Indian wars		Mexican Border Service	
	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value	Number	Average monthly value
Total cases	49,201	$196.55	305	$199.42	13	$174.23	1	$147.00	2	$195.00
Compensation	4,066	65.46	3	87.00						
Dependency and indemnity compensation	44,733	207.99	302	200.53	13	174.23	1	147.00	2	195.00
Dependency and indemnity compensation and compensation	402	249.76								
Widow alone	20,257	237.26	285	201.09	6	206.00			2	195.00
Widow and children	7,694	269.43	3	337.33						
Widow, children and mother	801	347.70								
Widow, children, and father	97	339.76								
Widow, children, mother, and father	211	362.73								
Widow and mother	1,115	312.15								
Widow and father	128	292.96								
Widow, mother, and father	172	314.74								
Children alone	7,600	120.77	17	147.00	7	147.00	1	147.00		
Children and mother	907	198.46								
Children and father	127	191.35								
Children, mother, and father	301	214.26								
Mother alone	6,901	76.61								
Father alone	880	69.89								
Mother and father	2,010	92.95								
Total dependents	77,557		310		13		1		2	
Widows	30,475		288		6				2	
Children	30,738		22		7		1			
Mothers	12,418									
Fathers	3,926									

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of H.R. 14117, a bill to increase the rates of compensation for service connected disability and the rates of dependency and indemnity compensation payable to widows and children of men who died in service or as the result of service-connected disability.

It is my privilege, Mr. Speaker, to serve also as the ranking minority member of the subcommittee that considered this legislation. The subcommittee held public hearings on more than 100 bills, all having as their purpose a more generous schedule of payments for service-connected veterans and the survivors of their less fortunate comrades. The bill before the House today, which I am proud to have cosponsored, is the result of our deliberations.

This measure, Mr. Speaker, will authorize increases ranging from 10.7 percent in the monthly compensation payable to veterans with disability evaluated at 10 to 18 percent for those veterans who are 100 percent disabled. Increases are also provided in the special monthly compensation or statutory awards as they are commonly called payable generally for the loss or loss of use of an extremity.

The additional allowances for dependents payable to veterans with disabilities evaluated at 50 percent or more are increased by 15 percent under the terms of the bill.

Monthly payments of dependency and indemnity compensation to widows and children of service-connected deceased veterans are increased under this measure by 17 percent.

Mr. Speaker, these are the major provisions of this very important bill. I need not remind my colleagues that we have always assigned the highest priority to benefits for service-connected disabled veterans and their survivors. Payments were last increased in August 1972. Survivor benefits have gone even longer without an increase—since January of 1972.

President Nixon in a letter to me in which he recommended an increase in payments for service-connected disability and death, said:

In a sense, the Nation can never fully repay these men and women and their families for their devotion and sacrifice. We can assure, however, that the value of the benefits they receive from veterans programs keeps pace with the cost of living, and we can act to assure that VA compensation to service-disabled veterans provides full compensation for impaired earning ability.

Mr. Speaker, I urge that the bill be passed.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I rise in support of H.R. 14117. It is most meritorious since it provides increases in monetary benefits payable to veterans with service-connected disabilities and to the widows and dependent children of those who died from service-connected causes.

Compensation for service-connected disabilities will be increased in a scale ranging from 10.7 to 18 percent in accordance with the severity of the disability. The allowance payable to veterans rated at 50 percent or more for their dependents will be increased 15 percent.

Dependency and indemnity compensation for widows and dependent children will be increased by 17 percent. This is the benefit paid to the survivors of the veteran who died of a service-connected disability.

Under existing law veterans who had wartime service have been granted the protection of what is termed presumptive benefits. This benefit permits the granting of service connection for tropical and chronic diseases which are diagnosed within certain specified periods following discharge from active duty.

The period between the end of the Korean conflict, January 31, 1955, and the beginning of the recognized Vietnam era has been embraced as a wartime period for presumptive purposes. H.R. 14117 will also include those who served after December 31, 1946 and prior to June 27, 1950, the period between World War II and the Korean conflict.

I consider this bill very necessary and will vote for it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to a distinguished member of the committee, the gentleman from Minnesota (Mr. ZWACH.)

Mr. ZWACH. Mr. Speaker, I rise in strong support of H.R. 14117, a bill increasing the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for their survivors.

The major features of the bill include: First, increases of 10.7 percent to 18 percent in basic disability rates; second, 18 percent across-the-board increase for all statutory awards involving severe disabilities; third, a 10-percent increase in the "K" award; fourth, a 15-percent increase in payments to direct dependents of veterans rated 50 percent or more disabled; fifth, a 17-percent across-the-board increase in DIC rates for widows and orphans of veterans; and sixth, an extension of the longstanding presumption of service connection for chronic diseases incurred after wartime service to those veterans who served between December 31, 1946 and June 25, 1950.

Since World War I, we have paid our disabled veterans some form of compensation for service-connected disabilities. We have made periodic increases.

Since the last disability increase (August 1, 1972) the cost of living has increased 12.7 percent. H.R. 14117 provides for a 10.7-percent to 18-percent increase, depending on degree of disability.

Mr. Speaker, the cost of a war does not end when the last man has returned home. The suffering, both physical and financial, continues for a lifetime.

As a member of the Veterans' Affairs Committee I have listened to many hours of testimony and have read many letters from disabled veterans and their dependents. Their story is not a happy one; but it is a proud one. They have served their country well. I for one am very proud of the men and women who have fought to make this country a better place in which to live. The suffering they have gone through cannot be measured in money. Our thanks must be much, much deeper than that.

H.R. 14117 only attempts to "update" old levels of support for disabled veterans and their dependents. The cost of living increases catch us all, but it catches the disabled the most. We must make the necessary adjustments. H.R. 14117 makes some of them, and I support it wholeheartedly.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Massachusetts (Mrs. HECKLER).

Mrs. HECKLER of Massachusetts. Mr. Speaker, I rise in support of a bill that will increase compensation payments to veterans for their service-connected disabilities and to their widows and dependent children when death results from these same disabilities. The payments to survivors will be increased by 17 percent. Compensation increases vary from a little more than 10 percent to as high as 18 percent, with the greater increases going to the more severely disabled. The allowance paid for the dependents of the veterans rated at 50 percent or more will be advanced by 15 percent.

The current law provides for the payment of $47 for what is termed "a statutory award for the loss or loss of use of certain organs." This is a separate amount of money that is paid in addition to the basic rate of compensation. It will be increased to $52 a month under this bill.

The rates of compensation were last increased effective August 1, 1972, and the dependency and indemnity compensation has not been increased since January 1, 1972. At the rate that the cost of living keeps going up, it is manifest that this legislation, H.R. 14117, is overdue and very necessary. I endorse it heartily.

VETERANS' AND SURVIVORS' COMPENSATION INCREASES

When the average American wage earner can barely keep up with the current cost-of-living increases in food, fuel, and rent, it is almost a sure bet that a disabled veteran receiving compensation based on the same rates as on August of 1972 is barely making ends meet, if at all.

Inflation is hitting the pockets of all Americans—food costs have risen by over 20 percent within the past year, gasoline sells on an average of about 55 cents per gallon, and rents and utilities have skyrocketed—creating a severe financial squeeze for millions of Americans.

The situation is doubly serious for the veteran who has come home to a devastating economic situation, a high rate of unemployment, and inadequate compensation to insure him a decent living standard and the chance of professional advancement.

But what happens when the veteran is disabled—and cannot find employment because of severe service-connected disabilities. He is often totally dependent on some form of disability compensation. Salaries do not count for him.

It is incumbent upon us to support our disabled veterans by making certain that compensation is adequate to meet with increased costs of living. We owe a decent level of financial assistance to the hundreds of thousands of men who fought bravely in Southeast Asia. Now it is our turn to see that these men and their families and widows receive what is necessary to maintain the living standard which they expect and deserve.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the distinguished member of the committee, the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Speaker, I rise in support of a bill that increases the benefits payable to the most deserving of our veterans and their dependents. This bill is H.R. 14117.

Under this legislation, veterans with service-connected disabilities will have their compensation increased by up to as much as 18 percent in the more seriously disabled cases. The dependency allowance payable to the veteran with disabilities ratable at 50 percent or more will be increased by 15 percent.

Widows and dependent children who are receiving dependency and indemnity compensation will receive increases of 17 percent. These are the survivors of the veteran who died of a service-connected disability.

This bill also provides that veterans who served after December 31 and before June 25, 1950 will be entitled to the same presumptive protection afforded to wartime veterans and those who served between the end of the Korean conflict and the beginning of the recognized Vietnam era. This provision of the law is one that permits the recognition of tropical and chronic diseases as service-connected if they arise within certain specified periods following discharge from active duty.

In my estimation this legisation is overdue and it gives me great pleasure to vote for it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to a former member of our committee, a gentleman who has made a significant contribution to this piece of legislation, the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I want to compliment the committee on bringing forth this piece of legislation which has been needed for a long period of time.

Mr. Speaker, I support H.R. 14117, a bill to increase the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for their survivors. I feel that these increases are justified by the inflationary pressures which have greatly reduced the purchasing power of these veterans and their survivors.

I wish to discuss section 6 of H.R. 14117, which incorporates a bill which I first introduced in the 89th Congress, and have reintroduced on several occasions during the past 9 years. This section makes presumptions relating to certain diseases applicable to veterans who served during the period between the end of World War II and the beginning of the Korean conflict.

Existing law provides, with respect to veterans who have served at least 90 days during a period of war, or after January 31, 1955, that: First, a chronic disease—other than active tuberculosis, multiple sclerosis, and Hansen's disease—or a tropical disease—as those terms are defined in 38 U.S.C. 301—becoming manifest to a degree of 10 percent or more within 1 year from the date of separation from active service; second, all types of active tuberculosis and Hansen's

disease becoming manifest to a degree of 10 percent or more within 3 years of the date of separation; and third, multiple sclerosis becoming manifest to a degree of 10 percent or more within 7 years of the date of separation, shall, subject to rebuttal, be considered to have been incurred in or aggravated by such service.

Public Law 89–358, the Veterans' Readjustment Act of 1966, extended the presumption to veterans serving after January 31, 1955, which was the date the presumption expired for veterans of the Korean conflict.

The "Vietnam era" is defined for purposes of the presumption as "the period beginning August 5, 1964, and ending on such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress." Since neither the President nor the Congress has acted to declare an end to the "Vietnam era," the presumption continues in effect for personnel now serving in the military.

Therefore, the combined effect of existing law is to allow the presumption for all veterans serving between December 7, 1941, and the present, with the exception of those who served between December 31, 1946, and June 26, 1950. This represents a serious inequity to those veterans, many of whom were drafted, whose service was confined to this three and a half year period.

Since a large percentage of the veterans now entitled to this presumption did not serve in areas of special hazard or during wartime, I see no reason why the veterans serving during the period from the end of World War II and the beginning of the Korean conflict should not be entitled to the same benefits.

Section 6 of H.R. 14117 will insure equal treatment for veterans serving during this period.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. DORN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Speaker, I rise in support of H.R. 14117, to provide cost-of-living increases in the compensation paid to veterans with service-connected disabilities, increases in allowances for dependents of 50 percent or more disabled vets, and increases in indemnities paid to widows and children of veterans who died from service-connected causes. As a cosponsor of this legislation, I am hopeful that it will be enacted by the Congress as expeditiously as possible.

As you remember, the last increase in compensation for service-connected disabled vets was in August of 1972. Since that time, the Consumer Price Index has risen 12.7 percent. Similarly, the last increase in indemnities paid to survivors of vets who died from service-connected causes was in January of 1972. The CPI has risen 14.9 percent since then.

I am sure that the majority of my colleagues have received mail from disabled vets and widows of veterans in their districts, expressing concern over our very high cost of living. I know that I have, and these letters all tell the same story. The present disability compensation and indemnity pay is simply inadequate for these disabled vets and widows of vets to keep step with our soaring inflation. The disability compensation program was originally intended to provide relief for the impaired earning capacity of veterans disabled as a result of their military service. We have a special obligation to these vets, as well as to the widows of vets who gave their lives for their country, and present rates of compensation are not fulfilling that obligation. Survivors of veterans who died from service-connected causes and those who must endure severe handicaps as a result of their military service have a right to live in dignity and comfort. We who benefited from their sacrifices have a responsibility to insure that the compensation afforded to them is realistic and keeps pace with the cost of living.

The increases provided for in H.R. 14117 have been scaled to provide the most help to those in greatest need. It would increase service-connected disability compensation in amounts ranging from 10.7 percent to 18 percent depending on the severity of the disability. In addition, allowances for spouses, children, and dependent parents of 50 percent or more disabled vets would be increased 15 percent across the board. Finally, survivors' indemnity and dependence compensation would also be increased 17 percent across the board.

These are just and necessary increases, and they are important if we are going to provide more than mere token expressions of gratitude to those who made such enduring sacrifices on behalf of this Nation. I urge support for H.R. 14117.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Speaker, I rise today, with great pleasure, to state my strong support for H.R. 14117, which provides increases in the basic rates of disability for veterans.

This country owes more than it is possible to express to its veterans, and those who are disabled deserve even more of our compassion and consideration.

The last increases in disabled veterans' benefits took effect in January 1972—more than 2 years ago. Since that time up until February 28, 1974, the Consumer Price Index has risen 14.9 percent. This is a tremendous jump, which has had disastrous effects on the disabled veteran living on a fixed income. There is no doubt that this increase is and has been badly needed, and should not be denied. I was pleased also to note that the committee chose to provide varied increases in basic rates to reflect the greater need of the more seriously disabled veteran by increasing his payments proportionately more than the others.

Some of the provisions of H.R. 14117 are: It increases basic rates of disability payments from 10.7 to 18 percent depending on the degree of disability involved. It provides an 18-percent across-the-board increase of all statutory awards involving severe disabilities. It provides for a 15-percent increase in payments to direct dependents who are 50-percent disabled, and a 17-percent increase for widows and orphans, of deceased veterans.

Mr. Speaker, I know this is a much-needed shot in the arm for many of our veterans. I had the honor to address a meeting of the Hasbrouck Heights, N.J., Veterans of Foreign Wars commemoration of Loyalty Day on Sunday, and I heard for myself of the dire circumstances which many veterans face without this increase. I urge rapid House/Senate action so the bill can become law as soon as possible.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time.

Mr. DORN. Mr. Speaker, I yield such time as he may consume to the distinguished member of the subcommittee, the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Speaker, I appreciate my chairman yielding. As a member of the Subcommittee on Compensation and Pensions, I am very pleased that this bill has been brought to the House floor and hope it will receive the strong support of my colleagues.

Our service-connected disabled veterans, like other Americans on fixed incomes, have been hard hit in the last 2 years by the ravages of inflation. With the measure under consideration we will be able to restore a portion of their purchasing power and assist them in their time of need as they came to the assistance of freedom and democracy as members of the U.S. Armed Forces.

I would remind my colleagues that, even though the legislation is entitled "The Veterans' and Survivors' Compensation Increases," it will not be an increase in the real sense of the word. Sure, our veterans will receive a bigger check each month, but in reality they will barely catch up to where they were in real dollars before inflation eroded the value of the dollar since the last increase 2 years ago.

Mr. Speaker, for this reason I feel that it is absolutely imperative that we pass this bill and send it to the Senate for their speedy and favorable approval.

Mr. MINISH. Mr. Speaker, I rise in strong support for H.R. 14117, the veterans' and survivors' compensation increases legislation. In these days of constantly soaring inflation, it is the very least we can do to see that our disabled veterans do not fall behind the spiraling cost of living.

The measure before us would provide modest, but necessary, increases in the monthly rates of compensation which are payable to veterans with service-connected disabilities, the rates of additional allowances for dependents payable to such veterans who are rated 50 percent or more disabled, and the rates of dependency and indemnity compensation payable to the widows and children of veterans who have died from service-connected disabilities.

Since August of 1972, when the last increase in these rates took effect, the cost of living has risen more than 13 percent. I, therefore, am pleased to see that the Committee on Veterans' Affairs has recommended increases which in almost every case exceed the rate of inflation.

The bill provides increases for service-disabled veterans rated 10 to 30 percent in amounts ranging from 10.7 to 12 percent. Cases rated 40 and 50 percent disabling are granted increases in the amount of 15 percent. All cases rated 60 percent or more, including the special statutory awards for combinations of serious disabilities, are increased by 18 percent. Finally, with regard to the DIC rates for survivors, a 17-percent boost is provided.

Mr. Speaker, I urge the Members of the House to endorse this legislation with an overwhelmingly favorable vote. Disabled veterans, who have sacrificed so much for their country, deserve this legislation, and they deserve the support of all their elected representatives in the Congress.

Mr. BURKE of Massachusetts. Mr. Speaker, I want to urge my colleagues to support H.R. 14117, a bill entitled, "Increased Rates of Disability Compensation for Veterans and Dependency and Indemnity Compensation for Certain Veterans' Survivors."

Certainly, during this period of economic hardship, we shall not deprive those veterans, who served our Nation at such great personal cost, of their deserved benefits. H.R. 14117, as reported by the House Committee on Veterans Affairs, would increase the rates of disability compensation for service-connected disabled veterans. In addition, this measure would increase indemnity compensation payments to widows and children of deceased veterans whose deaths are service connected.

Veterans' compensation payments would be increased by an average of about 15 percent, while dependency and indemnity compensation payment for survivors are increased by 17 percent.

To withhold increased benefits, upon which so many disabled veterans and their families depend, would be reprehensible. H.R. 14117 will only provide restitution to those who gave so selflessly.

Mr. ROGERS. Mr. Speaker, I rise in support of H.R. 14117, a bill to amend existing veterans' disability compensation laws to increase the rates of disability compensation for disabled veterans, to increase dependency compensation, and to increase survivor indemnity compensation. On March 12, 1974, I introduced a similar bill, H.R. 13421, to increase the rates of compensation for service-connected disabled veterans and their wives and children by 20 percent. Although the bill reported out of the committee does not provide for all of the increase in the rates of compensation that I proposed in my bill, I think it will go a long way to compensate the disabled veteran for his past losses in buying power and increases in other living expenses caused by inflation in the economy.

The bill before the House would provide increases for service-disabled veterans rated 10 to 30 percent in amounts ranging from 10.7 to 12 percent. Veterans rated 40 to 50 percent disabled would receive a 15 percent increase in compensation. Veterans with disabilities rated 60 percent to 100 percent would receive an 18-percent increase in disability compensation.

I commend the Veterans' Affairs Committee for reporting out an increase for subsection "k" compensation which is added on to the basic disability rate compensation where the veteran has suffered certain severe injuries such as the loss of an arm, hand, leg, foot, or eye. The bill that I introduced earlier this session would have amended this section to include the additional compensation for loss of use of a lung and for kidney failure requiring regular dialysis also. I regret that the committee did not include these expensive and severe physical impairments in the reported bill, however, I hope that this will be considered during the next Congress.

In addition the bill before the House would provide for a 15-percent increase in allowances for veterans with service-connected disabilities in excess of 50 percent for the support of their spouse, children, and dependent parents, and it provides for a 17-percent increase in indemnity compensation paid to widows and children of veterans whose death is determined to be the result of military service.

Mr. Speaker, there are currently over 2.2 million veterans who have been disabled while fighting our Nation's wars and who receive disability payments compensation for loss or reduction of their earning capacities resulting from service-connected injuries. The Vietnam war has added 364,000 wounded veterans with disabilities to those of prior wars, so there is a renewed need to emphasize and continue this program. Service-connected disabled veterans received their last increase in compensation on August 1, 1972. Unfortunately, since that date, the Consumer Price Index has reflected a cost-of-living increase of 12 percent. Since the last increase in widows and childrens survivor compensation on January 1, 1974, the Consumer Price Index has reflected a cost-of-living increase of 14.9 percent as of February 28, 1974. It is vitally important that we increase veterans benefits for disabled veterans and their families to keep pace with the spiraling inflation which is particularly injurious to persons on fixed incomes such as many of our disabled veterans.

Mr. Speaker, it is vitally important that we do not neglect our disabled veterans who have so valiantly fought for our Nation during times of war, and I urge other Members of the House of Representatives to join me in support of this worthwhile legislation.

Mr. BIAGGI. Mr. Speaker, I rise to voice my strong support of H.R. 14117 a bill to provide increased compensation payments for millions for disabled veterans, as well as their survivors. Passage of this legislation is vital to the future economic security of these Americans, many of whom find themselves today perched at the brink of poverty.

There should be no fanfare associated with this bill. It is a piece of legislation which is long overdue and is simply designed to provide disabled veterans with the ability to keep up with the skyrocketing cost of living. The severe inflation which has gripped this Nation unrelentlessly for 10 years, has had its most devastating effects in the last 2 years. In this period alone, the all-important economic indicator, the Consumer Price Index has risen by an astonishing 14.7 percent. While all Americans are suffering from the effects of inflation, those Americans who are forced to exist on a fixed monthly or yearly income, have found the last 2 years to be a virtual economic nightmare.

The disabled veteran has been forced to do battle with inflation without having an increase in his compensation since August of 1972. During this period, not only have the prices risen, but so has the unemployment rate and with the traditionally difficult time disabled veterans have obtaining jobs, finding employment has been an almost futile task.

What this bill will do, and I commend the committee for making important revisions to the VA's plan, is the following:

First, for those veterans with a 10 to 30 percent disability their compensation payments would increase by 10 to 12 percent.

Second, for those with 40 to 50 percent disability, the increase would be 15 percent.

Third, the most severely disabled, namely 60 to 100 percent, will receive an increase of 18 percent.

These figures represent the kind of financial assistance we should be affording the brave men who served in defense of their country. We owe these men as much today as we did when they returned from the battlefield. This is especially true for the men who returned from warfare with a disability which prevented them from resuming work. Yet, our efforts have not been enough, for the disabled veteran of today has been struggling to eke out a basic existence, and this to me represents a national disgrace.

In addition, H.R. 14117 will provide needed assistance to the widows and survivors of our disabled veterans. Many of these individuals have endured years of personal and economic hardship as a result of the injuries their husbands and fathers received in the service. Many of these women and children have worked long years to assist in making ends meet. We in the Congress recognize the problems and the legislation we have today seeks to eradicate some of these hardships by providing a 17 percent across-the-board increase in dependency and indemnity compensation payments for all survivors of disabled veterans.

Finally, this bill would create a presumption of service disability for those veterans who served between December 31, 1946 and June 27, 1950. This is the only interval not presently covered by such a presumptive period. As a result,

another long standing inequity will be eliminated, and any veterans who incurred a chronic or tropical disease during this period will not be able to have it deemed as a service connected disability.

Mr. Speaker, the time for talking about helping veterans is passed. Problems like inflation and high costs of education have rendered many veterans to the point of economic despair.

These are problems which demand attention, and are not likely to be solved with merely rhetoric. The legislation we are considering this afternoon represents the kind of positive commitment we need to undertake if we are to eliminate these problems and improve the quality of life for all veterans. Veterans affairs is an important an issue as we will confront in the coming months, and I feel an important step will be achieved with the passage of this bill today by my colleagues.

The disabled veteran through his service and sacrifice in defending his country is responsible for the freedoms and liberties we enjoy today. Just as they helped us in our hour of need, so must we help them.

Mr. BROYHILL of North Carolina. Mr. Speaker, I am very pleased that the House is considering this bill today. This bill will increase rates for disability compensation for veterans and dependency and indemnity compensation (DIC) for certain veterans' survivors.

Several months ago, I cosponsored compensation legislation and I have long supported an increase in compensation benefits. Payments to the deserving veterans, their widows, and dependents must be increased in this time of runaway inflation if their purchasing power is to be maintained in response to the cost of living.

The House Veterans' Affairs Committee has held hearings on compensation and dependency and indemnity compensation. I am glad that the committee has voted to include in this needed legislation an increase in the statutory awards many disabled veterans receive if they suffer from certain anatomical losses. These rates were last increased in 1946 and these deserving disabled veterans are long overdue for an increase in these statutory awards.

We all know that inflation has skyrocketed in recent years. As a grateful and understanding nation, we in the Congress must provide the necessary adjustments to those veterans who were injured or who suffer from injuries as a result of their service to our country. We must also provide assistance to the families of those who have died from service-connected causes.

For many, compensation is the only fixed monthly income and we owe our disabled veterans and their families an increase in the moneys they receive. I trust that the House of Representatives will approve this legislation today and it is my hope that the Senate will promptly consider this important measure.

Mr. MILLER. Mr. Speaker, legislation is before the House today that deserves prompt consideration. I am speaking of H.R. 14117 which increases the rates of disability compensation for disabled veterans and the rates of dependency and indemnity compensation for their survivors. The last basic rate increase in disability compensation was made in August 1972. Since that time the Consumer Price Index has risen 12.7 percent. The House of Representatives has reviewed and increased these compensation rates periodically. With the cruel burden that inflation imposes on the disabled veteran and his family an increase in compensation is overdue.

H.R. 14117 provides for increases in the basic rates of disability of from 10 to 18 percent, depending on the degree of disability. The bill provides for an 18 percent across-the-board increase for all statutory awards that involve severe disabilities. For those dependents of veterans who are 50 percent or more disabled the measure will increase payments by 15 percent. Also, a rate increase of 17 percent is provided for widows and orphans of disabled veterans.

Mr. Speaker, this body has long recognized the heavy debt the Nation owes to those who have served her so well. H.R. 14117 is but another logical step in the payment of that great debt. I urge passage of this bill by the House and would hope that the Senate will also act quickly so that the day when the benefits may be increased will not be long delayed.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 14117, a bill providing increased rates of disability compensation for disabled veterans and increased rates of dependency and indemnity compensation for their survivors.

It is gratifying that both the Congress and the administration recognize the necessity for additional financial assistance to disabled veterans due to the rapidly escalating cost of living. Early in this session, I introduced a similar measure and for this reason I am pleased to support the committee's recommendations for a scaled 18-percent increase to our disabled veterans.

My only regret in considering this measure, is that it has been placed on the Suspension Calendar preventing me from offering an amendment to rectify another blatant hardship which has recently come to my attention. One of my constituents, Mr. Henry Werkman of Washingtonville, N.Y., lost one of his legs as a result of a service-connected disability. More recently, Mr. Werkman lost the use of his second leg; the increased burden on his remaining leg having culminated in its loss of use. However, the Veterans' Administration held that because the loss of his second leg was not "technically" service-connected, Mr. Werkman is not eligible for compensation for the loss of both legs.

His case has been appealed in the Veterans' Administration where we are hopeful of a favorable decision.

However, in light of this particular case and others of the same nature, I have introduced legislation which provides full disability payments to a veteran who has lost the use of one leg in a service-connected disability and at a later date, through no willful misconduct on his own part, looses the use of a second leg or arm through a nonservice connected disability.

There is precedent for this legislation in the existing statutes which provide that a veteran who looses an eye, ear or kidney through a service-connected disability and later looses his second eye, ear or kidney is eligiblie for full disability. Accordingly, it is reasonable to apply the same provision to the loss of a limb.

Mr. Speaker, I wholeheartedly support the disability measure before us and I hope that the House Veterans' Affairs Committee will consider the plight of the Werkmans of our country, men who have given so much and who are not adequately being compensated. I respectfully urge the committee to favorably consider the bill I have introduced, H.R. 14162, in order to legislatively correct this oversight in disability compensation for disabled veterans. We can do no less for those who have given so much.

Mr. BOLAND. Mr. Speaker, I wish to warmly endorse passage of H.R. 14117, which would increase the rates for veterans' and their survivors' compensation in light of recent inflationary trends. The rates of these payments were last adjusted in August of 1972. Since that time, the Consumer Price Index has climbed an additional 12.7 percent.

In response to this inflationary increase in the cost of living and its attendant reduction in buying power for disability payments, dependents' support payments and the dependency and indemnity compensation—DIC—payments, the Veterans' Affairs Committee, under the leadership of its distinguished chairman, the gentleman from South Carolina, has taken what I consider a proper and very thoughtful response. The committee has recommended that veterans with lower rated disabilities receive less of a ratable increase than those whose disability will not allow them to pursue the kind of outside income that many lower rated disabled veterans are able to otbain. Thus the increase range from 10.7 percent for a 10-percent disablement to 18 percent for disablement rated above 60 percent. In addition, the committee has recommended an increase in the so-called "k" award for loss of limb or other losses from $47 to $52—also in recognition of the fact that this add-on award will increase the allowances of those veterans who most often must rely on their veterans' payments as their sole source of income. Lastly, the committee has recommended an across-the-board 17-percent increase in the present DIC rates.

Mr. Speaker, this bill, although it contains dramatic increases in certain cases, will only bring the veterans and their dependents up to a level of compensation that equals that which they enjoyed in August 1972. I need not go on at any length concerning the debt that we individually and collectively owe these men and their families, the sacrifices that they have made for this country and

continue to make. We have many times acknowledged this debt. We are now merely faced with an interest payment on that debt. If it is a heavy one, the fault lies not in our commitment but in our handling of an economy which suffers such a disastrous rate of inflation over such a short time. It is my conviction that we ought to be more concerned with a sound and cohesive economic, monetary, and fiscal offensive against inflation and unemployment than the bill for these veterans payments. I urge this measure's quick passage and an early resolution of the inflationary cycle that makes it necessary.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina (Mr. DORN) that the House suspend the rules and pass the bill, H.R. 14117.

The question was taken.

Mr. HAMMERSCHMIDT. 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 396, nays 0, not voting 37, as follows:

[Roll No. 209]

YEAS—396

Abdnor	Burke, Fla.	Derwinski
Abzug	Burke, Mass.	Devine
Adams	Burleson, Tex.	Dickinson
Addabbo	Burlison, Mo.	Diggs
Alexander	Burton	Dingell
Anderson, Calif.	Butler	Donohue
	Byron	Dorn
Anderson, Ill.	Camp	Downing
Andrews, N.C.	Carter	Drinan
Andrews, N. Dak.	Casey, Tex.	Dulski
	Cederberg	Duncan
Annunzio	Chamberlain	du Pont
Archer	Chappell	Eckhardt
Arends	Chisholm	Edwards, Ala.
Armstrong	Clancy	Edwards, Calif.
Ashbrook	Clark	Eilberg
Ashley	Clausen, Don H.	Erlenborn
Aspin		Esch
Badillo	Clawson, Del	Eshleman
Bafalis	Clay	Evans, Colo.
Baker	Cleveland	Evins, Tenn.
Barrett	Cochran	Fascell
Bauman	Cohen	Findley
Beard	Collier	Fish
Bell	Collins, Ill.	Fisher
Bennett	Collins, Tex.	Flood
Bergland	Conable	Flynt
Bevill	Conlan	Foley
Biaggi	Conte	Ford
Biester	Conyers	Forsythe
Bingham	Corman	Fountain
Blackburn	Cotter	Fraser
Boggs	Coughlin	Frenzel
Boland	Crane	Frey
Bolling	Cronin	Froehlich
Bowen	Culver	Fulton
Brademas	Daniel, Dan	Fuqua
Brasco	Daniel, Robert W., Jr.	Gaydos
Bray		Gettys
Breaux	Daniels, Dominick V.	Giaimo
Breckinridge		Gibbons
Brinkley	Danielson	Gilman
Brooks	Davis, Ga.	Ginn
Broomfield	Davis, S.C.	Goldwater
Brown, Calif.	Davis, Wis.	Gonzalez
Brown, Mich.	de la Garza	Goodling
Brown, Ohio	Delaney	Grasso
Broyhill, N.C.	Dellenback	Gray
Broyhill, Va.	Dellums	Griffiths
Buchanan	Denholm	Gross
Burgener	Dennis	Grover
Burke, Calif.	Dent	Gubser
Gude	Meeds	Scherle
Gunter	Melcher	Schroeder
Guyer	Metcalfe	Sebelius
Hamilton	Mezvinsky	Seiberling
Hammer-schmidt	Michel	Shipley
	Milford	Shoup
Hanley	Miller	Shriver
Hanna	Mills	Shuster
Hanrahan	Minish	Sikes
Hansen, Idaho	Mink	Skubitz
Hansen, Wash.	Minshall, Ohio	Slack
Harrington	Mitchell, Md.	Smith, Iowa
Harsha	Mitchell, N.Y.	Smith, N.Y.
Hastings	Mizell	Snyder
Hawkins	Moakley	Spence
Hays	Mollohan	Staggers
Hébert	Montgomery	Stanton, J. William
Hechler, W. Va.	Moorhead, Calif.	Stark
Heckler, Mass.		Steed
Heinz	Moorhead, Pa.	Steele
Henderson	Mosher	Steelman
Hicks	Moss	Steiger, Ariz.
Hillis	Murphy, Ill.	Steiger, Wis.
Hinshaw	Murphy, N.Y.	Stratton
Hogan	Murtha	Stuckey
Holt	Myers	Studds
Holtzman	Natcher	Sullivan
Horton	Nedzi	Symington
Hosmer	Nelsen	Symms
Howard	Nichols	Talcott
Huber	Obey	Taylor, Mo.
Hudnut	O'Brien	Taylor, N.C.
Hungate	O'Hara	Teague
Hunt	O'Neill	Thompson, N.J.
Hutchinson	Owens	Thomson, Wis.
Ichord	Parris	Thone
Jarman	Passman	Thornton
Johnson, Calif.	Patten	Tiernan
Jones, Okla.	Pepper	Towell, Nev.
Jones, Tenn.	Perkins	Traxler
Jordan	Pettis	Udall
Karth	Peyser	Ullman
Kastenmeier	Pike	Van Deerlin
Kazen	Poage	Vander Jagt
Kemp	Podell	Vander Veen
Ketchum	Powell, Ohio	Vanik
King	Preyer	Veysey
Kluczynski	Price, Ill.	Vigorito
Koch	Price, Tex.	Waggonner
Kuykendall	Pritchard	Waldie
Kyros	Quie	Walsh
Lagomarsino	Quillen	Wampler
Landgrebe	Railsback	Ware
Landrum	Randall	Whalen
Latta	Rangel	White
Lehman	Rarick	Whitehurst
Lent	Rees	Whitten
Litton	Regula	Widnall
Long, La.	Reuss	Wiggins
Lott	Rhodes	Williams
Luken	Riegle	Wilson, Bob
McClory	Rinaldo	Wilson, Charles H., Calif.
McCloskey	Roberts	
McCollister	Robinson, Va.	
McCormack	Robison, N.Y.	Wilson, Charles, Tex.
McDade	Rodino	
McEwen	Roe	Winn
McFall	Rogers	Wolff
McKay	Roncalio, Wyo.	Wright
McKinney	Rooney, Pa.	Wydler
McSpadden	Rosenthal	Wylie
Madden	Rostenkowski	Wyman
Madigan	Roush	Yates
Mahon	Rousselot	Yatron
Mallary	Roy	Young, Alaska
Mann	Roybal	Young, Fla.
Maraziti	Runnels	Young, Ill.
Martin, Nebr.	Ruppe	Young, S.C.
Martin, N.C.	Ruth	Young, Tex.
Mathias, Calif.	Ryan	Zablocki
Mathis, Ga.	St Germain	Zion
Matsunaga	Sarasin	Zwach
Mayne	Sarbanes	
Mazzoli	Satterfield	

NAYS—0

NOT VOTING—37

Blatnik	Jones, Ala.	Rose
Brotzman	Jones, N.C.	Sandman
Carey, N.Y.	Leggett	Schneebeli
Carney, Ohio	Long, Md.	Sisk
Flowers	Lujan	Stanton, James V.
Frelinghuysen	Macdonald	
Green, Oreg.	Morgan	Stephens
Green, Pa.	Nix	Stokes
Haley	Patman	Stubblefield
Helstoski	Pickle	Treen
Holifield	Reid	Wyatt
Johnson, Colo.	Roncallo, N.Y.	Young, Ga.
Johnson, Pa.	Rooney, N.Y.	

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Morgan with Mr. Patman.
Mr. Stubblefield with Mr. Leggett.
Mr. Rooney of New York with Mr. Blatnik.
Mr. Green of Pennsylvania with Mr. Reid.
Mr. Haley with Mr. Stephens.
Mr. Macdonald with Mrs. Green of Oregon.
Mr. James V. Stanton with Mr. Brotzman.
Mr. Rose with Mr. Johnson of Pennsylvania.
Mr. Carey of New York with Mr. Jones of North Carolina.
Mr. Carney of Ohio with Mr. Lujan.
Mr. Holifield with Mr. Frelinghuysen.
Mr. Nix with Mr. Long of Maryland.
Mr. Stokes with Mr. Sisk.
Mr. Jones of Alabama with Mr. Sandman.
Mr. Young of Georgia with Mr. Wyatt.
Mr. Helstoski with Mr. Schneebeli.
Mr. Flowers with Mr. Roncallo of New York.
Mr. Pickle with Mr. Treen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. DORN. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 3072) to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1974".

TITLE I—VETERANS DISABILITY COMPENSATION

SEC. 101. (a) Section 314 of title 38, United States Code, is amended—

(1) by striking out "$28" in subsection (a) and inserting in lieu thereof "$32";

(2) by striking out "$51" in subsection (b) and inserting in lieu thereof "$59";

(3) by striking out "$77" in subsection (c) and inserting in lieu thereof "$89";

(4) by striking out "$106" in subsection (d) and inserting in lieu thereof "$122";

(5) by striking cut "$149" in subsection (e) and inserting in lieu thereof "$171";

(6) by striking out "$179" in subsection (f) and inserting in lieu thereof "$211";

(7) by striking out "$212" in subsection (g) and inserting in lieu thereof "$250";

(8) by striking out "$245" in subsection (h) and inserting in lieu thereof "$289";

(9) by striking out "$275" in subsection (i) and inserting in lieu thereof "$325";

(10) by striking out "$495" in subsection (j) and inserting in lieu thereof "$584";

(11) by striking out "$47" and "$616" and "$862" in subsection (k) and inserting in lieu thereof "$52" and "$727" and "$1,017", respectively;

(12) by striking out "$616" in subsection (l) and inserting in lieu thereof "$727";

(13) by striking out "$678" in subsection (m) and inserting in lieu thereof "$800";

(14) by striking out "$770" in subsection (n) and inserting in lieu thereof "$909";

(15) by striking out "$862" in subsections (o) and (p) and inserting in lieu thereof "$1,017";

(16) by striking out "$370" in subsection (r) and inserting in lieu thereof "$437"; and

(17) by striking out "$554" in subsection (s) and inserting in lieu thereof "$654".

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 102. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out "$31" in subparagraph (A) and inserting in lieu thereof "$36";

(2) by striking out "$53" in subparagraph (B) and inserting in lieu thereof "$61";

(3) by striking out "$67" in subparagraph (C) and inserting in lieu thereof "$77";

(4) by striking out "$83" and "$15" in subparagraph (D) and inserting in lieu thereof "$95" and "$17", respectively;

(5) by striking out "$21" in subparagraph (E) and inserting in lieu thereof "$24";

(6) by striking out "$36" in subparagraph (F) and inserting in lieu thereof "$41";

(7) by striking out "$53" and "$15" in subparagraph (G) and inserting in lieu thereof "$61" and "$17", respectively;

(8) by striking out "$25" in subparagraph (H) and inserting in lieu thereof "$29"; and

(9) by striking out "$48" in subparagraph (I) and inserting in lieu thereof "$55".

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

SEC. 201. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

"Pay grade	Monthly rate
E-1	$215
E-2	221
E-3	228
E-4	241
E-5	248
E-6	254
E-7	266
E-8	281
E-9	[1] 294
W-1	271
W-2	282
W-3	291
W-4	307
O-1	271
O-2	281
O-3	301
O-4	318
O-5	350
O-6	394
O-7	427
O-8	467
O-9	502
O-10	[2] 549

"[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $316.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be $589.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $26 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to the widow shall be increased by $64 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

SEC. 202. Section 413 of title 38, United States Code, is amended to read as follows:

"Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $108.

"(2) Two children, $156.

"(3) Three children, $201.

"(4) More than three children, $201, plus $40 for each child in excess of three.".

SEC. 203. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$55" and inserting in lieu thereof "$64".

(b) Subsection (b) of section 414 of such title is amended by striking out "$92" and inserting in lieu thereof "$108".

(c) Subsection (c) of section 414 of such title is amended by striking out "$47" and inserting in lieu thereof "$55".

SEC. 204. Section 322(b) of title 38, United States Code, is amended to read as follows:

"(b) The monthly rate of death compensation payable to a widow or dependent parent under subsection (a) of this section shall be increased by $64 if the payee is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.".

SEC. 205. (a) Section 342 of title 38, United States Code, is amended by striking out "equal" and all that follows down through the end thereof and inserting in lieu thereof "those specified in section 322 of this title".

(b) Section 343 of such title is hereby repealed.

(c) The table of sections at the beginning of subchapter V of chapter 11 of title 38, United States Code, is amended by striking out the following:

"343. Conditions under which wartime rates are payable.".

SEC. 206. (a) The Administrator of Veterans' Affairs shall make a detailed study of claims for dependency and indemnity compensation relating to veterans, as defined in section 101(2), title 38, United States Code, who at time of death within six months prior to the date of enactment of this Act were receiving disability compensation from the Veterans' Administration based upon a rating total and permanent in nature.

(b) The report of such study shall include (1) the number of the described cases, (2) the number of cases in which the specified benefit was denied, (3) an analysis of the reasons for each such denial, (4) an analysis of any difficulty which may have been encountered by the claimant in attempting to establish that the death of the veteran concerned was connected with his or her military, naval, or air service in the Armed Forces of the United States, and (5) data regarding the current financial status of the widow, widower, children, and parents in each case of denial.

(c) The report together with such comments and recommnedations as the Administrator deems appropriate shall be submitted to the Speaker of the House and the President of the Senate not more than thirty days after the beginning of the Ninety-fourth Congress.

TITLE III—PAYMENT OF BENEFITS TO PERSONS UNDER LEGAL DISABILITY

SEC. 301. (a) Subsection (a) of section 3202 of title 38, United States Code, is amended to read as follows:

"(a) Where it appears to the Administrator that the interest of the beneficiary would be served thereby, payment of benefits under any law administered by the Veterans' Administration may be made directly to the beneficiary or to a relative or some other person for the use and benefit of the beneficiary, regardless of any legal disability on the part of the beneficiary. Where, in the opinion of the Administrator, any fiduciary receiving funds on behalf of a Veteran's Administration beneficiary is acting in such a number of cases as to make it impracticable to conserve properly the estates or to supervise the persons of the beneficiaries, the Administrator may refuse to make future payments in such cases as he may deem proper."

(b) Subsection (c) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or other person legally vested with the care of the claimant or his estate", following the word "any" and inserting "fiduciary or other person for the purpose of payment of benefits payable under laws administered by the Veterans' Administration" and by deleting the word "estates" and inserting the word "benefits".

(c) Subsection (e) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate," following the words "hands of a ", and inserting in lieu thereof the words "fiduciary appointed by a State court or the Veterans' Administration" and by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate", following the word "such", and inserting in lieu thereof the word "fiduciary".

(d) Subsections (f) and (g) of section 3202 of title 38, United States Code, are hereby repealed.

SEC. 302. Subsection (a) (4) of section 1701 of title 38, United States Code, is amended to read as follows:

"(4) The term 'guardian' includes a fiduciary legally appointed by a court of competent jurisdiction, or any other person who has been appointed by the Administrator under section 3202 of this title to receive payment of benefits for the use and benefit of the eligible person.".

TITLE IV—EFFECTIVE DATES

SEC. 303. Subsection (a) (4) of section 1701 become effective on May 1, 1974, except that title III shall become effective on the first day of the second calendar month following enactment.

AMENDMENT OFFERED BY MR. DORN

Mr. DORN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORN: strike out all after the enacting clause of S. 3072 and insert in lieu thereof the provisions of H.R. 14117, as passed by the House.

The amendment was agreed to.

The Senate bill was ordered to be read

a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 14117) was laid on the table.

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.

RETURN OF ENROLLED BILL H.R. 11793, REORGANIZATION AND CONSOLIDATION OF CERTAIN FUNCTIONS IN FEDERAL ENERGY ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

Pursuant to House Concurrent Resolution 485, I am hereby returning the enrolled bill H.R. 11793, "An Act to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions," to the House of Representatives for the purpose of making necessary technical corrections.

RICHARD NIXON.

THE WHITE HOUSE, *May 7, 1974.*

DESIGNATING CERTAIN LANDS IN THE FARALLON NATIONAL WILDLIFE REFUGE, CALIFORNIA, AS WILDERNESS; AND ADDING CERTAIN LANDS TO POINT REYES NATIONAL SEASHORE

Mr. MELCHER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11013) to designate certain lands in the Farallon National Wildlife Refuge, California, as wilderness; to add certain lands to the Point Reyes National Seashore; and for other purposes, as amended.

The Clerk read as follows:

H.R. 11013

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

TITLE I

SEC. 101. In accordance with section 3(c) of the Wilderness Act of September 3, 1964 (78 Stat. 890, 892; 16 U.S.C. 1132(c)), certain lands in the Farallon National Wildlife Refuge, California, which comprise about one hundred and forty-one acres and which are depicted on a map entitled "Farallon Wilderness—Proposed" and dated October 1969, and revised March 1970, are hereby designated as wilderness. The map shall be on file and available for public inspection in the offices of the Bureau of Sport Fisheries and Wildlife, Department of the Interior.

SEC. 102. The area designated by this Act as wilderness shall be known as the Farallon Wilderness and shall be administered by the Secretary of the Interior in accordance with the applicable provisions of the Wilderness Act.

TITLE II

SEC. 201. Section 2 of the Act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459C–1), is further amended by including the following new subsection (c):

"(c) The Point Reyes National Seashore shall include, in addition to those lands hereinbefore described, such lands as are depicted on the map entitled 'Planning Map, Point Reyes National Seashore, Marin County, California', numbered 8530/30006A and dated February 1974, to which a legal description of such lands shall be attached. For the purposes of this subsection, there are authorized to be appropriated for the acquisition of lands such sums as may be necessary, but not to exceed $200,000."

Amend the title so as to read: "A bill to designate certain lands in the Farallon National Wildlife Refuge, California, as wilderness; to add certain lands to the Point Reyes National Seashore; and for other purposes."

The SPEAKER. Is a second demanded?

Mr. STEIGER of Arizona. Mr. Speaker, I demand a second.

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

There was no objection.

The SPEAKER. The gentleman from Montana (Mr. MELCHER) will be recognized for 20 minutes, and the gentleman from Arizona (Mr. STEIGER) will be recogized for 20 minutes.

The Chair recognizes the gentleman from Montana (Mr. MELCHER).

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

Mr. Speaker, H.R. 11013 designates certain lands in the Farallon National Wildlife Refuge, San Francisco, Calif., as wilderness. It was unanimously reported out of the Committee on Interior and Insular Affairs, as amended, by voice vote on February 6, 1974.

The bill would designate as wilderness 141 acres of the existing 211-acre Farallon National Wildlife Refuge which is located on four island groups about 28 miles offshore from San Francisco County, Calif. It includes all of the islands except the 70-acre Southeast Farallon Island, which has an extensive lighthouse installation.

The refuge preserves the natural condition of the islands and provides protection to some 200,000 nesting sea birds of 11 species.

The Presidential recommendation for wilderness designation in the case of the Farallon proposal is dated April 28, 1971. The committee endorsed the designation of this portion of the refuge for addition to the National Wilderness System.

An amendment adopted by the committee also adds about 168 acres to the existing Point Reyes National Seashore in California.

This action was taken to correct what was described as a surveying error which apparently was made when the original legislation was enacted in 1962. The seashore now contains 64,850 acres—the additional acreage is located along the Inverness Ridge adjacent to the existing national seashore.

While the Farallon Wilderness Area will require no additional Federal investment, title II of the bill relating to the Point Reyes addition authorizes the appropriation of not more than $200,000 to acquire the lands involved.

Mr. Speaker, I want to make it clear that by unanimous consent the committee agreed to the Point Reyes amendment as an amendment to this bill. These lands involve about 16 acres and they are located along and adjacent to the Inverness Ridge and would be conspicuous to visitors to the seashore if developed.

It was our understanding that these lands were intended to be included in the seashore but that, apparently due to a surveying error, they were excluded.

It is, I am told, a beautiful location, especially since the integrity of the area between the ridge line and the sea would be assured by Government ownership.

Mr. Speaker, naturally every private owner involved in the acquisition area of a wilderness area would prefer to retain his individual holdings. However, for the purpose of the seashore it is only practical to bring this 168 areas in. If this legislation is approved, as recommended by the committee, the Secretary would be authorized to acquire the lands in question by purchase, donation, or exchange. We did not have precise land cost data, but it is anticipated that these costs would not exceed $200,000. For that reason the committee expressly limited the appropriation authorization that amount.

Mr. Speaker, this amendment will accomplish a worthy goal. It has the support of the local county planning commission and was considered by the committee after the California Assembly memorialized the Congress to add these lands to the seashore. I think it is a constructive effort to resolve a potentially difficult development problem if not promptly resolved.

I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

The lands to be purchased, then, are to be purchased from private owners. Is that correct?

Mr. MELCHER. That is correct.

Mr. GROSS. The Federal Government has had no title to these lands at any time or, at least, not over a long span of years?

Mr. MELCHER. That is correct.

Mr. GROSS. I thank the gentleman.

Mr. STEIGER of Arizona. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I would just like to comment on the legislation presently before us if I might.

The gentleman from Montana described an amendment that was put on in the committee, and I think it would be fitting if we had some reflection in the record of the fairly unique nature of this amendment that was offered in the committee and accepted.

It is not only a tribute to the gentleman from California, Mr. BURTON'S political mechanical skill but was also sufficiently unique that it caught the attention of the administration. They asked that their opposition to this amendment be registered.

As the ranking member of the subcommittee, I attempted to find someone willing to oppose the amendment but could find nobody. However, I want the record to reflect the administration's

concern; it is not the concern of any of the minority members of the committee or, indeed, of anybody else that I can find.

Mr. HOSMER. Will the gentleman yield?

Mr. STEIGER of Arizona. I am glad to yield to the gentleman, a ranking member of the subcommittee.

Mr. HOSMER. I am glad the gentleman from Arizona brought out that fact, because this opposition, as far as I can gather, from someone in the administration does not really go to the merits of the bill but, rather, to the procedures by which it came here. They claim the inalienable right to say what the Congress can or cannot do before any such measure is brought here. Congress, on the other hand, the way I read the Constitution, is an independent body of the Government and has every right and reason to bring something like this in if it feels it is proper to do so.

It has been brought in here. I believe this is a good measure.

I suggest that the Farallon Islands and Point Reyes are both nice places to see, particularly when you are coming in from the far Pacific to make a landfall after having been out in nowhere for a long time. As I say, they are a great sight to see. They are even better sights if you make sure you see them, because otherwise they are hazards to navigation, and you might run aground up on the beach.

So this new legal status that is going to be attributed to both of these places may produce an additional advantage, maybe they will keep the lighthouses a little cleaner, and the lights shining a little brighter.

I thank the gentleman for yielding.

Mr. STEIGER of Arizona. Mr. Speaker, I thank the gentleman from California for injecting that bit of nautical wisdom into this discussion.

Mr. MELCHER. Mr. Speaker, I yield such time as he may consume to the chairman of the Subcommittee on Parks and Recreation, and the acting chairman of the Committee on Interior and Insular Affairs, the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Speaker, I would like to point out to the Members a bit of history regarding Point Reyes National Seashore by saying that it was intended in the beginning that this seashore area would go to the top of Inverness Ridge. Instead, the boundary line was placed below the top of the ridge due to a surveying error.

In order to keep the seashore in conformity with the original intent, we do need to include these 168 acres which will be added to the 64,000-acre park. The costs are estimated at $200,000, which will come from the land and water conservation fund. Time is of the essence because of threatened private development on the ridgetop.

Mr. Speaker, I might also point out that our Committee on Interior and Insular Affairs has been tied up in meetings two and sometimes three times a week on the surface coal mining bill, and that this approach seemed to be the most expeditious method by which this needed change in the Point Reyes National Seashore boundary could be brought before the House.

Mr. STEIGER of Arizona. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I rise briefly to concur in the statements made by the chairman of the Subcommittee on Parks and Recreation of the Committee on Interior and Insular Affairs, the gentleman from North Carolina (Mr. TAYLOR), and to also concur in the remarks that have been made by the gentlemen who have preceded me, both the gentleman from Montana (Mr. MELCHER), and the gentleman from Arizona (Mr. STEIGER).

I think the record should reflect that there has been some opposition to the acquisition of this land by some of the private owners. However, it has been brought to my attention that the board of supervisors of Marin County and the legislators of that area are in support of completing this land acquisition which will protect the panorama of Inverness Ridge which was originally intended as the boundaries of the Point Reyes National Seashore.

So I concur in what the gentlemen have stated, and support the legislation as presented.

Mr. BURTON. Mr. Speaker, I would like to express my appreciation to the distinguished subcommittee chairman, Mr. MELCHER—and the full committee—for their help in approving my bill (H.R. 11013) to designate a portion of the Farallon Island as a wilderness area and to acquire certain additional land for the Point Reyes National Seashore.

This proposal is supported by all of the conservation groups and deserves to be enacted into law.

The following, more detailed, explanation of the bill may be of interest to my colleagues:

FARALLON NATIONAL WILDLIFE REFUGE

TITLE I—FARALLON WILDERNESS

Explanation and Need

The Wilderness Act of September 3, 1964 (78 Stat. 890), directed the Secretary of Agriculture to review, within ten years, areas within the National Forest System to determine their suitability for preservation as wilderness. The Secretary of the Interior was directed to review areas within national parks, national monuments, wildlife refuges and game ranges for the same purpose. Upon finding favorable to wilderness designation, the respective Departments were directed to submit their recommendations to the President in order that he might advise the Congress of his recommendations regarding these areas. Any such recommendation of the President for designation of an area as wilderness becomes effective only if so provided by an act of Congress.

The above outlined procedure was followed in the case of the Farallon proposal. The Presidential recommendation is dated April 28, 1971, and it, together with the accompanying explanation and justification, is contained in House Document 92-102, Part 10.

This proposed wilderness contains 141 acres of the existing 211 acre Farallon National Wildlife Refuge. The refuge consists of the emerged land of four rugged and picturesque island groups above mean high tide. It extends over about seven miles of Pacific Ocean, 28 miles offshore from San Francisco County, California. The proposal includes all of the islands except the 70-acre southeast Farallon Island which has an extensive lighthouse installation. Personnel from the Point Reyes Bird Observatory are residents on the island and Coast Guardsmen stay overnight on an intermittent basis.

Middle Farallon is a single rock, 50 yards in diameter and 20 feet high. The North Farallons are four miles to the north in two clusters of bare precipitous rocks. They reach a height of 155 feet. Noonday Rock, three miles further to the north, is awash most of the time and is a feeding ground for diving birds.

The Farallon Refuge was originally the three northern island groups of 91 acres, established in 1909 by Executive order of President Roosevelt. The Southeast Farallons were added by Executive order in 1969. The U.S. Coast Guard has primary jurisdiction of this addition and concurs in this proposal.

Geologically, the Farallon Islands are a granitic formation of a decomposing crystalline type. There are some pockets of shallow soil, particularly on the less vertical portions of Southeast Farallon. No significant mineral deposits are known to exist on any of the islands.

The climate is characterized by frequent strong winds and dense fog. Rainfall occurs mainly during winter, with summer moisture usually limited to damp fogs. Annual precipitation is approximately 10 inches.

Vegetation is sparce. Farallon weed, a plant indigenous to the islands, predominates. Fourteen other native plants, 68 marine algae, and six lichens have been identified on Southeast Farallon and most of these occur on certain of the other islands as well.

The refuge preserves the natural condition of the islands and provides protection to some 200,000 nesting sea birds of 11 species. There are no active habitat management programs on the islands. The cormorant colony complex is the largest on the Pacific Coast outside Alaska. Also present are the Cassin's auklet, western gull, ashy petrel, common murre, tufted puffin, and black oystercatcher. The California and stellar sea lions haul out on these rocks.

Access to the islands is limited to protect bird colonies, but boat tours around the refuge are sponsored by the San Francisco Bay area chapter of the National Audubon Society for birdwatching.

The Committee endorses the designation of this portion of the Farallons National Wildlife Refuge for addition to the wilderness system and recommends enactment of H.R. 11013 as amended.

TITLE II—POINT REYES NATIONAL SEASHORE ADDITION

During the deliberations on this legislation by the Committee on Interior and Insular Affairs mention was made of the fact that a surveying error had apparently been made in the original boundaries of the Point Reyes National Seashore. To correct this mistake, the Committee agreed to an amendment making this minor (167.83A) boundary adjustment. Prompt action is considered necessary in order to avoid, to the extent possible, any further development on the lands in question.

By way of background, it should be noted that the legislative history of the original Act creating the Point Reyes National Seashore strongly suggests that the Inverness Ridge, south of Tomales Bay State Park, should be the boundary for this portion of the seashore. This, it was argued, was essential if the esthetic natural setting of the seashore was to be adequately protected since the Ridge is the natural visual barrier between the seashore and lands further inland. In addition to its line-of-sight value, it was important to include all of these lands

in order to assure the integrity of the watershed, as well.

Apparently, this boundary error went unnoticed in the complicated metes and bounds description when the original legislation was enacted in 1962. Relatively recently it was learned that certain residential dwellings had been constructed or were being planned along the Ridge. This development generated further review and the discovery of the error in the boundary which H.R. 11013, as amended, is designed to correct.

As explained to the Committee, some of the landowners involved are willing to sell their holdings to the United States so that the lands can be included in the seashore. Undoubtedly, since some choice sites are involved, some will not sell unless their lands are acquired by eminent domain. In all cases, the landowners will be entitled to just compensation for any lands included in the seashore.

This boundary change—which involves less than 170 acres in a seashore now totaling 64,850 acres—has, in fact, been endorsed by the local county planning commission and reflects a memorial approved by the California Assembly urging the Congress "to change the boundaries of the Point Reyes National Seashore to include within it the last remaining undeveloped parcel on Inverness Ridge overlooking the national seashore. . . ."

COMMITTEE AMENDMENT

The only substantive Committee amendment to H.R. 11013 would add 167.83 acres to the Point Reyes National Seashore. All of these lands are located along the Inverness Ridge and are adjacent to the existing national seashore.

COST

While the Farallon Wilderness Area will require no additional Federal investment, Title II of the bill relating to the Point Reyes addition authorizes the appropriation of not more than $200,000 to acquire the lands involved. In making this recommendation, the Committee notes that the land acquisition program for this seashore is now virtually complete—only 577 acres of the lands in the land acquisition program remain in private ownership and they are included in the acquisition program presently underway. It is anticipated that between $7 and $8 million of the existing authorization ceiling will not be needed and will be available for use at other project areas.

COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs recommends that H.R. 11013, as amended, be approved. The bill was unanimously reported, with the amendment, by a voice vote.

The SPEAKER. The question is on the motion offered by the gentleman from Montana (Mr. MELCHER) that the House suspend the rules and pass the bill H.R. 11013, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MELCHER. 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, H.R. 11013.

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

There was no objection.

NATIONAL SCHOOL LUNCH ACT AMENDMENTS

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14354) to amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes, as amended.

The Clerk read as follows:

H.R. 14354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by redesignating section 14 as section 15 and by inserting immediately after section 13A the following new section:

"COMMODITY DISTRIBUTION PROGRAM

"SEC. 14. Notwithstanding any other provision of law, the Secretary, during the period beginning July 1, 1974, and ending June 30, 1975, may—

"(1) use funds available to carry out the provisions of section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)) which are not expended or needed to carry out such provisions, to purchase (without regard to the provisions of existing law governing the expenditure of public funds) agricultural commodities and their products of the types customarily purchased under such section, for donation to maintain the annual programed level of assistance for programs carried on under this Act, the Child Nutrition Act of 1966, and title VII of the Older Americans Act of 1965; and

"(2) if stocks of the Commodity Credit Corporation are not available, use the funds of such Corporation to purchase agricultural commodities and their products of the types customarily available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), for such donation.".

SEC. 2. The first sentence of section 3 of the National School Lunch Act, as amended (42 U.S.C. 1752) is amended by striking out "sections 11 and 13" and by inserting in lieu thereof "section 13".

The SPEAKER. Is a second demanded.

Mr. SYMMS. Mr. Speaker, I demand a second.

Mr. QUIE. Mr. Speaker, I demand a second.

Mr. SYMMS. Mr. Speaker, I make a parliamentary inquiry: Is the gentleman from Minnesota (Mr. QUIE) opposed to to the bill?

Mr. QUIE. No, Mr. Speaker, I am not opposed to the bill. I am in favor of the bill.

The SPEAKER. Is the gentleman from Idaho opposed to the bill?

Mr. SYMMS. I am, Mr. Speaker.

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

There was no objection.

Mr. PERKINS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am bringing up for consideration today H.R. 14354, a bill to amend the National School Lunch Act in order to authorize the use of certain funds to purchase agricultural commodities for distribution to schools.

This bill has one single purpose—to assure that school lunch programs will continue to receive the normal level of agricultural commodities which for many years have been purchased and distributed to schools by the Department of Agriculture. This is necessary in order that the nutritional quality of the lunches served to the children in our Nation's schools will be maintained.

The Department of Agriculture has budgeted $290 million for the direct purchase and donation of agricultural commodities to the school lunch program for the fiscal year 1975. This bill would not in any way increase this budgeted amount. In fact, the figure of $290 million is $17 million less than was expended for food commodities by the USDA in the current fiscal year.

However, the USDA would not have been able to continue the program of purchase and donation of foods during this fiscal year in the absence of special authority granted by the Congress last summer. H.R. 14354 would continue this special purchase authority for just 1 additional year. This 1-year extension has been supported by the Department of Agriculture in testimony before the House Education and Labor Committee.

In simple terms, this bill authorizes the Secretary of Agriculture, on a permissive basis, to utilize funds available under section 32 of the act of August 24, 1935 and the funds of the Commodity Credit Corporation in order to maintain the annually programed level of direct food assistance to the school lunch program. Again, let me repeat that the USDA has already budgeted these section 32 and Commodity Credit Corporation funds for this very purpose for the fiscal year 1975.

There are, as you know, three primary sources of funds for the purchase and donation of foods to the school lunch and child nutrition programs. Let me discuss them separately.

First, there is section 6 of the National School Lunch Act. This provision of law authorizes the Secretary of Agriculture to use part of the Federal funds appropriated to the school lunch program for the direct purchase and donation of foods to the school lunch program. Over a period of many years, the source of these section 6 funds has been a transfer from section 32 funds under annual appropriation acts. Under authority of the National School Lunch Act, the Secretary has authority to use section 6 funds in order to purchase nutritious foods for the lunch program without restriction. Accordingly section 6 is not covered by H.R. 14354.

Second, there is the section 32 purchase and donation authority. The funds available under section 32 have amounted to nearly $1 billion annually. These funds are derived annually from an amount equal to 30 percent of customs receipts and are automatically available to the USDA without a direct appropriation. By law, these funds are to be used to encourage domestic consumption of agricultural commodities and for other purposes.

Historically, these funds have been used for the purchase and donation of foods to the school lunch program, beginning in the late 1930's. Also, in recent years, large amounts of section 32 funds have been transferred to the school lunch program in order to finance the service of free lunches to needy children. For the current fiscal year the sum of $428 mil-

lion has been so transferred. This has been accomplished through appropriation acts and has not involved any legislative amendment to the section 32 law.

Also, on several occasions, legislation coming out of the House Education and Labor Committee has approved the special transfer of section 32 funds to help support the school lunch and child nutrition programs. As examples, I will cite Public Law 92–32, approved June 30, 1971, Public Law 92–433, approved September 26, 1972, and Public Law 93–150, approved November 7, 1973.

The third source of commodity assistance to the school lunch program has been those foods acquired by the Commodity Credit Corporation of the Department of Agriculture. In the past, such foods have been donated to schools under section 416 of the Agricultural Act of 1949, as amended. For the most part, these foods have not come out of food stocks held by the Commodity Credit Corporation. Rather, they have been purchased on the open market from processors in the form and packaging suitable for the school lunch program.

In conclusion, I would like to make these points:

First. This legislation is necessary to continue the distribution of an adequate supply of commodities to schools.

Second. The Department of Agriculture has testified that it supports a 1-year extension of this special purchase and donation authority.

Third. There is a great deal of legislative precedent for the use of section 32 funds to support and strengthen the school lunch program.

Fourth. The proposed legislation does not in any way amend the section 416 donation authority. This donation authority is designed "to prevent the waste of commodities whether in private stocks or acquired through price support operations by the Commodity Credit Corporation before they can be disposed without impairment of the price support program." Rather, it simply authorizes the use of funds available to the Commodity Credit Corporation for the purchase and donation of foods to the school lunch program. Further, it does not in any way affect or alter the operation of price support programs as authorized by law.

Finally, let me say that there is no intent to invade in any way the prerogatives of any other committee of the House, either legislative or appropriations. The single purpose, as I have stated earlier, is to set a national policy that the highest priority will be given to fulfilling the nutritional needs of our Nation's children. Regardless of any other issues, I know that everyone of us joins in this purpose.

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

Mr. PERKINS. I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I rise to urge my colleagues to support H.R. 14354, the National School Lunch Amendments of 1974. As a member of the Education and Labor Committee which approved this legislation I have some familiarity with the bill and the issue, and wish to outline its importance to you.

This bill authorizes the Secretary of Agriculture to continue for 1 additional year the purchase of commodities at "nonsurplus" or "market" price for distribution to feeding programs carried on under the School Lunch Act, the Child Nutrition Act, and title VII of the Older Americans Act.

This legislation will require no increase in funding, and the base amounts carried over from last year are modest: 934.4 million pounds of food commodities costing $305.5 million. In this country, which is so rich in so many ways, there is no excuse for hunger and malnutrition. This program will go a considerable distance toward seeing that we need not make any excuse.

We are, however, not extending the program for more than 1 year because it is time we took a broad look at the nature of the program. The time has passed when this Nation has enormous surpluses of free food to give away. Food prices for the paying consumer are also rising significantly. Clearly things cannot continue as they have. It is with this situation in mind that the committee has decided to ask for a 1-year extension of the National School Lunch Amendments, rather than for a longer period.

But make no mistake; this program is very necessary for the immediate future. I urge all my colleagues to support this important Federal effort.

Mr. PERKINS. I thank the distinguished gentleman from New York.

Mr. Speaker, I will not take any further time at this point and I yield now to the gentleman from Minnesota (Mr. QUIE) 5 minutes.

Mr. QUIE. Mr. Speaker, as Chairman PERKINS has indicated, this is a very simple—but nonetheless important bill—relating to the authority of the Department of Agriculture to purchase commodities not in surplus for distribution to feeding programs authorized by three acts under the jurisdiction of our committee. These are the School Lunch Act, the Child Nutrition Act, and title VII of the Older Americans Act—nutrition for the elderly.

The basic authority of the Secretary to purchase nonsurplus foods at market prices to maintain "the annually programed level of assistance for schools, domestic relief distribution, and such other food assistance programs as are authorized by law" was contained in Public Law 93–86, which originated in the Committee on Agriculture. This authority expires June 30, 1974. H.R. 14354 extends only part of that authority—with respect to programs within the jurisdiction of the Committee on Education and Labor—for 1 year. It is permissive authority, and there is no additional cost involved beyond that amount already budgeted for commodity purchases. The Department favors and needs this additional year in order that there is no disruption in these programs.

Now it is true that there are two kinds of disputes with respect to this bill, but neither should hinder its speedy enactment. The first is purely jurisdictional as the basic and broader authority to purchase commodities not in surplus was contained in the Agriculture and Consumer Protection Act of 1973, which is within the jurisdiction of the Committee on Agriculture.

That committee now has under consideration proposals to extend that authority. But since the committee had not acted, we felt it imperative to act with respect only to the programs within the jurisdiction of our committee. Failure to act speedily could cause unnecessary doubt and confusion among those in States and local communities responsible for these programs, and might result in actual disruptions of the programs.

The second issue cannot be determined by this legislation. It is whether the Federal Government should continue commodity purchases unrelated to surplus removal, or simply increase the cash support available to these programs. I think all of us perhaps need more information on that issue than we now have, and as I have said, in any event we could not discontinue the present system at this late date without severe disruption in the programs. In fiscal year 1973 the Department of Agriculture purchased and distributed commodities to schools valued at $260.2 million. In addition, because the Department could purchase the full amount it had budgeted, it distributed an additional $70 million in cash to the schools to enable them to purchase food directly.

The value of this assistance averaged 6.4 cents per meal in commodities and 1.8 cents in cash, for a total of 8.2 cents per meal served. The average cost of a school lunch in fiscal 1973 was 74.8 cents, which includes both cash support and the value of donated commodities. The food element in that cost was 41.5 cents per meal. So, I think it is evident that even though the bulk of food purhases are made at the local level, the Federal purchases of commodities are a significant portion of the total food costs of the school lunch program. Certainly, for the reasons I have indicated, we cannot change the system abruptly, and the Department agrees with this view.

Mr. Speaker, for these reasons, I urge approval and speedy enactment of H.R. 14354.

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

Mr. QUIE. I yield to the gentleman from Kentucky, the chairman of the committee (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, a question has been brought to my attention by certain members of the Committee on Agriculture that we are invading the jurisdiction of the committee. I want to ask my colleague this question. Has it not been the practice of the Education and Labor Committee for several years to work on and approve bills within our jurisdiction which authorize the transfer of section 32 funds to the school lunch program. In fact have not section 32 funds been the cornerstone for the building of the free lunch program in this country today? Am I correct?

Mr. QUIE. The gentleman is correct that we have amended section 32 before to make certain amounts available for the National School Fund Act, the Child Nutrition Act, and title VII of the Older

Americans Act in the past. While I would not say that it is a cornersone of he free lunch program, it at least permitted the continuation of making available commodities that were not available under the Commodity Credit Corporation price support program under their purchases because there are no longer the surpluses.

So this then will enable us to give some continuity to the program, which otherwise would not be the case. The gentleman is correct.

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

Mr. QUIE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The gentleman from Kentucky is right. That has been the practice for several years, but that does not make it sound procedure nor sound legislation.

I hope I may have time later to discuss this matter. I have been chairman of the Committee handling these programs since 1947, except for 2 years.

What has happened during this period is that the section 32 program, the purpose of which is to promote the production of food, has deteriorated under the drawing down of its funds now to less than a $200 million carry-over, which leaves it in serious danger.

The practice followed by the gentleman in his committee is just like eating your seed stores. We are tinkering with that which helps produce food. In order to produce it, we cannot eat the seed today and expect to have it tomorrow.

Mr. SYMMS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. POAGE).

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. POAGE. 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. 210]

Blatnik	Holifield	Reid
Brooks	Horton	Roncallo, N.Y.
Brotzman	Johnson, Colo.	Rooney, N.Y.
Carey, N.Y.	Johnson, Pa.	Rose
Carney, Ohio	Jones, Ala.	Rosenthal
Clark	Jones, N.C.	Sandman
Cochran	Jones, Tenn.	Satterfield
Conyers	Kuykendall	Shuster
Dickinson	Lujan	Sisk
Diggs	McFall	Stanton, James V.
Dorn	Macdonald	Steed
Drinan	Mathis, Ga.	Stephens
Evins, Tenn.	Milford	Stokes
Flowers	Morgan	Stubblefield
Fraser	Nix	Teague
Frelinghuysen	O'Neill	Treen
Grasso	Patman	Wilson, Charles H., Calif.
Green, Oreg.	Pepper	
Haley	Pickle	
Harsha	Rangel	
Helstoski	Rees	

The SPEAKER pro tempore (Mr. BINGHAM). On this rollcall 374 Members have recorded their presence by electronic device, a quorum.

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

NATIONAL SCHOOL LUNCH ACT AMENDMENTS

The SPEAKER pro tempore. The gentleman from Texas is recognized for 5 minutes.

Mr. POAGE. Mr. Speaker, I want to thank my colleague from Idaho for providing me with this time, and I want to thank the gentleman from Mississippi for providing me with an audience, I am afraid that I have nothing to say which would justify this consideration.

In fact I simply want to point out and I want to make it clear, I am not here opposing school lunches; I am not here seeking to enter into any jurisdictional war with any committee, because I know we all have more than we can do. However, I think it is important that we should understand the way in which this bill attempts to finance the school lunch program is a dangerous procedure; and that it is one on which this House passed an adverse judgment ratherly recently.

There was a request, I believe, for $15 million for the same purpose a few months ago. A request to use the money out of section 32 funds, and this House turned it down. This House would unquestionably give the money needed for the school lunch program today. If we give the Appropriations Committee authority I will vote for it and every Member I know will vote for it.

Mr. PERKINS. Will the distinguished chairman yield for a question?

Mr. POAGE. For a question, certainly.

Mr. PERKINS. We are only proposing to finance and continue the school lunch program in the same way it was financed and operated last year. The only difference is here under section 32 commodities can be purchased at market price and then donated to the schools.

Mr. POAGE. Yes, but what is the question?

Mr. PERKINS. The question is that the bins of the country are empty and the Commodity Credit Corporation does not have the authority and the Secretary of Agriculture——

Mr. POAGE. What is the question? I will gladly yield for a question but not for a speech, Mr. Speaker.

Mr. PERKINS. The question is: Does the Secretary of Agriculture have the authority—when we have surpluses in the bins under the price support programs—to donate commodities to the schools?

Mr. POAGE. Mr. Speaker. I am sorry, but I was unable to understand the question asked by the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, the question is: Had the Secretary of Agriculture in the past—when we had commodities stored in the bins of this country—the authority to donate commodities without any additional legislation to the school lunch program?

Mr. POAGE. I would not undertake to give a legal opinion but I doubt that he has that authority without an act of Congress.

Mr. Speaker, I only have a limited amount of time. The gentleman from Kentucky has had his time.

Mr. Speaker, I want to call attention to the fact that what the gentleman from Kentucky is doing is asking that we impose the cost of financing the additional costs of the school lunch program upon the Department of Agriculture. I think that there may be some merit to having the Department buy commodities for the school lunch program, and then there may not. I do not know whether it will save or not, but where the gentleman is proposing to get the money is not from an appropriation nor by action of this House, but the gentleman proposes to take it out of one of the agricultural programs, to take the money that was set aside a long time ago, I believe it has been 35 or 40 years ago, that was set aside——

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

Mr. POAGE. I cannot yield further to the gentleman. The gentleman from Kentucky has had his own time. I would gladly yield for a question, but the gentleman does not ask a question. He makes a statement.

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

Mr. POAGE. Mr. Speaker, I am not yielding for another speech. The gentleman has made his speech, and I would appreciate it if the gentleman would let me make one.

The SPEAKER pro tempore (Mr. BINGHAM). The Chair will state that the gentleman from Texas (Mr. POAGE) has control of the time at this point.

Mr. POAGE. Mr. Speaker, it would appear that the gentleman from Kentucky does not want the membership to understand just how he proposes to get the money for this change in the school lunch program. I think the membership is entitled to understand that the way this bill is drawn, the additional money that the gentleman has asked for, is not going to come from the Committee on Appropriations, it is not going to come through the regular channels, it is not going to come out of general funds, but it is going to come out of special funds that were created a long time ago to take care of the needs of the perishable commodities in agriculture, fruits and vegetables, primarily, and this is the only fund——

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

Mr. SYMMS. Mr. Speaker, I yield 3 additional minutes to the gentleman from Texas (Mr. POAGE).

Mr. POAGE. Mr. Speaker, this is the only fund that is available to carry out our programs for the perishable agricultural commodities.

If we take, for no matter how good the purpose—and I am not questioning the validity of the purpose for which the

gentleman from Kentucky wants this money—but if he takes it away from agriculture, for any purpose it is not going to be available when we need it to support our agricultural programs.

What the gentleman from Kentucky is doing is saying that the producers of perishable commodities in the United States must bear the cost of the school lunch program.

I have been for the school lunch program, and I will vote for the money for it, but I do not like to take the money away from a program as good as our section 32 fund or our commority credit program to use them for any other purpose.

Mr. PERKINS. Mr. Speaker, let me say this——

Mr. POAGE. Mr. Speaker, I must respectfully decline to yield.

Mr. PERKINS. Mr. Speaker, I want to correct a statement that was made. The House did not turn down——

Mr. POAGE. Mr. Speaker, I must refuse to yield further.

The SPEAKER pro tempore. The gentleman refuses to yield further.

Mr. POAGE. Mr. Speaker, I think it is fair that we understand that this money is not coming through an appropriation, it is bypassing the Committee on Appropriations, and it is bypassing the Committee on Agriculture. It is taking from one good use to try to use it for another good use, I readily admit, but it is not what I think is a fair and honorable approach to the matter. I think that we ought to proceed and give these people what they need for school lunches, but let us do it in the regular. Let us charge the money to the program to be benefited.

I will vote for it, and for coming legislation regarding other food programs. Give them what they need, but make it come out square and above board where everybody can read it. It seems to me that all we are asking is honest bookkeeping.

If the program the gentleman is bringing before us is not good enough to stand on its own, then it is not good enough for this House to pass.

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

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

Mr. BURTON. I thank the gentleman for yielding.

Mr. Speaker, I should like to commend the gentleman in the well. For the benefit of those who did not have the opportunity to hear the gentleman, he stated initially that he felt—and I agreed—that the entire House should have an opportunity to better understand this somewhat complicated issue. He further stated he is not speaking in opposition to the legislation but primarily to say that the Members should understand the balanced judgment here.

I should like to commend the gentleman in the well and note further that we recognize and applaud the efforts of our distinguished chairman. If there might be any conceivable disadvantage to agriculture, we would be better off redressing any disadvantage. We hope there will be support for this legislation.

Mr. SYMMS. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I made the point of order, because I do believe the membership should hear the explanation of what is involved here. Many do not have occasion, perhaps, to study section 32 of the Agricultural Adjustment Act. One of the problems we have in this country is that we must see that we produce more than an adequate amount of food. When we do produce more, we now buy up the surplus, strengthen the price in order to make certain that people produce food and stay in the farming business. Many years ago, in trying to have ample supplies, we provided what we call section 32, whereby 30 percent of the import duties are set aside primarily to promote the production of perishable commodities by purchase of surpluses. Those surplus commodities are made available for consumer use.

Only a few weeks ago the Budget Bureau sent down to our Subcommittee on Appropriations a request for $15 million in transfer of section 32 funds for school lunch. We promptly denied the transfer but we promptly appropriated the $15 million. By way of illustration, if we have six cars that we have to sell, and only five buyers, the sixth car will run down the price of the five. So section 32 funds, being available in adequate quantities to buy up the surplus, the extra car, and divert it to good use, makes it possible for the other owners to come out all right. It was deemed advisable back in 1936—and I think my colleague, the chairman of the committee, is right about it—that the Department could accumulate up to $300,000,000, because if the Secretary of Agriculture needed to say he would buy up all of a certain perishable commodity, eggs, for instance, and had the money, frequently he would have to buy little if any. The key is to have on hand enough money to do the job, if he had to. Then he did not have to.

The gentleman from Kentucky, my colleague (Mr. PERKINS). He means to do well in these areas. The request before the committee of which I happen to be chairman has a request before it of in excess of $4 billion in appropriation for the various food programs. Because of the practice which the gentleman from Kentucky has espoused for the last several years—and Congress has gone along with it—the $300 million, which could well be necessary, to meet future needs, is now down to $102.8 million.

He would use here the planting seed so essential to produce food for tomorrow. It is said that we do not need to worry about it, but the average per year of farmers leaving farms is around 400,000. It will not help to have all the food stamps in the world, and if the shelves are bare, because we have lost section 32 funds, essential to keeping adequate food production.

Two weeks ago we turned down a $15 million drain on this fund but instead appropriated such amount. That is as it should be. Not only do we need to keep the gentleman from Kentucky from depleting what should be a $300 million fund which has already been drawn down to $102 million, but also we need to keep that fund so if supports by purchase are announced the commitment can be carried out.

This is a wrong approach. The Congress has proved time after time it will support school lunch with general funds.

I understand how strong the gentleman from Kentucky is for school lunch, but I know he is unsound to take the money needed to produce food when such needs could be and will be made available from regular funds.

Mr. PERKINS. I yield 3 minutes to the distinguished gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Speaker, the distinguished gentleman from Mississippi, my very good friend, knows that over the years despite the fact that I am from a heavily urban area I have done whatever possible to advance the interests of agriculture. I know that the industry is fading, and it is indeed in my State, but I thank the gentleman, as I do the gentleman from Texas, for endorsing in principle this legislation.

I do not think we need to be mired down in jurisdictional conflicts when after all we all seek the same results.

I would like to address to my distinguished chairman two or three questions, that is to the chairman of the committee, the gentleman from Kentucky (Mr. PERKINS). As the gentleman knows I am a cosponsor of the legislation which would effectively extend the food commodities program and I have submitted my thoughts to the subcommittee. I expressed a great need for continuation of the program which is due to expire. However, some questions arise in light of the fact that the legislation before us is not as strong nor as inclusive as that which was referred to the subcommittee.

For instance, on line 10 it reads that the Secretary "may" and I think it should read "shall".

It is also my understanding that this amendment would expire in 1 year when the importance of the matter would mandate an indefinite effective period of time. The effect of this expiration date is that it places uncertainty in the minds of those agencies and persons on the State level whose job it is to administer a commodities program.

I would like to ask my distinguished chairman about the phrase to be found on lines 12 and 13 and 14 and ask him if it would include schools and institutions and Indian reservations not requesting a stamp program and supplemental feeding programs and disaster relief programs.

Mr. PERKINS. If the gentleman will yield, it does not. We restricted the legislation to programs solely within the jurisdiction of our committee. Under an amendment which we adopted in committee only the school lunch program, the child nutrition programs and programs for the elderly are covered.

Mr. THOMPSON of New Jersey. May

I ask also, Mr. Chairman, if there are any of these programs which are included in this bill which could be construed as programs under the administrative responsibility of the Department of Agriculture?

Mr. PERKINS. Yes, the school lunch program is administered by the Department of Agriculture.

Mr. THOMPSON of New Jersey. In that event we are just continuing in the easiest possible way an extremely meritorious program?

Mr. PERKINS. Correct.

Mr. THOMPSON of New Jersey. I am glad that despite minor differences our distinguished colleagues, who preceded me, support in principle this legislation.

Mr. PERKINS. I yield the gentleman 1 additional minute.

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

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

Mr. KAZEN. I just have one question. Why is it that this bill does not ask for a direct appropriation out of general funds?

Mr. THOMPSON of New Jersey. I yield to my chairman for the answer to your question.

Mr. PERKINS. Mr. Speaker, let me say the bill does not provide for a direct appropriation by the Committee on Appropriations. The funding of the school lunch programs has historically been complex. We are spending about $1.7 billion for the school lunch program and it is constituted in several different ways. To take care of free lunches for needy children we authorized the transfer of funds from section 32 several years ago. As I recall, the first time was back in 1967.

Now under section 4 of the act we have a program of reimbursement for all lunches. We have a budget of $420 million for this next year and under section 11 of the School Lunch Act funds are provided for free and reduced price lunches. We have a budget of $728 million much of which will come from section 32.

For school breakfasts under the Child Nutrition Act we have a budget of $7 million.

For equipment, there is budgeted $22 million.

We are talking about funds already in the budget for the school lunch program that will not be utilized for any other purposes. We are only giving the Secretary the authority to utilize section 32; $96 million is already budgeted for section 32 and under section 416, $125 million. He has to have the authority to purchase at market price, because commodities are not on hand as they used to be. The bins are empty. If those bins were filled, we would not be here asking for this authority. We are asking that the programs continue to receive commodities as it has in the past.

Mr. THOMPSON of New Jersey. I thank my chairman and ask for the overwhelming support of this bill.

Mr. SYMMS. Mr. Speaker, I yield to the gentleman from Iowa (Mr. MAYNE).

Mr. MAYNE. Mr. Speaker, I thank the gentleman for yielding. I must take exception to one remark which my friend, the gentleman from New Jersey, made, if I may have his attention. He stated that the agricultural industry is fading. I would agree that the number of Members in the House who represent agricultural districts is shrinking; but certainly agriculture itself is not fading. Agriculture is coming on strong, meeting a tremendous challenge for production, which is of great importance not only to our country, but to the entire world. Agriculture itself is more important than ever.

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

Mr. MAYNE. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. In making that statement, I was agreeing with the distinguished gentleman from Mississippi and referring specifically to the number of persons or families engaged in agriculture, as distinguished from the great growth as the result of corporate farming and modern farming processes. In New Jersey, for instance, in the counties which I represented until the last previous districting, they were largely dairies and something like 60 percent of them have gone out of business for various causes. That does not mean we are producing that much less milk. It is the number of family farms and small farmers I was referring to.

Mr. MAYNE. Mr. Speaker, I thank the gentleman for that explanation. I do want to agree with him that the school lunch program is certainly a very meritorious one that deserves our support and certainly consistently has had my support. But it is the means of going about giving it this additional support in this particular manner which is really very misconceived here. I am for the school lunch program, but I do not believe it should be financed by raiding section 32 funds.

There is no question in my mind that the Education and Labor Committee with this very meritorious school lunch program could come forth with a bill and get an appropriation for $30 million in the regular manner. I would support it and I think most of the Members on my side of the aisle would support it; but it really is not fair to bring this bill up so hurriedly under suspension of the rules. As we all know, the suspension procedure precludes any amendments being considered from the floor and it is limited to a total of 40 minutes, consideration. This bill was not introduced until April 24 and not reported out by the committee until May 1. To bring it up on suspension here where we do not have an opportunity to point out how very vital and indispensible these perishable commodity programs are which depend for funding on section 32 is not acting with good judgment.

Section 32 is the only way that we have to sustain and finance price support programs on perishable commodities like beef, pork and vegetables. These very necessary funds should not be taken away from our perishable commodity programs which are so very essential. I am sure everyone in this House supports an adequate national defense. But I am equally sure no one would advocate using "section 32" to finance that effort. A similar situation exists with our education and nutrition programs. We should use funds earmarked for those purposes, not "section 32" moneys which are and have been for many years used for agricultural purposes.

Let us vote this bill down in this particular form. It certainly should not pass under suspension of the rules. Let the committee bring it up in the regular way, and I am sure it will get the regular support to which it is entitled. A no vote on this bill is by no means a vote against the school lunch program, but merely against the highly irregular way in which it is brought to this floor.

I am for the school lunch program, but I will vote no on this bill, and I ask other Members to join with me so that we can have an opportunity to give a properly drawn school lunch bill funded by a regular appropriation we can all support.

Mr. SYMMS. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, these are days when we talk about credibility and straightforwardness, but at the same time we are requested to approve a proposal to finance a school lunch program by taking the money from tariff receipts which clearly have been provided for another purpose. Such a method of financing the program seems to me to be utterly unacceptable. There are probably not 10 Members of this House who would vote against an appropriation for the school lunch program. We have established time and again that we are for it, but there are some of us who will vote against this bill as a matter of principle because the bill proposes an unsound method of financing.

Of course, we are in favor of the school lunch program, but we are not in favor of financing school lunches by robbing the tariff fund. It is just not the way to do the job.

I am hopeful that while we pay lipservice to budget control and straightforward handling of fiscal matters, we do not slip in through the back door and undertake to finance the program for school lunches, one of the most responsible programs in the entire Federal Government, by taking the funds from the tariff receipts. The tariff receipts are supposed to be used to support the perishable commodities market when it needs supporting, and not for other purposes, however worthwhile they may be.

Mr. Speaker, in a sense it can be argued that this is an antifood program, a program which would result in hampering the efforts of the Government to provide the incentives needed to encourage food production at a time when the whole world is clamoring for better food programs. By using the tariff recepts for the school lunch program, such a result could easily occur.

So, Mr. Speaker, I rise to express my opposition to the bill because of the method of financing which it contains and urge that we approach this matter in a forthright way, authorize the appropriation, and of course, everybody knows the appropriation will come forward as it always has in the past.

Mr. PERKINS. Mr. Speaker, I regret deeply that this confusion exists on this

important piece of legislation. If commodities were available in surplus, the Secretary of Agriculture would go ahead and make them available as he has done through the years.

We do not in any way affect the price support program.

Mr. Speaker, section 32 of the Agricultural Adjustment Act of 1935, which is a set-aside of 30 percent of the custom receipts on all imports that come into this country, amounts to approximately $1,100,000,000 a year. Sometimes it runs up to a billion and a quarter a year and through the years has provided commodity support for the lunch program. But now we do not have surplus commodities. That has not been explained clearly. The only difference here is that the commodities to be acquired and donated are not on hand and not in surplus. The funds to accomplish our goal are in the budget of the Secretary of Agriculture.

There is $96 million in the budget under section 32, and there is $129 million in the budget of the Commodity Credit Corporation to provide commodities for the school lunch program. School lunch programs, particularly for needy children, are in desperate need of donated commodities.

Mr. Speaker, I say again that we do no harm to section 32. The bill specifically provides only for the use of section 32 funds which are not expended or needed to carry out the provisions of section 32. Furthermore, there will be a carryover again this year of section 32 funds. The purpose of section 32, when it was set up, was to promote agriculture and to promote markets in the country. That was the purpose of the section 32 funds.

As to the price support program, under section 416 of the Commodity Credit Corporation Act, if commodities were in the bins, we would not be conducting this debate. Keep in mind this authority is in the budget.

Again may I say there is no harm done to section 32 anywhere along the line. There are simply surplus commodities available, and we are just continuing the Secretary's authority to buy commodities on the markets and funds are budgeted for this purpose.

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

Mr. PERKINS. Mr. Speaker, I will yield in just a moment to the distinguished gentleman from Minnesota (Mr. QUIE) who is a farmer.

I am a farmer myself, and under no circumstances—I wish to say for the benefit of the distinguished gentleman from Texas—would we destroy section 32. This is a healthy situation that we are proposing, one which will promote agriculture and the school lunch program.

Mr. Speaker, I yield to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I just want to point out what is in the report.

The Secretary of Agriculture was given authority in August 1973 under Public Law 93–86 to purchase foods at "nonsurplus" prices to maintain "the annually programed level of assistance for schools, domestic relief distribution, and such other domestic food assistance programs as are authorized by law."

Mr. Speaker, that authority expires June 30, 1974.

Now, what we have done is to continue authority for the Secretary to make these nonsurplus commodities available only in those three acts that we have jurisdiction over, and that is all. We are only doing it for 1 year.

Mr. Speaker, I do not think that is anything the Members ought to object to.

Mr. PERKINS. Mr. Speaker, the gentleman is absolutely correct.

If we had surpluses under the price-support program, the bill would not have been necessary. But there is no surplus this year, and we must continue to go out on the market and continue the Secretary's authority to pay the market prices.

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

Mr. PERKINS. I yield to the distinguished gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, the objection here is that as we read section 32, we find it gives authority to the Secretary to buy commodities, and the purpose of our objection is that we are taking this money from sources where the money is needed in quantities. So we can announce a support level for perishable commodities and meet that.

If we announce the purchase of commodities in this fashion, we may not have enough money to carry out the purpose of the act.

Mr. PERKINS. Mr. Speaker, let me say to my distinguished colleague, the gentleman from Mississippi, that the Secretary of Agriculture must feel that there is extra money or he would not have budgeted $96 million under section 32 to purchase these commodities on the open market. $129 million is in the budget likewise for the Commodity Credit Corporation.

I am certain that the Secretary of Agriculture, if he felt that he would have endangered section 32, would not have budgeted these amounts.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield once again?

Mr. PERKINS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, 2 weeks ago the same Secretary of Agriculture had budgeted millions of dollars from section 32. We properly turned back to section 32 and brought a bill up appropriating the money. It is now pending in the other body, and it will be passed.

So may I say to my friend, the gentleman from Kentucky, that the Secretary of Agriculture is not an expert in this field.

Mr. BURKE of Massachusetts. Mr. Speaker, the House has to consider today a measure of great importance; H.R. 14354, the National School Lunch Amendments. I consider this legislation to be most important for the continuation of the most effective national school lunch program.

This bill, which requires no new appropriations over those already budgeted for fiscal year 1975, authorizes the Secretary of Agriculture to continue for 1 additional year the purchase of commodities at nonsurplus or market price, for distribution to programs carried on under the School Lunch Act and the Child Nutrition Act, as well as title VII of the Older Americans Act. Through this purchasing authorization, we can insure quality, standardization of purchase, and adequate quantity in our school lunches. Since the initiation of school lunch programs, Congress has provided for the availability of hot, wholesome meals for the Nation's schoolchildren, maintaining good nutritional habits for our children, enabling them to be more attentive to their schoolwork. As has been said many times before, the Nation's schoolchildren are the future of our country. We cannot ignore their needs.

H.R. 14354 also reinstates the authorization for the special assistance to needy children program. This authority is needed to continue to provide free and reduced price meals on a permanent basis.

The bill was reported unanimously by the House Education and Labor Committee. This bill further has the support of the administration. It would seem to me that the Congress should immediately enact this measure, and provide these foods to feeding programs in schools, service institutions, and to the elderly.

Mr. SMITH of Iowa. Mr. Speaker, I want to make it clear that I very strongly support the school lunch program and always have and will support appropriations for it. In fact, I am supporting expansion of the program with emphasis upon nutritional content. However, I strongly oppose the financing it from section 32. School lunch can stand on its own with no difficulty. To rob this tariff fund for this purpose would logically lead to also robbing the fund established to pay wage losses for persons displaced by shifts in imports. I am voting for the bill today with a 1-year provision for such practice but I agree with those who oppose this method of financing.

Mr. BADILLO. Mr. Speaker, I am pleased to rise in support of H.R. 14335, an amendment to the National School Lunch Act extending the commodity purchasing power of the Secretary of Agriculture.

Commodity distribution has been an important, integral part of the school lunch program for the past 30 years. Donated foods helped to keep meal prices low and served to assure a variety of menus as well as high nutritional standards in participating schools. Nationally, commodity contributions added about 7 cents per meal per child to the school lunch budget.

Early this year, when it became apparent that the Department of Agriculture was taking active steps to divest itself of its commodity purchasing role, well-founded consternation was expressed throughout the country by groups and individuals involved in school lunch, senior citizen nutrition, and similar feeding efforts. In view of rapidly rising food prices, donated foods assumed an unequaled importance and the public was not convinced by the Department of Agriculture's logic that cash in lieu of commodities would enable directors of programs to purchase food more

efficiently in the open market. Instead, concern was voiced that unregulated regional demand generated by additional bulk-buying in certain areas could act to further increase prices for the average consumer.

During the school year of 1970–71 New York City schools received $3,098,468 worth of commodities. In 1971–72 contributions of donated foods amounted to $3,740,039, while a year previously they totaled $4,304,120. City calculations showed that food which the Department of Agriculture could buy for $1 cost the city $1.30 in the open market. Cash in lieu of commodities thus would create a deficit of more than $1 million a year at present market prices. Since more than 400,000 needy children in the city depend on the free lunches they receive for an important part of their daily nutrition, I was extremely concerned that this latest attempt by the Department of Agriculture to circumvent Congress mandate and feed the Nation's youngsters would gravely injure the poorest of the poor. Further, I also knew that the consequences would be devastating for our beleaguered senior citizen feeding programs.

I am very pleased, therefore, that the chairman of the Committee on Education and Labor (Mr. PERKINS) took the initiative in assuring that the benefits of the commodity distribution program will continue. It is my hope that the House will overwhelmingly approve this legislation and thus help assure that hungry youngsters and needy old people throughout our country will continue to receive the food they desperately need.

Mr. BIESTER. Mr. Speaker, for many years the Federal Government's commodity distribution program has been responsible for channeling surplus farm goods into our Nation's schools, enabling millions of children daily to enjoy nutritious hot meals at reasonable prices. This has benefited everyone—from the farmer needing to dispose of a surplus crop to the parents financially unable to provide their children with the kinds of balanced meals they require. As agricultural surpluses have diminished in availability, the Government has been hard pressed to provide surplus commodities and has resorted to the purchase of food at nonsurplus prices in order to continue its food distribution program.

The Department of Agriculture has indicated its recommendation to phase out the commodity distribution program, replacing it with a cash payment system by June 30, 1975. Therefore, the legislation before us, H.R. 14354, would extend the present nonsurplus purchased food program for only 1 year. During this period, Congress must evaluate the Department's proposal to institute an exclusively cash program.

Cash-in-lieu of commodities seems logical and reasonable, especially in a time of scarce surpluses, but only if the cash has the equivalent value of what would have been purchased and donated by the Government. Unfortunately, this may not be the case. Based on the Department of Agriculture's years of experience in commodity distribution, the Government has the unique ability to purchase vast quantities of food at much lower prices than can individual local school districts. There is no comparison between the capabilities of the Federal Government, on the one hand, and local school districts, on the other, to do the same job with the same financial resourcefulness. It has been estimated that the Government's commodity distribution program can have about 30 percent more buying power than an equivalent amount of cash expended by a local school district. What the Federal Government buying in bulk may be able to purchase for $10 could cost a school district in Bucks or Montgomery Counties in Pennsylvania $13. Any additional costs would have to be absorbed by the school district, jeopardizing the continued effectiveness of the school lunch program in the quality of meals served and the reasonableness of their price.

I have introduced legislation extending indefinitely the Secretary of Agriculture's authority to purchase nonsurplus food. I am supporting H.R. 14354 as an interim measure since the present authority expires on June 30 and the program must be continued. The commodity distribution program should receive the most careful legislative and departmental evaluation in the months ahead so that Congress will be prepared to judge the best course to be followed in providing nutritious and economical meals for all schoolchildren.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the bill, H.R. 14354, as amended.

The question was taken.

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 359, nays 38, not voting 36, as follows:

[Roll No. 211]

YEAS—359

Abdnor	Boland	Clausen, Don H.
Abzug	Bolling	Clawson, Del
Adams	Brademas	Clay
Addabbo	Brasco	Cleveland
Anderson, Calif.	Bray	Cohen
Anderson, Ill.	Breaux	Collier
Andrews, N.C.	Breckinridge	Collins, Ill.
Andrews, N. Dak.	Brinkley	Collins, Tex.
Annunzio	Brooks	Conable
Archer	Broomfield	Conlan
Arends	Brotzman	Conte
Armstrong	Brown, Calif.	Conyers
Ashbrook	Brown, Mich.	Corman
Ashley	Brown, Ohio	Cotter
Aspin	Broyhill, N.C.	Coughlin
Badillo	Broyhill, Va.	Cronin
Bafalis	Buchanan	Culver
Baker	Burgener	Daniel, Robert W., Jr.
Barrett	Burke, Calif.	Daniels, Dominick V.
Bauman	Burke, Fla.	Danielson
Beard	Burke, Mass.	Davis, Ga.
Bell	Burlison, Mo.	Davis, S.C.
Bennett	Burton	Davis, Wis.
Bergland	Butler	de la Garza
Bevill	Byron	Delaney
Biaggi	Carter	Dellenback
Biester	Cederberg	Dellums
Bingham	Chamberlain	Denholm
Blackburn	Chappell	Dent
Boggs	Chisholm	Derwinski
	Clancy	Devine
	Clark	Dingell
		Donohue
		Downing
		Drinan
		Dulski
		Duncan
		du Pont
		Eckhardt
		Edwards, Ala.
		Edwards, Calif.
		Eilberg
		Erlenborn
		Esch
		Eshleman
		Evins, Tenn.
		Fascell
		Findley
		Fish
		Fisher
		Flood
		Foley
		Ford
		Forsythe
		Fountain
		Fraser
		Frenzel
		Frey
		Froehlich
		Fulton
		Fuqua
		Gaydos
		Gettys
		Giaimo
		Gibbons
		Gilman
		Ginn
		Goldwater
		Gonzalez
		Grasso
		Gray
		Green, Pa.
		Grover
		Gude
		Gunter
		Guyer
		Hamilton
		Hammer-schmidt
		Hanley
		Hanna
		Hanrahan
		Hansen, Idaho
		Hansen, Wash.
		Harrington
		Harsha
		Hastings
		Hawkins
		Hays
		Hechler, W. Va.
		Heckler, Mass.
		Heinz
		Henderson
		Hicks
		Hillis
		Hinshaw
		Hogan
		Holifield
		Holt
		Holtzman
		Hosmer
		Howard
		Hudnut
		Hungate
		Hunt
		Ichord
		Jarman
		Johnson, Calif.
		Jones, Okla.
		Jones, Tenn.
		Jordan
		Karth
		Kastenmeier
		Kazen
		Kemp
		Ketchum
		King
		Kluczynski
		Koch
		Kuykendall
		Kyros
		Lagomarsino
		Landrum
		Latta
		Leggett
		Lehman
		Lent
		Litton
		Long, La.
		Long, Md.
		Luken
		McClory
		McCloskey
		McCollister
		McCormack
		McDade
		McEwen
		McFall
		McKinney
		McSpadden
		Madden
		Madigan
		Mallary
		Mann
		Maraziti
		Martin, Nebr.
		Martin, N.C.
		Mathias, Calif.
		Matsunaga
		Mazzoli
		Meeds
		Melcher
		Metcalfe
		Mezvinsky
		Michel
		Milford
		Miller
		Mills
		Minish
		Mink
		Mitchell, Md.
		Mitchell, N.Y.
		Mizell
		Moakley
		Mollohan
		Moorhead, Calif.
		Moorhead, Pa.
		Mosher
		Moss
		Murphy, Ill.
		Murphy, N.Y.
		Murtha
		Myers
		Natcher
		Nedzi
		Nelsen
		Obey
		O'Brien
		O'Hara
		O'Neill
		Owens
		Parris
		Passman
		Patten
		Pepper
		Perkins
		Pettis
		Peyser
		Pike
		Podell
		Powell, Ohio
		Preyer
		Price, Ill.
		Price, Tex.
		Pritchard
		Quie
		Quillen
		Railsback
		Randall
		Rangel
		Rees
		Regula
		Reuss
		Rhodes
		Riegle
		Rinaldo
		Roberts
		Robison, N.Y.
		Rodino
		Roe
		Rogers
		Roncalio, Wyo.
		Rooney, Pa.
		Rosenthal
		Rostenkowski
		Roush
		Roy
		Roybal
		Ruppe
		Ruth
		Ryan
		St Germain
		Sarasin
		Sarbanes
		Scherle
		Schneebeli
		Schroeder
		Sebelius
		Seiberling
		Shipley
		Shoup
		Shriver
		Shuster
		Sikes
		Skubitz
		Slack
		Smith, Iowa
		Snyder
		Spence
		Staggers
		Stanton, J. William
		Stark
		Steed
		Steele
		Steelman
		Steiger, Wis.
		Stratton
		Stuckey
		Studds
		Sullivan
		Symington
		Talcott
		Taylor, N.C.
		Teague
		Thompson, N.J.
		Thomson, Wis.
		Thone
		Thornton
		Tiernan
		Towell, Nev.
		Traxler
		Udall
		Ullman
		Van Deerlin
		Vander Jagt
		Vander Veen
		Vanik
		Veysey
		Vigorito
		Waggonner
		Waldie
		Walsh
		Wampler
		Ware
		Whalen
		White
		Whitehurst
		Widnall
		Wiggins
		Williams
		Wilson, Bob
		Wilson, Charles, Tex.
		Winn
		Wolff
		Wright
		Wyatt
		Wylie
		Wyman
		Yates
		Yatron
		Young, Alaska
		Young, Fla.
		Young, Ga.
		Young, Ill.
		Young, S.C.
		Young, Tex.
		Zablocki
		Zion

NAYS—38

Bowen	Evans, Colo.	Lott
Burleson, Tex.	Flynt	McKay
Camp	Goodling	Mahon
Casey, Tex.	Gross	Mathis, Ga.
Cochran	Gubser	Mayne
Crane	Hébert	Minshall, Ohio
Daniel, Dan	Huber	Montgomery
Dennis	Hutchinson	Nichols
Dickinson	Landgrebe	Poage

Rarick	Satterfield	Taylor, Mo.
Robinson, Va.	Smith, N.Y.	Whitten
Rousselot	Steiger, Ariz.	Zwach
Runnels	Symms	

NOT VOTING—36

Alexander	Johnson, Colo.	Rose
Blatnik	Johnson, Pa.	Sandman
Carey, N.Y.	Jones, Ala.	Sisk
Carney, Ohio	Jones, N.C.	Stanton,
Diggs	Lujan	James V.
Dorn	Macdonald	Stephens
Flowers	Morgan	Stokes
Frelinghuysen	Nix	Stubblefield
Green, Oreg.	Patman	Treen
Griffiths	Pickle	Wilson,
Haley	Reid	Charles H.,
Helstoski	Roncallo, N.Y.	Calif.
Horton	Rooney, N.Y.	Wydler

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Morgan with Mr. Flowers.

Mr. Rooney of New York with Mr. Jones of Alabama.

Mr. James V. Stanton with Mr. Jones of North Carolina.

Mr. Macdonald with Mr. Patman.

Mr. Carney of Ohio with Mr. Charles H. Wilson of California.

Mr. Haley with Mr. Roncallo of New York.

Mr. Nix with Mr. Helstoski.

Mr. Diggs with Mr. Reid.

Mr. Carey of New York with Mr. Frelinghuysen.

Mr. Blatnik with Mr. Stokes.

Mr. Alexander with Mr. Johnson of Pennsylvania.

Mr. Dorn with Mr. Lujan.

Mr. Pickle with Mr. Sandman.

Mr. Sisk with Mr. Horton.

Mr. Rose with Mr. Wydler.

Mr. Stephens with Mr. Treen.

Mrs. Green of Oregon with Mr. Stubblefield.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PERKINS. 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 (H.R. 14354) just passed.

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

There was no objection.

FURTHER MESSAGE FROM THE PRESIDENT

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

FEDERAL EMPLOYEES COMPENSATION AMENDMENTS

Mr. DOMINICK V. DANIELS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13871) to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes.

The Clerk read as follows:

H.R. 13871

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8101(2) of title 5, United States Code (hereinafter referred to as the "Act"), is amended by inserting ", podiatrists." after "surgeons".

(b) Section 8101(3) of the Act is amended by inserting "podiatrists," after "supplies by".

"(11) 'widower' means the husband living with or dependent for support on the decedent at the time of her death, or living apart for reasonable cause or because of her desertion;".

(c) Section 8101(11) of the Act is amended to read as follows:

"(11) 'widower' means the husband living with or dependent for support on the decedent at the time of her death, or living apart for reasonable cause or because of her desertion;".

(d) Section 8101 of the Act is amended by adding at the end thereof the following new paragraphs:

"(20) 'organ' means a part of the body that performs a special function, and for purposes of this subchapter excludes the brain, heart, and back.

"(21) 'United States medical officers and hospitals' includes medical officers and hospitals of the Army, Navy, Air Force, Veterans' Administration, and United States Public Health Service, and any other medical officer or hospital designated as a United States medical officer or hospital by the Secretary of Labor."

SEC. 2. Section 8103(a)(3) of the Act is amended to read as follows:

"(3) by or on the order of United States medical officers and hospitals, or, at the employee's option, by or on order of physicians and hospitals designated or approved by the Secretary.

The employee may initially select a physician to provide medical services, appliances, and supplies, in accordance with such regulations and instructions as the Secretary considers necessary, and may be furnished necessary and reasonable transportation and expenses incident to the securing of such services, appliances, and supplies. These expenses, when authorized or approved by the Secretary, shall be paid from the Employees' Compensation Fund."

SEC. 3. Section 8104 of the Act is amended by inserting "(a)" before "The" at the beginning thereof, and adding at the end thereof the following new subsection:

"(b) Notwithstanding section 8106, individuals directed to undergo vocational rehabilitation by the Secretary shall, while undergoing such rehabilitation, receive compensation at the rate provided in sections 8105 and 8110 of this title, less the amount of any earnings received from remunerative employment, other than employment undertaken pursuant to such rehabilitation."

SEC. 4. Section 8107(a) of the Act is amended to read as follows:

"(a) If there is permanent disability involving the loss, or loss of use, of a member or function of the body or involving disfigurement, the employee is entitled to basic compensation for the disability, as provided by the schedule in subsection (c) of this section, at the rate of 66⅔ percent of his monthly pay. The basic compensation is—

"(1) payable regardless of whether the cause of the disability originates in a part of the body other than that member;

"(2) payable regardless of whether the disability also involves another impairment of the body; and

"(3) in addition to compensation for temporary total or temporary partial disability."

SEC. 5. Section 8107(c) of the Act is amended by adding at the end thereof the following new subparagraph:

"(22) For permanent loss or loss of use of any important external or internal organ of the body as determined by the Secretary, proper and equitable compensation not to exceed 312 weeks' compensation for each organ so determined shall be paid in addition to any other compensation payable under this schedule."

SEC. 6. Section 8110(a)(2) of the Act is amended to read as follows:

"(2) a husband, if—

"(A) he is a member of the same household as the employee;

"(B) he is receiving regular contributions from the employee for his support; or

"(C) the employee has been ordered by a court to contribute to his support;".

SEC. 7. (a) Section 8111(a) of the Act is amended by striking out "$300" and inserting in lieu thereof "$500".

(b) Section 8111(b) of the Act is amended by striking out "$100" and inserting "$200".

SEC. 8. (a) Section 8113 of the Act is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(b) Section 8143(a)(2) of the Act is amended by striking out the word "and" in clause (1), striking out the period after clause (2) and inserting in lieu thereof a semicolon, and by inserting the following two clauses immediately after clause (2):

"(3) other benefits administered by the Veterans' Administration unless such benefits are payable for the same injury or the same death; and

"(4) retired pay, retirement pay, retainer pay, or equivalent pay for service in the Armed Forces or other uniformed services, subject to the reduction of such pay in accordance with section 5532(b) of title 5, United States Code."

(b) The amendment made by this section shall be effective with respect to disability or death occurring before or after the date of enactment of this Act and with regard to any election under section 8116(b) of the Act; but no payment shall be made by reason of such amendment for any period prior to the date of enactment of this Act.

SEC. 10. Section 8117 of the Act is amended by striking out "21 days" and inserting in lieu thereof "14 days".

SEC. 11. Section 8118 of the Act is amended to read as follows:

"§ 8118. Continuation of pay; election to use annual or sick leave

"(a) The United States shall authorize the continuation of pay of an employee, as defined in section 8101(1) of this title (other than those referred to in clause (B) or (E)), who has filed a claim for a period of wage loss due to a traumatic injury with his immediate superior on a form approved by the Secretary of Labor within the time specified in section 8122(a)(2) of this title.

"(b) Continuation of pay under this subchapter shall be furnished—

"(1) without a break in time unless controverted under regulations of the Secretary;

"(2) for a period not to exceed 45 days; and

"(3) under accounting procedures and such other regulations as the Secretary may require.

"(c) An employee may use annual or sick leave to his credit at the time the disability begins, but his compensation for disability does not begin, and the time periods specified by section 8117 of this title do not begin to run, until termination of pay as set forth in subsections (a) and (b) or the use of annual or sick leave ends."

SEC. 12. (a) Section 8119 of the Act is amended to read as follows:

"§ 8119. Notice of injury or death

"An employee injured in the performance of his duty, or someone on his behalf, shall give notice thereof. Notice of a death believed to be related to the employment shall be given by an eligible beneficiary specified in section 8133 of this title, or someone on his behalf. A notice of injury or death shall—

"(a) be given within 30 days after the injury or death;

"(b) be given to the immediate superior of the employee by personal delivery or by depositing it in the mail properly stamped and addressed;

"(c) be in writing;

"(d) state the name and address of the employee;

"(e) state the year, month, day, and hour when and the particular locality where the injury or death occurred;

"(f) state the cause and nature of the injury, or, in the case of death, the employment factors believed to be the cause; and

"(g) be signed by and contain the address of the individual giving the notice."

(b) The table of contents of chapter 81 of the Act is amended by striking out

"8119. Notice of injury; failure to give."

and inserting in lieu thereof

"8119. Notice or injury or death.".

SEC. 13. Section 8121(3) of the Act is amended by striking out "furnished" and inserting "approved" in lieu thereof.

SEC. 14. Section 8122 of the Act is amended as follows:

(1) Strike subsection (a) of section 8122 and insert in lieu thereof the following:

"(a) An original claim for compensation for disability or death must be filed within 3 years after the injury or death. Compensation for disability or death, including medical care in disability cases, may not be allowed if claim is not filed within that time unless—

"(1) the immediate superior had actual knowledge of the injury or death within 30 days. The knowledge must be such to put the immediate superior reasonably on notice of an on-the-job injury or death; or

"(2) written notice of injury or death as specified in section 8119 of this title was given within 30 days."

(2) Strike subsection (c) of section 8122 and insert in lieu thereof the following:

"(c) The timely filing of a disability claim because of injury will satisfy the time requirements for a death claim based on the same injury."

(3) Subsection (d) of section 8122 is amended by changing the reference to subsection "(a)–(c)" to subsections "(a) and (b)", by striking out the period at the end thereof and inserting "; or", and by adding at the end thereof the following new clause:

"(3) run against any individual whose failure to comply is excused by the Secretary on the ground that such notice could not be given because of exceptional circumstances."

SEC. 15. Section 8132 of the Act is amended to read as follows:

"§ 8132. Adjustment after recovery from a third person

"If an injury or death for which compensation is payable under this subchapter is caused under circumstances creating a legal liability in a person other than the United States to pay damages, and a beneficiary entitled to compensation from the United States for that injury or death receives money or other property in satisfaction of that liability as a result of suit or settlement by him or in his behalf, the beneficiary, after deducting therefrom the costs of suit and a reasonable attorney's fee, shall refund to the United States the amount of compensation paid by the United States and credit any surplus on future payments of compensation payable to him for the same injury. No court, insurer, attorney, or other person shall pay or distribute to the beneficiary or his designee the proceeds of such suit or settlement without first satisfying or assuring satisfaction of the interest of the United States. The amount refunded to the United States shall be credited to the Employees' Compensation Fund. If compensation has not been paid to the beneficiary, he shall credit the money or property on compensation payable to him by the United States for the same injury. However, the beneficiary is entitled to retain, as a minimum, at least one-fifth of the net amount of the money or other property remaining after the expenses of a suit or settlement have been deducted; and in addition to this minimum and at the time of distribution, an amount equivalent to a reasonable attorney's fee proportionate to the refund to the United States."

SEC. 16 (a) Subsections (a) and (b) of section 8133 of the Act are amended to read as follows:

"(a) If death results from an injury sustained in the performance of duty, the United States shall pay a monthly compensation equal to a percentage of the monthly pay of the deceased employee in accordance with the following schedule:

"(1) To the widow or widower, if there is no child, 50 percent.

"(2) To the widow or widower, if there is a child, 45 percent and in addition 15 percent for each child not to exceed a total of 75 percent for the widow or widower and children.

"(3) To the children, if there is no widow or widower, 40 percent for one child and 15 percent additional for each additional child not to exceed a total of 75 percent, divided among the children share and share alike.

"(4) To the parents, if there is no widow, widower, or child, as follows:

"(A) 25 percent if one parent was wholly dependent on the employee at the time of death and the other was not dependent to any extent;

"(B) 20 percent to each if both were wholly dependent; or

"(C) a proportionate amount in the discretion of the Secretary of Labor if one or both were partly dependent.

If there is a widow, widower, or child, so much of the percentages are payable as, when added to the total percentages payable to the widow, widower, and children, will not exceed a total of 75 percent.

"(5) To the brothers, sisters, grandparents, and grandchildren, if there is no widow, widower, child, or dependent parent as follows:

"(A) 20 percent if one was wholly dependent on the employee at the time of death;

"(B) 30 percent if more than one was wholly dependent, divided among the dependents share and share alike; and

"(C) 10 percent if one is wholly dependent but one or more is partly dependent, divided among the dependents share and share alike. If there is a widow, widower, or child, or dependent parent, so much of the percentages are payable as, when added to the total percentages payable to the widow, widower, children, and dependent parents, will not exceed a total of 75 percent.

"(b) The compensation payable under subsection (a) of this section is paid from the time of death until—

"(1) a widow, or widower dies or remarries before reaching age 60;

"(2) a child, a brother, a sister, or a grandchild dies, marries, or becomes 18 years of age, or if over age 18 and incapable of self-support becomes capable of self-support; or

"(3) a parent or grandparent dies, marries, or ceases to be dependent.

Notwithstanding paragraph (2) of this subsection, compensation payable to or for a child, a brother or sister, or grandchild that would otherwise end because the child, brother or sister, or grandchild has reached 18 years of age shall continue if he is a student as defined by section 8101 of this title at the time he reaches 18 years of age for so long as he continues to be such a student or until he marries. A widow or widower who has entitlements to benefits under this title derived from more than one husband or wife shall elect one entitlement to be utilized."

(b) Section 8135(b) of the Act is amended by inserting after "On remarriage" the following: "before reaching age 60".

SEC. 17. Section 8133(e)(1) of the Act is amended to read as follows:

"(1) the monthly pay computed under section 8114 of this title, except for increases authorized by section 8164 of this title; or".

SEC. 18. Section 8133 of the Act is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any funeral and burial expenses paid under section 8134, there shall be paid a sum of $200 to the personal representative of a deceased employee within the meaning of section 8101(1) of this title for reimbursement of the costs of termination of the decedent's status as an employee of the United States."

SEC. 19. Section 8135(a)(1) of the Act is amended by striking out "$5" and inserting in lieu thereof "$50".

SEC. 20. The last two sentences of subsection (a) of section 8135 of the Act are amended to read as follows: "The probability of the death of the beneficiary before the expiration of the period during which he is entitled to compensation shall be determined according to the most current United States Life Tables, as developed by the United States Department of Health, Education, and Welfare, which shall be updated from time to time, but the lump-sum payment to a widow or widower of the deceased employee may not exceed 60 months' compensation. The probability of the happening of any other contingency affecting the amount or duration of compensation shall be disregarded."

SEC. 21. Section 8146a of the Act is amended by striking "third" from subsection (a) and by striking subsection (b) and inserting in lieu thereof the following:

"(b) The regular periodic compensation payments after adjustment under this section shall be fixed at the nearest dollar. However, the regular periodic compensation after adjustment shall reflect an increase of at least $1."

SEC. 22. Subchapter I of chapter 81 of the Act is amended by adding the following new section:

"§ 8151. Civil service retention rights

"(a) In the event the individual resumes employment with the Federal Government, the entire time during which the employee was receiving compensation under this chapter shall be credited to the employee for the purposes of within-grade step increases, annuity computation under the civil service retirement provisions, retention purposes, and other rights and benefits based upon length of service.

"(b) Under regulations issued by the Civil Service Commission—

"(1) the department or agency which was the last employer shall immediately and unconditionally accord the employee, if the injury or disability has been overcome within one year after the date of commencement of compensation, the right to resume his former or an equivalent position, as well as all other attendant rights which the employee would have had, or acquired, in his former position had he not been injured or disabled, including the rights to tenure, promotion, and safeguards in reductions-in-force procedures, and

"(2) the department or agency which was the last employer shall, if the injury or disability is overcome within a period of more than one year after the date of commencement of compensation, make all reasonable efforts to place, and accord priority to placing, the employee in his former or equivalent

position within such department or agency, or within any other department or agency."

SEC. 23. The table of contents of chapter 81 of the Act is amended by the addition of the following:

"8151. Civil service retention rights.".

SEC. 24. Section 8146a of the Act is amended by adding at the end thereof the following new subsection:

"(c) This section shall be applicable to persons excluded by section 15 of the Federal employees' Compensation Act Amendments of 1966 (Public Law 89-488) under the following statutes: Act of February 15, 1934 (48 Stat. 351); Act of June 26, 1936 (49 Stat. 2035); Act of April 8, 1935 (49 Stat. 115); Act of July 25, 1942 (56 Stat. 710); Public Law 84-955 (August 3, 1956); Public Law 77-784 (December 2, 1942); Public Law 84-879 (August 1, 1956); Public Law 80-896 (July 3, 1948); Act of September 8, 1959 (73 Stat. 469). Benefit payments to these persons shall initially be increased by the total percentage of the increases in the price index from the base month of July 1966, to the next most recent base month following the effective date of this subsection."

SEC. 25. Section 8147 of the Act is amended by adding after the first comma in subsection (c) the following: "the United States Postal Service, or".

SEC. 26. Section 8147(a) of the Act is amended by striking out "Bureau of the Budget" and inserting in lieu thereof "Office of Management and Budget".

SEC. 27. The Secretary of Labor shall conduct a study of the provisions of the Act and the programs thereunder, which shall include, but is not necessarily limited to—

(1) such hearings, research, and other activities as the Secretary of Labor deems necessary in order to enable him to formulate appropriate recommendations,

(2) specific examination of the need of granting the Secretary of Labor the authority to increase the allowance for services of attendants under section 8111(a) of the Act above the maximum amount fixed under such section where exceptional circumstances exist,

(3) an examination and evaluation of the effectiveness of the Act, and

(4) recommendations regarding survivor benefits. The Secretary of Labor shall report the results of such study, together with his findings and recommendations, to the Congress not later than 12 months after the date of the enactment of this Act.

The SPEAKER. Is a second demanded?

Mr. ESCH. Mr. Speaker, I demand a second.

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

There was no objection.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am pleased to bring to the House floor, H.R. 13871, a bill to amend chapter 81 of subpart C of title 5, United States Code—the Federal Employees' Compensation Act (FECA).

Since the 1966 amendments to the Federal Employees' Compensation Act, social and economic developments have necessitated a review of the efficacy of compensation for injured Federal workers. The conclusions drawn from that review, combined with the recommendations of the National Commission on State Workmen's Compensation Laws, convinced the authors of this legislation that amendments were required in order to modernize and update the present system of Federal compensation. These amendments would assure that FECA continue as a model of efficient and equitable compensation for workers injured in the performance of their duties.

Because of the need for a revision of FECA, the Select Subcommittee on Labor, which I chair, held 4 days of hearings on my bill, H.R. 9118. Testimony was heard from all significant groups interested in the development of new compensation policy. As a result of the information gathered at these hearings and because of the efforts of my colleagues, Mr. ESCH, Mr. GAYDOS, and Mr. BURTON, the cooperation of Mr. Herbert Doyle, director of the Office of Workmen's Compensation programs and his staff, H.R. 9118 was reported unanimously with amendments to the full committee on March 14, 1974. On April 3, 1974, the House Education and Labor Committee unanimously reported H.R. 13871, my substitute, a bill which carries the sponsorship of 22 members of the committee.

At this time, I would like to mention briefly the highlights of this legislation, after which I will answer any inquiries from my colleagues.

H.R. 13871 would:

Assure Federal workers injured on the job and receiving disability compensation that during their period of disability, they will incur no loss of benefits which they would have received absent the injury or disease. In addition, this provision guarantees to an injured employee who recovers from his disability within 1 year from the time compensation payments commence the right to return to his former position or an equivalent position. For those employees whose disability extends beyond 1 year, the employing agency or department is to accord to the injured worker priority in employment;

Authorize schedule compensation for the loss or loss of use of an internal or unspecified external organ and authorize payment of up to 312 weeks for said loss or loss of use;

Allow the worker the choice of using existing Federal facilities for medical treatment or a physician chosen from an approved list. Existing law requires an injured worker to make use of available U.S. facilities in the first instance, and would permit use of private physicians only if it was impracticable to use Federal facilities. In addition to permitting the employee a choice of facilities and physicians, the bill adds podiatrists to the list of authorized physicians and available services. This reflects the drafters' recognition that injured workers are choosing more diverse methods of medical treatment to cure their ills, and that Federal employees compensation should allow for such a choice;

Authorize the employing agency to continue payment of an employee's pay where the employee files a claim under the act relating to a "traumatic" injury. This provision was prompted by the persistent complaint of Federal workers that the delay between notice of injury and initial payment was causing economic hardship to the worker and his family. The section intends that the continuation of pay be treated as such for all purposes, including withholding tax, contributions, retirement, et cetera. This would not increase the amount of payment for the period immediately following the filing of a claim related to work-connected traumatic injury, but only eliminate interruptions in the cash flow for the employee;

Authorize the Secretary of Labor to continue the compensations rate without reduction when a Federal employees disability changes from total to partial and he is enrolled in an approved program of vocational rehabilitation. This practice would provide an incentive for partially disabled workers to enter into approved programs of rehabilitation so that they might return to work and leave the compensation rolls. It is intended to eliminate the discentive to return to vocational rehabilitation caused by the present reduction in benefits;

Erases the artificial differences between the entitlement of husband and wife. It permits a widower to receive the same benefit as a widow because of the death of his Federally employed spouse if he lived with her or was dependent upon her at the time of her death or if living apart for good reason or because of the desertion of the husband by the wife;

Extends the period for filing claims from 1 to 3 years and eliminates the often inequitable 5-year waiver provision. It is foreseen that the present provision concerning latent disability, and the newly added section tolling the statute of limitations in cases of exceptional circumstances will provide the worker the same protection afforded by the existing waiver provision without the attendant difficulties;

Reallocates benefits between widows and widowers and children of deceased Federal employees by increasing the share of widows and widowers generally by 5 percent. The committee recognized that parents retain a continuing responsibility for the welfare of their children, and that this reallocation of survivors' benefits would reflect that recognition in the legislation;

Removes the two month waiting period currently required following a 3 percent rise in the price index for 3 consecutive months over the price index for the latest base month. This amendment achieves the reasonable and logical result of most accurately reflecting increases in the consumer price index;

Corrects the unintentional exclusion of certain groups of beneficiaries, including those from the Federal Public Works Administration, the Civilian Conservation Corps, the Works Projects Administration, and other New Deal agencies—from receiving the automatic cost-of-living increases provided for in the 1966 Federal Employees Compensation Act amendments;

Permits employees or survivors to receive benefits administered by the Veterans' Administration while receiving benefits under the FECA, as long as such payment is not for the same injury or the same death. It also permits receipt of military retirement, retired or retainer pay while receiving benefits under the act subject to the limitations on receipt of dual compensation for the same injury, and further subject to the limitations im-

posed on retired officers in 5 U.S.C. 5532; and

Finally, because of the recent ongoing studies of workmen's compensation programs at both the State and Federal level, it is not only justified, but absolutely essential, to conduct a broad-based review of the FECA to ascertain whether further revisions are necessary.

This legislation corrects certain inequities in existing law and is viewed as a great stride forward in the effort to keep the FECA in step with the most current workmen's compensation developments. It is enthusiastically supported by the Committee on Education and Labor, both Democrats and Republicans, by the administration and most importantly by the Federal employees who are most directly affected by the changes incorporated in this bill.

I believe that every Member of this House should support H.R. 13871, without qualification. This bill provides fair and progressive compensation to Federal workers injured on the job.

Mr. ESCH. Mr. Speaker, I rise at this time in support of H.R. 13871. The original bill, H.R. 9118, was introduced on June 29, 1973. In early fall 1973 Chairman DANIELS, the primary sponsor of that bill, conducted hearings. In addition to representatives of the Federal employees interests, the committee also had the advantage of testimony and the assistance of representatives of the Department of Labor's Office of Workmen's Compensation programs.

It was through the cooperative interests and efforts of Chairman DANIELS that the members of the Select Labor Subcommittee were able to develop what I now feel is a reasonable piece of legislation. It is because of the sincere efforts of Chairman DANIELS to discuss and effectively deal with our objections to the original bill that I now feel comfortable in the fact that H.R. 13871 is being brought up under Suspension of the Rules of the House. One of the provisions of the original bill that could have been the cause of considerable controversy was the section dealing with continuation of compensation from the date of the wage loss of the injured employee. To begin with, as proposed in the original bill that section would have exceeded the recommendations of the National Commission on State Workmen's Compensation laws which, after thorough study, concurred in some reasonable waiting period before benefits would be in fact paid an affected individual.

However, Chairman DANIELS and I did agree that a problem could exist, where an injured employee was not paid benefits during the period of administrative delay normally associated with the processing of worker claims. However, the issue concerning that provision was averted by the willingness of Mr. DANIELS to consider the alternative which was eventually incorporated in the bill now up for consideration.

Essentially this provision authorizes the employing agency to continue to pay the regular pay of an employee who files a claim in connection with a traumatic injury. In other words without regard in the initial stages as whether or not an employee has a valid claim, the agency shall continue his pay. His pay is subject to all the normal deductions for income tax, withholding contributions and things of a like nature. The period for which an employee is paid on that basis shall be pursuant to recommendations and accounting procedures prescribed by the Secretary of Labor for a period not to exceed 45 days. Once a determination has been made by the Office of Federal Employees Compensation that a claim is valid, the compensation provisions of the act take effect.

As indicated in the explanation in the committee report, it was our intention to eliminate interruption in income without increasing the net benefit to the employee. I feel that the provision as now incorporated in the bill, along with the above relevant legislative history is acceptable.

Another area of major concern of the subcommittee was the affect of absence stemming from illnesses or injuries on the employment status of Federal employees. Accordingly for the first time we agree to specifically protect the rights of these individuals who because of work-connected illnesses or injuries have had breaks in the continuity of their employment which affected their status as employees.

I do want to point out in this connection that our committee report explains that this provision does not accord or bestow greater rights than the employee would have enjoyed if he had continued working, but is intended solely not to impose a reduction of rights if he had otherwise enjoyed had he not been absent due to a work-connected illness or injury.

I am aware that some are concerned with this provision, however, I am advised that similar provisions are contained in labor agreements between employers and labor organizations in the private sector of our economy. These provisions would accord similar rights to injured employees who are covered by such agreements.

There are provisions which would add to the cost of this legislation. However in the course of the hearings herein and in consideration of this legislation, I could not agree that these costs should not be appropriately absorbed by the Federal employer. One of the provisions would redefine "organ," the loss or loss of use of which is covered by the scheduled awards contained in the act. We did specifically exclude the heart, the brain, and the back from scheduled awards because of the still uncertain state of the medical art in determining the extent of loss of those cases. However, we did not ignore our responsibility with respect to these organs, and this bill would require the Secretary of Labor to conduct a study to determine how these organs could be appropriately added to the scheduled provision of the act. I feel this is a eminently reasonable approach to this problem and for that reason also support the bill.

An additional cost item concerns itself with the payment of 100 percent of compensation where an employee who has suffered total disability agrees to enter a vocational rehabilitation program. I concur in the sentiment expressed in our committee report that this will encourage employees who were totally disabled to make an effort to return to useful life.

Other provisions of the bill are designed to eliminate certain inequities which came to our attention in the course of the hearings. One such provision would allow an injured employee free choice between Government and private medical facilities for treatment for work-connected injury and illness. This merely represents adoption of the recommendations of the National Commission on State Workmen's Compensation Laws.

In recognition of the changes in our patterns of thinking about these matters, the bill would extend equal treatment to dependent widowers now enjoyed by widows of Federal employees.

Another inequity concerned the application of the cost-of-living index increases provided for by the act to certain New Deal agencies. This bill would not provide for retroactive payment by virtue of the extension of this provision to these New Deal agencies. It simply brings the rates of compensations up to the current standards enjoyed by employees of other agencies.

Finally, I agreed that a Federal employee who is receiving benefits administered by the Veterans' Administration should not be disqualified from receiving benefits under this act, so long as the benefits do not relate to the same injury or death.

In recognition of the fact that the legislative task in the area of workmen's compensation is never finished, we have directed that the Secretary of Labor conduct studies regarding increases in attendant allowances, the matter concerning additions to scheduled awards and distribution of survivor benefits between surviving spouses and dependent children.

So all of these reasons, Mr. Speaker, I join my respected colleague, Mr. DANIELS, in recommending passage of this bill.

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

Mr. ESCH. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I support the legislation and enthusiastically urge that it pass.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. GAYDOS).

Mr. GAYDOS. Mr. Speaker, I rise in support of this bill. The Federal Employees' Compensation Act was last amended in 1966. Experience since then has disclosed certain shortcomings with respect to Federal employees.

H.R. 13871, therefore, is an omnibus bill, and I will highlight some of its more important provisions.

Current law provides that when an employee's disability changes from total to partial, the Office of Federal Employees' Compensation must recompute his compensation on the basis of his former pay and his new earning capacity. In many cases, such reduction in compensation makes it financially impos-

sible for an employee to undertake or continue vocational rehabilitation, but forces him to take any available job regardless of the pay scale. Accordingly, the employee will continue to collect compensation for partial disability. This works to the disadvantage of both the employee and the Government.

Section 3 of the present bill addresses itself to this problem. It provides that an employee whose disability status changes from total to partial would continue to receive his prior compensation while undergoing vocational rehabilitation and training. This will accomplish two objectives; one, the individual will be able to learn new skills so that he can return to the labor force with an improved earning capacity, and two, there will be a reduction in the compensation payments paid to the employee in the long run. Thus, a small investment, namely continuation of compensation at the total disability level for a short period, will mean less total compensation payments overall.

In addition, section 7 of the present bill increases from $100 to $200 the monthly allowance the Secretary of Labor must pay an employee for necessary maintenance while undergoing such vocational rehabilitation. This is to provide funds for carfare, lunch, uniforms, tools, books, and partial contributions to food and lodging for courses taken away from home.

Under present law, the Office of Federal Employees' Compensation is required to review compensation awards when a recipient attains the age of 70. This has been the law since 1916. It is based on the rationale that if a person receiving compensation experiences a reduction in earning ability solely because of age his compensation payments should be reduced. Age 70 has significance in that it was the mandatory retirement age for a Federal employee, who upon attaining that age should receive retirement benefits rather than to continue to receive compensation benefits for impairment of earning capacity.

The implementation of this section of the present law has resulted in great controversy, particularly where a person does not have sufficient retirement benefits accrued. To reduce his compensation payments at that age would seriously impair his ability to provide for himself.

Accordingly, in this situation, the Office of Federal Employee's Compensation is faced with the soul-searching task of deciding whether or not to reduce the compensation of a 70-year-old who may have no other source of income. Although the instances when such reduction is made appear to be minor or limited, much time is wasted in conducting the review procedure, with no substantial impact on the benefits paid.

Section 8 of the bill would repeal this section and save considerable time of the Office of Federal Employee Compensation as well as anguish on behalf of compensation recipients who approach age 70.

Current law provides that while an employee receives compensation for a work-connected disability, he may not receive other payments from the U.S. Government other than for services performed or from a military disability pension.

This means that a person retired from the military service and who is employed by the Federal Government and is receiving income from both sources, if injured on his current job, must forgo receipt of his military retirement payments if he elects to receive compensation benefits for a work-connected disability.

If it is proper for a person to receive checks from two sources when employed by the Federal Government, there is no reason why, if he incurs a work-connected disability, he should be penalized and forced to forfeit his right to the military retirement.

Section 9 of the bill would allow an employee receiving compensation benefits also to receive military retirement or retainer pay subject to the limitations on receipt of dual compensation by retired officers as required by law. It would also allow the receipt of benefits from the Veterans' Administration provided they are not for the same injury or death as from the Federal Employees Compensation Act.

This proposed change is certainly justifiable since a Federal employee who receives disability payments for a work-connected injury should not be deprived of benefits from other sources for different injuries or service. His right to receive the compensation payment should be based solely on the merits of his claim, and not on the availability of other Federal income.

Under present law, when a Federal employee is injured on the job and is unable to work, he is faced with the alternative of using either accrued annual or sick leave or else be put on leave without pay until he returns to work or a determination is made that his injury is compensable.

The situation is further complicated by the fact that it may be 60 days or more before there has been a determination that his injury is compensable. Once it is determined that his injury is compensable, he will then receive compensation, but only for that period of time for which he did not use annual or sick leave. For example, if an employee was disabled from work for a period of 60 days and used 30 days of annual and/or sick leave during the period, then he would receive compensation for only 30 days. On the other hand, if such employee did not choose to use his annual or sick leave, then he would receive compensation for the entire 60-day period.

It appears that most of the delay is attributable to the processing of claims by the employing agency. Even though any compensation paid will be charged back to it, there is no reason or incentive for that agency to expedite the processing of compensation claims. In fact, there is a disincentive to do so, since for minor disability claims, individuals will use annual or sick leave and there will be no compensation paid, thus no charge back to the employing agency to reimburse the Office of Federal Employee Compensation—other than payment for medical bills which, of course, are charged back to the agency in any case.

Section 11 of the bill would amend the present law so as to authorize the employing agency to continue to pay an employee who has been disabled from a traumatic injury up to 45 days. This sum will not be considered compensation, but instead will be taxable income. There will be no reason for the employing agency to delay processing a disability claim and it is anticipated that a disposition of the claim by the Office of Federal Employee Compensation will be made within 45 days. Thus if a person returns to work before the expiration of the 45-day period, he will have received his regular income for the period and will not have used up his annual or sick leave.

On the other hand, if a person receives a traumatic injury keeping him out of work for more than 45 days, he will commence receiving compensation benefits as of the 49th day, if he returns to work between the 45th and 59th day. If the employee remained off work 59 days or more because of the disability, he will then be paid disability from the 46th day on. This is because the 14-day waiting period for retroactive benefits commences on the 46th day of a person's disability.

If it should be determined that the employee did not receive a compensable injury, then a reduction would be made in the employee's annual or sick leave to account for the receipt of his earnings during the 45-day period.

There is certainly no reason why an employee with a service-connected disability should either have to forgo his annual or sick leave or, worse, experience a period of no income while the appropriate Federal agency was processing his disability claim.

The provision that an adjustment be made in the annual or sick leave of an employee whose claim for disability was held not compensable, will prevent an abuse of this provision by employees who do not have compensable injuries.

Adoption of this change will lead to efficiencies in the administration of the act in that with respect to traumatic injury claims of 45 days or less, no longer will it be necessary for the Office of Federal Employees Compensation to issue weekly checks to a compensation claimant and then obtain reimbursement from the employing agency. Instead, the check will be issued directly by the employing agency. In view of the fact that half of the compensation claims involve disabilities of 45 days or less, there will be a reduction in the payroll cost of the Office of Federal Employee Compensation. The cost savings here can then be applied to employing more technical advisors to further expedite the processing of claims both at the Office of Federal Employees Compensation as well as in the employing agency.

Section 22 of the bill is an attempt to "make whole" the disabled employee and assure that he will lose no benefits that he otherwise would have received had he continued to work during the time he received disability compensation.

It provides that if an individual resumes employment with the Federal Government, he shall be credited for within grade step increases, annuity computations under Civil Service Re-

tirement, retention purposes, and other rights and benefits based upon length of service for the entire time during which the employee received compensation under the Federal Employee Compensation Act.

Additionally, an employee who recovers from an injury or disability within 1 year after commencement of compensation benefits would have an absolute right to his job or an equivalent position. If his injury or disability extended beyond 1 year, he would be entitled to priority in employment with the employing agency or department by whom he was formerly employed.

The purpose of this compensation law is to protect an employee from his loss of earnings due to a work-connected injury or disability. Accordingly, he should not be deprived of re-employment when his disability terminates, nor should he suffer a tolling of employment benefits while receiving compensation benefits.

The changes provided in the bill under consideration will clearly indicate that Congress intends that the Federal Government will be a model employer in the area of workman's compensation.

I urge my colleagues to support this bill.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I rise to urge my colleagues to support H.R. 13871, the Federal employees compensation amendments. This legislation, which I have cosponsored as a member of the Education and Labor Committee, represents an important step forward in the rights of our citizens under the workmen's compensation laws.

The greatest problem with the workmen's compensation laws in the past has been the fact that the worker has had to go without pay between the time of his injury and the time of his compensation award. This has proven to be a hardship for his wife and family as well as for himself. This legislation corrects that situation by providing for an automatic payment of wages for 45 days after the accident.

The companion problem is the delay which often occurs before the Workmen's Compensation Board makes payment to the injured party. This legislation seeks to relieve this hardship by requiring that the Compensation Board make an award within 45 days of the injury—the same 45 days the worker is receiving pay. This means that the new law effectively eliminates the specter of injury induced poverty which has been such a serious problem in the past.

Almost as important, the existing statute of limitations has long penalized the worker seeking to file a claim. At present it is for 1 year; in this law we are extending it to 3 years to provide greater opportunity for the worker who has a hidden physical injury to receive his just compensation.

Finally, this bill grants to the civil service employee the right to return to his old job—or one of equal rank and equal pay—if his injury clears up within 1 year. If the injury takes longer to heal, the worker in civil service is granted preferential status in job selection when he returns. This is an important provision. It takes account of the legitimate needs of the worker who has invested an enormous amount of time in his job situation, and who ought not to be penalized for an injury sustained while he is giving faithful service on that job.

In sum, Mr. Speaker, H.R. 13871 is an important and necessary piece of legislation to safeguard the rights of the worker, and I urge its prompt passage by the House.

The SPEAKER. The question is on the motion offered by the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) that the House suspend the rules and pass the bill, H.R. 13871.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

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

There was no objection.

RAISING THE SALARIES OF LEVEL V, IV, AND III EMPLOYEES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-297)

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 Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

The recent rejection by the Congress of higher salaries for the Executive, Legislative and Judicial branches has created a problem within the Government that needs to be quickly remedied.

Under the law, career officials in the General Schedule—"GS employees" as they are called—cannot be paid a higher salary than anyone on the lowest rung, Level V, of the Executive Schedule.

For the past five years, the salaries of those in the Executive Schedule have been frozen, and with the recent action by the Congress, will continue to be frozen until 1977.

During this same period, in actions approved by the Congress, the salaries of those in the General Schedule have been gradually increasing.

The result now is that GS employees in the top three levels of the General Schedule—GS 16s, 17s, and 18s—are almost all paid the same salary, $36,000, which is the same salary as a Level V employee on the Executive Schedule.

For the 10,000 careerists in the top levels of the General Schedule, this salary bunching or "pay compression" denies them fair increases in compensation, robs them of the incentive to seek promotions, and adversely affects their future annuities. Already it is creating greater difficulties in recruiting and retaining top-flight career personnel, and it could lead to a serious decline in the quality of the managerial work force.

To correct this problem, I am transmitting to the Congress today legislation which would raise the salaries of those in the lowest three levels of the Executive Schedule and thereby permit a significant increase in the salaries of those in the highest grades of the General Schedule.

This proposal would raise the salaries of Level V, IV and III employees to $41,000, $41,500 and $42,000 respectively. No increase would be provided for any Federal official now making more than $42,000.

By virtue of this reform, there would be a significant reduction in the salary compression for top-level GS employees whose salaries could continue to increase in a way that they deserve.

For the sake of the career employees within the Government and the quality of management which we need within the executive branch, I urge the Congress to give this proposal its swift approval.

RICHARD NIXON.

THE WHITE HOUSE, *May 7, 1974.*

FARM LABOR CONTRACTOR REGISTRATION ACT AMENDMENTS OF 1974

Mr. FORD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13342) to amend the Farm Labor Contractor Registration Act of 1963 by extending its coverage and effectuating its enforcement.

The Clerk read as follows:

H.R. 13342

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Labor Contractor Registration Act Amendments of 1974".

SEC. 2. Section 3(d) of the Farm Labor Contractor Registration Act (7 U.S.C. 2042 (d)) (hereinafter in this Act referred to as the "Act") is amended by striking the following words: ", when such service or activity is performed by an individual worker who has been transported from one State to another or from any place outside of a State to any place within a State".

SEC. 3. The second sentence of section 3(b) of the Act (7 U.S.C. 2042(b)) is amended by inserting "directly or indirectly" immediately after "who".

SEC. 4. Section 5(a)(1) of the Act (7 U.S.C. 2044(a)(1)) is amended by striking out "and sworn".

SEC. 5. Section 5(a)(2) of the Act (7 U.S.C. 2044(a)(2)) is amended by striking out "but in no event shall the amount of such insurance be less than $5,000 for bodily injuries to or death of one person; $20,000 for bodily injuries to or death of all persons injured or killed in any one accident; $5,000 for the loss or damage in any one accident to property of others" and inserting in lieu thereof the following: "but in no event shall the amount of such insurance be less than $10,000 for bodily injuries to or death of one person; $50,000 for bodily injuries to or death of all persons injured in or killed in any one accident; $10,000 for the loss or damage in any one accident to property of others".

SEC. 6. (a) Section 6(a) of the Act (7 U.S.C. 2045(a)) is amended by inserting immediately before the semicolon at the end thereof the following: "and shall be denied the facilities and services authorized by Act of June 6, 1933 (48 Stat. 113; 29 U.S.C. 49, et seq.), commonly referred to as the Wagner-Peyser Act, upon refusal or failure to exhibit the same".

(b) Section 6(b) of the Act (7 U.S.C. 2045 (b)) is amended to read as follows:

"(b) ascertain and disclose to each worker at the time the worker is recruited the following information in written form to the best of his knowledge and belief: (1) periods of employment, (2) the areas of employment, (3) the crops and operations on which he may be employed, (4) the transportation, housing, and insurance to be provided him, (5) the wage rates to be paid him, (6) the charges to be made by the contractor for his services, and (7) whether or not a labor dispute exists in the area of contracted employment; the Secretary may prescribe an appropriate form for recording such information;".

SEC. 7. Section 7 of the Act (7 U.S.C. 2046) is amended to read as follows:

"SEC. 7. (a) The Secretary or his designated representative affirmatively shall monitor and investigate and gather data with respect to matters which may aid in carrying out the provisions of this Act. In any case in which a complaint has been filed with the Secretary regarding a violation of this Act or with respect to which the Secretary has reasonable grounds to believe that a farm labor contractor has violated any provisions of this Act, the Secretary or his designated representative shall investigate and gather data respecting such case, and may, in connection therewith, enter and inspect such places and such records (and make such transcriptions thereof), question such persons, and investigate such facts, conditions, practices, or matters as may be necessary or appropriate to determine whether a violation of this Act has been committed.

"(b) The Secretary or his designated representative may issue subpenas requiring the attendance and testimony of witnesses or the production of any evidence in connection with such investigations. The Secretary, or any agent designated by him for such purposes, may administer oaths and affirmations, examine witnesses, and receive evidence. In case of contumacy or refusal to obey a subpena, any district court of the United States within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Secretary or his designated representative, shall have jurisdiction to issue to such person an order requiring such person to appear before the Secretary or his designated representative, to produce evidence if so ordered, to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

"(c) The Secretary shall report and refer all information concerning any probable violations to the appropriate office of the United States Department of Justice.".

SEC. 8. (a) Section 9 of the Act (7 U.S.C. 2048) is amended by inserting immediately after "employee thereof" the following: ", any person directing the activities of a farm labor contractor, or any person engaging the services of any farm labor contractor to supply farm laborers," and by striking out "on any regulation prescribed hereunder".

(b) Section 9 of the Act is further amended by striking out "shall be fined not more than $500" and inserting in lieu thereof the following: "may be fined not more than $1,000, imprisoned for not more than six months, or both. In addition, the Secretary or his designated representative shall have power to petition any district court of the United States within any district where any violations of any provision of this Act or any regulation prescribed hereunder is alleged to have occurred or wherein such person resides or transacts business, for appropriate injunctive relief. Upon the filing of any such petition the court shall cause notice thereof to be served upon such person, and thereupon shall have jurisdiction to grant to the Secretary or his designated representative such temporary or permanent relief or restraining order as it deems just and proper".

SEC. 9. Section 4 of the Act is amended by adding the following new subsections:

"(c) No person shall engage the services of any farm labor contractor to supply farm laborers unless he first observes in the immediate possession of the farm labor contractor a certificate from the Secretary that is in full force and effect at the time he contracts with the farm labor contractor.

"(d) Upon determination by the Secretary that any person knowlingly has engaged the services of any farm labor contractor who does not posses such certificate as required by subsection (c) of this section, the Secretary is authorized to deny such person the facilities and services authorized by the Act of June 6, 1933 (48 Stat. 113; 29 U.S.C. 49 et seq.), commonly referred to as the Wagner-Peyser Act, for a period of up to three years.".

SEC. 10. The Act is amended by adding at the end thereof the following new sections:

"DISCRIMINATION PROHIBITED

"SEC. 16. (a) No person shall intimidate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate against any farmworker because such worker has, with just cause, filed any complaint or instituted or cause to be instituted any proceeding under or related to this Act or has testified or is about to testify in any such proceedings or because of the exercise, with just cause, by such worker on behalf of himself or others of any right or protection afforded by this Act.

"(b) Any worker who believes, with just cause, that he has been discriminated against by any person in violation of this section may, within thirty days after such violation occurs, file a complaint with the Secretary alleging such discrimination. Upon receipt of such complaint, the Secretary shall cause such investigation to be made as he deems appropriate. If upon such investigation, the Secretary determines that the provisions of this section have been violated, he shall bring an action in any appropriate United States district court against such person. If any such action the United States district courts shall have jurisdiction, for cause shown, to restrain violation of paragraph (a) and order all appropriate relief including rehiring or reinstatement of the worker or damages up to and including $1,000 for each and every violation.

"CIVIL ACTIONS BY PRIVATE PARTIES

"SEC. 17. Any person claiming to be aggrieved by the violation of any provision of this chapter or any regulation prescribed hereunder may on behalf of himself file suit in any district court of the United States having jurisdiction of the parties without respect to the amount in controversy or without regard to the citizenship of the parties. Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the action. If the court finds that the respondent or respondents have intentionally violated any provisions of this chapter or any regulation prescribed hereunder, it may render declaratory and injunctive relief, and may award damages up to and including $500 for each and every violation. Any civil action brought under this section or under section 8 hereof shall be subject to appeal as provided in sections 1291 and 1282 of title 28, United States Code.".

The SPEAKER. Is a second demanded?

Mr. LANDGREBE. Mr. Speaker, I demand a second.

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

There was no objection.

Mr. FORD. Mr. Speaker, before we vote on final passage of the Farm Labor Contractor Registration Act Amendments of 1974, I would like to commend the distinguished ranking minority member of the Subcommittee on Agricultural Labor (Mr. LANDGREBE) for his assistance and cooperation in drafting this bill and guiding it through the committee. Because of his efforts, a spirit of bipartisanship has prevailed throughout the entire proceedings in both subcommittee and committee which culminated in the unanimous vote on H.R. 13342 when it was reported by the committee. H.R. 13342 is cosponsored by every member of the Subcommittee on Agricultural Labor and by several other members of the committee from both sides of the aisle.

Mr. Speaker, I would also, at this point, like to commend my good friend and distinguished colleague from Michigan (Mr. O'HARA) who, as my predecessor as chairman of the Subcommittee on Agricultural Labor, first proposed amendments to the Farm Labor Contractor Registration Act during his tenure as chairman in the 92d Congress. Much of what is in the legislation before us today is from the legislation conceived by the distinguished gentleman back in 1971.

The Farm Labor Contractor Registration Act Amendments of 1974 are designed to improve the existing law. The original law was passed by Congress in 1963 and became effective in 1965.

Unfortunately, the present law never quite accomplished its purpose—which was to protect agricultural workers from being exploited by unscrupulous farm labor contractors, who are more commonly referred to as crew leaders.

Farm labor contractors or crew leaders are the middlemen who serve as bridges between the grower who owns the land and the workers who plant and harvest the crops. Crew leaders normally contract with a grower to supply workers. Then they recruit workers and transport them to the work site. In many cases, the crew leader also takes on the responsibility of providing his workers with food and clothing and other incidental items in addition to transportation—and in most cases he charges each worker for these goods and services—sometimes reasonably, sometimes exorbitantly.

The present law requires any crew leader, who for a fee, either for himself or on behalf of any other person, recruits, solicits, hires, furnishes, or transports 10 or more migrant workers at any one time during any calendar year across State lines for agricultural employment

to apply for a certificate of registration through the Department of Labor.

Under the act's provisions, the crew leader is required to submit: Information concerning his conduct and method of operation as a farm labor contractor; satisfactory assurances as to his coverage by public liability insurance on the vehicles he uses to transport migrant workers; and a set of his fingerprints.

The registration certificate may be rejected, revoked, or suspended if the crew leader fails to perform any of the above requirements or commits certain acts of malfeasance such as: Knowingly giving false or misleading information to migrant workers concerning the terms, conditions, or existence of farm employment; unjustifiably failing to carry out his agreements with farm operators or his working arrangements with migrant workers; and convictions of certain specified crimes.

The present law also provides that any crew leader who willfully and knowingly violates any provision shall be fined not more than $500.

Mr. Speaker, the present law was a good beginning, but the committee has learned that the act has not been as effective as Congress had intended it to be. There has been and continues to be widespread violations of the Act. According to the Department of Labor, of over 6,000 crew leaders operating across State lines, fewer than 2,000 are registered as required by law, and a spot check of over 900 crew leaders last year revealed violations by 73 percent of those checked.

The committee received testimony from a public official from Pennsylvania who reported complaints from migrants who were allegedly being cheated out of their wages, overcharged for food furnished, and physically assaulted—all by the crew leader who hired them. The committee staff received similar reports from victims in Florida and interviewed members of the so-called slave labor gang which received front page publicity in Dade County, Fla., just 1 year ago.

The committee also received testimony from crew leaders and former crew leaders who substantiated many of these allegations, and one former crew leader testified that he was unaware of any crew leader who did not give false and misleading information to workers who were recruited.

Testimony before the committee further indicated that it is a common practice for crew leaders to receive a certain amount of payment from the grower and then "skim" excessive amounts from the workers' portion of the payment; promise adequate living facilities and then house their crews in filthy, overcrowded, and substandard housing; overcharge for rent, food, liquor, and cigarettes; and recruit workers without informing them that they were being used as strikebreakers.

In several instances it has also been brought to our attention that crew leaders often carry a gun to maintain their authority.

Yet despite these reports of widespread violations, only one person has ever been convicted under the present Act during its history of almost one decade.

Mr. Speaker, several explanations may account for the act's ineffectiveness. One is the difficulty of proving that the crew leader is engaged in recruitment across State lines. Another is the relatively light penalty upon conviction—with no provision for a jail sentence even for serious or repeated violations.

Perhaps even more important is the Department of Labor's shortage of adequate manpower to properly police and enforce the present law.

H.R. 13342 is intended to overcome these deficiencies by extending the act's coverage, by creating stronger enforcement provisions and by creating a civil remedy for persons aggrieved by violations.

At this point, I would like to insert into the RECORD a section-by-section summary which describes the provisions of H.R. 13342, the Farm Labor Contractor Registration Act Amendments of 1974:

SHORT TITLE

The first section of this legislation provides that it may be cited as the "Farm Labor Contractor Registration Act Amendments of 1974."

EXTENSION OF COVERAGE

Section 2 amends section 3(d) of the Farm Labor Contractor Registration Act of 1963 (referred to in this explanation as the "Act") to extend the coverage of the Act to all aspects of commerce as defined either in the Fair Labor Standards Act, Title 29 U.S.C. 203(f) or the Internal Revenue Code, 26 U.S.C. 3121(g), applicable to transactions which may occur entirely within a state.

COVERAGE OF CONTRACTORS ACTING THROUGH AGENTS

Section 3 amends section 3(b) of the Act to provide that the prohibitions established by the Act apply to contractors who are not registered but direct the activities of a farm labor contractor, as well as to both the direct and indirect actions of farm labor contractors. The intent of the amendment made by section 3 is to apply such prohibitions to acts which any such contractor commits through agents acting on his own behalf.

APPLICATION FOR CERTIFICATE OF REGISTRATION

Section 4 amends section 5(a)(1) of the Act to eliminate the requirement that written applications shall be sworn to by the applicant.

INSURANCE COVERAGE

Section 5 amends section 5(a)(2) of the Act to provide that registration applicants shall carry motor vehicle insurance in the following amounts: (1) $10,000 for bodily injuries to or death of one person (increased from $5,000 required by the Act); (2) $50,000 for bodily injuries to or death of all persons injured or killed in any one accident (increased from $20,000 required by the Act); and (3) $10,000 for the loss or damage in any one accident to property of others (increased from $5,000 required by the Act).

OBLIGATIONS OF FARM LABOR CONTRACTORS

Denial of certain facilities and services

Subsection (a) of section 6 amends section 6(a) of the Act to provide that a farm labor contractor shall be denied the facilities and services authorized by the Wagner-Peyser Act (48 Stat. 113; 29 U.S.C. 49 et seq.) if such contractor refuses or fails to exhibit his certificate of registration.

Disclosure of certain information

Subsection (b) of section 6 amends section 6(b) of the Act to provide that a farm labor contractor shall disclose to each worker at the time such worker is recruited (1) the period of employment of such worker; and (2) whether a labor dispute exists in the area of contracted employment. The amendment made by subsection (b) of section 6 further provides that such information, together with certain other information required to be disclosed by section 6(b) of the Act, shall be disclosed in written form, and that the Secretary of Labor may prescribe appropriate forms for recording such information. It should be noted, however, that this section is not intended to preclude or discourage the farm labor contractor from providing the required information orally as well as in written form, and that the intent of this section is to emphasize that the law demands that the farm labor contractor make every effort to convey to a potential worker all relevant information relating to the job for which the worker is being recruited, to the best of the farm labor contractor's knowledge at the time of recruitment.

AUTHORITY TO OBTAIN INFORMATION

Section 7 amends section 7 of the Act to provide that the Secretary of Labor shall have an affirmative duty to monitor and investigate and gather data with respect to matters which may aid in carrying out the Act. The amendment made by section 7 further provides that if a complaint is filed with the Secretary of Labor or he has reason to believe that a farm labor contractor has committed a violation of the Act, then the Secretary of Labor may issue subpeonas in connection with fulfilling his enforcement obligations. It is the intention of the Committee with respect to this amendment to place a mandatory duty on the Secretary of Labor both to monitor the Act in a manner adequate to its enforcement and to refer immediately any probable violations of the Act to the United States Department of Justice.

PENALTY PROVISIONS

Extension of coverage

Subsection (a), of section 8 amends section 9 of the Act to provide that the penalty provisions shall apply not only to farm labor contractors and their employees but also to any person directing the activities of any such contractor and to any person engaging the services of any such contractor to supply farm laborers. The amendment made by subsection (a) of section 8 also eliminates any penalty for a violation of any regulation prescribed under the Act, thus leaving the penalty provisions of section 9 applicable only to persons who willfully and knowingly violate the provisions of the Act.

Increase in penalties; injunctions

Subsection (b) of section 8 amends section 9 of the Act to provide that the maximum fine for violation of any provision of the Act shall be $1,000 (increased from $500 provided by the Act), and to provide that any person who violates any provision of the Act may be imprisoned not more than 6 months. The amendment made by subsection (b) of section 8 further provides that the Secretary of Labor may petition the appropriate district court of the United States for injunctive relief with respect to the violation of any provision of the Act.

CERTIFICATES OF REGISTRATION

Section 9 amends section 4 of the Act to provide that any person who engages the services of any farm labor contractor to supply farm laborers shall be required to observe in the possession of such contractor a certificate of registration from the Secretary of Labor which is in full force and effect. The amendment made by section 9 further provides that any person who fails to meet such requirement may be denied the facilities and services authorized by the Wagner-Peyser Act (48 Stat. 113, 29 U.S.C. 49 et seq.) for a period of not more than 3 years. Failure to observe a certificate of registration in the possession of a farm labor contractor at the

time any person engages the farm labor contrator's services also subjects that person to the penalty provision of the Act.

PROHIBITION OF DISCRIMINATION; CIVIL ACTIONS

Section 10 amends the Act by adding at the end thereof two new sections. Section 16(a) of the Act (added by section 10) makes it unlawful for any person to intimate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate against any farmworker because such farmworker has, with just cause, filed any complaint or instituted any proceeding under the Act or has testified or is about to testify in any such proceeding.

Section 16(b) of the Act (added by section 10) provides that any person who believe he has been discriminated against may seek an investigation by the Secretary of Labor. If such investigation reveals any violation of the provisions of section 16, the Secretary shall bring an action for relief in the appropriate district court of the United States. Such relief may include injunctive relief, rehiring or reinstatement of the worker, or damages of not more than $1,000 for each violation.

Section 17 of the Act (added by section 10) provides that any person who claims to be aggrieved by the violation of any provision of the Act may file suit in the appropriate district court of the United States without regard to the amount in controversy or to the citizenship of the parties. This provision is free of any requirement that such a person first exhaust any administrative remedies otherwise available, like that created under section 16(b), prior to filing suit. Section 17 of the Act further provides that such court may appoint an attorney for such person, may render declaratory and injunctive relief for any violation, and may award damages of not more than $500 for each violation. Section 17 of the Act further provides that any civil action brought under such section shall be subject to appeal as provided by section 1291 and section 1292 of title 28, United States Code.

Mr. Speaker, it was just 13 months ago from today when this problem was first brought directly to the attention of the subcommittee when we conducted hearings in Dade County, Fla. Ever since then the members of the subcommittee and the staff have been working together on a bipartisan basis to formulate a legislative remedy for the problems we saw.

The Farm Labor Contractor Registration Act Amendments of 1974 represent the culmination of our efforts. I now urge my colleagues from both sides of the aisle to continue the bipartisan spirit which has prevailed throughout our consideration of this legislation and vote to suspend the rules and pass H.R. 13342.

Mr. Speaker, before yielding, I would like to point out, for the benefit of the distinguished gentleman from Iowa (Mr. GROSS), that we did ascertain from the Department of Labor the approximate cost of the additional enforcement which this legislation would require, and this cost has been estimated at $500,000 annually. The cost estimate and breakdown appear on page 3 of the committee report.

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

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

Mr. GROSS. Mr. Speaker, I am delighted that my friend, the gentleman from Michigan, has shown such consideration to the gentleman from Iowa.

Mr. FORD. Mr. Speaker, I would like to say that I have enjoyed very much the educational process of serving with the distinguished gentleman from Iowa on a committee in this House.

Mr. Speaker, this new item would also require the crew leaders to furnish specific information to employees in a way which would guarantee against the duplicity that causes a farmer to end up with a lot of very angry employees who have been attracted to his particular agricultural operation by false statements made by a crew leader. It requires, of course, for the first time the grower to make an effort to determine whether a crew leader is registered and is complying with the law.

Although the penalties to the grower only apply when he willfully and knowingly violates the law, there is for the first time at least an obligation on his part to ask a crew leader or a labor contractor to see his registration credentials.

Mr. Speaker, it also extends the coverage of the Act to the so-called "super crew leaders." These are the second level of crew leaders or labor contractors who contract with other labor contractors. They are one more step removed from both ends of the transaction between the employee and the employer.

Finally, it would deny the use of the Wagner-Peyser Act to crew leaders who fail to exhibit their certificates.

Mr. O'HARA. Mr. Speaker, I rise to add my voice to those who have cosponsored and are supporting H.R. 13342, a bill to amend the Farm Labor Contractor Registration Act. I want to congratulate my friend and neighbor, the distinguished gentleman from Michigan (Mr. FORD), who is the chief sponsor of this legislation, for putting together a bipartisan coalition behind this very helpful, and long overdue improvement in the 1963 act.

In the 92d Congress, I served as chairman of the Subcommittee on Agricultural Labor, a post which is now very ably filled by my colleague BILL FORD, and in that capacity I introduced legislation which had some basic similarities to H.R. 13342. I am delighted that the committee has been able to develop legislation in this area and to bring it to the floor with bipartisan support.

In 1963 we passed the Farm Labor Contractor Registration Act. This law attempted to curb the reprehensible practices of some unscrupulous crew leaders by requiring certification by the Secretary of Labor of all those operating on an interstate basis. Certificates were to be denied to men convicted of certain crimes. Registered crew leaders were to inform the workers what housing would be available, and so forth.

In the years subsequent to the passage of the act, the evidence mounted that we had not solved the problem of exploitation. Hearings held last year made it clear that the enforcement provisions of the act had to be strengthened.

Fewer than one-third of the crew leaders covered by the act had even registered.

H.R. 13342 provides for stiffer penalties, mandates the Secretary to actively investigate and prosecute violators and authorizes him to seek injunctive relief as well as providing criminal and administrative penalties. A civil remedy is made available in Federal court for those aggrieved under the act.

Events in recent years have shown us that unionization of farmworkers is an important part of any program to achieve better wages and living conditions. Under H.R. 13342, a crew leader must inform a worker at the time of contracted employment of any labor dispute at the workplace.

Mr. Speaker, the Crew Leader Act amendments which we are about to pass will not solve all the problems faced by farmworkers. He will remain underpaid, overworked, exposed to occupational safety and health hazards which we thought we left behind us a century or more ago. He will remain exploited, cheated, and ignored. And he will remain all of these things until he is able to exercise to the fullest possible extent his right to organize and bargain collectively over wages and working conditions.

But this amendment will ameliorate working conditions, and will, if vigorously administered, start to bring to book some of those who have been most callous in their exploitation of the men and women and—let us face it—children, who put the food on our tables and the clothes on our backs.

I congratulate the gentleman from Michigan, the chairman of the subcommittee, and his colleagues for a good job well done. I hope we will follow up this step with others also long overdue.

Mr. THOMPSON of New Jersey. Mr. Speaker, I join today in strong support of H.R. 13342, a bill which I cosponsored to amend the Farm Labor Contractor Registration Act. The bipartisan support we have had for this legislation is gratifying.

The majority of the farm labor force is not hired directly by farmers. Instead farm labor contractors, or crew leaders as they are called, recruit labor crews and transport them to the places where the picking is done. The crew leader runs the show as far as the workers are concerned. He directs the field operations, the labor camps and often the stores where they buy food. He keeps count of the units they work and pays their salaries.

The Farm Labor Contractor Registration Act of 1963 attempted to curb the exploitation of both the farmer and the migrant farmworker by the crew leader. The farmer was sometimes left with a crop rotting in the field because the crew leader never appeared on the promised date. Workers recruited to drive tractors found themselves doing stoop labor. Vehicles used to transport them were unsafe and housing in the field camps was substandard. Before salaries were paid, unitemized "deductions" for taxes and food were made.

The act required that the crew leader register to operate interstate. Crew leaders convicted of certain crimes are not eligible for certificates. Registered leaders are required to inform their workers of the kind of work they will be doing, the wage rate, transportation facilities, housing available, and to keep payroll records if he takes care of salaries.

Despite this legislation, it is clear from onsite investigations and oversight hearings that the act has been less than effective. Fewer than one-third of the crew leaders covered by the act are registered. More than three-quarters of those interviewed recently were violating the act.

H.R. 13342 is a response to the weaknesses now apparent in the legislation as it stands. Basically this bill will strengthen the enforcement provisions of the act. The Secretary is empowered with positive duties of investigation and can bring to bear injunctive as well as criminal and administrative sanctions against violators. Civil remedies are made available for those aggrieved under the act.

Mr. Speaker, H.R. 13342 extends coverage of the act to crew leaders recruiting for intrastate jobs. It is often difficult to prove that a contractor is recruiting across State lines and therefore required to register. In New Jersey, we had approximately 105 registered crew leaders in 1972, and we are fairly sure that at least twice that number are operating in the State. Perhaps with extended coverage under the act, some of those crew leaders who have claimed immunity from the registration will be forced to comply. This extension stands to benefit a significant number of now unprotected workers.

After carefully considering the testimony from the hearings, an important change was made in the proposed bill. Day haul operations, eliminated in the early draft, were included in this final bill. Between 40 and 75 percent of New Jersey's unskilled farm labor force are in this category. They do not move around but commute daily to their jobs. These workers, often paid less than the $1.75 an hour New Jersey minimum wage and sometimes less than the Federal minimum wage of $1.30 in effect prior to May 1, need the protection the Farm Labor Contractor Registration Act amendments can provide.

Mr. Speaker, H.R. 13342 evidences the constant interest of Congress in the needs of our agricultural labor force. Beset by technological change rapidly driving agriculture into the 21st century, the farm worker is at least entitled to the rights and freedoms of a 20th century American.

Mr. LEHMAN. Mr. Speaker, I rise in support of H.R. 13342, a bill which I joined with my distinguished colleagues on the Subcommittee on Agricultural Labor in introducing, to amend the Farm Labor Contractor Regstration Act of 1963. Several other members of the Education and Labor Committee are also cosponsors of this legislation.

In 1963, Congress passed the Farm Labor Contractor Registration Act with overwhelming support from both sides of the aisle. The bill before the House today is likewise a product of a cooperative, bipartisan effort.

The grower who uses migrant labor generally contracts with a farm labor contractor who then hires a crew of workers. The contractor, or crew leader as he is called, will frequently provide transportation, housing, and food for his crew. He will direct the field operations, keep a tally of individual production, and act as paymaster.

Clearly, any system of contracting for human labor, a system more feudal than 20th century, would be prone to abuses. From testimony before both Houses preceding passage of the 1963 act, it became evident that the crew leaders were exploiting both farmers and migrant farm workers. In spite of promises made, they would fail to show on an agreed date and crops would be left to rot. When recruiting, they would mislead the workers about the kind of work to be done. Housing was substandard or nonexistent. Vehicles used to transport the migrants were unsafe. Payroll deductions made for purchases at the contractor-operated store were not itemized, nor were records kept of tax withheld or even or units worked.

The Farm Labor Contractor Registration Act attempted to prevent this exploitation by requiring crew leaders to get a certificate of registration from the Secretary of Labor to operate. Certificates were to be denied to those who failed to satisfy certain conditions designed to insure fiscal and moral responsibility on the part of crew leaders.

By 1968 fewer than one-third of the crew leaders covered by the act had registered. Spot checks made for violators indicated that 73 percent of crew leaders were operating in violation of the act. That year one application for a certificate was denied. Investigations in my own State of Florida brought out facts to show that abuses were still rampant. Workers were being kept in conditions closer to slavery than freedom. This legislation was introduced to strengthen the Farm Labor Contractor Registration Act as a direct result of these investigations.

H.R. 13342 provides for stiffer penalties for violations of the act. It gives the Secretary positive duties of investigating and acting on violations. It broadens the definition of those covered to include crew leaders recruiting for work done in the same State, thus removing the problem of proving that a contractor is operating interstate in order to bring him under the act. An important addition is the civil remedy made available in Federal court to those aggrieved under the act.

Mr. Speaker, it is my belief that, inherent in the system itself, are the abuses that we have sought to correct with legislation. Quite frankly, I feel that it would be better if we did away with the crew leader system entirely, and instead, simply required growers to hire their own personnel directly. But I recognize that such a change cannot be expected to take place overnight. Therefore, until such time as the whole institution of labor contracting is abolished, strong regulatory legislation is necessary to cope with the problem.

H.R. 13342 will have a significant impact only on those crew leaders who are illegally and unconscionably exploiting the migrant work force. The legislation will have very little impact on the scrupulous crew leaders who do not mistreat and abuse their workers, but this legislation is very important to my own State of Florida, because this is where many of the abuses have taken place.

Mr. Speaker, at this point I would like to urge my colleagues from both sides of the aisle to continue the spirit of bipartisanship which has prevailed throughout the committee consideration of this legislation, and vote for its final passage.

Mr. PEPPER. Mr. Speaker, I rise in strong support of this measure.

I know of no more exploited class of American working people than the migrant workers of this country. They are not rooted anywhere, and they do not have the opportunity to vote. They are not tied to any place where they have prestige or influence in the community. They do not have adequate schools for their children or adequate health care for themselves. The system under which they work does not give them the ordinary fair compensation for their labor which is customary for other workers.

I am proud that the Congress of the United States is stepping into these challenging problems.

The adoption of the Farm Labor Contractor Registration Act amendments will be a tremendous help in improving the working conditions of some of these poor workers who are being exploited by unscrupulous crew leaders.

Mr. Speaker, I support H.R. 13342 wholeheartedly. I would like to commend the subcommittee chairman, the distinguished gentleman from Michigan (Mr. FORD) and the other members of the Agricultural Labor Subcommittee, for their bipartisan effort to protect our farm labor force against exploitation.

Just a little over a year ago, the subcommittee held hearings at which I testified in my own congressional district in the State of Florida on the conditions in migrant labor camps. Evidence was submitted indicating that many crew leaders were in violation of the Farm Labor Contractor Registration Act and that some were treating their crews like slave labor.

There is clearly a necessity for strengthening the enforcement provisions of the present law and expanding its coverage.

The proposed legislation mandates the Secretary of Labor to take affirmative steps to investigate and act to stop violations. It requires employers to observe the crew leader's certificate when contracting for workers. In addition, civil actions are now available to parties aggrieved under the act. This three-pronged attack on the deficiencies in the Farm Labor Contractor Act should call a halt to some of the immoral and irresponsible practices carried on by unscrupulous crew leaders, and it should not hinder or interfere with the operations of the law-abiding crew leaders.

Mr. Speaker, the migrant labor force has been too often ignored in the halls of Government. Today we have taken heed of their call and acted. We must work together to see that we continue our efforts on behalf of the hundreds of thousands of men and women who help bring forth the bounty of our land.

Mr. LANDGREBE. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I would like to pay tribute to the chairman of this subcommittee. It has been a real pleasure to work with him on this bill ever since the day he referred to a year ago when we went to Florida and had about 12 hours of hearings in about a day and a half time. It was a real marathon situation.

But since then we did work diligently, and we feel we have come up with a bill that should bring order out of chaos.

Mr. Speaker, most migrant farm laborers are recruited to work for large farmers by farm labor contractors, commonly known as "crew leaders." The "crew leaders" operations are presently governed by the Farm Labor Contractor Registration Act of 1963, which became effective January 1, 1965—Public Law 88–582, 78 statute 920.

The bill under consideration, to amend the Farm Labor Contractor Registration Act (H.R. 13342) has significant implications for protection of our migrant farm workers nationwide. It is a bipartisan approach to end the abuses of which we are all aware and which last year received national publicity with the typhoid epidemic at one Florida migrant farm labor camp.

We passed the 1963 legislation in the hope of getting all crew leaders registered. We found that legislation necessary because some crew leaders were mistreating and cheating the farm workers they recruited and transported. Not only were workers being "ripped off" of their wages, but farmers and growers were, as well, being cheated by some unscrupulous crew leaders.

Now, we find that the act is not being enforced, and that only a small portion of the crew leaders operating are registered. We would like to see all crew leaders registered, and the purpose of our amendment to the Farm Labor Contractor Registration Act of 1963 is to encourage them to do so. However, in considering exactly what approach to take to achieve our purpose, we found that we may discourage registration if we bore down too heavily on requirements for registration and compliance. In other words, if we legislated too stringently, it would discourage registration, but if we did not act at all, then we would continue to have the act ignored. I believe we have reached a middle ground with H.R. 13342.

Briefly, let me restate what the existing law requires. It requires "crew leaders" to—

Register with the Secretary of Labor, after proof of: Application and method of operation, financial responsibility or adequate insurance coverage, a set of finger prints.

Keep the certificate of registration in their possession and exhibit it to persons with whom they intend to deal.

Disclose to recruited workers the terms and conditions of employment, including:

Area of employment;

Crops and operations on which he may be employed;

Transportation, housing and insurance;

Wage rates to be paid, and

Charges for crew leader fees.

Post the terms and conditions of employment upon arrival at given place of employment.

Post terms and conditions of occupancy if "crew leader" provides housing paid and withheld.

Keep payroll records and provide same to each migrant worker as to sums paid and withheld.

At present the Secretary of Labor "may" investigate regarding provisions of the act. The Secretary may also, after hearing, revoke, suspend or refuse to issue a certificate of registration if he finds the "crew leader" has:

Made misrepresentations in application given misleading information to workers;

Failed to perform agreements with farmers;

Failed to comply with working arrangements made with migrants;

Failed to show financial responsibility;

Recruited persons with knowledge that such persons are violating immigration laws;

Been convicted of crime involving gambling, sale of alcoholic liquors, or prostitution, or felony;

Failed to comply with ICC regulations;

Employed an agent who, for above reasons, except failed to show financial responsibiilty, could be refused a certificate, and

Failed to comply with act or regulations.

Even though those requirements are quite extensive, they are not being enforced, and they are being violated. To solve those problems, we offer H.R. 13342. Let me briefly summarize the amendments offered in H.R. 13342:

First. "Day haulers" would now be covered. Day haulers may just work in one State or may cross State lines. However they operate, it is clear that they affect interstate commerce since they contract with large farmers and often control an enormous payroll.

Second. "Super" crew leaders would now be covered. "Super" crew leaders are those who do not register, but direct the activities of others, registered or unregistered. These "super" crew leaders work behind the scenes, directly or indirectly, but they are the individuals who actually direct the show while violating the law, and, in so doing, "skim off the cream" of any financial arrangement.

Third. To meet the realities of present-day economics, H.R. 13342 increases the amount of insurance required by crew leaders who transport workers. In order not to discourage registration by increasing insurance requirements too high, we have settled on a reasonable amount—thought to be the minimum required.

Fourth. The amendment provides that crew leaders disclose to workers, in writing, on forms prescribed by the Secretary, what the terms and conditions of employment are to be. This does not preclude oral advice, but encourages and gives evidence of compliance with existing law.

Fifth. The Secretary of Labor now will have an affirmative duty to monitor and investigate violations of the law. This improves one of the failures of the original act.

Sixth. H.R. 13342 requires growers to observe the crew leader's registration when contracting with him, and subjects the grower to the penalty provision for failure to so observe. We feel this provision will substantially strengthen the crew leader's inclinations to register and strengthen the mechanisms for enforcement.

Seventh. The bill increases the penalties for violations of the act, from a civil penalty of $500, to $1,000 and/or imprisonment or both. It also eliminates penalties for violations of regulations. We have found that some persons do not even know of the existence of the law, which is really the only proper vehicle on which to impose penalties.

Eighth. H.R. 13342 protects migrant workers when they do complain of violations with a nondiscrimination clause. If a worker believes, with just cause, that he has been discriminated against for complaining of violation of the act, he may file a complaint with the Secretary, who may bring action for relief. Relief would be in the form of an injunction, rehiring, or damages up to $1,000.

Ninth. H.R. 13342 also provides for a private cause of action by an individual on his own behalf for violations of the act. However, this does not provide for class action, attorney fees or court costs, but allows for damages of up to $500.

Testimony before the Subcommittee on Agricultural Labor and participation in oversight by the subcommittee has convinced me that improvements in the act are necessary, and that the act needs to be strengthened in the manner suggested by H.R. 13342. I urge passage of this legislation.

Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. QUIE).

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

First I want to commend the gentleman from Indiana for his work on this legislation and the amendments which he offered to enable this legislation to appear before us.

Mr. Speaker, I rise in support of the pending legislation to amend the Farm Labor Contractor Registration Act of 1963. The committee report enumerates many of the abuses by "crew leaders" of both the workers they recruit and the "growers" with whom they contract. Rather than reiterate those abuses, I wish to point out two particularly important aspects of this bill.

First, H.R. 13342 requires or "mandates" the Secretary of Labor to investigate and monitor the activities of "crew leaders." The Farm Labor Contractor Registration Act of 1963 did not mandate action by the Secretary of Labor. It only stated that he "may" investigate. And even upon a complaint that the act had been violated, it was discretionary as to whether he would investigate. The pending legislation now says he "shall" investigate violations and monitor activities regulated by the Farm Labor Contractor Registration Act.

Why is this important? It is important for two interrelated reasons. It is important because of the abuses by crew leaders discovered and uncovered in both

the testimony and oversight prior to the 1963 legislation and the testimony and oversight leading up to the present bill. It is clear the act is being and has been violated. It is equally as clear that the act has not been enforced, and that is my second reason for saying that it is important that Congress direct the Secretary of Labor to carry out and enforce the provisions of the act.

In other words, we found a need for the original legislation, then legislated, and now find our congressional purposes are not fulfilled. This is not to say that the Secretary of Labor has been derelict in his responsibilities, since it may have been Congress' fault for failing to affirmatively direct monitoring in 1963; rather, is only to point out that this legislation now requires that the Secretary must act, and has now directed authority to the Secretary to act, in order to carry out the purposes and policies of the Farm Labor Contractor Registration Act of 1963.

Testimony from the Department of Labor seemed to indicate that they investigated abuses of the Farm Labor Contractor Registration Act only when they investigated abuses or complaints of the Fair Labor Standards Act. Furthermore, the Department had authority only under the Fair Labor Standards Act to seek injunctive relief for abuses of the Farm Labor Contractor Registration Act. Simply, both laws had to be violated before remedies for violation of the Farm Labor Contractor Registration Act could be obtained. This pending legislation rectifies the inadequacies of the original act. H.R. 13342 demands the Secretary to investigate violations of the Farm Labor Contractor Registration Act and gives him the concomitant authority to seek injunctive and other relief for violation of that act alone. This insures that the Secretary does not lack the authority to carry out the purposes and policies of the Act and to fulfill the intent of that act.

The second aspect of H.R. 13342 that I wish to emphasize is the fact that the bill under consideration will now, to an extent, cover "growers" or large "farmers" that deal with a crew leader. We are not attempting to make the growers joint employers with the crew leaders, nor are we attempting to make them responsible for the crew leader's unlawful actions. What we require of these growers is only that each grower observe a certificate of registration in the possession of a crew leader at the time the grower contracts with a crew leader. If we require the crew leader to register and carry with him his registration—like a driver's permit when someone is driving—why should we not require that certificate to be displayed and observed by the person with whom the crew leader is dealing? At present, the crew leader is required to display it, but no one is required to observe it. In an attempt to get these crew leaders properly registered, it is appropriate that the persons with whom they deal request to see the certificate required of and issued to them.

In holding a grower responsible for observing a certificate from a crew leader with whom he contracts, the penalty provisions of the act will apply. This requirement gives some teeth to the provision that the grower observe the certificate, as well as giving teeth to the requirement that crew leaders register. It should be clear that the penalty provisions of the act do not apply to growers in other respects—for instance, a grower would not be subject to penalty if the crew leader misled his employees or made a false statement in securing his certificate—but it does require that the grower, as well as the crew leader, observe the law so important to migrant workers.

In denying growers and farmers—who violate the requirement of observing a certificate—the facilities of the Wagner-Peyser Act—U.S. Employment Service—the bill is consistent since it also denies to crew leaders who violate the act the services of the U.S. Employment Service.

The two provisions I have spoken about are designed to encourage registration and strengthen the enforcement procedures of the act—an act which was designed to end the exploitation by crew leaders of farmers, migrant workers, and the public generally. I urge adoption of the bill.

Mr. LANDGREBE. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I rise in support of the amendments to the Farm Labor Contractor Registration Act of 1963 set forth in H.R. 13342, and urge your support for them. Also, I believe the chairman of the Subcommittee on Agricultural Labor, the ranking minority member and the ranking minority member of the full Committee on Education and Labor are to be congratulated for their interest and bipartisan support and work toward this legislation.

The problems and abuses of the "crew leader" system have been stated, both in the report and by my colleagues. However, the "crew leader" system serves a useful purpose.

The crew leader is able to bring farm workers to the area or fields where it is necessary to plant or harvest crops at the time those crops need attention. Without that service offered by our crew leaders, many of our agricultural products would spoil in the fields or fail to be harvested. Therefore, it is not necessary to abolish the crew leader system, despite the problems created by it, but it is necessary to attempt to eliminate some of those problems. My colleagues have set forth some of the important provisions of H.R. 13342 that attempt to eliminate those problems and abuses. I do not want to again cover that ground: Rather, I wish to call to your attention some of the technical or legal provisions in H.R. 13342 that might otherwise be overlooked.

First, H.R. 13342 eliminates the requirement that crew leaders swear to their applications. This in no way weakens the provisions of the Farm Labor Contractor Registration Act, for false and misleading statements are otherwise punishable under the act. Furthermore, the bill continues the requirement that crew leaders subscribe to their applications. Accordingly, the provision that they must also swear to the application is redundant.

Second, H.R. 13342 in section 8 eliminates the penalty provisions from applying to any violation of regulations prescribed under the act. The existing law makes it illegal to violate "any provision of this act" or "any regulation prescribed hereunder." The bill proposes that no longer will it be a criminal offense to violate "any regulation prescribed hereunder." In effect, the existing law gives the Secretary of Labor power to determine offenses to be punished by criminal sanctions. It is only appropriate that offenses to be punished by criminal sanctions be a determination made by Congress and not by administration officials.

Furthermore, we have seen that the act itself has not been enforced, so we can be relatively sure that any regulations prescribed under the act have likewise been ignored to the same or greater degree. Not only should criminal offenses and sanctions be a determination that should be made by Congress, but attention should be directed to the provisions of the act itself, not the regulations prescribed thereunder. Regulations are for administrative convenience, the act itself is what is important.

Finally, certain objections have been raised to H.R. 13342 regarding the extension of coverage to intrastate or day haulers, mainly because it is an incursion by the Federal Government into State jurisdictions. This is just not so. All the bill does is delete the present exception to the act's coverage for farm labor contracting conducted intrastate by extending coverage to interstate commerce as presently defined in the Fair Labor Standards Act and the Internal Revenue Code.

Certainly, the activities of many intrastate crew leaders, operating mainly in California, Texas, and Florida, affect interstate commerce to the same or greater degree than the activities of crew leaders who cross State lines, possibly more so, since they probably have the largest farms in their particular States under contract. Further, the provisions for interstate commerce or affecting interstate commerce continue to be those as defined in existing Federal *law—the* Fair Labor Standards Act and the Internal Revenue Code.

As to the allegation that this bill intrudes into State jurisdictions, it does not any more than it previously did. I would call your attention to section 12 of existing law, which remains unchanged. Section 12 reads:

STATE LAWS AND REGULATIONS

SEC. 12. This Act and the provisions contained herein are intended to supplement State action and compliance with this Act shall not excuse anyone from compliance with appropriate State law and regulation.

The subcommittee heard recommendations to preempt State law as well as recommendations to have the Secretary of Labor make sure crew leaders abided by the State law. Both recommendations were rejected because of the existence of section 12 of that act. That section makes it clear Congress is not preempting State

law. Any State laws in effect continue in effect and the State can properly enforce them. Not only will State law apply where States have laws, but also the Federal law applies. This is not an unusual circumstance—we all are responsible to the Federal Government for Federal taxes and equally as responsible to the State government for State taxes.

The act makes "crew leaders" equally responsible under both sets of laws also. Consequently, "crew leaders" will be covered by the Federal law in States that have no laws in effect, and will be covered by both State and Federal law where the States have a statute in effect. If the State statute is more stringent than the Federal law—and so far, we have not found this to be so—then the crew leader must abide by both. I believe this is an area where the States and the Federal Government can work together without any preemption doctrine. Section 12 of the existing act supports that view. Accordingly, the complaints about extension into State affairs of the bill under consideration have no merit, and, as the existing act indicates in section 12, have already been met.

H.R. 13342 is a bipartisan bill. The issue has been investigated and compromises have been made. It does not legislate the "crew leader" system out of existence, but does provide sanctions to encourage registration and enforcement. It merits your support.

Mr. LANDGREBE. Mr. Speaker, I have no further requests for time.

Mr. FORD. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. FORD) that the House suspend the rules and pass the bill, H.R. 13342.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AMENDING THE NORTHWEST ATLANTIC FISHERIES ACT OF 1950

Mr. ZABLOCKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14291) to amend the Northwest Atlantic Fisheries Act of 1950 to permit U.S. participation in international enforcement of fish conservation in additional geographical areas, pursuant to the International Convention for the Northwest Atlantic Fisheries, 1949, and for other purposes.

The Clerk read as follows:

H.R. 14291

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2 of the Northwest Atlantic Fisheries Act of 1950 (16 U.S.C. 981) is amended by striking out subsection (d) and redesignating subsections (e), (f), (g), (h), (i), and (j) as subsections (d), (e), (f), (g), (h), and (i), respectively.

(b) The first sentence of section 4(a) of such Act (16 U.S.C. 983(a)) is amended by striking out "of the convention area" each place it appears and inserting in lieu thereof in each such place "under regulation by the Commission".

(c) Section 4(b) of such Act (16 U.S.C. 983(b)) is amended by striking out "may" and inserting "shall" in lieu thereof.

(d) Section 7(d) of such Act (16 U.S.C. 986(d)) is amended by striking out "that portion of the convention area" and inserting in lieu thereof "any area inhabited by species of fish which are regulated by the Commission".

(e) Section 7(e) of such Act (16 U.S.C. 986(e)) is amended by striking out "any portion of the convention area except such portions" and inserting in lieu thereof "any area inhabited by species of fish which are regulated by the Commission except any such area".

(f) Section 9(c) of such Act (16 U.S.C. 988(c)) is amended by striking out "the convention area" and inserting in lieu thereof "any area inhabited by species of fish which are regulated by the Commission".

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

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

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

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

Mr. Speaker, H.R. 19421 would enable better conservation of fish stocks along our Atlantic coast by broadening the geographic area for international conservation enforcement. It also requires the Government to pay travel expenses and per diem for up to five advisers from the fishing industry who attend meetings of the International Commission for Northwest Atlantic Fisheries.

Last year the International Commission for Northwest Atlantic Fisheries, known as ICNAF, agreed to extend the zone of its fish conservation scheme southward from Rhode Island to Cape Hatteras, N.C. This was done in order to take into account the migratory movement of certain species of fish outside the original area covered by the International Convention for the Northwest Atlantic Fisheries. The ICNAF conservation scheme was initiated in 1971 and was implemented under legislation passed during the 92d Congress. H.R. 14291 is an expansion of that conservation scheme.

An advisory committee from the fishing industry was established under the Northwest Atlantic Fisheries Act of 1950, to advise the U.S. Commissioners to ICNAF. Under this act, the U.S. Government is not required to pay for advisers' expenses incident to attendance of meetings. H.R. 14291 would amend the 1950 act so as to require payment. There is precedent for this in an amendment to the North Pacific Fisheries Act which requires payment of expenses of up to three advisers. The scale and complexity of Northwest Atlantic fisheries is sufficiently greater than in the Pacific to warrant payment to five advisers, as recommended to the Committee on Foreign Affairs by representatives of the fishing industry.

The committee supports H.R. 14291 in the hope that its enactment will result in more effective measures to arrest the serious depletion of fish stocks off the Atlantic coast through overfishing in recent years. It is in the direct interest of the hard-pressed U.S. fishing industry to restrict fishing by all nations to levels which will produce a sustainable yield at optimum levels.

H.R. 14291, initiated by an executive communication from the State Department, has the support of the administration. It authorizes no additional appropriation of funds.

Mr. GROSS. Mr. Speaker, I believe the gentleman from Wisconsin has adequately explained the bill.

Mr. Speaker, this legislation has been carefully considered by the House Foreign Affairs Committee.

Briefly, H.R. 14291 would permit participation by the United States in international enforcement of fish conservation in additional geographic areas, taking into consideration the migratory habits of some species of fish which move in and out of an area. The International Commission for the Northwest Atlantic Fisheries agreed last year that international conservation enforcement should be extended to cover the area southward from Rhode Island to North Carolina. However, for the United States to participate in the extended area requires the amendment of the Northwest Atlantic Fisheries Act of 1950.

The committee hopes that H.R. 14291 will help to stop the serious depletion of fish stock off the Atlantic Coast that has resulted from overfishing in recent years.

The legislation does not authorize the appropriation of additional funds. However, it does require the Department of State to pay from its existing budget for the travel expenses of five members of the industry advisory committee to attend meetings where they are asked to advise the U.S. Commissioners to the International Commission for the Northwest Atlantic Fisheries.

Mr. Speaker, I have no objection to this bill, and support its passage.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. ZABLOCKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. I thank the gentleman for yielding.

Mr. Speaker, I should like to commend the committee for taking this most significant step on behalf of the Atlantic fisheries. It is an extremely critical time in the battle to save the resources of the northwestern Atlantic.

While American fishermen do not have a great deal of faith in the enforcement provisions of the ICNAF agreement, at least this does extend the method whereby inspections can be made and detections of violations are much more likely.

Mr. Speaker, I also particularly want to thank the committee for blending into the bill the provisions of H.R. 8317 which I introduced in the first session of this Congress. I think this is a step forward and one of genuine equity for the Atlantic fishermen.

Mr. ZABLOCKI. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI) that the House

suspend the rules and pass the bill H.R. 14291.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

INDEMNIFICATION FOR LOSS OR DAMAGE TO ARCHEOLOGICAL FINDS OF THE PEOPLE'S REPUBLIC OF CHINA

Mr. ZABLOCKI. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3304) to authorize the Secretary of State or such officer as he may designate to conclude an agreement with the People's Republic of China for indemnification for any loss or damage to objects in the "Exhibition of the Archeological Finds of the People's Republic of China" while in the possession of the Government of the United States.

The Clerk read as follows:

S. 3304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State or such officer as he may designate is authorized to conclude an agreement with the Government of the People's Republic of China for indemnification of such Government, in accordance with the terms of the agreement, for any loss or damage suffered by objects in the exhibition of the archeological finds of the People's Republic of China from the time such objects are handed over in Toronto, Canada, to a representative of the Government of the United States to the time they are handed over in Peking, China, to a representative of the Government of the People's Republic of China.

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

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

There was no objection.

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

Mr. Speaker, the purpose of S. 3304 is to authorize the Secretary of State to negotiate an agreement with the People's Republic of China for a showing in this country of a special exhibit of Chinese archeological finds.

The companion bill, H.R. 14174, was introduced jointly by the majority leader, Mr. O'NEILL, and the minority leader, Mr. RHODES.

The Senate measure was approved by the other body on April 10.

The executive branch has asked for prompt passage of this bill so that negotiations may begin with the People's Republic of China concerning this very worthwhile exhibition.

In brief, this legislation would allow the State Department to enter into an agreement with the Chinese Government for indemnification for any loss or damage to objects in the exhibition while it is in U.S. custody.

The Chinese have required similar agreements from other countries where this exhibit was shown. In an agreement between the Chinese and Canadian Governments, the value of the exhibit was set at $51.3 million.

The State Department expects that a similar valuation will be arrived at for the agreement between China and the United States.

Mr. Speaker, this exhibit will give many Americans an opportunity to view Chinese archeological objects which they might otherwise never get a chance to see.

The exhibit is to be brought to the United States under the new cultural and scholarly exchange as a consequence of President Nixon's 1972 visit to China.

I urge passage of this bill.

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

Mr. GROSS. Mr. Speaker, I yield to the gentleman from Michigan (Mr. BROOMFIELD) such time as he may consume.

Mr. BROOMFIELD. Mr. Speaker, as noted in the committee report, S. 3304 would authorize the Secretary of State to conclude an agreement with the People's Republic of China for indemnification in case of loss or damage to objects in the Exhibition of Archeological Finds of the People's Republic of China.

The U.S. Liaison Office in Peking is arranging to bring the exhibition to the United States for a 6-month period. The indemnification agreement authorized by this bill would cover the period commencing when the exhibit is handed to a U.S. representative in Toronto. It would terminate when the exhibit is returned to a representative of the People's Republic of China in Peking. The exhibit includes 385 objects valued at $51,300,000. Should any damage or loss occur, indemnification would be limited to 50 percent of the value of the individual items.

This is the standard indemnification agreement required of host governments for this exhibit. I believe it is fair and reasonable, and support passage of the bill.

Mr. O'NEILL. Mr. Speaker, I rise in strong support of S. 3304, a bill to authorize the Secretary of State to conclude an agreement with the People's Republic of China for indemnification for any loss or damage to objects in the "Exhibition of the Archeological Finds of the People's Republic of China" while in the possession of the Government of the United States.

The proposed legislation, S. 3304, which we are considering today, is comparable to the bill I, and the distinguished minority leader, JOHN RHODES, introduced in the House on April 10, 1974.

I want to take this opportunity to commend and to thank Chairman ZABLOCKI, and the members of the Foreign Affairs Committee for their expeditious consideration and unanimous support of this necessary legislation.

Mr. Speaker, the U.S. Liaison Office in Peking will soon begin discussions with officials of the People's Republic of China to arrange for bringing the Chinese Archeological Exhibition to the United States. This exhibition is the premier event in the current series of cultural and scholarly exchanges with the People's Republic. The Department of State anticipates that its display in the United States will do more than any event since the President's visit to China to demonstrate the new United States-People's Republic of China relationship. The People's Republic of China has required each host government to sign an agreement of indemnity for any loss of or damage to objects as set forth in the agreement.

This bill, S. 3304, is designed to obtain authorization from Congress to permit the Department of State to conclude such an agreement to indemnify the People's Republic of China.

I urge its immediate adoption.

Mr. GROSS. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

Mr. ZABLOCKI. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI) that the House suspend the rules and pass the Senate bill S. 3304.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

IMPLEMENTING UNITED STATES-HUNGARIAN CLAIMS AGREEMENT

Mr. ZABLOCKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13261) to amend the International Claims Settlement Act of 1949, as amended, to provide for the timely determination of certain claims of American nationals settled by the United States-Hungarian Claims Agreement of March 6, 1973, and for other purposes.

The Clerk read as follows:

H.R. 13261

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Claims Settlement Act of 1949, as amended, is further amended as follows:

(1) Section 302, title III, is amended by adding a new subsection (c) as follows:

"(c) The Secretary of the Treasury shall cover into the Hungarian Claims Fund such sums as may be paid to the United States by the Government of Hungary pursuant to the terms of any claims settlement agreement between the Government of the United States and the Government of that country.".

(2) Section 303, title III, is further amended by striking out the word "and" at the end of paragraph (3); by striking out the period at the end of paragraph (4); by inserting a semicolon in lieu thereof, and by immediately thereafter inserting the word "and".

(3) Section 303, title III, is further amended by adding a new subsection (5) as follows:

"(5) Pay effective compensation for the nationalization, compulsory liquidation, or other taking of property of nationals of the United States in Hungary, between August 9, 1955, and the effective date of the claims agreement between the Governments of Hungary and the United States.".

(4) Section 306, title III, is further amended by adding a new paragraph (c) as follows:

"(c) Within thirty days after enactment of this paragraph, or thirty days after enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under subsection (5) of section 303, whichever date is later, the Commission shall publish in the Federal Register the time when and the limit of time within which claims may be filed with the Commission.

which limit shall not be more than six months after such publication.".

(5) Section 310, title III, is further amended by adding at the end of subsection (a) thereof a new paragraph (7), as follows:

"(7) Whenever the Commission is authorized to settle claims by enactment of paragraph (5) of section 303 of this title with respect to Hungary, no further payments shall be authorized by the Secretary of the Treasury on account of awards certified by the Commission pursuant to paragraphs (2) and (3) of section 303 out of the Hungarian Claims Fund until payments on account of awards certified pursuant to paragraph (5) of section 303 with respect to such Fund have been authorized in equal proportions to payments previously authorized on existing awards certified pursuant to paragraphs (2) and (3) of section 303.

"(A) With respect to awards previously certified pursuant to paragraph (1) of section 303, the Secretary of the Treasury shall not authorize any further payments until payments on account of awards certified under paragraphs (2), (3), and (5) have been authorized in equal proportions to payments previously authorized on existing awards certified pursuant to paragraph (1) of section 303 and recertified pursuant to section 209 (b) of the War Claims Act of 1948, as amended.

"(B) The Secretary of the Treasury shall not authorize any further payments on account of awards certified under paragraph (3) of section 303 when he is on notice from the Commission that such awards are based on Kingdom of Hungary bonds expressed in United States dollars or upon awards to Standstill creditors of Hungary that were the subject matter of the agreement of December 5, 1969, between the Government of Hungary and the American Committee for Standstill Creditors of Hungary.

"(C) The Secretary of the Treasury is authorized and directed to deduct the sum of $125,000 from the Hungarian Claims Fund and cover such amount into the Treasury to the credit of miscellaneous receipts in satisfaction of the claim of the United States referred to in article 2, paragraph 4 of the agreement of March 6, 1973: *Provided*, That the said amount shall be deducted in annual installments over the period during which the Government of Hungary makes payments to the Government of the United States as provided in article 4 of the agreement of March 6, 1973.".

(6) Section 316, title III, is amended by adding a new subsection (c) as follows:

"(c) The Commission shall complete its affairs in connection with the settlement of claims pursuant to paragraph (5) of section 303 of this title not later than two years following the deadline established under paragraph (c) of section 306 of this title.".

The SPEAKER. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

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

There was no objection.

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

Mr. Speaker, the purpose of this bill is to implement the United States-Hungarian Claims Agreement of March 1973. It amends the International Claims Settlement Act of 1949 to provide that Hungarian payments under that agreement be used to satisfy claims of U.S. nationals. The legislation also insures fairness in handling such claims by paying new awards to the same percentage that past successful claimants received. The remaining funds are then to be divided equally among all successful claimants. Submission of claims for property seized after August 9, 1955, and before March 6, 1973, also would be allowed.

H.R. 13261 will involve no additional cost to the U.S. Government.

Mr. BROOMFIELD. Mr. Speaker, I support this bill, which was requested by the administration. It was supported in the hearings by the Department of State, the Foreign Claims Settlement Commission, and by several individuals who have claims pending against the Hungarian Government. The committee approved the resolution unanimously and without amendment.

As noted in the committee report, this legislation is needed to implement the March 6, 1973, Claims Agreement between Hungary and the United States. This agreement provided for the settlement of outstanding claims, most of which resulted from the expropriation of property by the Hungarian Government since World War II.

The bill also insures fairness in paying new awards for claims. The majority of the claims covered and settled by the agreement have been adjudicated by the Foreign Claims Settlement Commission under title III of the International Claims Settlement Act. However, this bill also would give the Commission jurisdiction over claims which have not been adjudicated by the Commission because they arose after the enactment of title III in 1955, and prior to the March 6, 1973, agreement.

I urge approval of this bill.

Mr. ZABLOCKI. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI) that the House suspend the rules and pass the bill H.R. 13261.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the three bills just passed.

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

There was no objection.

SHORT SUPPLY OF FERROUS SCRAP

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

Mr. DENT. Mr. Speaker, I am today introducing legislation concerned with the prohibitions and limitations of the exportation of ferrous scrap, a material which we in the United States have experienced a short supply of, and will continue to experience, if action is not taken soon.

There are some alarming statistics that make up the ferrous scrap export story. In 1970, our iron scrap exports totaled 6 million tons. By 1973, last year, this total had nearly doubled, to 11 million tons. And there is every indication that the figure will continue to skyrocket, unless some limitations are set.

Certainly, foreign industrial powers, such as Japan and Germany, will grab up as much of our scrap as possible. They definitely need it. But we need it too, and it is about time that we begin safeguarding our own needs in this area.

I have been receiving distressing signals from both labor and management in the steel industry in Pennsylvania. They have experienced shortages, and will continue to do so, as will other industries, if the exportation of scrap metal is permitted to continue at the present rate.

I urge all of you to study this problem as it relates to American industry and the American economy. Your attention is called to a recent editorial, presented by John G. Conomikes, vice president and station manager of WTAE–TV in Pittsburgh. It has a message for all of us.

WTAE–TV RADIO EDITORIAL

For the next minute and a half or so, we're going to talk very simply about a very complicated subject. But it's about steel. And we figure that around Pittsburgh, most people are born smart about steel, the same as Texans know about cattle and people from Kansas know about corn.

Our statement is this: The United States is out of its mind if it continues to sell some ten million tons of scrap metal each year to overseas markets.

No other country in the world does this. Other countries keep their scrap and buy ours, and then sell us finished steel. For good reason. When you ship out scrap, you're not just selling a profitable item. You're sending out energy and jobs.

Scrap represents an investment already made in energy and resources. The energy that has gone into a ton of scrap represents about one third of the energy required for a ton of new steel. Sell that one third to Japan or Europe, and you're starting out one third behind in the energy and basic ore you need to make finished steel.

Scrap exports may be making fortunes for a few, but they are going to be long-run disaster for many.

In dollars, resources and environment, the United States is coming out a day late and a dollar short on the export-import scale. The steel-makers of Pittsburgh and other basic production centers are trying to tell Congress and the Commerce Department this. We hope they listen.

THE ROSENBERG CASE

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

Mr. ICHORD. Mr. Speaker, the communications media exerts a strong influence over our national standards. Television, which reaches into the homes of millions of Americans, has been a particularly powerful force in our lives. Although the television networks have control over the programs they present, there has been a great deal of discussion about the amount of distortion depicted in many shows.

A prime example of such distortion was recently brought to light by Simon H. Rifkind's column in the March 16,

1974, issue of TV Guide. The column titled "TV Turns Soviet Spies into U.S. Folk Heroes," pertains to the trial of atom spies Julius and Ethel Rosenberg who were executed in 1953 after being convicted of conspiracy to commit espionage.

Although I personally did not view the programs, Mr. Rifkind calls attention to the manner in which certain television networks during recent portrayals of the Rosenberg trial have endeavored to convince their audiences that the defendants were railroaded. Before the Rosenbergs died as traitors, their case was given one of the most careful and thorough reviews of any case in American criminal history. In spite of this, Mr. Rifkind comments, two television networks have presented these spies for Russia as a pair of "American folk heroes," and have attempted to demonstrate that the American system of justice is "utterly beyond redemption."

Mr. Speaker, I have always been strongly opposed to any form of media coverage that depicts criminals as heroes and I resent very much these attempts to vindicate the Rosenbergs. The failure of these television networks to inspire their audiences to arrive at a reasoned conclusion based on facts impartially presented, points up a problem of serious concern. A free, yet responsible television media is absolutely essential in providing a self-governing nation with an enlightened citizenry.

I congratulate Mr. Rifkind and TV Guide and commend to my colleagues and to the people of the Nation this thoughtful and illuminating article which suggests the strong need for responsible and factually accurate reporting. The text follows:

[From TV Guide, March 16, 1974]

TV TURNS SOVIET SPIES INTO U.S. FOLK HEROES

(By Simon H. Rifkind)

(NOTE.—Judge Rifkind, who served on the Federal bench, is a distinguished trial lawyer who had no professional connection with the Rosenberg case.)

What is the cause of the recurrent flurry of interest in the Rosenberg trial? A few weeks ago we saw the Rosenberg trial on Stanley Kramer's "Judgment" series, appearing on ABC. Currently, PBS is distributing a public-affairs documentary, "The Unquiet Death of Julius and Ethel Rosenberg."

This question would be out of order if, in fact, an author or playwright had used the ingredients of the trial for the creation of a truly great novel or play. That, of course, would be sufficient reason for publication or production. That, however, has not happened. The productions exposed to the public have not measured up, as entertainment, to the routine cops-and-robbers stories which fill the TV screen. As news commentary, their cargo of relevance is on a par with that of a rerun of the McKinley campaign.

To discover the answer to our question, I suggest we first list a few of the hard facts of the Rosenberg trial.

1. In January, 1951, a Federal grand jury indicted Julius and Ethel Rosenberg for conspiring, from 1944 to 1950, to communicate secret information to the Soviet Union. No one has yet questioned the composition of that grand jury or the quality of its behavior.

2. The Rosenbergs were tried by a Federal jury in New York. That jury was not sworn until counsel for the Rosenbergs pronounced it a satisfactory jury; and he did that long before he had exhausted all his challenges.

3. Counsel for the Rosenbergs was not court appointed. He was the Rosenbergs' personally retained lawyer, one Emanuel H. Bloch, a lawyer of wide experience and good reputation as an advocate.

4. The judge who presided at the trial was the Honorable Irving R. Kaufman, a judge whose capacity and character caused Judge Learned Hand, one of the towering personalities of our judicial system, to recommend him to President Kennedy for appointment to the Court of Appeals (of which he is now the Chief Judge). Judge Hand was not known to disperse his favors carelessly. He was adored by a long generation of judges and lawyers as the champion of fair trials and the protector of human liberty.

5. The jury's verdict met the test of guilt beyond a reasonable doubt and was affirmed by the Court of Appeals in an opinion written by Judge Jerome N. Frank. No judge had a higher reputation for the care with which he examined any possible ground to question a conviction.

6. After conviction, the Rosenbergs filed sixteen petitions for reconsideration in the District Court, seven appeals in the Court of Appeals, seven applications to the Supreme Court and two applications to President Eisenhower for executive clemency. Altogether 112 judges dealt in one form or another with the Rosenberg case. Not one saw fit to question their guilt or their conviction.

The explanation of how a unanimous verdict of guilty which passed unscathed through every judicial review and appeal can be turned into a documentary or play which leaves the audience convinced the defendants were railroaded (as reported by Bob Williams, N.Y. Post, 2/26/74) may also answer the first question: What makes the Rosenberg case so recurrent a subject for dramatization?

Whoever presents the Rosenberg trial to a public audience or on television must so rearrange it that the story engages the reader's sympathy and so that he is emotionally stirred by the fate of one or another of the protagonists.

In the story of the Rosenberg trial, the only characters who qualify for such a role are the Rosenbergs themselves. After all, it was they who suffered the supreme penalty. It was they who died faithful to a cause they espoused (never mind that Stalinism, to which they were attached, was the most wretched and vicious idolatry of the century). They were little people encountering the almost limitless resources of a powerful government.

It takes only a few liberties with the true facts to evoke sympathy for such people, even from those who begin by despising and condemning what they have done. What can evoke more sympathy than the picture of a husband and wife going down together into the abyss, locked in a loving embrace with each other and holding fast to a quasi-religious faith they passionately espouse?

And so, the inevitable has happened. Every new exposure of the Rosenberg story has presented the two spies for Russia as a pair of American folk heroes, folk heroes who should be understood, and therefore forgiven; folk heroes with whom the viewer deeply sympathizes and whose guilt is therefore questioned.

If guilt is questioned it must be because the processes of justice have failed.

The villain of the play, once the spies have become its heroes, must be the system of American justice. The argument is simple. If, after the enormous attention given to this case by so many judges, the innocent are nevertheless convicted, it must be that the system is rotten to the core. In short, the story lends itself readily to the accomplishment of two purposes. One, the generation of sympathy for two spies who have served their Russian masters; and two, the demonstration that the American system of justice is utterly beyond redemption. The conclusion is inescapable—that there are those who find the propagation of these two ideas an acceptable assignment.

Those of us who have studied the record, who know that the Rosenbergs were fairly tried and fairly convicted by a system of justice, which, though not perfect, is probably the best the world possesses, naturally question the wisdom or the purpose of this propaganda.

Even Bloch, the accused's lawyer, said during summation: "I would like to say to the court on behalf of all defense counsel that . . . you have tried us with utmost courtesy . . . and that the trial has been conducted . . . [as] an American trial."

On the day of sentence, Bloch also said: "In retrospect, we can all say that we attempted to have the case tried as we expect similar cases to be tried in this country; . . . and I know that the court conducted itself as an American judge."

REMEMBERING OPERATION CANDOR

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

Mr. SYMINGTON. Mr. Speaker, I wonder what sentiments are evoked in the House by the content of the Presidential transcripts just released. Will those who find in it standard Presidential operating procedure incorporate its moralities into their commencement addresses? Why not? If this be patriotism, let us make the most of it. For my part, I find in these conspiratorial exchanges indirect answers to questions and observations I conveyed to the President over 5 months ago, and to which there has been no other substantive reply. It was at the close of Operation Candor that I wrote the President as follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 27, 1973.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As a Democratic member of Congress who has not called for your impeachment or resignation and who hasn't been invited to a group session, I am impelled to let you know the line of questions I would ask if given the chance in a setting for the purpose. They are not overly specific. What was said or done on such and such a day, allegedly by whom and in whose presence, later to be denied or reinterpreted, will be the continuing concern of judges and journalists today and historians tomorrow. While I am a lawyer and have been periodically inclined to put such questions I expect this ground to be adequately covered. It is not as a lawyer I write, but as a fellow citizen who, like you, holds the momentary responsibility of public office. In 1969, in my first newsletter as a Member of the House of Representatives, I said that I had seen enough of the first-hand burdens of your two immediate predecessors to wish to spare you comment or criticism that wasn't clearly warranted by conscience and circumstance. I have been relatively silent over the past weeks, in part, because I recognize that you and the country consider the source of critical comment. When it is a Democrat it is so weighed. We all have our threshold of sensitivity to this point. I have crossed mine. Were I a Republican, you would have heard from me some time ago.

My questions are put in the context of

the election environment of 1968, the pledges made at that time, and the great public expectations they raised. The national temperament was adrift, halfway between the subsiding initiatives of a resigned incumbent and the stirring visions offered by the Presidential contenders, you and Senator Humphrey. The public order had been much disturbed, in large part due to the growing gap between the Viet Nam rhetoric and its reality. You saw this. You campaigned on the theme. Restoration of basic American values at all levels of government was your pledge. Law, order, morality and a return to first principles was the drumbeat of your candidacy. Nor were you hampered by the incumbent or the media. President Johnson, sensing Senator Humphrey's dawning restlessness with his policies, was cordial to you. The press was aware of the need for changes which the elevation of his faithful Vice-President by no means guaranteed.

You won. The country looked forward to the kind of leadership which would end its involvement in a wasteful war, heal the divisions between the races, and generations, and reaffirm the principle of equality before the law—its penalties as well as its protection. Your principal new appointment was that of your Attorney General, a man you pledged of complete integrity, honesty and commitment to the Constitution and laws of land. What happened? First of all, the fervent wish for an end to our participation in the Viet Nam conflict was frustrated by events. At your sole command we warred in two additional countries. Interest rates rose; the market fell. Young Americans took to the streets. The media which did not engender, but did report these events, was set upon by your Vice President. He attacked the young dissenters before American Legion audiences, and the northern press in southern states. By 1972, with the exception of your Soviet and Chinese initiatives, opposed by absolutely no one except the ideological remnants of your own previous point of view, you had brought the nation's Viet Nam policy to the point President Johnson had left it in 1968, hovering between withdrawal and retaliation.

Completing this 360-degree turn consumed another 20,000 American lives, some 60 billion dollars, and how much fuel? Having failed to deliver within your own stated time frame on the Viet Nam pledge, the one achievement that could rightly retain the confidence reposed in you in 1968 was the maintenance of a government deserving of the people's respect. The people are generally inclined to forgive, if not applaud, constitutionally-suspect foreign adventures that "work", and/or appear to be the product of the patriotic deliberations of their commander in chief. What the people have difficulty in understanding, much less forgiving, is a seeming disdain for virtue in public life and their right to know if it exists.

The public is bewildered by a sudden cold indifference to the want of virtue in your closest associates, men you selected and offered up as examples of peerless integrity. The press did not choose these men. You did. Many of them have brought shame on America, on you, on all of us in public life. What can the people do but look to you for some expression of sorrow and righteous indignation, and the application without fear or favor of the swift sword of an outraged president. Not sanctimonious resignations, ambiguous testimonials, bland references to misguided zeal, raucous receptions for replacements, but a stern accounting they asked, a fierce, tenacious and unrelenting searching out of every man who did not do his duty as the law directed him to do. What did they get? First, the assertion of a blanket executive privilege over the entire federal establishment, stretching both into the past and the future. Second, puzzling praise when you spoke of certain resignees, and stranger silence when you should have spoken, as for example when your former Attorney General testified he might consider committing a felony to secure your reelection. This chilling avowal awakened no response from you. Nor did John Ehrlichman's calm observation that Pitt's defense of cottage against King was old-fashioned. It was, indeed, even more old-fashioned than the document which severed us from that King. That document alleged the King had "obstructed the Administration of Justice". How is your order to Kleindienst to withhold his ITT appeal to be seen in this light? Then, in a flash of time you found it necessary to sacrifice three of the most respected and distinguished men in your government. Your administration has been like an inferno consuming the professional lives of patriots. We look at the shattered careers of men young and old. We look at the blatant subordination of so many great agencies of government to momentary political advantage and evasion of law. Mr. President, is it any wonder the people, or a good part of them, withhold their confidence from you as they contemplate the fallen and see the law dethroned by personal vindictiveness? Do airport cheers drown out their silence? Has not your long public career convinced you that a crowd is brought more easily to its feet than to its senses? Your Vice President was cheered to the end. And what of those who haven't written or wired or shouted? Like East Europeans who have little belief and undefined hope, they go about their working day at a time when the nation needs their best energies and most fervent commitments. It is important now to know what you believe the American people as a whole think of your leadership, and what you believe, in the light of all that has occurred, they should think of it. Within the answer to that question lies the nature and degree of your own inner resolve and the effectiveness of every initiative you take. No one can answer it for you. History will second-guess your judgment. And if you hold the people to a higher regard for your leadership than you yourself think warranted by the events of your tenure, its judgment can not be favorable. And what would it then be of those of us who allowed your conscience to be the sole determining factor in the great decisions of our time?

Sincerely,

JAMES W. SYMINGTON.

Receipt of the letter was acknowledged December 3, 1973, as follows:

DEAR MR. SYMINGTON: I wish to acknowledge and thank you for your November 27 letter to the President. You may be assured it will be called to his attention at the earliest opportunity. With kind regards,

Sincerely,

MAX L. FRIEDERSDORF,
Deputy Assistant to the President.

Mr. Speaker, the fair-minded citizen, so much invoked in recent White House pronouncements, would agree, I think, that the earliest opportunity has passed, and subsequent opportunities too; and that I must seek these answers from the record itself, not from the men who made it.

Mr. Speaker, no succession of Gallup polls can reveal what only the President has the power to reveal, his innermost thoughts about the stewardship of the trust he holds. But we in this House do have the power and the duty to reveal as best we can the innermost thoughts of America on how she wishes to be governed. It is not enough to say an election, standing alone, conveys the American will. Only an informed people can give consent, much less show an unshakeable preference, by any fair interpretation of those terms. In October 1972, taking the Watergate burglary at face value, I conjectured that an administration which would countenance such methods to attain power would certainly employ them to keep it. This was before I knew or had reason to know how deeply involved were the highest officials of this Government.

More importantly, it was before the country knew—the country which shortly thereafter expressed overwhelming confidence in the Presidential candidate it believed offered the highest measure of law, order, stability, and progress. It seems to me for that expression alone, in acknowledgement of it, in gratitude for it, in remorse for its betrayal, the President has owed the people who gave him this, their highest trust, his highest accountability. Is that what they have received? Is that what they now have in these poor, tattered conversations, wrenched after months of juridical wrangling from the clutch of executive privilege? An unmentioned constitutional freedom is the freedom to condone, to excuse, to say, if you will, "it is all part of politics."

But if this is the course we take, let us spare America's children the contrary rhetoric that seems to occur to us every June. Tell them, rather, that all is sufficient in this most sufficient of all worlds, and that we are about to celebrate in 2 years is the bicentennial of simply another time when a few selfish men gathered in secret in Philadelphia to save their own hides and to secure what was in their several personal interests, regardless of its impact on the people of the Colonies or their most treasured values. Tell them that is how the "game" has always been played; that church, school, and family lessons are to be memorized, not realized; that the old saw about nice guys is meaningless because there really are not any; and that victory belongs to those who can best buy silence, sell influence, run with the hare, hunt with the hounds, and give equal time to all sides of the question of truth. Yes, the first penance America might assign to those who would say there has been no wrongdoing or at least none proven, would be the drafting of all the Nation's commencement addresses this year. Perhaps they could argue that America's one enduring legacy to the world is actually the reminder that Democracy works well enough only if the people do not ask too many questions or threaten otherwise effective government by a foolish insistence on integrity and high purpose.

IMPEACHMENT INQUIRY HEARINGS TO COMMENCE THURSDAY, MAY 9 AT 1 P.M.

Mr. O'NEILL. Mr. Speaker, I would like to advise the Members that the gentleman from New Jersey (Mr. RODINO), chairman of the Committee on the Judiciary, has informed me that the impeachment inquiry hearings to be conducted by the committee pursuant to House Resolution 803 will commence on Thursday, May 9, 1974, at 1 p.m. in room 2141 of the Rayburn Building.

MEDICREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. BROYHILL) is recognized for 30 minutes.

Mr. BROYHILL of Virginia. Mr. Speaker, I wish to point out two key virtues of medicredit—virtues that some Members may have lost sight of in the fog bank of rhetoric and printed words swirling about the question of national health insurance.

The first key virtue of medicredit is that it protects—guarantees by law—the right of every American to choose the health care setting he believes best for himself and his family.

He is assured the right to seek out a physician in private solo practice—or the physician who chooses to practice in a group—or in a prepaid plan—or in a clinic—or in an HMO.

And each of us under medicredit would be given a choice as to the institution or facility where we wished to receive our care—a great teaching hospital, a large community hospital, or the little hospital close to where we live.

Furthermore, this right of free choice is a two-way street. It applies also to the physician—the almost forgotten element in the structure of many of the proposed national health insurance plans. Yet the doctor is an indispensable part of any workable plan for national health insurance. His side of the story must be considered—or we will have chaos.

The bill of rights for patients and physicians written into medicredit is not clearly spelled out in any of the more drastic proposals—though here and there some watery language can be found saying some attempt will be made to preserve this right of choice.

The Congress faces a complex task in shaping a workable and equitable health insurance plan for the Nation. I urge that as a body we not overlook this key virtue of medicredit—free choice for both patient and physician.

Now to the second key virtue of medicredit—the American philosophy of voluntarism.

All of the front-leading proposals for national health insurance—except medicredit—have cast aside voluntarism and taken up the idea that such a program must be compulsory—a philosophy once alien in this country.

"Well, it may be against our traditions," say the people pushing these wide and sweeping bills, "but national health insurance is a modern, social program, and it has got to be compulsory if it is going to work."

If that is so, then how come HEW Secretary Weinberger a couple of weeks ago told me and fellow committee members on Ways and Means that 98 percent of all Americans 65 and over had "volunteered in" on the part B medical coverage of medicare?

Up in Canada, where they went down this national health insurance road some years ago, the score is even better—99.8 percent of the population of British Columbia enrolled in the program.

"But," say the "compulsory" people around here, "we have got to force every American into a national health insurance program. We have got to give everybody good health."

Well, I have two objections to that argument.

In the first place, we have many Americans—maybe millions—who are eligible to enter for free our present health care system. But they do not.

They hold either medicare or medicaid tickets into the system, but some through fear and superstition do not want to look for the gate.

And you will not get these people into a national health insurance program simply by making it compulsory. They need to be educated on health, convinced that personal health is an individual responsibility.

No national health insurance program is going to solve this educational problem. You can lead a horse to water, but you cannot make him drink.

My second objection to the compulsory people who talk about giving good health to every American is best answered by a quote from the late Doug Coleman, who ran the Blue Cross plan up in New York.

Positive health is not something that one human can hand to or require of another. Positive health can be achieved only through intelligent effort on the part of each individual. Health professionals can only insulate the individual from the more catastrophic results of his ignorance, self-indulgence, or lack of motivation.

Let us change just one word of that quote and make it read:

Health legislation can only insulate the individual from the more catastrophic results of his ignorance, self-indulgence, or lack of motivation.

No, a compulsory approach to national health insurance is not an answer. Rather, it distracts our attention from voluntarism—in this case the individual American's responsibility for his own health.

I commend to you these two key virtues of medicredit. One, the freedom to choose the health care setting we believe best for ourselves and our families. Two, medicredit builds a plan for national health insurance that does not abandon or toss to the winds the great American tradition of voluntarism.

One hundred and eighty-two Members of this Congress have seen through the fog of rhetoric and printed words swirling about national health insurance. They have chosen medicredit.

And the door is wide open. I invite more of you to come aboard in support of a sensible piece of legislation—medicredit.

Mr. Speaker, I wish to have appended to my remarks here today this list of the names of the 182 Members of Congress that support medicredit:

MEDICREDIT SPONSORS (BY STATE)

ALABAMA

Sen. John Sparkman, Sen. James Allen, Jack Edwards, Bill Nichols, Tom Bevill, John H. Buchanan, Jr., Walter Flowers, William L. Dickinson.

ARIZONA

Sen. Barry Goldwater, Sen. Paul Fannin, John J. Rhodes, John B. Conlan, Sam Steiger.

ARKANSAS

John Paul Hammerschmidt, Bill Alexander.

CALIFORNIA

Don Clausen, Charles S. Gubser, Carlos J. Moorhead, Barry Goldwater, Jr., Charles H. Wilson, Jerry L. Pettis, William M. Ketchum, Bob Wilson, Clair Burgener, Victor Veysey, Andrew Hinshaw, Del Clawson, Bob Mathias, Burt L. Talcott, Charles Wiggins.

COLORADO

Sen. Peter Dominick, Donald G. Brotzman.

CONNECTICUT

Robert Giaimo.

FLORIDA

Sen. Edward Gurney, Bob Sikes, Don Fuqua, C. W. Bill Young, James A. Haley, Louis Frey, Jr., Herbert Burke, Dante Fascell, Bill Gunter, Bill Chappell, Jr.

GEORGIA

Ben B. Blackburn, W. S. Stuckey, Jr., John W. Davis.

IDAHO

Sen. James McClure, Orval Hansen, Steven Symms.

ILLINOIS

Robert P. Hanrahan, Edward J. Derwinski, Leslie Arends, George O'Brien, Robert Michel, Thomas Railsback, Paul Findley, Edward Madigan, Samuel Young, George Shipley.

INDIANA

Sen. Vance Hartke, William Bray, Roger Zion, John T. Myers, Elwood Hillis, William Hudnut III.

IOWA

H. R. Gross, William Scherle, Wiley Mayne.

KANSAS

Sen. Bob Dole, Garner E. Shriver, Joe Skubitz, Keith Sebelius, Larry Winn.

KENTUCKY

Frank Stubblefield, Gene Snyder, Tim Lee Carter.

MAINE

Peter Kyros.

MARYLAND

Sen. Glenn Beall, Goodloe Byron, Lawrence Hogan, Marjorie Holt.

MICHIGAN

Elford Cederberg, Philip E. Ruppe, Wm. S. Broomfield, Marvin L. Esch, Robert J. Huber, Garry Brown.

MINNESOTA

Ancher Nelsen, John M. Zwach.

MISSISSIPPI

Sen. James Eastland, David R. Bowen, G. V. Montgomery, Thad Cochran, Trent Lott, Jamie Whitten.

MISSOURI

W. J. Randall, Gene Taylor, Richard Ichord.

MONTANA

Dick Shoup.

NEBRASKA

Sen. R. L. Hruska, John McCollister, Charles Thone.

NEW JERSEY

John Hunt, Joseph Maraziti.

NEW MEXICO

Manuel Lujan, Jr.

NEVADA

David Towell.

NEW YORK

Norman F. Lent, Joseph Addabbo, Hugh Carey, Carleton King, Henry P. Smith, Jack Kemp, James Hastings, Otis Pike, Angelo D. Roncallo, William Walsh, James Grover.

NORTH CAROLINA

David Henderson, Wilmer Mizell, Roy A. Taylor, Earl B. Ruth.

NORTH DAKOTA

Sen. Milton Young, Mark Andrews.

OHIO

Tennyson Guyer, Delbert Latta, William Harsha, Clarence Brown, Walter Powell, Clar-

ence Miller, Chalmers Wylie, John Ashbrook, William Minshall, Donald Clancy, Samuel Devine.

OKLAHOMA

John Happy Camp, John Jarman, Clem MacSpadden.

OREGON

Sen. Bob Packwood, Wendell Wyatt, John Dellenback.

PENNSYLVANIA

Gus Yatron, George Goodling, Albert Johnson, Larry G. Williams, Fred Rooney, Edwin Eshleman, E. G. Shuster.

RHODE ISLAND

Robert Tiernan.

SOUTH CAROLINA

Sen. Strom Thurmond, Floyd Spence, Wm. J. B. Dorn.

SOUTH DAKOTA

James Abdnor, Frank Denholm.

TENNESSEE

Sen. Bill Brock, Sen. Howard Baker, James Quillen, John Duncan, LaMar Baker, Richard Fulton, Robin Beard, Ed Jones, Dan Kuykendall, Joe Evins.

TEXAS

Robert Price, Omar Burleson, O. C. Fisher, Bob Casey, Dale Milford.

VIRGINIA

Sen. William Scott, Thomas Downing, William Whitehurst, Robert W. Daniel, Jr., Caldwell Butler, Kenneth Robinson, Stanford Parris, William Wampler, Joel Broyhill.

WISCONSIN

Vernon Thompson, Harold Froehlich, Glenn R. Davis.

WYOMING

Sen. Clifford Hansen.

Bills Nos: Senate S. 444; House H.R. 2222. Senate, 19; House, 163; total, 182.

Mr. FULTON. Mr. Speaker, before this Congress adjourns the House Ways and Means Committee is going to write and, hopefully, the Congress will pass and send to the President a national health insurance program.

It was my privilege at the beginning of the 91st Congress to introduce the first major national health insurance program designed to cover all Americans in more than a decade. That bill is the medicredit plan which is sponsored by nearly 200 of our colleagues and which is actively before our Ways and Means Committee.

However, at this time I do not intend to devote my remarks to a review of and testimonial in behalf of the medicredit plan. Rather I would like to look at the broader aspect of financing this or any national health care program.

In deference to my colleagues who are joining with me today and to the limited time allotted us, Mr. Speaker, I include the text of my remarks in the RECORD at this point:

Mr. Speaker, the subject of national health insurance is not a new one. It has been around since the days of Franklin Delano Roosevelt, when serious consideration was first given to the idea of making national health insurance an integral part of the Social Security Act.

The idea was shelved but not for long. A serious effort was made to pass a national health insurance law in President Truman's day. It failed, but it was a case of gone but not forgotten.

Meanwhile, a number of the problems relating to health care refused to go away.

In part, they were and are problems of our own success.

The advances in medical science and technology, particularly in the decades since World War II, have been nothing short of astonishing. Together they add up to a medical revolution.

But as medicine's ability to provide quality care increased with dramatic speed, the costs of that care moved upward just as dramatically. And it doesn't do a patient much good to know that quality care is available if he can't afford it.

As early as the 1940's rising costs threatened to bar substantial numbers of Americans from gaining access to the health care they needed.

And into the gap moved the private health insurance industry, which, between 1940 and 1959 developed the capacity to provide some form of private health insurance to nearly three-quarters of the American public.

The trouble was that as we moved into the 1960's, such groups as the poor, the disabled and the elderly were still remaining outside the protection offered by these plans—at least, for the most part.

So we passed Medicare in 1965 to take care of the elderly and Medicaid a year later to provide health protection for the poor. In the process, the nation managed to cover more than 90 per cent of the public under private or governmental health insurance programs.

Just the same, a number of problems still remain. The fact is that insurance coverage is less than universal; protection against the costs of catastrophic illness is still inadequate for most people; and demands for increased access to care and more effective cost controls are still mounting.

And that's where we are today.

How do we correct the situation?

Congress is far from unanimous in the solutions its members have advanced. There are somewhat more than 20 legislative proposals in the hoppers, all grouping themselves under the general heading of national health insurance.

The hospitals back one approach, the insurance industry another, business organizations another still. The Nixon Administration has its own proposal. Labor has other ideas.

In fact, we are confronted with a regular smorgasbjord of approaches ranging from the bob-tailed, which would cover catastrophic illnesses only, to the full-scale, across-the-board plans that would cover everyone—regardless of need—and restructure the entire system in the process.

Now if you're wondering why I haven't said anything about Medicredit yet, it is because I intend to discuss Medicredit in a few minutes.

I am, after all, one of its 48 Democratic sponsors.

But before I get to Medicredit, a few general remarks seem called for.

Many of the proposals now before Congress don't seem to me to go far enough to get the job done. Others call for surgery on our health care system so radical that the patient might not survive.

Just the same, let me make a couple of points plain:

I believe that health care is a right for everyone and not simply a privilege available to the affluent.

And I believe that it will take a national health insurance program to confirm that right.

As far as I'm concerned—and I think I reflect the thinking of most members of Congress—every national health insurance proposal now before us deserves careful scrutiny, for the problem is incredibly complex as all of us know.

Neither political party has a monopoly on wisdom. No single member of Congress has a lock on every good idea. And whatever piece of legislation finally emerges, it will inevitably be better law if it reflects the thinking of many rather than the thinking of a few.

This may well be one of the thorniest domestic problems of our time. Involved in its solution are far-reaching philosophical considerations, fiscal responsibility—and human need.

Should we take a view, for instance, that government should be the single source—the *only* source—of health care financing; that it is the proper function of government to control the payment and the provision of health care for everyone, regardless of need?

There are those who take this view.

Or should we approach the problem from the standpoint of Lincoln's maxim, that government should do for the people what they cannot do, or do so well for themselves?

Applying that yardstick, the role of government is to help those Americans who actually *need* the help, allowing those who don't to function individually and self-sufficiently.

There are many of us who take this view—and we can be found on both sides of the aisle.

Here, then, is a philosophical schism. Its implications are so profound that our very system of government, its future course, its underpinnings and structure, will be influenced by the decision we make.

As I said earlier, I am a sponsor of Medicredit, along with 47 other Democrats. The measure has bipartisan support, and all told it now boasts 182 Congressional sponsors—more than any other NHI proposal.

Medicredit, essentially, would do three things:

First, it would pay the full cost of health insurance for those too poor to buy their own.

Second, it would help those who can afford to pay a part—if not all—of their health insurance premium. The less they could afford to pay, the more the government would help out.

Third, this measure would see to it that no American would have to bankrupt himself because of a long-lasting, catastrophic illness.

In other words, the poor would pay nothing for their health insurance certificate; the well-to-do would pay just about all of it; and those in between would pay what they could afford, according to a sliding scale.

Everyone—rich or poor—would be protected against the cost of a catastrophic illness.

We estimate that this proposal would cost somewhere in the neighborhood of $12 billion a year in new money.

Twelve billion dollars is a great deal of money indeed.

Some of the other proposals before us would cost less but would accomplish less. The Kennedy-Griffith measure, on the other hand, would cost a great deal more—HEW says $77 billion gross in its first year.

Meanwhile, our economy is in the doldrums. Unemployment is too high, inflation is raging, the stock market is soft, the Gross National Product is slipping, interest rates are setting new highs and we've got trouble right down at River City.

Some of my colleagues are already talking seriously about the need for a tax cut. And at the same time we have some high priority worries on our hands in the areas of transportation, energy and environmental control (just to name a few).

How far can we go with a national health insurance plan, balancing human need against the realities of the budget?

I don't think we can afford to go overboard. Medicredit gives help to the people who need the help, and to the degree that they need it. It does not take the view that everybody needs help every inch of the way. Medicredit builds on the system we have—not a perfect system, but one with demonstrable strengths. Kennedy-Griffiths, for example, would junk our present system from top to bottom and start all over again.

And there is another aspect to Medicredit that is highly appealing to me:

It would not invoke the Social Security system.

When Social Security first became law, the thinking was to provide some floor of protection for those too old to work. It has done this, and done it well.

But Social Security is financed through a payroll tax that bears most heavily on working people. The executive who earns $75,000 a year pays no more Social Security tax than the blue-collar worker with four children who earns $13,200.

In other words, Social Security taxation is essentially regressive. And over the years since the law was passed, we have steadily increased the percentage of taxes collected and the salary base on which they are levied.

We have already reached the point where many Americans are paying more Social Security than income tax.

Are we to add the greater part of a national health insurance program to our Social Security system? If we do, it seems to me that we drastically restructure not only our entire tax system but our approach to the business of government. And we endanger Social Security in the process.

This is one of the reasons why Medicredit appeals to me as a far superior approach to the problem: its financing is not hitched to a payroll tax, is not regressive, is not in any way involved in a Social Security system whose integrity must be preserved.

Medicredit relies on the tax credit for its financing. In this, it is distinctive among all of the national health insurance proposals.

Some of my friends have argued against what they term an "innovative" approach, but I suggest that the idea of tax credits is not as innovative as it may seem at first. I should like to point out, Mr. Speaker, a fact that is often forgotten:

Both the Ways and Means Committee, and the Senate Finance Committee have, in years past, authorized investment credits, retirement income credits, work incentive and job development credits. The tax credit approach is an incentive approach, and Medicredit is an incentive program rather than a compulsory program.

The employee who is covered by a group health insurance policy paid for in part or totally by his employer would receive credit for most of his employer's contribution as well as his own contribution if any. The amount of this contribution which the government would then reimburse him for would depend on the amount of income tax that he or his family would pay. If the income is so low, or the deductions or exemptions are so high that there is no income tax owed, then the government pays the entire bill. Every $10 of income tax that the individual or family owes, the government share is reduced by one percentage point until we get from 100 per cent government payment down to ten per cent—and this is the floor.

As for those who have no income, obviously they pay no income tax.

These people, the poor or the unemployed or the disabled, would receive a certificate from the Federal Government which they could then present to Blue Cross, Blue Shield, the health insurance company, or an HMO. They would then be provided with a health insurance policy or enrolled in the HMO, with the bill being paid by the Federal Government.

Consider the problems inherent in the payroll tax as a vehicle for social welfare programs.

The method employed in Italy may prove instructive. On old age, invalidity and death, the insured person pays 6.35 per cent of his earnings; the employer pays 12.65 per cent of payroll, plus a small wage-class contribution; and the government pays lump sum subsidies until 1975, after which it pays the cost of social pensions.

Now comes sickness and maternity benefits. The insured person pays 0.15 per cent of earnings. The employer pays 9.13 to 12.46 per cent of payroll, depending on the employee's occupation. And the government pays various subsidies in addition.

To cover work injuries, the employer pays two to 16 per cent of payroll. To cover unemployment insurance, the employer pays 2.3 per cent of payroll plus 0.2 per cent for a special "wage supplement fund."

Nor is this the end. Family allowances are paid for by the employer at the rate of 17.5 per cent of payroll.

In other words, Mr. Speaker, these social welfare programs in Italy can total more than 70 per cent of payroll, with 60 per cent of payroll being paid by the employer in the form of a payroll tax.

Admittedly I have taken an example which would help me make my point strongly. France, for instance, collects only around 30 per cent of payroll in social service taxes paid by the employer.

But the point I am making is that our own Social Security mechanism should not be turned into a Christmas tree loaded down with social welfare presents and sugarplums paid for mainly by the nation's employers in the form of a payroll tax.

What happens to the small business man under such an arrangement? Is he to be driven out of business by payroll taxes so high that he cannot afford to keep his doors open?

Yet I remind my friends that in every even year since the Social Security Act became law, the Congress has inched the payroll tax up a little, inched the base up a little, inched the benefits up a little. I do not argue against the need. I mention this simply to establish the expansive nature of all social welfare programs.

If we embark on a parallel course to that of Italy, France, the Netherlands and other nations, adding social welfare benefits to our Social Security system, at what point does that expansion stop? At what point do the straws we keep adding break the back of the small business man who is required to bear their weight?

Medicredit is tied to *income* tax, which is progressive rather than regressive, which collects more from the affluent than the marginal and more from the marginal than the poor.

Medicredit's benefits are comprehensive, its ability to meet our present needs seem unarguable, its price tag in terms of new tax dollars seems to be within the nation's means, and the method it proposes for financing the plan appears to me to rest fairly on the taxpayer without overburdening our Social Security system.

What happens next? I cannot say for sure. But I can guarantee you that the thinking inherent in Medicredit will have had an important influence on the considerations of Congress—regardless of the form that national health insurance eventually takes—when NHI becomes, as it eventually must, the law of the land.

Mr. ROBINSON of Virginia. Mr. Speaker, as a cosponsor of H.R. 2222, I want to go on record at this time in behalf of an approach to rising health care costs which permits all citizens to have a reasonable prospect of access to the high quality medical services of which we are understandably proud in the United States.

We have to recognize, however, that all of our citizens are not receiving this high quality care. It is oversimplification to set the situation in this way, I suppose, but it has been suggested with at least shreds of truth, that the rich can get the best of care, because price is no object, and that the very poor probably can get it, if properly informed, because of subsidization of health services, and the substantial donation of time and services by members of the medical profession, including outstanding specialists.

The problem area, then—and I do not mean to imply, by what I have said, that the poor are fully serviced, because I know that they are not in many circumstances—is the great body of the working people of this country who expect to pay, from their earnings, for the goods and services they need—and the services include medical care.

Insurance is a concept which has been accepted in our commerce, and in our family and business planning, from the earliest years of this Republic.

Health insurance now has established a substantial history of service.

I am concerned, however, by the suggestion that the Federal Government should preempt the field—that health insurance should become, in effect, a socialized operation, managed by a central bureaucracy in Washington.

I recognize that there are risks in insuring against the costs of health care which are beyond the limits of acceptance by private enterprise insurors as premium costs within the ability of citizens to pay.

In particular, this is true of the catastrophic illnesses. We must try to find a formula to deal with the costs of protracted, immensely costly illnesses. It is no solace to a family to be told that costs will be paid for 6 months, when the family knows that the illness, and the costs of specialized care, are going to extend over a period of years.

I do not contend, Mr. Speaker, that H.R. 2222 comprises all of the reasonable answers. I do believe, however, that it points us in a reasonable direction—that it retains the desirable resource of the private health insurance industry and, at the same time, brings into play Federal financial support to the extent that private enterprise risks would be unacceptable.

The concept, I submit, is far to be preferred to a massive Federal establishment which, some now urge, should supplant the private health insurance industry and result in socialization of health care cost management.

Mr. DORN. Mr. Speaker, American medical care is the envy of the world. In considering the various national health insurance proposals now before Congress I urge that we build upon the existing system of free enterprise medicine and free enterprise medical insurance. I strongly support the "medicredit" national health insurance program recommended by the American Medical Association and am pleased to be a cosponsor.

Medicredit would protect against socialization and nationalization of medical care. It would preserve the element of freedom, Mr. Speaker, freedom for every patient to choose his own physician. Our medicredit proposal would preserve the physician's freedom to minister to his patients according to the highest standards of his profession, without Government interference. Con-

sumers of health care would retain freedom to choose from competing private health insurance companies. This is the answer to national health insurance, Mr. Speaker, not yet another massive Government bureaucracy.

The answer, Mr. Speaker, is a voluntary program like medicredit, which provides important benefits to middle-income Americans as well as to people with lower income. The poor would receive Government assistance in paying for health insurance, while others would have their insurance premiums paid through income tax credits on a sliding scale based on income. I am especially pleased, Mr. Speaker, that the medicredit bill includes coverage of catastrophic medical expenses of the type that all too often can financially destroy even families who are financially comfortable.

Mr. Speaker, may I commend the American Medical Association and the entire medical profession for their dedicated and devoted service to all Americans. I would urge the Congress to attach the highest importance to their recommendations. For whatever proposal the Congress adopts, it will be our physicians who will make it work.

The American people hold the medical profession in highest respect, Mr. Speaker. Our people are pleased with the quality of medical care they receive, and expect the medical profession to play an important role in developing any new system of national health insurance.

Mr. FROEHLICH. Mr. Speaker, I have long been concerned over the status of health care in this country and there is no doubt in my mind that Congress should take meaningful action to provide the assistance that so many people are seeking. At the same time, I do not favor a complete governmental takeover and the subsequent exhorbitant cost which we would be adding to already-burdensome taxes.

The medicredit approach seems to me to be sound, sensible and viable. It builds upon our present system and takes advantage of our present strengths as well as correcting our most pressing weakness—the financial barrier to access to health care for all. The catastrophic coverage it provides is, I feel, essential, and I also strongly favor Federal assistance, on the basis of need, in terms of the cost of health insurance premiums.

We do not need a radical departure from our present system. We do not need to throw out the baby with the bathwater. What we need is to improve on our present system, and the medicredit approach does just that.

I hope that the Ways and Means Committee will see the wisdom of this approach and will take prompt action to report this legislation to the floor. The American people both need and deserve the assistance it will provide them.

Mr. DERWINSKI. Mr. Speaker, I add my voice to those of other Members who are expressing support this afternoon for passage of the medicredit health insurance bill, which I cosponsored.

I believe this is the most workable and practical of all the bills which have been submitted in this field. First stressing this point, may I emphasize that other proposals, some of which have received widespread publicity and are backed by intensive lobbying efforts, actually would impose substantially higher taxes on the working family and would, by bureaucratic structure, add complications to medical services needed by the American public.

The basic principle in the medicredit proposal is the recognition that assistance should be based on the legitimate need of the family and individual. It will also be a very practical vehicle to protect a family or individual against catastrophic medical expenses.

I would like to close by saying that the public need, at this point, is practical legislation aimed at true need rather than a fancy package that will add to our tax burden and interfere with, rather than aid, medical services. Medicredit, in my judgment, is the answer to the public need.

Mr. BURLESON of Texas. Mr. Speaker, it is a pleasure to join my colleagues in pointing out the desirable features of the medicredit bill, H.R. 2222 of which I am a sponsor. The bill enjoys wide support in the Congress on both sides of the aisle and among Members from all parts of the Nation.

Certainly there must be some good reasons why this bill has so many sponsors both in the House and Senate as well as on the Ways and Means Committee. I think one reason why the legislation has such support in the Congress is because it is based on some solid principles that are both realistic and workable.

For myself one of the principles that has appealed to me is the fact that the Federal dollars would come from the general Treasury rather than through imposing a new tax on the wage earner. The poor would receive a voucher to pay for their health insurance under medicredit, and the Federal Government would reimburse insurance companies or prepaid plans upon presentation of the voucher.

For those able to pay part of the cost of their health insurance the Government would allow tax credits for the balance of the cost. Again this would come from the general funds in the Treasury.

It is these working pepole who have the most to gain from medicredit and the most to lose from some of the other bills which would impose new taxes on the working families.

Mr. Speaker, we all know that a payroll tax is regressive. It falls most heavily on those in the lower income bracket.

If we have a 1-percent payroll tax on the first $15,000 of income it obviously falls much heavier on the person whose income is $10,000 than the person whose income is $50,000 or $100,000. It is a bigger share of the earnings of the low-paid worker than of the median worker or of the rich.

I do not think that we should even consider imposing new payroll taxes on the wage earner. Many working families now pay more in social security payroll taxes than they do in income taxes. No one is exempt from the social security tax or from payroll taxes generally. Thus the first earned dollar is taxed regardless of family situation or deductions.

Another thing that concerns me about the bills that would impose new social security-type taxes is that we would be taking a course of action which moves the Social Security Administration further into the health field and away from the basic purpose of social security. I believe we must have a strong social security system. Heaven knows we already are mortgaging the income of wage earners for years in the future in order to meet the obligations that have been voted. It will be necessary to increase social security taxes and the base payroll on which they are based a number of times in the future just to keep the system self-sustaining.

Of course we all know that it is not actuarially based as an insurance company's operations must be. The social security system just has to take in enough in taxes today to pay out today's benefits. Tomorrow's benefits will be paid by tomorrow's taxpayers.

With the drastically lower birth rate, we face the situation of having to increase social security taxes even more in coming decades as the work force might be smaller than we now anticipate.

Mr. Speaker, my concern is that the social security system retain its strength. Tens of millions of Americans now depend on it. Tens of millions of Americans will depend on it in the future. We must keep it free of other programs which experience has shown are subject to tremendous inflationary pressures. We do not want to end up with a social security tax of 20 or 30 percent which could easily happen if we propose to pay the health bills through social security-type taxes. There is ample evidence abroad that social security-type taxes can escalate dramatically in order to finance customarily added fringe benefits. I think one of the strengths of the American social security system has been that it is basically a pension plan rather than an all-out social welfare plan.

I would be against any payroll taxes on the working family to pay for health benefits. Instead we should use general revenues and limit them to paying for care or for insurance for people who need help.

Mr. Speaker, there are several bills before the Congress and the Ways and Means Committee which reject the route of higher payroll taxes. Medicredit is one of them. Another is the Burleson-McIntyre bill, H.R. 5200. And another is H.R. 1 introduced by our colleague from Oregon (Mr. ULLMAN).

There is widespread concern about the rate of taxation in social security. A number of our colleagues have introduced legislation to change the financing methods and fund the social security system partly from general revenue. This is merely a further explanation of the same concern I have and many of my colleagues have about loading new payroll taxes on the working men and women. They pay enough payroll taxes now.

National health insurance in whatever form it takes should be financed out of the general funds and not through a new burden on the working family.

Mr. Speaker, there are other features of medicredit which I also believe are very important. Among them are the protection against catastrophic expenses, the free choice for both patients and physicians and the arrangement under which we will build on the present insurance system in this country rather than replacing it with an additional Federal bureaucracy.

I am pleased to be among the sponsors of H.R. 2222. It has much to recommend it.

Mr. PETTIS. Mr. Speaker, the Ways and Means Committee is in the midst of extended hearings on national health insurance. We have heard from the advocates of several plans introduced in the Congress. For reasons that others have indicated this afternoon I am a sponsor of the medicredit plan, H.R. 2222.

I think medicredit has behind it a base of solid support because it is built on some very sensible principles. Probably the foremost principles are restricting the use of tax dollars to pay for insurance protection only for those who cannot afford to provide for their own protection and building on the present essentially private insurance system.

I do not believe that any national health system can work unless it is based on these principles. I believe all of us have read that the United States is the only industrialized Nation without a national health insurance plan.

Mr. Speaker, I submit that this is not true. We do have a national health insurance plan and it is costing the Government nearly $9 billion for medicare plus another $5 billion for medicaid. It is true we do not have a nationalized health care system as some other countries have. It is true we do not try to finance all health care through the national government nor do we try to own hospitals and have physicians as Federal employees. But we do have programs aimed at protecting two of the groups most in need of health insurance—the aged and the poor.

To those who say this country should have some sort of national health system because other industrialized nations do, let me offer a word of caution:

In the words of the noted medical economist and writer, Anne R. Somers:

> Government operation is not a general panacea.

Further, a report on foreign national health programs prepared by a leading American insurance expert pointed out:

> In the main, and contrary to commonly heard assumptions, government programs do not cover all health care expenditures, and do not cover all forms of care.

This author continued:

> Government programs are financed in a variety of ways, involving principally some combination of general tax revenue, employer and/or employee taxes, and cost-sharing by the patient of care received at time of illness.

Mr. Speaker, our colleagues should consider these facts about foreign national health systems:

A former British minister of health says that a quarter century of socialized medicine has not given the British people more health services, more hospitals, or necessarily better medical attention, and that no one should be looking for panaceas in nationalization.

The former health minister says:

> I happen to believe that the total resources devoted to medical care in Britain would be larger but for the National Health Service. I believe people would opt for more medical care than the state decides to allocate.

Astronomical cost increases are part of a number of national health systems: In Sweden the per capita health care costs increased by 614 percent from 1950 to 1966 compared to 174 percent in the United States. Since 1960 medical costs in Sweden have increased almost 900 percent.

The average Swedish family pays about 55 percent of its income in national, local, social security and value-added taxes, while the American family pays about 20 percent.

In West Germany which has essentially a government-mandated private national health insurance plan there is a serious maldistribution of medical personnel.

Norway reports a shortage of practitioners especially in the remote northern areas.

In Britian's National Health Service doctors complain of a deadening amount of paperwork.

In England getting into a hospital at all is difficult. Urgent surgery is likely to require a wait of at least 2 weeks; some elective surgery has waiting lists for 5 years.

Sweden has waits of several weeks if not months for routine physician appointments and years for gall bladder, hernia, and other elective surgery in some cities.

Inflation is a problem in virtually all countries. In Sweden the current rate of inflation could produce a situation in which 37 percent of the gross national product would be spent on health by 1987 compared with the current U.S. rate of 7 percent.

The Beveridge report, upon which the British National Health Service was based, grossly underestimated costs. The report predicted that costs would remain fairly constant for the first 20 years, but after only 6 months the price was doubled and now is 11 times the original estimate.

A medical expert in Israel, which has a national system of medicine, reports that the system was exploited because it is free; that patients have overburdened the system by insisting on seeing a doctor with every headache.

The program in Canada cannot be described as socialized medicine or even national health care. It is purely an insuring mechanism establishing Federal minimums and guidelines, with the provinces running the program. The Canadian system too has been plagued by higher costs and over-utilization.

Hospital rates in Canada are higher and length of stay longer than in the United States.

Due to government fiscal policies, there was an almost total absence of hospital construction in England for the first 15 years under the nationalized system.

Mr. Speaker, this recitation of facts should bring every thinking American to but one conclusion—we had better be very careful about tinkering with our present system. Certainly there is clear warning in these facts to all of us that we should not abandon the strengths of the American system for the type of health delivery system which has been developed in some other country.

The Federal Government in this country is already providing billions of dollars to help provide medical care for the aged and the poor—two of the groups that have special health problems or special problems in financing their health care.

The medicredit bill is designed to strengthen the medicaid program and provide a limited measure of help to the rest of the Nation in order to give everyone protection against the cost of a medical catastrophe. But it would not turn out our present system and try to substitute some new system which probably would not work as well as the one we have.

A final word of warning: To those who say our problems in health care delivery would be solved by adopting the plan used in some foreign country I would quote H. L. Mencken who said:

> For every human problem, there is a solution that is simple, neat and wrong.

Mr. KUYKENDALL. Mr. Speaker, it is a pleasure for me today to join with so many of my distinguished colleagues in expressing our interest in the medicredit health insurance bill, and I thank the gentleman from Virginia for arranging for this special order.

As a cosponsor of medicredit, I am vitally interested in what it does, as well as what it does not do. I think it is unnecessary to remind anyone in the House that it does provide for protection against colossal hospital bills incurred by the so-called catastrophic illnesses; and that it does relate Federal assistance to the individual family, on an individual basis, in an area where individuality is of vital importance.

It does not, I submit, put the Federal Government in the health insurance business. It does not establish any supergiant Federal agency, complete with regulations, guidelines, and redtape. It does not make another monster that we as Members of Congress will be called upon to intercede with on behalf of our constituents. It does not ignore the middle-income wage earner nor the destitute. Of equal importance to the medical profession, whose cooperation is vital to any health program, it does not do damage to the doctor-patient relationship. And though it may seem trite to say so in these days of billions upon billions of Federal expenditures, it does not cost as much as the other programs being judged here alongside of it.

I commend it to you as the best answer to the problems we want to solve, to provide high-quality medical care to all Americans at the most reasonable cost.

Mr. CONLAN. Mr. Speaker, much discussion is presently underway in Congress concerning the need for comprehensive protection for all Americans

against the high costs of extended medical care and hospitalization.

I believe such protection is possible for every citizen without resorting to unsound, uneconomical, bureaucratic government plans that would induce waste and inefficiency in health care across the Nation. Just as importantly, it is possible without jeopardizing freedom of choice in doctor-patient relationships.

Private insurance to cover medical expenses is the most practical way to provide the protection Americans deserve and demand—especially against catastrophic illness. Government programs providing free medical and hospital care at taxpayer expense encourage unnecessarily long hospitalization, and hospitalization that is often unnecessary in the first place. They relieve doctors and hospitals of the need to count costs, and they promote waste of valuable medical resources that could otherwise be used to protect lives and cure illness.

The Health Care Insurance Act of 1974, known as medicredit, is one proposal which would provide private insurance coverage for all indigent citizens to insure themselves against high unexpected medical bills, as well as normal medical expenses. And it would not interfere with a patient's right to choose his own doctor or hospital or a doctor's right to run his own practice.

Unlike other health care proposals that would have taxpayers pay all medical costs and have Government control the delivery of health care, such as in Great Britain, this medicredit plan would encourage people to protect themselves through private insurance while safeguarding high quality that is an essential feature of American medical care.

Mr. Speaker, there has been a lot of demagoguery on the subject of health care in America. The truth of the matter is that the American system of private medical practice is the most effective and efficient medical system in the world, despite meddlesome Government programs like medicaid which have needlessly increased demand for medical services without helping to increase their supply.

There is no question that doctors' costs and hospital costs have doubled in the past decade, and there is legitimate concern over whether all these increases were necessary. But it would be highly reckless for Congress to doom our system of medical excellence to the stagnation and inefficiency found wherever health services have been nationalized.

The proposed Medicredit Act does not relieve citizens who can afford it of the responsibility for their own small medical costs. It therefore discourages them from needlessly seeking medical attention. Doctors and hospitals would be accountable to private insurance companies for higher-than-justified costs, while policyholders would have Government protection against private insurance company abuses denying them proper coverage or adequate medical attention.

No citizen should be unprotected against extreme risks, or stand defenseless against the large expenses that can be incurred when serious illness or injury strikes. It appears these objectives can be achieved through passage of this law, employing conventional casualty insurance techniques flexible enough to restrain costs and aiding medical resources toward the service patients need most.

Medicredit would also protect freedom of choice in doctor-patient relationships and avoid substituting bureaucratic judgment of Government for the wiser, more personal judgment of medical practitioners and their patients.

Mr. STEIGER of Arizona. Mr. Speaker, I welcome this opportunity to add my voice to the growing number of supporters of H.R. 2222, the medicredit national health insurance bill.

This bill has the support of 183 Members of Congress and the American Medical Association, and support for the measure is increasing rapidly. The bill has broad support for a reason: it represents a workable program which would provide all American citizens quality health care without imposing higher, burdensome taxes on the American public and without using Federal funds to force changes in the existing health system.

The bill would satisfy all interested parties: the American public which would benefit with comprehensive health care, the medical profession which would not feel threatened with the idea of "socialized medicine," the many independent health insurance carriers whose organization and experience would play an important role in the program, and the Federal Government which would be able to do all of this at a reasonable cost.

H.R. 2222 is based on the idea of income tax credits for the costs of private health insurance. It would pay the full cost of health insurance for those too poor to pay for their own and help those who could afford to pay a part of the cost. The less a person or family could afford to pay, the more the Federal Government would pay.

The plan would protect all Americans from the cost of medical catastrophes and, importantly, it would give the individual the choice of the physician, location and method of receiving medical care, whether through private solo practice, group practice, some type of health maintenance organization or a clinic.

The program would provide for comprehensive health benefits, including rehabilitative and preventive care which is presently not covered under most health insurance programs.

H.R. 2222 provides appropriate Federal assistance for all the health care an American citizen will need in a lifetime and it does it without bankrupting the Federal Government or forcing citizens to foot the bill through higher taxes. The annual cost estimate for the medicredit proposal is $12 billion, in sharp contrast to the annual estimated costs of the Kennedy-Mills proposal of $100 billion.

If this were not enough in favor of the bill, it also provides for the barest minimum Federal bureaucracy. Most of the other national health insurance proposals would create a large single Government agency to administer the health program which would essentially control the entire private health industry, right down to setting health care rates. Changing and controlling the industry is not a part of the medicredit proposal. And a gigantic and expensive administrative bureaucracy would not be created under the bill. The measure wisely provides that the program will be run through insurance companies which meet Federal standards. It would be absurd and unnecessarily costly to train an entire set of bureaucrats when there is a wealth of experience already available in the present private health insurance carriers.

In conclusion, let me say that all the other proposals seem to be lacking in some crucial area. Some would provide for catastrophic illness, but provide nothing for basic comprehensive coverage. Some would create costly and unnecessary Federal agencies to administer the program. And some would force individuals to give up their choice of physician, location and method of receiving care.

The medicredit approach provides the American people a way to receive the best possible health care without discriminating against the private health industry and it does it at a reasonable cost to the taxpayer and the Federal Government.

Mr. QUILLEN. Mr. Speaker, I would like to associate myself with the remarks of my colleague, Congressman BROYHILL of Virginia. I am very much impressed with the medicredit approach because it helps those who need help and most especially, those who are stricken with long term oppressive catastrophic illnesses.

Mr. ZION. Mr. Speaker, I have been pleased to join with my colleague, JOEL BROYHILL and other Members, in cosponsoring what I believe to be a responsible approach to health insurance legislation. Few more vital issues will be considered by the 93d Congress.

In stressing the importance of the medicredit approach I would remind my colleagues of the key principles that must be envisioned by any successful and workable legislative approach to the problem of adequate health insurance for all of our citizens. The most important principle is that Federal aid in this area should be based on the underlying criteria of need.

The need of the individual and his family should be paramount to this consideration. Everyone should be protected against catastrophic medical expenses and every citizen should have free choice in determining how he shall finance and receive his or her medical care.

There are other proposals dealing with health care insurance pending before this Congress. Medicredit has attracted 183 cosponsors and widespread support in and out of government because of its adherence to the above principles. Other legislative approaches would seek to impose higher taxes on the working family or would use Federal dollars in an effort to force changes in our national health system. I do not believe the good judgment of Congress will permit such approaches to succeed and I would strongly urge favorable early consideration of medicredit as a workable approach to our national health insurance needs.

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, I wish to associate myself with the views expressed by the gentleman

from Virginia and would like to commend to the Member's attention, in particular, section 2 of the bill.

This provision provides that the purpose of this act is to make it possible for every individual to obtain comprehensive health care insurance of his choice. H.R. 2223 does not force patients—or physicians—into any one particular type of health care policy, program, or plan. Instead, it fosters flexibility and innovation in developing new, more efficient ways to take care of people. It permits free choice of physicians by every patient and free choice by every physician as to how he will conduct his practice.

Mr. HANSEN of Idaho. Mr. Speaker, one of the important issues facing Congress is the financial availability of health care to every citizen and the best possible system for providing it. Numerous proposals for a national health insurance system have been advocated. Some of these are very costly and would greatly expand the Federal role in health care. I oppose this approach and believe we should strive to improve and build the present system by making changes that will respond to the most urgent needs and remedy the obvious deficiencies. One such proposal which I support is the so-called medicredit health insurance bill.

This legislation, which now has 183 cosponsors, will provide high-quality medical care at a cost the Nation can afford. It embodies the following principles, which are so vital to any health care system:

One. Federal assistance should be based on the need of the individual or family;

Two. Everyone should be protected from catastrophic medical expenses; and

Three. Everyone should have a choice of where and how he receives his medical care.

This legislation will allow all Americans, regardless of income, to purchase comprehensive health insurance by establishing tax credits to offset the cost of the insurance. The Government would pay the entire cost for low-income people and would assist others depending on family or individual income. It would pay everyone's premium for catastrophic insurance coverage.

This approach is sensible because the Government assists an individual according to his need.

The medicredit plan would stress preventive care and include such services as annual checkup, well baby care, out-of-hospital diagnostic services, dental care for children, and home health services. It would also preserve the patient's freedom to select the doctor and hospital of his choice.

This legislation would help equalize some of the tremendous health costs that now burden some families unequally. It would insure that all receive adequate health insurance coverage with a minimum of Federal interference and with continued reliance on the private health insurance industry. It will provide the greatest benefits at the lowest possible cost to the taxpayer. The approach is sound and I reaffirm my strong support and urge its adoption.

Mr. SHRIVER. Mr. Speaker, I commend my friend and colleague from Virginia for arranging for this time to discuss the merits of the "medicredit" approach to national health insurance. With all the press coverage of other, constantly changing plans calling for mandatory and enormously expensive national health insurance programs, it is well that we get some exposure for the medicredit plan, which now has more than twice the number of cosponsors as any other plan.

I was pleased on March 6, 1973, to join in cosponsoring the medicredit bill. I believe the time has come to provide a basic health insurance program available to all our citizens and paid for by those citizens according to their ability to pay. I do not believe it is time to replace the private health insurance industry with additional Federal bureaucrats, nor is it time for the Federal Government to impose a standard health delivery system on our citizens.

Those who can afford to pay for this health insurance, and who choose voluntarily to join the Federal program, should pay their fair costs. Federal assistance should be available to pay the insurance premiums of those who cannot afford to pay, and this assistance should go down as their ability to pay improves.

It is vitally important that any national health insurance program should provide assurance to American families that they will not be wiped out financially by expensive long-term illnesses or serious accidents. The medicredit plan would pay the premiums for all citizens for catastrophic expense coverage.

The choice of the type of health care desired must remain the perogative of the individual seeking care. We should not involve the Federal Government in this choice.

Any insurance plan is going to necessarily limit coverage to certain types of treatment, but we get into a dangerous area when it is the Federal Government making this decision and enforcing it with tax funds.

At the present time about 90 percent of our population are covered by some form of health insurance, and studies show that more than 80 percent are satisfied with their coverage. They have chosen the type of coverage which best suits their own needs, and that right should never be removed.

There is an old saying that you should never criticize a person's dog or his doctor. Health care is a personal decision, and of all the proposed national health insurance plans now on the table, only medicredit provides full, basic coverage for all citizens while protecting this important right of choice.

Medicredit's coverage is comprehensive, including all medical services provided by physicians and osteopaths, the services of health maintenance organizations, hospital care, preventive physicals, laboratory work, dental care for children, inoculations, extended care, and other items.

The insurance coverage under medicredit would be provided through the private health insurance industry, the same industry which is now satisfying the health insurance needs of more than four-fifths of our population.These companies would have to qualify their rates and policies under State law, which they already must do, provide certain basic coverage, make coverage available without regard to preexisting health conditions, and guarantee annual renewal.

It makes no sense to attempt to substitute the experience and expertise of the employees of these private insurance companies with inexperienced Federal bureaucrats. The evidence is all too obvious in the administration of the medicaid and medicare programs that the Federal Government is just not equipped nor can it be equipped, to handle such workloads efficiently.

Medicredit would be financed to a large extent by those receiving its benefits. Tax credits would be allowed at varying levels for payments of premiums, according to the income levels of those paying for the premiums. For those whose incomes are not sufficient, full payment of the premiums would be made by the Federal Government out of general Treasury funds. There would be no increase in the social security taxes.

Mr. Speaker, in acting on any form of national health insurance we must preserve and use the health care and health insurance resources already in hand. Preliminary returns from my annual opinion poll of my constituents this year show that 53 percent of those responding favor some form of national health insurance, while 39 percent oppose such action. While this shows a majority in favor of some type of plan, it does not indicate a mandate for hasty, wholesale action which would disrupt and possibly destroy the system we now have in the field of health insurance.

I believe the medicredit plan offers the best approach yet proposed to build on what we have and to extend adequate protection at reasonable costs to all our citizens. I hope it will receive careful consideration.

Mr. VEYSEY. Mr. Speaker, on the question of national health insurance, as on many other major issues, men of reason can agree on desirable goals although they disagree on the appropriate means to attain the goals.

The shortcomings of medicaid have illustrated the necessity for a new program to provide adequate medical services for the poor. Furthermore, there is cause for distress in that not everyone who seeks the protection of health insurance finds it available.

A number of proposals have been made to remedy these problems, and nearly all of us agree that substantial improvements are needed. The strength of this Nation lies in the health of its citizens, and it is the duty of the Congress, as representatives of the people, to insure that professional health care is available to those who need it.

The introduction of a new administration position and the Kennedy-Mills compromise have brought us to a decisive juncture in the consideration of federally financed health care. Both of these plans have merit, and they both have

equally bad attributes of high cost and discrimination against wage earners and employers who are going to be required to fork over the tax dollars to finance health care for everyone, including themselves. While the administration bill and the Kennedy-Mills bill have received the most publicity, I hasten to point out that this is not an "either-or" situation. There are other versions of national health insurance that I believe to be inherently more fair and more efficient. Specifically, I refer to H.R. 2222, the medicredit bill.

There is a tendency to confuse health care and welfare, but Federal assistance for health care should not be based on economic status. Everyone should be protected from the burden of excessive medical expenses. To provide free health care exclusively for the poor is to replow the same old furrow that has been turned by almost every Federal social program. Invariably, these elaborate schemes reward the indigent at the expense of the diligent and wind up trapping the beneficiaries in a perpetual state of welfare. The incentive to move up the income ladder is effectively destroyed by the prospect of losing "free" benefits.

On the other hand, medicredit provides benefits without regard to economic status. Medicredit would furnish health insurance certificates to the low-income population and provide tax credits for those above the low-income level who purchase private insurance coverage.

Health care should not be allowed to become a subterfuge for the redistribution of income. If the poor must have income assistance then it should be provided under welfare—not under the guise of health care—and welfare should be based on need rather than health.

The argument for a voluntary rather than a compulsory program has strong support. We must recognize that a mandatory national health insurance program would be opposed by large segments of the population. Many wage earners object to portions of their salaries being withheld for social security, and opposition would be augmented if additional sums were deducted for health insurance. Under a voluntary system a person is free to choose a private insurance carrier and receive a tax credit on the premiums.

I object to the paternalism that is inherent in compulsory health insurance. There is an underlying assumption that only the Government knows what is best for the people. I reject this argument. I cannot believe that some omniscient bureaucrat is capable of administering a program that will meet the health care needs of everyone without being discriminatory. Every man and woman should have the right to make a personal decision as to how he or she will pay for their medical expenses.

Under the present system of health care, the indigent receive free medical care while the wealthy can afford the best care that money can buy. However, the majority of the population lies between these extremes, and they are left to fend for themselves. The expenses of catastrophic illness can turn even a wealthy man into a pauper overnight; so no system of national health insurance is complete without provisions for protection from financial disaster of cancer, heart disease, multiple sclerosis and other debilitating diseases.

A great measure of the economic success of this Nation can be traced to the fact that private enterprise has been allowed to prosper, but there are some who suffer from tunnel vision and refuse to believe that private enterprise can serve meaningful social purposes. Under compulsory health insurance, one of the first casualties will be the private health insurance industry. This industry has served its clients well, and it should not be abandoned unless it proves to be inadequate. Certainly, if Government agencies are an example, there is no basis to conclude that Government can be as efficient, effective, or expedient as private enterprise.

Under the private system of health care, insurance has been conditional on the state of health, and many times, those who needed it most were denied coverage. The problem will be alleviated under medicredit with an assigned risk pool, and guaranteed renewable insurance will be available to everyone.

For the past decade we have stacked one social program on top of another, and today, we find that nearly three-fourths of the national budget of $300 billion is uncontrollable. The Congress merely appropriates the money from year to year to pay for ongoing programs. Medicredit will add to the overall tax burden to provide for the indigent, but the increase will be much less than the administration or Kennedy-Mills bill would impose. The middle-income taxpayer will heave a collective sigh of relief to learn that he is not shouldering the burden for everyone.

Proper incentive will be applied under medicredit to keep insurance rates competitive and to inhibit the overuse of medical facilities by the consumer. In fact, the latter may be the most ominous threat to health care. The capacity of the health care delivery system is finite. As with any other commodity, a sharp increase in the demand for services will produce a corresponding price increase. It is conceivable that a runaway demand for service could lead to a rapid deterioration of quality health care.

Finally, may I say that the medicredit bill will not require the establishment of a huge bureaucracy to create redtape and will not employ thousands of bureaucrats at taxpayers' expense to parcel out the benefits. Briefly, a voluntary system, utilizing private insurance carriers, will be competitive and self-regulating, and it will require very little administration from Government.

Federally financed health care can relieve the burden of illness from many Americans who cannot afford to pay the market price for good health care. However, Federal support should not be used as a wedge to force changes in health care or to substitute public control for private control.

Mr. MICHEL. Mr. Speaker, I wish to associate myself with the support given to medicredit here today by my colleagues, Representatives BROYHILL of Virginia, BURLESON of Texas, CARTER, FULTON, KYROS, PETTIS, and others.

I have joined as a sponsor of medicredit because it meets the true test of any workable national health insurance plan—it provides access to high-quality medical care to all Americans on the basis of sharing the cost in an equitable fashion. The poor would pay nothing. In a fair way, the better off would pay on a sliding scale that reflected their income.

And, most importantly, this legislation would insure that no American would have to go bankrupt because of a catastrophic illness.

Medicredit calls upon the Federal Government to perform a "proper role" in the provision of care, an all-important safeguard to the taxpayer's pocketbook and the Nation's Treasury.

Mrs. HOLT. Mr. Speaker, the need for a national health insurance system is plainly evident. I have always maintained that no American should lack adequate medical care because of his economic condition. However, the skyrocketing cost of health care has made it increasingly difficult to deliver on this promise.

While there may be little dispute over the need for a national health insurance system, there is a great deal of debate surrounding the specifics which should be incorporated in such a system. Proposals currently being discussed cover the entire spectrum from simple catastrophic protection with minimal governmental involvement to programs which would put the Government directly in the insurance business.

When entering into any unchartered area, it is mandatory that one proceed cautiously and be willing to learn from their mistakes. National health insurance is an old concept, but one with which we have no practical experience. The major lesson that we learned during the past decade is that the Government is not capable of developing total solutions to every problem which confronts its citizenry.

In the instance of national health insurance, we must exert considerable effort to insure that the system we create is a workable one—one which will solve the critical health care problems at a reasonable cost without the creation of another massive, expensive, and unresponsive bureaucracy. The system that we enact this year will be with us for many years to come; let us make it a good one.

I firmly support the principle of limited Government involvement in the health care field; Government involvement designed to provide the essentials without the frills. The role of the Federal Government, in my mind, should be restricted to providing that everyone has access to quality health care at a price that they can afford; to protecting all Americans from the indigence that can accompany catastrophic illness, and to insuring that the consumer has a variety of options as to the method of financing and receiving his health care. This can be accomplished without putting the Government in the insurance business, without creating another new, massive bureaucracy, and without adding a new mandatory payroll tax to the

paychecks of the already overtaxed American workingman.

Mr. Speaker, I am pleased to have the opportunity to endorse the principles contained in H.R. 2222, the medicredit health insurance bill. I urge that we give careful consideration to these principles in the development of our Nation's first national health insurance proposal

Mr. MILLER. Mr. Speaker, the issue of national health insurance is one that is gaining increasing publicity in the media these days. There are many competing plans that are being proposed and, unfortunately, most of them attempt to provide a quick solution to the health problem without adequately considering the costs and consequences of the plan. However, H.R. 2222, the medicredit health insurance bill, of which I am a cosponsor, does in fact provide adequate comprehensive coverage without escalating the general cost of health care to the Nation.

Medicredit provides for the voluntary purchase of private health insurance and allows individuals to finance this cost through the granting of tax credits against the premium costs. For those families that have no Federal tax liability the Government would pay the premium price.

While these features of the plan are important, the most significant provision is that relating to medical expenses for catastrophic illnesses. Since 1960 the cost of hospitalization has risen almost 200 percent. When catastrophic illness strikes a family of average means today, it is impossible to meet medical expenses. The catastrophic expense coverage of medicredit provides for unlimited inpatient hospital care as well as up to 30 additional days in a skilled nursing facility. In addition, outpatient blood and plasma is covered after the first three pints. These tax credit benefits are subject only to a deductible of 10 percent of the combined taxable income of eligible and dependent beneficiaries.

Mr. Speaker, the tax credit concept of H.R. 2222 provides the surest method of providing an equitable system of national health insurance. The measure has 183 cosponsors in the House. Such broad bipartisan support is an indication of why medicredit deserves favorable consideration by the Congress.

Mr. CARTER. Mr. Speaker, I am pleased to join my colleagues today in calling the attention of the public and the Congress to the merits of the medicredit proposal. Any plan dealing with national health insurance ultimately must be tested by public acceptance. How best would the public benefit is the question before us, not how health providers would fare, not how the bureaucracy would fare, not how health insurance companies would fare, indeed, not how Congress or any committees of Congress would benefit.

My intention is to focus for a moment on one provision of the medicredit bill, that dealing with mental illness. It is treated precisely the same way as any other illness under medicredit. There is no limit on psychiatric care. No other national health proposal before us offers as liberal a psychiatric benefit.

The American Psychiatric Association, testifying before the House Ways and Means Committee 2 weeks ago, pointed out that medicredit stands alone in this regard. All other proposals contain some discrimination that separates treatment of the mentally ill from that of the physically ill.

Can there be any Member of Congress whose experience has not included the tragedy of mental illness? We have all had loved ones and dear friends whose lives have been marred by psychiatric problems. Several Members of Congress, serving with us in the pressure cooker of politics, have themselves suffered. No one is immune.

Certainly from the experiences of my own practice I can attest to the prevalence of serious mental disorders. These can be every bit as crippling as physical ailments and just as anguishing for the parents and friends involved.

Mental illness today, unfortunately, retains some of the stigma that once attached itself to cancer. This, plus the fear that adequate treatment would be prohibitively expensive, has resulted in a distinct limitation in insurance policies as to length of treatment.

Studies have shown that expense is not a serious problem. One of the most generous existing health insurance plans in the area of mental illness—the high option Blue Cross-Blue Shield plan for Federal employees—offers up to 365 days a year of hospital care in a general hospital or in a participating mental hospital. Total charges in 1969 were equal to only 6 percent of charges for all conditions. The average length of stay was 17 days. The unlimited benefit in the medicredit proposal compares with the general 30-day limit in a mental facility that is provided in both the administration's national health plan and the Mills-Kennedy approach.

As the American Psychiatric Association further noted, under the administration and Mills-Kennedy bills, a psychiatrist would be able to give twice as much service to a patient he sees at a center as he gives to a private patient, despite the fact that inpatient treatment is more costly. The differentiation, as the association pointed out, "does not seem to make sense."

If psychiatric illness is not treated appropriately, the financial burden will fall eventually and at a much heavier cost than if treatment is made available at the earliest opportunity.

Thus, medicredit comes squarely to grips with this terrible health problem of mankind and places it firmly where it belongs on a par with the physical injuries and diseases. This discourse is intended to show how in just one important and somewhat neglected area medicredit would serve the health needs of the Nation.

The other benefits of the medicredit plan are fully as generous as those in the other major NHI proposals before us. Ironically, the one phase of medicredit most attacked has been its so-called failure to establish a new Federal bureaucracy to police the system.

I have been sitting for a number of years on the Health Subcommittee of the House Committee on Interstate and Foreign Commerce and have some acquaintance with the way Government manages health affairs. Efficiency is not one of the adjectives I would apply to the Health, Education, and Welfare Department. Just the other day officials were telling us that a new health planning program designed to achieve efficiencies caused more troubles than it solved. The cost was only a hundred million dollars or so—down the drain. I would like to see development of an ointment that would cure the itch of bureaucrats and social planners of the desire to move in and control things.

Physicians realize that in any Federal program there must be some controls to prevent abuses. But they believe they have a right to practice good medicine without interference from the Federal Government. Already they are feeling hemmed in by the hundreds of pages of Federal regulations on the operations of medicare and medicaid, and from their experiences with the Cost of Living Council. Any further redtape would simply reduce their effectiveness.

Make no mistake. If a national program is enacted that calls for an extensive Federal apparatus to manage it, not one person in the private health field, including the insurance companies, would drop out. But a layer of thousands upon thousands of bureaucrats would be superimposed, adding billions of dollars to the taxpayers' burden.

Medicredit is a workable approach. The medical profession and the public want a plan that keeps the Federal Government's role at a minimum. From the standpoint of benefits, efficiency, financing and acceptability, I am convinced that the medicredit approach is by far the best we have before us.

Mr. YOUNG of ILLINOIS. Mr. Speaker, it is my feeling that one of the most important matters which Congress needs to deal with is the establishment of an effective program of national health insurance. At the same time we do not need the kind of program where Government officials will be telling individuals who they must see and where they must go to receive needed medical services. To me it is essential that the basic physician-patient relationship be unhampered by intrusion from Washington.

The House Committee on Ways and Means has been looking at the subject of national health insurance in great depth. Many different plans with wide variations have been presented to the committee and I know they are making a conscientious effort to come up with a practical answer to our national health needs.

I have been a cosponsor in the House of the Medicredit bill which I believe is a reasonable and economically feasible approach to providing the American people with adequate health care at a cost they can afford and can be provided.

Briefly, the legislation I have introduced would provide the following: Full coverage for catastrophic illness such as long-term sickness or serious accidents; right of the individual to choose his place of care and physician; comprehensive benefits for the entire family; federal assistance based on need—including up

to 100 percent payment for the poor; and administration of the program through private insurance companies which must meet Federal standards.

This legislation has been sponsored by more than 180 Members of Congress. It is certainly hoped that the Ways and Means Committee will be able to send legislation along this line to the floor of the House within a short period of time so that this vital and necessary program can be quickly implemented.

Mr. GUYER. Mr. Speaker, I am proud to associate myself with Mr. BROYHILL and to be a cosponsor of H.R. 2222.

Health and adequate medical care are concerns of all of our people and the providing of these services with corresponding protection should have top priority of the Congress and all of the participating professional groups that have contributed so much to making Americans among the most selectfully cared for people on Earth.

There is no question but that many reforms and additions are needed in the area of national health legislation, but we should also be careful that the burden of fiscal support not outweigh the intended benefits.

Many health care measures have been introduced, some with cradle-to-the-grave proportions that in dollars would cost as much as $2,000 per family per year. Others, equally as exorbitant in cost, would destroy our present health and professional medical care facilities.

I believe first of all, any acceptable program of health insurance must provide catastrophic coverage and protection against wipeouts of family savings and resources from long lasting illnesses or disabilities

Second, we must provide full payment of such insurance for those less fortunate ones who have neither circumstance nor means to purchase their own. A further feature of a good program would pay on a graduated tax-credit basis, parts of such costs for people able to pay for much of their own.

Above all else, we must be certain that whatever kind of health insurance we approve, be one that does not jeopardize our competitive free enterprise system, nor disrupt our time-honored freedom of selected patient-doctor relationship, nor be a kind that would only further plunge our country into the mire of runaway spending and further oppressive taxation.

Mr. JARMAN. Mr. Speaker, it is appropriate that we take time today to discuss the issue of national health insurance. We are aware of the hearings now being held by the Committee on Ways and Means. We are also aware of the recent hearings on other aspects of national health care before a subcommittee of the Interstate and Foreign Commerce Committee, on which I serve.

It is certainly appropriate to examine these issues and to see what the proposals are in this field. But, Mr. Speaker, I believe we must be very careful in our approach. We have to be wary of piling additional Federal spending on top of a budget that is far out of balance already.

We know that even the most modest of national health insurance plans would cost money. We know that some of the plans would cost as much as $80 billion in new Federal spending. We simply cannot afford anything like that. It would add a staggering budget deficit on top of the large deficit we already have.

To enact a sweeping national health plan would perhaps aid some people now, but only at the expense of a national debt increase that would be a burden on future taxpayers for decades. No, this is not the time for a vast national plan.

But there are problem areas which need attention. And perhaps this Congress will find a way to act on these problem areas without throwing huge new deficits on top of the existing deficit. I suggest that the approach in H.R. 2222, the medicredit bill, has the best chance to solve these problems without unnecessary Federal expense.

This legislation would provide Federal assistance for the poor and for those working families that really need help. Others would be helped only on a limited basis in order to furnish protection against a medical catastrophe. This is a sensible approach. It is one I have supported now for three Congresses.

In the 91st Congress it was a sensible approach, and it is now. In the 91st Congress I had the privilege of serving as the chairman of the House Health Subcommittee. In that Congress the bill did not have the very desirable feature which several of us thought should be included—the protection against the medical catastrophe.

When we introduced the bill in the 92d Congress it was revised and did contain protection against the catastrophic expenses which sometimes occur. Certainly many in the Congress believe that this is a proper Federal role. Many believe that if we do anything perhaps this is what the Federal Government should do; namely, to protect all our citizens and families against a financial catastrophe which would cause the loss of their homes and their savings, because of unusually high medical bills.

One other point should be made, Mr. Speaker. Medicredit does not impose new payroll taxes on the working people. I do not think that this Congress will enact a bill which adds even more social security taxes. They are already high enough. Unfortunately they are already scheduled to go higher in future years.

We do not need any more increases in social security taxes on working families.

Mr. KYROS. Mr. Speaker, mail from my constituents reflects a common worry about health care costs. Again and again, this theme is sounded: "I can manage to take care of my family's day-to-day medical expenses. It is the long, serious illness that worries me. These costs could wipe us out."

I am sure that every Member of Congress receives similar messages, and unquestionably, this is a valid concern. One has to be wealthy, indeed, not to worry about it.

That is why I support a comprehensive national health insurance plan, and feel that any plan we enact must include a strong catastrophic illness provision. In this regard, I feel the medicredit bill, introduced by Representatives FULTON and BROYHILL, deserves very careful consideration.

Medicredit goes to the heart of the catastrophic illness problem. After paying "basic" benefits, the plan goes on to pay those additional expenses that can be so disastrous to a family's savings. These include hospital charges, the costs of extended care, drug administered in the hospital, prosthetic devices and, of course, physicians' charges.

As one who fought to have psychiatric care included as a basic benefit in the HMO bill enacted at the end of last year, I am especially pleased to note that psychiatric care, under medicredit, would be covered without limit.

Medicredit offers a thoughtful approach to health care financing. It provides a sliding scale, whereby a family's health care costs might vary, but they would never go beyond 10 percent of their previous year's taxable income. This would certainly be a reassurance to every family.

I am confident that the medicredit bill will receive the attention and consideration it most certainly deserves in the current great debate over national health insurance.

Mr. COCHRAN. Mr. Speaker, one of the most pressing issues before this Congress is the need to establish a comprehensive national health insurance plan. Although the United States has the most advanced health care system in the world, many citizens find that they are often unable to afford the cost of necessary medical care.

The numerous shortcomings of medicaid have demonstrated its inability to consistently meet the health needs of the indigent. Many middle-income Americans find that, because of their medical record, the cost of comprehensive health insurance is prohibitive or, frequently, that the necessary coverage is available at any cost. No one, regardless of wealth, is free from the threat of catastrophic illness and its prolonged expense.

The House Ways and Means Committee is presently conducting hearings on the several health insurance proposals before the Congress. Of the legislation being considered by the committee, I feel that H.R. 2222, the medicredit bill of which I am a sponsor, offers the most practical and economical solutions to the disturbing problem of national health care.

In approaching the problem of national health insurance, it is vitally important that the Congress proceed with a good measure of caution. The existing national health care system is enormously complex; hastily or ill-conceived reform efforts might inadvertently limit the continued development of more advanced health care techniques, or even impair delivery of health care services through existing systems.

Several bills presently before the committee, most notably the widely publicized Kennedy-Mills compromise, would reshape entirely the existing structure. Such proposals would assign the administration of a mandatory national program of health care to a new and independent bureaucracy. Such proposals would be quite hazardous, and, needless to say, very expensive.

In the United States 90 percent of the population is currently covered by some form of health insurance, and as shown in a recent Roper poll, a full 80 percent are satisfied with their existing coverage. In light of such statistics, it would be ridiculous to create a new Federal bureaucracy to perform those tasks now effectively handled in the private sector for the vast majority of Americans.

This is not to say that the present system of private health insurance is free of shortcomings. But we must not suppose that the virtual replacement of that system with an immensely expensive and untried Federal program of compulsory health insurance would cure the Nation's health woes. The role of the Federal Government should be to supplement, rather than supplant, the existing system of private health insurance, taking care to preserve its strengths while correcting its inadequacies.

Medicredit would built on the present insurance system, making available to individuals Federal assistance to defray the cost of health insurance premiums. For those low income families or individuals unable to contribute toward the purchase of high quality health insurance, Medicredit would pay the entire premium cost of such coverage. For all others, medicredit would provide tax credits to help defray the cost of health insurance, with the amount of Federal assistance inversely related to the beneficiary's income tax liability for that year.

Additionally, medicredit provides comprehensive protection against the unexpected expenses of catastrophic illness. Such protection would be extended to all enrolled in the program regardless of wealth.

The bill does not require the restructuring of the present system, put the Government into the insurance business, or make participation in the program mandatory. By not obligating the Government to pay for the care of those people who can afford to handle most of their own medical expenses, medicredit is vastly more economical than the Kennedy-Mills proposal which would require all citizens to enroll. HEW estimates of the cost of the Kennedy-Mills proposal for the first year range as high as 77 billion dollars, compared to 12 billion for medicredit. With 72 percent of the Federal budget already wrapped up in mushrooming, ongoing programs that are virtually uncontrollable by the appropriations process, Congress should exercise the utmost restraint in legislating new such expensive programs.

The Kennedy-Mills programs would be financed by a 20 percent increment in present withholding tax levels. Rather than further increase regressive payroll taxes, medicredit would be funded out of general treasury funds. The amount of aid received under the program is linked to the progressive income tax schedules; under Medicredit those who earn less pay less.

The paternalistic tone of the mandatory Kennedy-Mills proposal is dangerous. Medicredit would preserve the individual's freedom to select that plan of protection most suited to his own needs, while guaranteeing that no individual be denied comprehensive coverage because of inability to pay or past medical record.

We should not delude ourselves into thinking that by requiring each citizen to participate in a national program Congress can simply legislate a healthy nation. The most we can hope to do is insure that each American has the opportunity to lead a healthy life. I think H.R. 2222 is a necessary step toward that goal.

Mr. BROTZMAN. Mr. Speaker, many of the speakers on medicredit have pointed out the dangers and inequities of a payroll tax to finance needed health care insurance.

I agree that such a tax on payrolls falls most heavily on the lower-income working man and lower-income families. On the other hand, the tax credit feature of medicredit would draw from each person and family the taxes on a graduated scale to pay for national health insurance.

Medicredit—through its tax credit system—is a balanced approach. The person with no income subject to tax because of low income or large family deductions would have full payment by the Federal Government. This is the basic premise of medicredit—that Government help be based on need.

Others would have some Government help, and it would be graduated and based on need. Some have commented that the tax credit would not receive approval of the Congress. Some have said it does not have support in key places.

Mr. Speaker, I would like to include a question and answer sheet on the tax credit feature which may be useful to all Members in considering what approach will be best for the Congress to use. This sheet shows that the tax credit approach does have substantial support in Government, Congress, and academic quarters.

The fact sheet follows:

THE TAX CREDIT FEATURE OF MEDICREDIT

1. It has been said that Chairman Wilbur Mills of the House Ways and Means Committee is opposed to any kind of tax credit. Doesn't this make the tax credit part of Medicredit a dead issue?

Both the House Ways and Means Committee and the Senate Finance Committee have previously authorized investment credits, retirement income credits, work incentives credit and job development credits. The Medicredit tax credit approach is a similar incentive approach. There is no reason to think that it will not receive consideration in both committees.

2. Isn't Medicredit the only national health insurance bill that would provide tax credits?

Yes. Medicredit is the only bill that offers any innovative financing for national health insurance. Some bills would increase Social Security-type payroll taxes which bear the heaviest on those with the least income. Medicredit does not do this.

Medicredit would provide federal help through a direct federal subsidy from general revenues or through a tax credit which would reduce as a family's income increases. This tax credit would be applied directly against the taxes owed by the family or individual.

3. Would Medicredit cut taxes?

Yes. With the understanding, of course, that the cost of the Federal Government must be met from one source or another, Medicredit would provide for a reduction in taxes for most American families. Unlike some bills which would impose additional Social Security-type taxes, Medicredit would *reduce* taxes for most Americans by giving them a tax credit to subtract from their tax bill.

4. Has Congress approved a tax credit lately?

Yes. The Senate Finance Committee approved a tax credit for low income persons by an 11–1 vote just last October.

The Senate passed the bill with the tax credit included and it went to conference with the House shortly after the second session began.

5. Who supports the tax credit approach?

A variety of groups have endorsed the tax credit approach. The Council of Economic Advisers advocated that the Nixon Administration adopt a plan which would include tax credit arrangements inversely related to income for the purchase of public or private-offered coverage.

A study for the Brookings Institute entitled "Setting National Priorities—The 1974 Budget" advocated a tax credit approach. "A superior alternative would be to replace all existing tax benefits for health insurance and medical expenses with a tax credit for all medical expenses in excess of some percentage of income. . . . Such an approach would have several advantages over a tax deduction . . . benefits under the tax credit plan would be funneled much more heavily toward low-income people."

A new study published by the University of Iowa Graduate Program in Hospital and Health Administration, as part of its "Health Care Research Series," points out that the Medicredit approach "is indeed significant and certainly warrants consideration." The study points out that the Medicredit bill is "predicated upon the assumption that the greater the tax liability, the greater the individual's ability to purchase personal health care services or health insurance."

This study also found the income tax system "to depict more adequately the income accruing" to each individual or family unit.

GENERAL LEAVE

Mr. BROYHILL of Virginia. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on my special order today.

The SPEAKER pro tempore (Mrs. COLLINS). Is there objection to the request of the gentleman from Virginia?

There was no objection.

TAX REFORM BILL INTRODUCED

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, today I am introducing the Tax Reform and Simplification Act of 1974. I do so because it has become abundantly clear that our present tax system is neither fair nor intelligible to many Americans.

Last year, more than 400 wealthy citizens paid no income taxes whatsoever. Many others paid only a small fraction of their fair share.

At the same time, most Americans struggled to figure out the complex income tax forms, trying to decide what deductions they could legally take. About 30 million gave up and paid, one-half billion dollars to have tax specialists fill out their forms. Some resorted to tax

specialists out of fear that if they did not, they might make a mistake which could result in a heavy fine or even land them in jail.

The American tax system is, in a sense, an honor system. The Government relies upon the taxpayer to declare the number of exemptions he claims, list his own deductions, and compute his own tax. Most citizens try honestly to comply with the law. However, a double threat now faces our tax system, hacking at the very roots of popular support.

First is the existence of the small number of people who skillfully manipulate their personal fortunes to take advantage of tax loopholes in order to avoid paying their fair share of taxes. While the deductions, tax preferences, and other devices which they use are usually within the letter of the law, it is unconscionable for the law to permit these devices to be used as foils by millionaires to shift the tax burden to those in middle- and lower-income brackets.

The second danger to the voluntary tax system is derived from the fact that the tax laws have become so incredibly complex that no average citizen can really understand them. The present system is constructed to encourage the average person to hunt for tax deductions and exclusions in order to minimize his taxes. This is so because the standard deduction is not "standard" or realistic when compared with the deductions that can be taken if the taxpayer itemizes. Yet, he can never be certain whether many of the deductions he takes are legitimate or may be disallowed.

In fact, a recent study shows that even the Internal Revenue Service cannot consistently interpret the law. In a recent study, a private organization submitted to 22 different IRS offices the same income tax form filed by a family with 1 child. One of the IRS offices concluded that the family owed an additional $52.14 in taxes, while the other offices felt that a tax refund was due, varying in amounts up to a maximum of $811.96. If IRS cannot compute a taxpayer's bill any closer than within $900 of the "correct" amount, how can the average taxpayer be expected to do it right?

This double threat to the tax system has already led to double disenchantment with the system. It simply is not reasonable to expect people willingly to support an unfair system, any more than it is realistic to expect them to support a system they cannot understand and which forces them to skate on thin ice every time they file their tax forms.

For this reason, I am today introducing legislation to change the tax laws in three important ways.

First, my bill will double to 20 percent the minimum tax which certain wealthy individuals must pay on tax preferences. The current applicable rate is 10 percent, which is far below what they would be required to pay if the tax preferences were not given.

Second, my bill will impose a new 20 percent minimum tax on those who have avoided paying any taxes whatsoever because their income is derived from tax exempt municipal bonds. Such bonds, although they are quite important to the financing of local government, have become an unconscionable tax haven for many wealthy citizens. This bill would not eliminate the usefulness of these bonds to governments, but it would require that a minimum tax of 20 percent be paid on income from them.

Third and finally, my bill simplifies the tax code of the average American. Instead of requiring him to search for deductions to itemize, this bill provides a realistic standard deduction. In 1970, which believe it or not is the latest year for which IRS has statistics the average American who itemized came up with a total of $2,500 in deductions. The median annual income was under $12,000. Thus, his deductions totalled about 20 percent of his income. Allowing for inflation, and to provide a modest incentive, I propose setting the standard deduction at 25 percent of income or $3,000. With such a figure, most Americans would no longer have to itemize deductions in order to pay the lowest tax. For them, April 15 would no longer be the national headache it now is. They could take the standard deduction, breathe more easily, and avoid paying a fee to H. & R. Block or one of their colleagues in the tax preparation fraternity.

Mr. Speaker, these reforms are urgently needed. They are relatively simple to make, and they are fair. If the respect of the people for their Government is to be retained, then tax reform and simplification is essential. There is no reason why this type of legislation cannot be passed by this Congress so that next year will be a better year for taxpayers.

PROCEDURES OF IMPEACHMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, as a member of the House Committee on the Judiciary I feel it is my duty to inform the House of a matter which may possibly affect every single vote cast on the question of impeachment. Every vote that each Member may cast will be one of far-reaching consequence, nationally and internationally, and no one of us should be so irresponsible as to pass judgment until each has had the opportunity to know the facts and the methods by which they will be presented.

What disturbs me most, Mr. Speaker, is that we are undertaking so-called impeachment proceedings without any of us clearly knowing what the rules of procedure will be. If and when Articles of Impeachment are reported to the House by the committee no one seems to know precisely how it will be presented to us.

Do any of our colleagues know how much time there will be allowed for debate? Do any of us know how the time will be divided? Do any of us know whether an amendment may be offered to an article of impeachment and whether a separate vote may be had on each article? May an additional charge be offered from the floor?

It is important that each one of us have the answer to all such questions if we are to be able to discharge our individual responsibility on this grave matter of impeachment. I have researched all the impeachment proceedings that have come before the House and have found that the precedents are, for the most part, outdated and at best ambiguous. I do not think the membership of this distinguished body would want to consider any articles of impeachment without first having some clearly defined rules of procedure previously established.

Therefore, Mr. Speaker, that this procedural matter may be resolved without any undue delay and each Member be fully informed with respect to it, I am today introducing a resolution to establish a select committee "to prepare and report the forms and ceremonies, rules of procedure and practice of the House of Representatives in its consideration of charges or articles" proposing impeachment, "together with such recommendations as it deems advisable." My resolution further proposes that a copy of its procedural report and its recommendations be delivered to each Member of the House.

A copy of my resolution follows:

RESOLUTION

Resolved, That there is hereby created a select committee to be composed of ten Members of the House of Representatives to be appointed by the Speaker, in consultation with the Minority Leader: five from the majority party and five from the minority party, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the manner in which the original appointment was made.

The select committee is authorized and directed to conduct a thorough and complete study with respect to the operation and implementation of the precedents and Rules of the House of Representatives in regard to any charges or articles of impeachment brought before the House of Representatives.

The select committee is authorized and directed to prepare and report the forms and ceremonies, rules of procedure and practice of the House of Representatives in its consideration of charges or articles reported by any committee or member of the House of Representatives proposing impeachment.

The select committee shall report to the House within sixty days of enactment of this resolution during the present Congress the results of its investigations, hearings, and studies, together with such recommendations as it deems advisable, and a copy thereof delivered to each Member of the House. Any such report or reports which are made when the House is not in session shall be filed with the Clerk of the House.

For the purposes of this resolution, the select committee or any subcommittee thereof is authorized to sit and act during sessions of the House and during the present Congress at such times and places whether or not the House has recessed or adjourned. The majority of the members of the committee shall constitute a quorum for the transaction of business, except that two or more shall constitute a quorum for the purpose of taking evidence.

To assist the select committee in the conduct of its study under this resolution, the committee may employ investigators, attorneys, clerical, stenographic, and other assistants; and such funds as are necessary to be available one-half to the majority and one-half to the minority, shall be paid from the contingent fund of the House on vouchers signed by the chairman of the Select Committee and approved by the Speaker.

VETERANS NEED AND DESERVE OUR FULL SUPPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois, (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, our veterans have served the country faithfully. We must assure them that we deeply appreciate their services in the past and are concerned about their continuing welfare.

The Veterans' Affairs Committee received testimony from the Veterans' Administration, concerned Congressmen, and from numerous veterans organizations. After a careful review of this testimony, the committee reported out the bill, H.R. 14117, which is before us today. I would like to say I fully support this legislation, and urge immediate enactment of it.

Briefly, the bill has four purposes. First, it would provide increases in the disability compensation rates for the 2.2 million veterans who have a service-connected disability. These increases would range from 10.7 to 18 percent, depending upon the degree of severity of the disability. The compensation program is designed to provide relief for the impaired earning capacity of the service-connected disabled veteran. It has been shown that veterans with a high degree of disability have a great need for compensation benefits, while those with relatively minor disabilities are generally able to supplement their compensation with earnings. Accordingly, this bill provides an increase ranging from 10.7 to 12 percent for veterans rated 10–30 percent disabled. Cases rated 50-percent disabled are given a 15-percent increase, and those rated 60 percent or more will receive an 18-percent increase.

Second, H.R. 14117 increased the dependency allowance by 15 percent. This allowance is provided to veterans on behalf of their spouses, children, and/or dependent parents.

Third, DIC benefits for widows and children are increased by 17 percent across the board. There are currently 375,000 widows and children who receive dependency and indemnity compensation as a result of the service-connected death of their husbands and fathers.

Fourth, the bill will extend the presumption of service connection for wartime veterans to those veterans who served between the end of World War II and before the beginning of the Korean conflict period. With the exception of veterans who served during this period, all veterans from 1941 to the present have been entitled to a presumptive period during which time the occurrence of a chronic or tropical disease would be deemed to be service connected. This provision would extend that presumption to those veterans who served between the end of World War II and the beginning of the Korean conflict.

Since the last increase in compensation benefits on August 1, 1972, the Consumer Price Index has increased 12.7 percent—through February 1974. Since the last payment increase in DIC benefits on January 1, 1972, the CPI has increased 14.9 percent. All evidence seems to indicate that there will be even further increases in the cost of living. Such increases seriously threaten the adequacy of the compensation and DIC benefits.

These statistics give us an overall view of the situation. But the Consumer Price Index does not tell all. It does not tell the heart-breaking story of the young widow with children who must survive in spite of 25-percent increases in the cost of food. It does not tell the story of the aged veteran who must face rapidly soaring medical costs.

It is clear we must act now. We must pass a bill to restore the value of the compensation and DIC benefits as rapidly as possible. H.R. 14117 takes into account the loss of purchasing power since the last increases, and also has made some provisions for the estimated additional loss which will undoubtedly occur between the present and the next review of the program by Congress.

However, I would like to take this opportunity to add that the compensation and DIC programs are not the only ones which need fuller support. These are difficult times for veterans, especially Vietnam veterans.

The Vietnam veteran is facing significant unemployment. His GI bill benefits are frequently inadequate for the soaring costs of tuition. The VA medical and hospital program has been under attack by some veterans. It is imperative for Congress to carefully review all veteran-related legislation.

I have, in the past few weeks, been studying the 1975 budget request. Funding levels for veterans' program are the highest in this budget than in any other in past years.

The budget proposes the largest hospital construction budget in VA history. The construction request of $276 million is up $165 million from last year, and $33 million from the post-World War II building boom of 1946.

The medical care request of more than $3.1 billion will allow the VA to provide inpatient treatment for thousands of beneficiaries; will raise hospital staffing; permit the handling of more outpatient medical visits; add six new outpatient clinics and six geriatric and clinical centers; and will provide more support for research.

The budget also calls for an increase in GI bill benefits by 8 percent through new legislation. Various other proposals have also been introduced in Congress which would raise such benefits by an even greater percentage.

The budget also calls for a reform of the current pension system. $250 million is requested to make the system more equitable and more responsive to the needs of pensioners.

In addition, the budget includes $22.7 million for the national cemetery system, which was established in 1973. Included in that amount is $5 million for construction.

Mr. Speaker, in the coming weeks Congress will be asked to examine the adequacy of these budget requests. I sincerely hope that as we consider funding levels and new legislation we bear in mind the sacrifices that all veterans and their dependents have made for our Nation. For a start today, to show our appreciation, let us immediately enact H.R. 14117, veterans' and survivors' compensation increases.

INFLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, citizens of Alabama's First District leave little doubt as to what they consider the most important problem facing America today.

In the approximately 14,000 returns of my legislative questionnaire this year, 57 percent of those answering chose inflation as the subject foremost on their minds.

Crime and drug abuse were rated second with 19 percent and the energy crisis was third with 10 percent. Unemployment received 5 percent, Watergate, 5 percent and various other answers, 4 percent.

"Stop inflation" also topped the list of replies to my question, "What is the single most important thing I can do as your Congressman this year?" Twenty-nine percent answered "stop inflation." Others said end the energy crisis, 13 percent; keep up the good work, 13 percent; impeach the President, 11 percent; cut Federal spending, 10 percent; end Watergate, 9 percent; stop foreign aid, 8 percent and various other answers, 7 percent.

Concerning President Nixon and what he should do in the wake of Watergate, 55 percent said he should continue in office, 21 percent said he should resign, 17 percent said he should be impeached and 7 percent said they do not know.

Pertaining to the energy crisis, 49 percent said big oil companies are most responsible for the situation. Twenty-one percent chose the Nixon administration, 17 percent blamed the Congress, 7 percent said the crisis is due to consumer waste, and 4 percent said there is no crisis.

On gasoline rationing, 61 percent said it should be used only as a last resort, 26 percent said rationing should never be used, and 12 percent said rationing should begin at once.

A strong 66 percent said they feel emission controls should be removed from automobiles in an effort to conserve fuel.

Wage and price controls were given a negative vote with 54 percent saying "no" to continuing them and 40 percent voting "yes."

Sixty percent said they feel we are spending enough to assure an adequate defense of this country compared to 35 percent who said we are not.

In consideration of national health insurance, 33 percent said they do not see the need for any new Government program, 23 percent said they would favor a Government plan covering medical care for everyone, 21 percent said they favor continuing reliance on private health insurance with Government paying premiums for the poor, and 20 per-

cent said they favor a Government plan covering only long-lasting illnesses.

In answer to the question, "Do you favor a bill to increase the minimum wage?" 55 percent said no and 45 percent answered yes.

Do you favor a bill that would require public financing of Federal elections? 70 percent said no and 26 percent said yes.

Mr. Speaker, I place a high premium on the views of my constituents, and I look forward each year to receiving their advice in the form of a response to my annual questionnaire. Our representative form of government functions best, I think, when there is frequent interchange of ideas and opinions between the represented and the representative.

WEIGHTED VOTING IN THE U.N.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. WYMAN) is recognized for 5 minutes.

Mr. WYMAN. Mr. Speaker, more than 2 years ago I introduced a concurrent resolution expressing the sense of Congress that the President, through the U.S. delegation to the United Nations, seek to amend the U.N. Charter to weigh each U.N. member's vote according to the population and economic product of each country. The resolution died with the passage of time, but the need for a more equitable voting structure in the U.N. has not.

Clearly, U.N. history illustrates that it is frequently contrary to the national interest of the United States to be bound by the decisions of any international organization dominated by many small island nations, rural, undeveloped countries, and virtual protectorates each of which has a vote equal to that of the United States, or any other major world power.

If it is to remain to the advantage of the United States to continue as a member of the United Nations, voting should be weighted in recognition of the realities of population and economic product. It should be measured by a formula weighted half by population and half by gross national product.

The United Nations is no place to exercise the principle of one nation-one vote, lest we be blind to reality. In a world in which the population exceeds 3 billion, of which the United States has less than 220 million but a substantial portion of the world's wealth and the largest of the world's gross national products, it is sheer folly for the United States to continue to acquiesce and be fettered by the voice of an international organization whose voting structure is balanced in favor of tiny nations of inconsequential GNP and whose voice is dominated by parochial interests.

I am, therefore, today reintroducing the following concurrent resolution which calls for weighted voting in the United Nations. It is my firm belief that this change should be made.

H. CON. RES. —

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President, acting through the United States delegation to the United Nations, should initiate such steps as may be necessary to amend the Charter of the United Nations so as to provide that the vote of each member state in the General Assembly of the United Nations during any calendar year shall be weighted (A) one-half in the ratio which the gross national product of such member state during the preceding fiscal year bears to the total of the gross national products of all member states of the United Nations during such preceding fiscal year, and (B) one-half in ratio which the total population of such member state bears to the total population of all member states of the United Nations, which population of each member state shall be determined by thhe most recent official census.

VIOLATION OF SANCTIONS AGAINST RHODESIA IS CONTRARY TO U.S. INTERESTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, on April 22, 1974, I submitted a statement to the annual meeting of the stockholders of the Union Carbide Corp., held in New York City. I did this to express my deep concern with Union Carbide's role in actively opposing current legislation which would restore U.S. compliance with United Nations sanctions on Rhodesia. Uniond Carbide is a company with significant investment in the extraction of chrome ore and the production of ferrochrome in Southern Rhodesia—an investment which predates that country's unilateral declaration of independence UDI. However, I am convinced that any short-term benefits accruing to Union Carbide as a result of the Byrd amendment are certainly overriden by the greater long-term interests of the United States, and even of the Union Carbide Corp. This is essentially the position set forth in my statement, which I insert for the thoughtful attention of my colleagues:

STATEMENT SUBMITTED BY HON. CHARLES C. DIGGS, JR.

As Chairman of the Subcommittee on Africa of the House Foreign Affairs Committee, I appreciate and welcome the opportunity to submit this statement before the annual meeting of Union Carbide Corporation. I am deeply concerned with the adverse implications of the 1971 Byrd amendment for the long-range national interests of the United States, and with Union Carbide's role in actively opposing current legislation which would restore U.S. compliance with United Nations sanctions on Rhodesia.

S. 1868, recently passed in the Senate after defeat of a filibuster, would supersede the Byrd amendment which allowed the importation of chrome, ferrochrome, nickel, and other "strategic" minerals from Southern Rhodesia. This importation is in violation of U.S. international legal obligations and has seriously jeopardized our long-term national interests even though these Rhodesian imports are not necessary for U.S. national security.

Africa, whose raw materials (including the increasingly significant U.S. imports of oil from Nigeria) are becoming more and more critical to the United States, considers the repeal of the Byrd amendment a priority issue. The Byrd amendment has placed an unnecessary stumbling block in U.S.-African relations, and evidences an insensitivity to African concerns. Former Assistant Secretary of State for Africa, David Newsom, confirmed that, in his four years in that position the Byrd amendment "has been the most serious blow to the credibility of our African policy." Secretary of State Henry Kissinger, in an October 3, 1973 letter to me, stated: "I am convinced that the Byrd provision is not essential to our national security, brings us no real economic advantage, and is detrimental to the conduct of foreign relations."

In addition to harming our international relations, the Byrd amendment, which has had the effect of increasing importation of ferrochrome from Southern Rhodesia, is adversely affecting our domestic ferrochrome industry. American jobs and American ferrochrome plants have been seriously jeopardized by cheap imports of Rhodesian ferrochrome. The April 7, 1974 issue of Steel Labor, a newspaper published by the United Steelworkers of America, states:

"The pressure of low-cost imports of ferrochrome from Rhodesia began to be felt only months after passage of the Byrd Amendment, which 'sanctioned' the U.S. to violate our international obligations and deal with the rump government created by Rhodesian racists. Today seven USWA locals who once employed 2,800 workers in four companies in Ohio, West Virginia, South Carolina and Alabama now have a work force almost 30 percent smaller—directly attributed to ferrochrome imports of which Rhodesia is the largest source."

I urge the stockholders of Union Carbide Corporation to be aware of this company's active role in support of the Byrd amendment and in support of its own immediate economic gain in Rhodesia—even though these positions are clearly at the expense of the greater long-term concerns of the United States.

In this regard, Steel Labor's editorial further states:

"Steelworkers who have been asked by company publications and mailings to support their lobbying efforts to continue this source of cheap ferrochrome may correctly ask if the motivation behind this concern is not American jobs, but rather multinational profits? Union Carbide and Foote Mineral are not coincidentally the most prominent lobbyists for Rhodesia—for they have multimillion dollar investment in that country and seek to protect their holdings."

I urge the stockholders of Union Carbide Corporation to consider the possible impact of this company's position on an issue of concern to the independent majority-ruled countries of Africa—in which this company has extensive investment. I urge you then to examine Union Carbide's own long-term interests. What will be the consequences of continued insensitivity by this multinational and others to the legitimate aspirations and concerns of independent majority-rule countries throughout Africa? And, what happens when Southern Rhodesia inevitably has a democratic, majority-rule government—what will be the response of this government to Union Carbide's present stance in support of Ian Smith's illegal regime?

The implications and ramifications of all these questions deserve careful consideration and appropriate action by the stockholders of Union Carbide.

THE C-5: IT WORKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, military airplanes today are criticized time and again because they cost a great deal of money. But one thing that you do not hear much is a claim that the airplanes do not work as advertised.

A case in point is the C–5, the biggest operational airplane in the world. It cost a great deal of money, and it has been the subject of more controversy than any other military purchase I have ever heard of. But suddenly the critics are silent, and for a very good reason. The C–5 has been tested in a military emergency, and it works.

The Yom Kippur War last autumn created a large scale military emergency, demanding the immediate transfer of huge amounts of military stocks overseas. There was no time to wait for ships. It would have been impossible to accomplish the airlift with any other airplane than the C–5. And this airplane did the job. It proved itself as a long-distance, supremely reliable carrier of staggering amounts of cargo. We did not even have to call on all the C–5's that were available, to accomplish the mission of resupplying the Israeli army. In short, we were confronted with a tactical and strategic emergency, thousands of miles from home, and the C–5 worked as planned: it did the exact job that its designers called upon it to do.

You cannot argue with something that works, and the C–5 does just that: it works.

Mr. Speaker, I include in my remarks an article from National Aeronautics, detailing just how the C–5 did its job:

THE SAGA OF "FAT ALBERT"

(By Craig Powell)

When you're big and bulky and seem just too clumsy to ever get off the ground, it takes a lot of work just to fly. Faced with ridicule and abuse, it takes a lot more effort to become an aerial star. Walt Disney's famed elephant "Dumbo" discovered this the hard way. So did "Fat Albert," the U.S. Air Force's affectionate name for the world's largest aircraft, the Lockheed C–5 "Galaxy." But when all the dress rehearsals were over and it was time for the big performance, both Dumbo and Fat Albert not only flew; they stole the show.

For Dumbo it was star of the circus tent. For Fat Albert it was being a star over the Holy Land and mainstay of a gigantic airlift that became a strongly influencing factor in bringing about a cease-fire between the Arabs and the Israelis, a buffer Zone between the two, and peace talks in a lonely tent in the Egyptian desert.

Looking back in time, it was October 14, 1943 . . . Over the skies of southern England the B–17 "Flying Fortresses" of the 8th Air Force assembled to begin the now famous mission against the Third Reich's ballbearing factories at Schweinfurt, Germany.

Exactly three decades later, October 14, 1973, airborne behemoths, the U.S. Military Airlift Command's Lockheed C–5 Galaxies, began a massive airlift to resupply Israel with vitally needed weaponry at the height of the Yom Kippur war.

It would be difficult to finitely measure the success of the Schweinfurt bombing raid. Not even the historians can yet postulate in the absolute. But some facts are known. The 8th Air Force suffered the greatest casualties of any mission of World War II; 63 aircraft, over 630 combat crewmen lost. But soon thereafter, German tanks began to grind to a halt. Aircraft of the Luftwaffe were being grounded. Nazi ships and submarines were falling to go to sea. The Fatherland's factories, began to lay fallow; in fact, everything that required ballbearings was ceasing to function.

In like manner, it would be difficult today to finitely measure the success of the Israeli airlift. That, too, will be for later historians to determine. Yet again certain facts are known. No aircraft were lost. But, already, there are strong indicators that the C–5A's have paid off, not only as cargo carriers, but as instruments of national policy directly contributing to the Mideast cease-fire and possibly to a more lasting peace.

When the recent Yom Kippur war began, the Arab nations were well stocked and supplied with the weaponry of war. Almost from the beginning, the Soviet Union started its best sea and airlift resupply to the Arab ports and airfields.

Faced with massive attrition of supplies and equipment, it appeared Israel would quickly lose the conflict through the classic military principle of "too little—too late." But world observers had failed to take cognizance of Fat Albert and the C–V's capability to play "catch-up" ball.

Once the billion-dollar United States resupply to Israel was underway, at least one Russian observer read the writing in the desert sands. Watching the freshly supplied Israeli tanks and equipment spearhead across the Suez Canal, the Soviet is reported to have commented that from what he could observe of the Israeli resupply effort, Cairo and the Arab armies were in imminent danger of being overrun and would do well to negotiate a cease-fire immediately.

Unlike the 1967 conflict, the Yom Kippur war of the waning days of 1973 was not an Israeli pre-emptive strike born of fear of an onslaught by the Arab nations. This time the Israelis were struck without warning from across the Suez and in the Syrian Golan Heights.

Following the initial shock, the Israeli forces rebounded to take the initiative on both fronts. But again the battle was different from 1967. This time the Arab armor and air forces were intact and the task of destroying them was costly to the Jewish state.

Quickly the war developed into one of attrition with Israel in dire need of resupply. Tel Aviv urgently called on its mentor, the United States, for help.

Unfortunately for the Israelis, their pleas for assistance came at a time when the two superpowers were conducting power politics behind the scenes. The Soviet Union was enjoining the U.S. to move with the USSR into the battle area in sufficient military strength to force a cease-fire. The United States found such incursion into the middle-east unacceptable.

At the same time, Secretary of State Henry Kissinger and Washington were entreating the Russians to go along with the U.S. in placing a two-nation clamp on all resupply to both antagonists. This proposal met with obvious Soviet declination, as the Russians had on October 10, only four days following the outbreak of hostilities, begun a massive airlift to the Egyptian/Syrian military forces. With such one sided support, it was clear Israel could not sustain its military operations and the war could come to a speedy close with the Arab armies prevailing.

If, as President Richard Nixon and the U.S. National Security Council believed, an ending of hostilities in the middle-east and hopes for a peace, however uneasy, lay in a military balance, then a substantial American effort was needed to pump vitality back onto the weakened Israeli forces.

The National Security Council and the Pentagon made its decision on October 13 and nine hours later, operation "Nickel Grass" was underway. The first of what was to become a steady stream of C–5 and C–141 jet transports of the Military Airlift Command was loaded and airborne. At roughly 10 p.m., October 14, 1973, a C–5 Galaxy flanked by F–4 Phantom-jets in Israeli battle dress, touched down at Tel Aviv's Lod Airport. The first of the "Nickel Grass" aircraft and the first C–5 to ever operate on a mission to Israel was carrying 193,916 pounds of military cargo.

Three-and-a-half hours later, the aircraft had been unloaded, serviced and the Galaxy was airborne, enroute back to the United States.

On November 14, 33 consecutive days of airlift had been completed flying a daily average of almost a thousand tons of critically needed weapons, ammunition, spare parts, medical supplies and other material. There had been a total of 421 C–141 and 145 C–5 missions. The C–5's had delivered some 10,800 tons in 4,880 flying hours while the C–141 Lockheed "Starlifters" brought in 11,500 tons in 13,620 flying hours for a total of 22,300 tons of combat equipment in 566 missions.

The figures themselves are impressive. Yet, for a genuine insight into the manner in which Fat Albert met the test requires a more detailed examination of that Israeli aerial pipeline supply route.

As the massive airlift began, the United States' NATO allies quickly ducked for cover rather than be caught up in the middle-east conflict. Despite the fact that the conflagration was being waged on the NATO southern flank, the European nations sought sanctuary in aloofness.

Not only did they refuse to make NATO equipment available for resupply to Israel, but they closed all U.S. occupied airfields in Europe to airlift operations in support of the Israelis. Thus, the U.S. Military Airlift Command had to cope with a round-robin route of more than 14,000 miles, a task that the C–5 could still have accomplished by restricting its payload or by means of air-refueling carrying maximum tonnage (the C–5 is the only U.S. jet transport with a refueling capability).

Fortunately, Portugal allowed the U.S. to utilize facilities at the Azores in the Atlantic from which the MAC aircraft could stage its flights into Lod International Airport at Tel Aviv. Though the stage lengths were still in excess of 4,000 miles, the C–5 alone airlifted approximately two-thirds the total amount tonnage moved by the competing Russian airlift which had been in operation since the fourth day of the war and over stage lengths averaging only 1,700 nautical miles.

By November 2, the U.S. aerial resupply had equaled the achievements of the Soviet airlift to the Arabs using AN–12's and AN–22's. Together with the smaller C–141's, the C–5's transported 22,395 tons over the 7,500 route to the mid-east in Soviets in 934 missions. Though the C–5 flew only 145 of the 566 missions, it accounted for nearly 50 percent of the total tonnage or 10,763 tons of cargo.

But total tonnage itself was merely the cake itself. The frosting came in the form of the C–5's, 36 percent fuel savings over the smaller C–141 and in the fact that the C–5 on many of its missions was carrying what it termed "outsized" cargo. It was for just such a contingency of airlifting outsized cargo that Fat Albert was designed and built. And when the chips were down, the C–5 came through with even its severest critics sitting up to take notice.

As the world's largest aircraft, the Lockheed C–5 Galaxy is almost as long as a football field and stands as high as a six-story building. The cargo compartment is 121 feet long, nineteen feet wide, and thirteen feet 6 inches high; or roughly the size of an eight-lane bowling alley.

So, despite the "slings of outrageous fortune" hurled at the C–5 during its development stages—despite all of its growing

pains—when the real world called on the Galaxy to do the job, Fat Albert came through. It not only accomplished the job it was designed to do, it proved it was also the only aircraft in the world that could.

During the Israeli airlift, outsized cargo that could not have been airlifted by any other plane in the world was gobbled up in the cavernous storage compartments of the C–5's. The latest of the United States' heavy tanks, the M60 main battle tank and the M48 tank along with supplies and ammunition to sustain them rolled aboard the C–5's. Sikorsky CH–53 helicopters went on board without the necessity of being completely disassembled. Self-propelled howitzers and armored personnel carriers rolled on and off, fore and aft as the gargantuan C–5's unique landing gear knelt to accommodate them almost at ground level. Even full tail sections for the McDonnell Douglas A–4 attack bombers were airlifted in to permit rapid repair of the A–4's sustaining damage from Soviet built surface-to-air missiles. Operating under semi-wartime conditions, the C–5 accomplished its mission with a logistics reliability rate of 95.7 percent between the Azores and Israel.

Meeting crews at Lod International Airport, Premier Golda Meir spoke for the people of Tel Aviv and Israelis throughout the nation. Referring to the C–5 airlift, she vowed, "For generations to come all will be told of the miracle of the immense planes from the United States."

As stated, not even the airplane's most ardent critics, and there have been many, would fault the quality of the airlift the C–5 provided the mid-east. But the story runs deeper.

Because of that airlift resupply, the Israeli armed forces were able to continue on the aggressive, free of the certain knowledge that their munitions, weapons, and other supplies were rapidly dwindling.

With fresh stockpiles available, they were able to continue their drive to the outskirts of Damascus in Syria. With the Syrian front under control the Israeli commanders shifted the full force of their armies to the west, drove across the Suez to entrap the Egyptian Third Army in a pocket encompassing both sides of the canal.

It was perhaps because the Egyptian commanders and President Sadat recognized that with this type of resupply, the Israelis would have the capability of winning the war on the battlefield that led to the cease-fire and the ultimate peace negotiations.

It is perhaps more likely that, behind the scenes, the Soviets also recognized the handwriting on the wall. This recognition was probably the principal factor in the USSR's decision to cease its ultimatum unilaterally to move into the mid-east with military forces and instead to join the United States in pressuring both antagonists (Arab and Jew) to come to the conference table.

These are assumptions of many mid-east watchers. Again, only the historians of the future will be able to validate them. But one military fact of life is clearly evident and has been since the cease-fire went into effect; the U.S. C–5/C–141 airlift altered the course of the Yom Kippur war.

Interestingly, Fat Albert's portion of the airlift was carried out by some 51 of the total force of 79 C–5's in the Air Force inventory. The remaining Galaxies, though they could have been fruitfully employed in the airlift, were tied up elsewhere.

There seems little question that the mid-east airlift would have been greatly enhanced had the Pentagon acquired the full 115 aircraft originally programmed rather than cut production back to 81 planes; an action that Cong. Melvin Price said the U.S. would one day live to regret.

If Disney's "Dumbo" had problems getting his tiny wings to lift his enormous pachyderm's body off the ground, they were nothing compared to the growing pains suffered to Fat Albert as he struggled through his early development stages. The Galaxy suffered the tortures of the damned.

Few weapon systems being developed across the technological boundaries have been quite so badly maligned as the C–5. All sorts of demeaning labels were hurled at the plane, including "The Flying Fraud of All Time," which was one of the few occasions on which its detractors were willing to concede the C–5 would actually get airborne. A phrase of the time was that the C–5 had become "Proxmired down in a morass of charge, countercharge and innuendo".

Unfortunately, it was a time when the wolves were howling about the expense of defense procurements. Because of its size, the Galaxy made an excellent target and the wolves snapped hardest at its heels. The new giant Bird became a *Cause Celebre* for Congressional and public critics.

On Capital Hill, Senator William Proxmire led the pack. And from out of the labyrinth of the Pentagon, came a civil servant, A. Ernest Fitzgerald, who established one of the first of the currently vogue "Washington leaks" to the Proxmire Committee. Unfortunately, there was just enough of the chlorine of truth in the water from Fitzgerald's spigot to make it seem potable.

Just enough in fact, that the "Fitzgerald Case" has in itself remained a current news item for over half a decade. The Air Force, piqued at lack of loyalty, abolished Ernest's high-paying Pentagon position in a Reduction of Force. Fitzgerald yelled "foul" and claimed the Air Force was conducting a personal vendetta because he had told the truth about mismanagement of the C-5 program.

Fitzgerald ultimately had his day in court and the Civil Service Commission ruled his dismissal had not been in keeping with CSC doctrine and directed the Air Force to reinstate him.

The Air Force complied. (Fitzgerald now maintains that he has been pigeon-holed in a do-nothing job, has sued for $3.5 million and the pot continues to boil.) What has not as yet been clearly established is if whether Fitzgerald's charges were based on altruistic concern over "cost growth" of the C-5 or mal-contention with the Air Force, Lockheed, or both. At any rate, the journalistic "30" is still to be added to the anecdote of A. Ernest Fitzgerald.

Countering Fitzgerald and the critics, Larry Kitchen, President of Lockheed Georgia Company, builders of the C-5, has his own opinions which he told to NATIONAL AERONAUTICS in personal interview. While admittedly he speaks from a company position, NATIONAL AERONAUTICS found that most Air Force airlift officials conversant with the C-5 history tend to basically concur with Kitchen's evaluation.

According to Kitchen, the C-5's traumatic experiences stemmed from a never-before-tried-or-tested conceptual development technique. Neither Total Package Procurement nor "concurrency" contained sufficient flexibility to be a viable concept in the development of an aircraft system that was to cover a nine-year program and require advances in the technological state of the art. The TPP contract was probably the single most responsible factor in the cost growth of the C-5 which led to its reputation for excessive cost overruns and such misnomers as the "billion dollar bilking." Under the contract there was no way to affect reasonable and timely trade-offs on cost, schedules, or performance.

"Because we knew we would probably run into problems of unknowns, a repricing formula was written into the contract designed to protect the government investment and the contractor against catastrophic loss or windfall profit. These were the provisions the opponents of the program called the 'Golden Handshake'.

"Actually, because of a divergence of interpretations between DOD and Lockheed resulted in a legal dispute that was never carried to the Board of Appeals, these provisions were never properly used. A requirement levied against Lockheed to put up the multimillion dollars to keep the production line flowing mandated that Lockheed accept a restructuring of the TPP contract to a fixed-loss cost-reimbursement type contract supposedly pegged at $200-million. Overall, Lockheed, either directly out of pocket, or through missed opportunities, dropped on the order of well over $300-million on the C-5."

But this type of pragmatic evaluation of the program was little understood by the general public because of far more flamboyant and dramatic vignettes along the way which were the delight of the media.

Just as "Dumbo" was laughed at and ridiculed in his first attempts to fly, Fat Albert had more than his share of downright embarrassing incidents that caught the eye of the press. So embarrassing, in fact, that Fat Albert's visored nose blushed to the same rosey hue as Dumbo's face in the circus tent. That they were insignificant in the development of such an aircraft was inconsequential.

This is not to say that the C–5 did not have its share of real troubles.

But Fat Albert's biggest problem was an overwhelming penchant for making headlines under the most ludicrous conditions. For a while, it seemed that whatever "Albert" did was destined to end up in banners on the front pages and heading the television newcasts, with pictures to match. Most of them added up to "John Q. Citizen's Fed Up With Billion Dollar Bellyfull". And all made good editorial copy.

Poor Fat Albert. With full fanfare and bands playing, the delivery of the first "operational" C-5 was made in June 1970 to Charleston, South Carolina. Extensive ceremonies were arranged with local VIP's and politicians in attendance. On hand to officiate, with his abundant shock of silver hair flowing in the breeze, was Congressman H. Mendel Rivers, audacious Chairman of the House Armed Services Committee. At the controls of the first aircraft was General "Smiling Jack" Catton, then Commander of the Military Airlift Command.

Following a spectacular flyby of the reviewing stands and before a full contingent of press and television representatives, Fat Albert made his approach for landing. But unknown to General Catton in the cockpit, "Murphy's Law" had overtaken Fat Albert (Murphy's Law postulates if a part can be improperly installed on an aircraft, sooner or later, someone will install it the wrong way). In this case, a retainer ring on one of the 28 wheels of the landing gear had been improperly seated.

As the giant aircraft touched down for landing, the wheel spun off the bird. Like an errant cub romping ahead of the pack, the wheel bounded down the runway outdistancing the slowing aircraft—also making for fantastic picture coverage for still and motion cameras alike.

Actually, the high flotation landing gear of the C-5 had been specifically designed for rough landings in the forward battle areas and loss of one wheel was no serious incident. In fact, General Catton never knew the wheel was gone until his copilot saw it cavorting

down the runway and told the general. If anything, it resulted in improved checklist procedures in the operation of the aircraft. But at that moment, with the media in search of another C-5 story, it could have well been the "Titanic" going down again.

Coolest cat on the flight line was veteran Chairman L. Mendel Rivers who was deluged by the press. "What catastrophic portents lay in the lost wheel," he was asked. Replied Rivers, "It meant the aircraft landed on the 27 wheels left."

But even this spectacular display of showmanship was not to end Fat Albert's affinity for the press. He was back for an encore about a year later.

Still faced with no room for trade-offs, and to meet weight restrictions, the builders put the C-5 through a massive structures redesign, the use of extensive chemical milling of metal and the use of titanium fasteners. Weight was saved at great expense but the changes also had a tendency to close the engineering margin for error in calculating stress levels that are normally built into all aircraft.

This was one of the factors responsible for the fatigue difficulties that have so far kept the C-5 from reaching a life expectancy of 30,000 flying hours. "Known changes, however," contends Kitchen, "will extend the expectancy to 15,000 to 20,000 hours of the initial requirements; a contention, then-Secretary of the Air Force Robert Seamans supported.

And therein lies Albert's next tragedy/comedy. One of the causes of metal fatigue discovered was in pylon truss fittings supporting the General Electric TF-39 engines. The fittings were redesigned for aircraft still coming off the line and the rest of the fleet scheduled for retrofit during periodic inspections.

Unfortunately, one of the early production aircraft with high flying hours was caught behind the retrofit "power curve." On September 29, 1971 Fat Albert made the front pages again.

The aircraft could not probably have taken off and flown its runway of the C-5 training base at Altus, Oklahoma. As the crew standardly brought the engines up to full power, the truss fittings on one pylon failed allowing the engine to separate. The engine still developing maximum power took off like a gyrating skyrocket, climbed to approximately 200 feet of altitude before arching back over the aircraft to come to rest alongside the runway.

Again, the incident was relatively minor as the entire fleet was already scheduled for modifications. But, from a news coverage standpoint, one would have thought man had first split the atom.

The aircraft could most probably have taken off and flown its mission without further incident except that flight safety procedures precluded. So the world will never know if Fat Albert could have taken off with one of its four engines completely missing.

Summing the whole C-5 picture, Lockheed's Larry Kitchen philosophizes, "It is a shame that an advanced technology aircraft such as the capable C-5 was forced to take the undeserved criticism it did. This has not only hurt Lockheed and the whole aerospace industry but the Air Force as well.

"Further, most of the valid criticism was caused by the inflexibility of the untried concept of total package procurement. Certainly, there would have been a cost growth due to inflation and technology problems but TPP increased the costs beyond proportion.

"But, let's not cry about the problems of the C-5. We must realize that sophisticated weapon systems, pushing technological frontiers, cost money. If we have a valid requirement for say a C-5, B-1 bomber, or a new fighter, let's find the money and build it.

"If we, as Americans, feel we can't afford the costs of advanced technology weapon systems, then let's drop operational performance requirements of the aircraft to meet the costs we feel we can afford. The point I'm trying to make is, wisely spend the money necessary to advance the technological state of the art to meet national needs or build airplanes designed to the technology available with a recognized risk in our national defense posture."

Now the problems of the C-5 are mostly behind. It is today a battle-tested veteran that has proven the concept of a heavy logistics aircraft that can move outsized cargo such as tanks and helicopters into critical areas that lack sophisticated logistics handling equipment. As its name implies, the Galaxy has established itself in the "star" category and like Dumbo commands the respect of all as it cavorts in the "top of the tent."

So the C-5 stands ready for its next curtain call. In the meantime, the Pentagon continues with other advanced aircraft programs; specifically, the F-15 air superiority fighter and the F-16 light weight fighter.

Nothing is quite as fool-proof as use of the test tube under laboratory conditions. But you can't fly aircraft in a test tube. However, in the case of its two new fighters the F-15 and F-16, the Air Force did the next best thing. Both aircraft made their first airborne flights in the safest possible environment to assure they got off the ground and back to earth again with the least possible danger. What environment was that? Why in the belly of "Fat Albert," of course. . .

PAYROLL TAX RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, Massachusetts State Senate has joined the Massachusetts State House in passing a resolution memorializing the U.S. Congress to adopt the provisions of my bill, H.R. 12489, which would provide payroll tax relief for millions of American workers by increasing the taxable wage base under social security and providing for Federal participation in the cost of the social security program.

Mr. Speaker, the resolution was guided through the Massachusetts Senate under the able leadership of Senator Joseph B. Walsh of Boston, who time and time again demonstrates a keen perception of the problems facing the common working man and woman. I praise the action taken by the Massachusetts Senate, whose members have joined their colleagues in the House in focusing in on a matter of growing national concern.

I include the resolution in the RECORD at this point:

RESOLUTION

(Resolutions memorializing the Congress of the United States to enact legislation amending the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs)

Whereas, There is pending before the Congress of the United States a bill H.R. 12489 which if enacted into law would amend the Social Security Act and the Internal Revenue Code of 1954 to provide for federal participation in the costs of the Social Security Program, with a substantial increase in the contribution and benefit base and with appropriate reductions in Social Security taxes to reflect the federal government's participation in such costs; and

Whereas, Said bill would grant tax relief to every wage earner with an income of twenty thousand dollars or less; and

Whereas, It is the sense of the Massachusetts Senate that, in these times of severe inflation, every means should be employed to increase the spendable income of working people; and

Whereas, Said bill, in addition to aiding the workers, would lower the cost of doing business for employers; now, therefore, be it

Resolved, That the Massachusetts Senate urges the Congress of the United States to enact into law H.R. 12489; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

Senate, adopted, April 25, 1974.

ILLINOIS IMPEACHMENT PETITIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MURPHY) is recognized for 5 minutes.

Mr. MURPHY of Illinois. Mr. Speaker, today, the country is uneasy. This past week has seen the revelation of Presidential material which has served to heighten the country's desire for the truth about the Watergate scandal. The volume of documents, containing page after page of apparent plotting by White House officials, has not lessened this country's anxiety to seek and find the truth.

The word "impeachment" is being sounded loudly from one corner of the Nation to the other. And not because anyone is out to "get" the President as has been suggested. Very simply put, Mr. Speaker, while the people in the White House were busy trying to hide their involvement in Watergate, trying to save each other from the juries and from justice, not once considering the effect of their actions on the American people or on our system, hundreds of thousands of Americans were calling for explanations and the truth.

Their voices are being heard in every city in the Nation including here in Washington, D.C. And so I have presented today to representatives of the House Judiciary Committee, petitions bearing the names of more than 90,000 residents from the State of Illinois. These citizens have placed their names among those who are calling for impeachment of President Richard Nixon as the only way to determine the facts about a scandal which threatens our very system of government.

The names were collected by impeach Nixon committees and the American Civil Liberties Union and given to me in Chicago recently. I was asked to deliver the petitions to the Judiciary Committee so they and all the Congress might know how many Americans feel about the current state of the leadership of this Nation.

We cannot ignore the problem in hopes that it will go away in time. We cannot concede that the system may be so morally bankrupt that justice will never be served and we cannot continue hearing the same tired phrase, "One year of

Watergate is enough." We have already had almost 2 years of Watergate and we have not yet reached the truth. At least not the kind of truth which will satisfy 90,000 people in my home State.

It is often heard that Americans should take their minds off Watergate and instead think about what is right with America. Well, one of the things that is right with America is her system of justice. It works when it is allowed to function freely, unfettered by other branches of Government, open to all the people with all the facts laid out on the table for all to see.

This is the way America works best. And if the Judiciary Committee is allowed to proceed unhampered then shortly we, and millions of Americans, shall know the truth.

REQUEST FOR MODIFIED RULE ON THE OIL AND GAS ENERGY ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, next week, the House of Representatives will be considering H.R. 14462, the Oil and Gas Energy Tax Act of 1974 as reported by the House Ways and Means Committee. The committee's bill makes almost no changes in the tax treatment of foreign oil operations.

The continuance of the foreign tax credit for oil is indefensible. Over the past several decades, oil companies generated $4 billion in excess foreign tax credits; $16 billion will be generated this year alone through the new oil pricing systems. These excess foreign credits do not contribute to energy independence and in fact drain away precious capital for investment elsewhere.

As a sponsor of legislation to repeal the intangible drilling expense on foreign operations and change the foreign tax credit on oil companies from a credit to a deduction, I hope to obtain a modified rule to permit a vote on this amendment.

Pursuant to the modified closed rule procedure adopted by the Democratic caucus, 62 Members of the Democratic Party of the House of Representatives have today requested a special meeting of the caucus to consider a resolution providing that the rule for House consideration of H.R. 14462 make in order an amendment to be offered by myself.

Following is the full text of the substitute amendment which will be debated in the caucus and hopefully passed by the full House of Representatives:

AMENDMENT TO H.R. 14462 OFFERED BY MR. VANIK

Page 36, strike out section 201(b) and section 202 (beginning on line 17 and ending on page 49, line 14) and insert in lieu thereof the following new subsection:

(b) Treatment of Intangible Drilling and Development Costs in the Case of Foreign Oil and Gas Wells.—Section 263(c) (relating to intangible drilling and development costs in the case of oil and gas wells) as amended by section 102(c) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(3) Denial of deduction in the case of foreign oil and gas wells.—

"(A) In general.—In the case of any foreign oil or gas well, no deduction shall be allowed under this subsection for any intangible drilling and development cost which is properly chargeable to capital account.

"(B) Foreign oil or gas well.—For purposes of this subsection, the term 'foreign oil or gas well' means any oil or gas well which is not located in the United States or in a possession of the United States."

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1973.

Sec. 202. Denial of credit and allowance of deduction with respect to foreign taxes on foreign oil and gas extraction income.

(a) Foreign Tax Credit.—Section 901 (relating to credit for taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (f) as subsection (g) and by inserting immediately after subsection (e) the following new subsection:

"(f) Denial of Foreign Tax Credit With Respect to Foreign Oil and Gas Extraction Income.—

"(1) In general.—No credit shall be allowed under this subpart for any income, war profits, or excess profits tax paid or accrued (or deemed to have been paid) during the taxable year to any foreign country with respect to foreign oil and gas extraction income.

"(2) Foreign oil and gas extraction income defined.—For purposes of this subsection, the term 'foreign oil and gas extraction income' means the taxable income derived from sources without the United States and its possessions from the extraction (by the taxpayer or any other person) of minerals from oil and gas wells.

"(3) Denial of carryovers to years after December 31, 1973.—The amount of taxes paid or accrued (or deemed to have been paid) to any foreign country with respect to foreign oil and gas extraction income for any taxable year ending before January 1, 1974, shall not be deemed under section 904(d) to be paid or accrued in any year ending after December 31, 1973.

"(4) Exception by Treaty.—The denial of credit under paragraph (1) shall not apply to such extent as may be provided by any treaty ratified by the United States after the date of the enactment of this subsection.".

(b) Deduction for Foreign Taxes Paid or Accrued.—Section 275(a) (relating to certain taxes not deductible) is amended by adding at the end thereof the following new sentence: "Notwithstanding paragraph (4), a deduction shall be allowed for any income, war profits, or excess profits taxes imposed by the authority of any foreign country to the extent credit is denied by section 901(f) (relating to denial of foreign tax credit with respect to foreign oil and gas extraction income)."

(c) Technical Amendment.—Section 901(e)(2) (relating to foreign taxes on mineral income) is amended by striking out "extraction of minerals" and inserting in lieu thereof "extraction of mineral (other than minerals extracted from oil or gas wells)".

(d) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 1973.

Page 36, line 3, the section heading for section 201 is amended to read as follows:

Sec. 201. Repeal of percentage depletion, and denial of deduction for intangible drilling and development costs, in case of foreign oil and gas wells.

RAYMOND J. PEACOCK

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, the people of the northwest side of Chicago, an area that I have been privileged to represent, have lost one of its outstanding citizens. Yesterday Mr. Raymond J. Peacock, who was known on the northwest side of Chicago as "Mr. Republican," passed away.

He was the publisher of the Peacock Northwest Newspapers, a group of 13 city and suburban neighborhood newspapers which have served the people of our area for over 50 years.

Ray Peacock played a formidable role in the Republican Party of our State, and especially in our country, and was for a period of over 40 years, one of its most powerful leaders.

The passing of Ray Peacock is a tremendous loss to our community and he will be greatly missed. I want to extend my deep sympathies to the people of his staff and to his family which includes several nieces and nephews.

An article from the May 7 Chicago Tribune about Mr. Peacock's life and accomplishments follows:

RAYMOND J. PEACOCK: NEWSPAPER CHIEF ON NORTHWEST SIDE DIES

Raymond J. Peacock, 86, the wiry, cigar-smoking "Mr. Republican" of Chicago's Northwest Side, died yesterday in Swedish Covenant Hospital.

He was publisher of Peacock Northwest Newspapers, 2319 N. Milwaukee Av., a group of 13 city and suburban neighborhood newspapers, a thriving enterprise that he built over a 50-year publishing career. He continued active management of the newspapers up until he entered Swedish Covenant Saturday.

From the 1930s to the rise of the Democratic machine of Mayor Daley, Mr. Peacock was a formidable political power in the 10 Republican wards of the Northwest Side. He served for most of that period as Republican committeeman for the old 39th Ward and he was the political whip for the other wards.

He was a small, wiry and handsome man who always wore his hat in the office and usually had a cigar in his mouth. He had strong Republican opinions, and he even refused to accept lucrative political advertising supporting Franklin D. Roosevelt.

He often said of his newspapers that "we publish ink, not mud," and he refused to make official editorial endorsements of candidates—with one exception. In the last elections he published a front-page endorsement of Daley, whom he believed to be a man so good for the city that he deserved the support even of "Mr. Republican."

Mr. Peacock ran unsuccessfully for Congress, state legislator, and county assessor.

His main political contribution was in organizing weak Republicans into a tight, strong party. In his heydey he was able to virtually handpick candidates for major offices, and was appointed supervisor of collections for the Chicago area for the State Revenue Department in the early 1940s.

Born in the Jefferson Park area of Chicago, he entered the newspaper business as a newsboy at age 10. He later entered the advertising phase of the business, and in 1923 he bought the North West News and subsequently established other newspapers in city and suburban neighborhoods.

He lost much of his ward power base when the Northwest Expressway cut thru the 39th Ward and drove scores of Republican households to the suburbs. From 1961 to 1970 he served as a member of the board of the Chicago Transit Authority.

Survivors include several nieces and nephews.

VOTER REGISTRATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico (Mr. BENITEZ) is recognized for 5 minutes.

Mr. BENITEZ. Mr. Speaker, during the consideration by the House of H.R. 8053, the Voter Registration Act, I intend to offer an amendment which the House of Representatives, and indeed the Government of the Commonwealth of Puerto Rico have requested me to submit. The amendment simply involves exempting the Commonwealth of Puerto Rico from this particular legislation.

The amendment does not deal with the merits of the bill itself but with the demerits of making it extensive to Puerto Rico. None of the evils that the proposed legislation tends to correct prevail in Puerto Rico. As the committee reported:

The purpose of the bill is to encourage increased voter participation in the electoral process.

The committee report further indicates:

The major impetus for legislation in this area has resulted from the emerging concern over the steady decline in voter participation in our national elections over a number of years. During the hearings by the Subcommittee on Elections of the House Administration Committee, statistics were offered by various witnesses to the effect that voter participation in presidential elections has dimished from 64% of the voting age population in 1960, to 62.9% in 1964, 61.8% in 1968, and most recently, to approximately 55% in the 1972 presidential race.

I am happy to advise you that the Congressional Research Service of the Library of Congress has informed my office that Puerto Rico has the highest registration percentage anywhere under the American flag, 95.61 percent for 1972. The Census Bureau has advised the Congressional Research Service that the voting-age population of Puerto Rico for 1972 was 1,627,000. By election time, 1,555,504 or 95.61 percent were registered. Only three States came anywhere close to this high percentage; Maine with 92.4 percent, South Dakota with 90.4 percent, and Utah with 90.1 percent.

If we move now to the election itself we find that 1,308,950 citizens voted in the 1972 elections. This means that 84.14 percent of those registered, voted and that 80.4 percent of the total population 18 years and over exercised their suffrage. This is a voting record higher than that prevailing in any State of the Union and fully 25 percent higher than the average for mainland United States.

Under the circumstances, I hope my amendment will be favorably received and acted upon.

The amendment follows:

Amendment to H.R. 8053, as reported offered by Mr. BENITEZ: Page 13, line 21, strike out "the Commonwealth of Puerto Rico,".

COMPENSATION BENEFITS FOR DISABLED VETERANS

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

Mr. HANLEY. Mr. Speaker, I am pleased to support this measure providing for a vitally needed increase in compensation benefits to our Nation's service-connected disabled veterans and their families; and to the families of those who gave their lives in our Nation's service.

In recent months the problems of our Nation's veterans have been particularly prominent in the news. Many speeches have been delivered here in this Chamber on the plight of those veterans who left the battlelines of Vietnam only to return to the unemployment lines of America. Numerous speeches have also been delivered on the problems facing veterans who are trying to get a decent education through the GI bill. But when the rhetorical fog cleared, we found that the veteran who needed the most was the veteran who complained the least, the disabled veteran.

Today we are faced with a measure that can do so much for those who have given so much.

Today we can move to free our disabled veterans and their families from the rampages of inflation. Today we can move to give them the assistance they need to make ends meet. Today we can move to give these veterans the benefits they deserve.

Therefore, I call on my distinguished colleagues to approve this measure and reaffirm our strong commitment to our Nation's veterans.

THE CITY OF ONEIDA—ROOM TO GROW

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, the most recent edition of the New York State Department of Commerce magazine, Business in New York State, contains two excellent articles related to the 32d Congressional District, which I am privileged to represent.

The first article deals with the city of Oneida, and second outlines the business and industrial opportunities presented by the historic Delaware and Hudson Railroad. With my colleagues permission, I would like to share these articles with the readers of the CONGRESSIONAL RECORD:

ONEIDA—ROOM TO GROW

"We are definitely interested in industrial development and we have 22.5 square miles within our city limits—that's the third largest city land area in the state," says Oneida Mayor Herbert Brewer.

"As you can see, we have plenty of room for industry to grow," he adds enthusiastically.

And grow it does in Oneida, a pleasant Madison County city of almost 12,000 that is very nearly the geographical bullseye of New York State.

A good example is Tele-Com Industries Corporation, which maintains its home office and Specialized Products Division—the firm's sales and marketing arm—in Oneida. TIC in 1966 averaged $35 a day total sales; the firm recorded $8 million in sales during fiscal year 1973. Tele-Com products—refuse shredders, car crushers, engine pullers, hydraulic cranes and more—are distributed throughout this nation and Canada.

Smith-Lee Company, Inc., celebrated its 75th year in 1973. One of the leading designers and manufacturers of single-service disposable table service products, this long-standing Oneida firm boasts a range of paper products they consider to be unexcelled in the industry. The firm operates in nearly 150,000 square feet of production space, plus a warehouse nearly as big, in the city.

Compared with Smith-Lee, Oneida Molded Plastics Corporation is a relatively new Oneida industry, having arrived in 1964—but this high-quality custom injection molder has been expanding ever since. Today, about 90 work in the firm's 36,000 square foot plant, 12,000 of which has been added in the last two years. Oneida Molded injection molds thermoplastic parts for many of the state's and nation's top manufacturers, including General Electric, Xerox, Eastman Kodak, neighboring Oneida Ltd., and many more.

Northeast Dairy Co-op (NEDCO), a federation comprising local dairy farmer cooperatives in New York and Pennsylvania, maintains an ultra-modern aseptic food processing plant in Oneida, at the heart of a major milk producing area of New York State, where it produces milk and milk and food products. Constructed in 1964, it has been expanded several times to accommodate many of the nation's leading food distributors. Aseptic processing, a relatively new technique, serves to eliminate, or render inactive, bacteria contained in a raw product.

There are many more thriving businesses and industries in Oneida, a city which actually traces its early history and owes much of its growth and success to an industry—Oneida Ltd.—and the Oneida Community out of which it arose.

The old Oneida Community was a religious and social society founded here in 1848 by John Humphrey Noyes and his followers. When the Community turned to the manufacture of silverware in the 1850's, an industry was born. Today, Oneida Ltd. manufacturing is done in adjacent Sherrill, but the firm's headquarters is still located across from its historic and picturesque "Mansion House" in Oneida.

Oneida was not incorporated as a city until 1901, although settlers first arrived as early as 1834. The origin and development of the ensuing community was engendered by the construction of Syracuse and Utica railroad lines through the locality, first known as Oneida Depot. It grew rapidly from that point, and was incorporated as a village in 1848.

Oneida today is a far cry from the days when it was merely a dining stop for trains, as per an agreement by the original settler, Sands Higinbotham. He had demanded this condition in return for his giving the railroad company the needed lands.

Retail activity is at a high water mark. Four bright, new shopping centers and a busy downtown area serve a trade population of some 45,000.

Oneida is well situated. State routes 5, 46 and 365A pass through the city, and two New York State Thruway interchanges are nearby. Major airports are within a 30-mile radius at Syracuse and Utica-Rome. Truck and railroad freight service is handy, and a Barge Canal terminal is conveniently near the city.

Educational facilities are first class. There are four grade schools, a junior and a senior high school, and a parochial school, as well as grade schools in outlying communities. Eight colleges—including Syracuse and Colgate Universities—are within a 30-mile radius. The community is home to Madison-Oneida BOCES Area Occupational Center.

Another new building, destined to become an Oneida landmark, was finished in 1972—the 128-bed Oneida City Hospital, a $5 million, 105,000 square foot structure. This was phase I of a three-phase total operation—phase II to involve conversion of the former

downtown hospital to an extended care facility of 110 beds, scheduled for use in late spring of 1974, and phase III to include rehabilitation of nurses residences and a personnel recruitment program.

Oneida is known as "A Bit of America at its Best." Close by is beautiful Oneida Lake, with the sprightly resort village of Sylvan Beach and a state park at Verona Beach. Largest inland lake in the state, Oneida is noted for fine fishing, boating and swimming. Vernon Downs, one of the nation's most modern harness raceways, is also near to the city.

Cottage Lawn, the original early 19th century Higinbotham home, houses the Cottage Lawn Historical Museum under the auspices of the Madison County Historical Society, and contains county historical memorabilia. Held here are Crafts Days in September, an annual feature of the Society. One of the largest events of its kind in the nation, Crafts Days feature traditional craftsmen demonstrating age-old skills that were a part of a lifestyle long past—blacksmithing, broom making, sheep shearing and a host of other yesteryear activities.

Cottage Lawn is Oneida's yesterday. City Hall is today. The supermodern structure has housed all of Oneida's offices and public facilities since its completion in 1968.

Mayor Brewer is a dairy farmer in this dairy-conscious area. He and city officials are progressive. An ambitious six-year capital improvement program, including downtown revitalization, was begun in 1972 that will lead to an even more modern, up-to-date Oneida upon completion.

"There are nice attributes to a small city like ours," he notes. "We are near the big cities and great educational and recreational areas, yet we keep a pleasant personality of our own. It's nice to live in Oneida."—A.C.H.

A GOOD PLACE FOR INDUSTRY ON THE D. & H LINE

Delaware & Hudson's romance with New York State industry began in 1823 with the canalling of coal from the Pennsylvania hills to New York City.

Today, a host of New York State industries belong to the Delaware & Hudson Railway Company's "on-line" family. The industrial development section of D&H is an integral part of its overall traffic, marketing and sales effort, and all D&H personnel are keenly aware that a viable, solvent railroad depends to a large extent on its attractiveness to industry.

D&H's message to industry is that it is a strong, forward-looking railroad — large enough to fill the needs of any firm, regardless of size, yet small enough to tailor service.

In fully recognizing industry's need for quality, customized rail service, D&H offers a varied fleet of modern, specialized freight equipment as well as flexible local freight and switching services and closely coordinated scheduling of 14 daily run-through freight trains. D&H service territory is linked with all parts of the continent, and it maintains direct connection with 12 other railroads.

New York State firms which have recently located on-line include Agway, Inc., with a new plant in Salem, Washington County, and plans for another in Voorheesville, near Albany; H. K. Webster in Bainbridge, Chenango County; Tampax Inc. in Willsboro, Essex County; Wickes Corporation in Menands, Albany County; Fleetwood Enterprises in Saratoga Springs, Saratoga County, and Country Club Acres, a private warehousing complex in Ushers, Saratoga County.

D&H's largest single on-line shipper is International Paper Company, with its huge mills in Ticonderoga and Corinth, and D&H's principal cargo is paper and paper products.

The reasons for industries choosing New York and D&H are varied, but, in addition to the state's plentiful labor force and equitable state tax programs, reasons most cited were its excellent transportation position and availability of lucrative markets for their products.

An on-line firm that is a case in point is Fleetwood, the nation's second largest mobile home producer. When choosing a site on which to locate its 60,000 square foot facility, Fleetwood put good transportation high on its priority list. The firm builds only to dealer order and ships throughout New England and Pennsylvania, as well as instate. A D&H rail spur also allows the company to receive carload shipments of lumber and insulation.

"Our industrial development department works closely with the New York State Commerce Department, local chambers of commerce and private industry groups with the view of locating industry on the more than 1,000 miles of D&H railway in New York State," states Thomas E. O'Brien, D&H's vice president of sales and industrial development.

D&H is far more than just industrial development in New York State, however. Last year, the firm celebrated its Sesquicentennial, underscoring its claim of being the oldest continuously operated transportation firm in North America. For 151 years, D&H has been a productive corporate citizen of New York State, playing an active role in every community in the 13 upstate counties it serves—good neighbor, taxpayer, consumer of local products, and a just and fair employer of some 1,850. The firm vigorously promotes the scenic beauty and natural and human resources that abound along its line.

D&H began as the Delaware & Hudson Canal Co. and represented the solution to a vexing problem: how to market recently discovered Pennsylvania anthracite coal in the then rapidly growing city of New York. A canal was the answer—from the Delaware Valley across country to the Hudson Valley and on to the City. The project, 108 locks in 108 miles, was complete in 1828.

The company's first railway led from the terminus of the canal to the mines at Carbondale. These were "gravity" trains. Coal cars were hauled up over the hilly terrain by stationary steam engines and winches, allowed to roll down gentle grades, and on in that manner to Honesdale, where the canal took over.

Steam locomotives were devised to combat the flat stretches on this type of system and the first of these was the famous *Stourbridge Lion*. It was spectacular, but unsuccessful. Its weight was too much for the then primitive track structure. But, it marked a historic beginning.

The steam era was here, and, although D&H operated its gravity line and canal for some time, several steam lines were built in 1860 and the firm began to expand into vast new markets, unhindered by the seasonal and geographic considerations that dictated its canal operation.

D&H leased two existing systems—the Albany & Susquehanna and the Rensselaer & Saratoga—and then, in the 1870's, embarked on a construction program designed to extend their rails all the way to Canada along Lake Champlain. This line, completed in 1875, gave the company direct rail access from the mines to the markets of upstate New York, New England and Canada.

Coal production continued to grow, and more and more of it was being shipped via rail. The D&H canal operation was shelved completely just before the turn of the century and the firm, now entirely in the railroad business, concentrated on bigger and better locomotives, as well as installing automatic signals and improving track.

1907 began a period in D&H history of unparalleled growth and success under President Leonor F. Loree, a wizard of both railroad management and high finance. He rebuilt, re-equipped and made shrewd investments, all of which raised D&H's prestige in the industry to new highs. Many innovations in locomotive design and building were accomplished under his leadership that became standard practice in later day locomotives.

D&H management, perceptive to change, knew that the age of coal was drawing to a close and steps were taken in the 30's to reduce the firm dependency on this commodity. A program was initiated that transformed the firm into a high-speed "Bridge Carrier," specializing in rapid movement of overhead carloads received from one connection and delivered to another.

The firm's motto, "A Century of Anthracite Service," soon became "The Bridge Line to New England and Canada."

After World War II, the era of the diesel began, with its concomitant modernity and efficiencies. It soon became, for all railroads, the source of survival in the post-war age. D&H's last steamer plied the tracks in 1953, ending 134 years of steam operation. A fleet of 179 diesels took over at D&H.

Today, the Delaware & Hudson's equity is owned by Dereco, Incorporated, a railroad holding company formed by the Roanoke, Virginia-based Norfolk & Western Railway, one of the East's most prosperous and progressive trunk line systems.

A firm alliance with business and industry has marked D&H's recent history. In the words of Carl B. Sterzing, Jr., D&H president and chief executive officer:

"The opportunities for industrial development of the many prime sites which are available along our own routes, coupled with the cooperation of the state's aggressive Commerce Department and increasingly favorable tax climate, gives D&H a sound base to plan for its customers' future with optimism as America's oldest continuously operated transportation business firm."

COLOCATION OF COUNTY AGRICULTURAL AGENCY OFFICES

(Mr. MELCHER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MELCHER. Mr. Speaker, on November 7 last year I put in the CONGRESSIONAL RECORD for the information of Members the background papers concerning the Department of Agriculture plan to colocate county agricultural agency offices in multicounty centers across the Nation.

The background papers revealed a plan to reduce the number of agency offices by 800, cut employes from 3,500 to 5,000 by attrition, and centralize 4,500 county offices in 2,200 locations.

Today I am putting in the RECORD a new directive about the big location scheme which was sent out to all States on April 25, advising the State Administrative Committee which were planning the State colocations that the June deadline for developing their plans has proved impractical, that implementation of the scheme would have to be phased over several years, and that only a limted number of noncontroversial colocations should be undertaken on a pilot basis after checking with everyone concerned, including congressional delegations.

To be sure that any pilot colocations are acceptable to everyone, the State administrative committees are told to get the approval of the agency head in the State, discuss them with agricultural related agencies and the public if they deem this proper.

Only if there are no unresolved issues after necessary review are the agency heads to submit a single, pilot colocation

to the Steering Committee in Washington for discussion with congressional delegations prior to Washington approval of the pilot move.

People who have read the new memorandum to the State administrative committees regard it as an announcement that USDA is reverting to the old tempo of colocating county agricultural agency offices as they individually prove acceptable to everyone concerned.

Colocation has been going over for more than a decade. Many county Farmers Home, ASCS, and Soil Conservation offices have been centralized into a single building in a single town without any big drive that would dislocate and inconvenience thousands of farmers, employees, and disrupt operations. That will go on, but apparently the big, get-it-done-now drive is over.

The three-page memo which I shall insert in the RECORD, my informants say, amounts to an instruction to field personnel to forget about the big crash program to cut locations in short order, and avoid rocking the boat. What will happen after the November election is rather obviously up to the electorate.

The new directive follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., April 25, 1974.

Subject: Revision of Agricultural Service Centers program guidance.

To: State Administrative Committee.

Thru: Kenneth E. Frick, Administrator, ASCS; Edwin L. Kirby, Administrator, ES; Melvin R. Peterson, Manager, FCIC; Frank B. Elliott, Administrator, FHA; Kenneth E. Grant, Administrator, SCS.

During the past few months guidelines for state service centers plans and for operation of centers (revised draft of operational guidelines will be forwarded under separate cover) have been developed; each SAC has been visited at least once by representatives of the Department; and extensive contacts with field personnel, public officials and groups, and other individuals interested in the service centers program have occurred.

As you know, the service centers program objective is to establish for the future an effective modern complex of offices, co-located locally and with agencies working cooperatively to better serve our clients. Such centers would be capable of providing agricultural and rural clients everything they should expect from their Government in the way of services rendered by the Department and cooperating agencies. The program must and will be built on the successes of the past.

The purpose of this letter is to inform you of the restructuring of the procedures for implementing the U.S. Agricultural Service Centers Program and to develop a common footing as we proceed into an initial pilot phase of the program.

RESPONSIBILITIES

1. The Steering Committee has recently reaffirmed the primary role that each Agency Head and his SAC representative have in this program. The Agency Heads have responsibility for directing the development and implementation of the service centers program, through, and in cooperation with, each SAC. In all aspects of the service centers program, it is important for SAC members to maintain close liaison with their Agency.

2. To assure that the service centers are capable of providing the maximum range of services to our clients, the Steering Committee strongly urges that State Directors of Extension participate in all phases of the service centers program. Secretary's Memorandum No. 1492 is being revised to reflect that State Extension Directors are full members of SAC's with the right to hold offices.

3. The Office of Operations, in cooperation with designated agency representatives, will assist in the liaison between the Agencies and the Steering Committee. ASCS, ES, FCIC, FHA and SCS will provide representatives to work with the Office of Operations on this program.

PROGRAM PLANNING

The state plans called for in the Guidelines for Developing State Plans for U.S. Agricultural Service Centers should be viewed and treated as simply a framework in which short- and long-range objectives for each state are set forth. Like any comprehensive planning process which extends objectives over several years, the state plan should be a fluid one which would be reviewed and updated periodically to reflect the dynamic changes which our society and client groups are certain to witness over the next few years.

We must recognize that the implementation of the Service Centers Program will be phased over several years, and each SAC should accommodate such phasing in the planning process. Therefore, each SAC should continue to develop a sound, comprehensive planning framework over a longer period of time than originally envisioned. The June deadline has proved to be unrealistic and submission of a complete state plan as called for in the Guidelines for Development of State Plans for U.S. Agricultural Service Centers is not a requirement during this pilot phase.

Each SAC should recommend as soon as possible a limited number of service center sites to be operated on a pilot basis.

SITE SELECTION FOR PILOT SERVICE CENTERS

1. Many SAC's have indicated that they now have some co-located sites that with modification may satisfy the service centers concept. Also, some SAC's have indicated they have situations in which decisions on construction, leases, etc., must be made now or in the near future. From these, each SAC should select a limited number that have the greatest potential for becoming service centers. Prime consideration should be given to those locations where other agricultural-related agencies are interested in co-locating.

2. Each SAC should contact other agricultural-related agencies and discuss with them the benefits of co-location for better services for farmers, ranchers, and other rural clients.

SUBMISSION PROCESS

1. Each SAC member should submit to his Agency Head those proposed sites that the SAC is recommending as pilot service centers with the information requested on the Attachment.

2. Agency Heads will coordinate the review of each proposed location and concurrence will be given, prior to any public or formal announcement, to each SAC for only those locations which show the greatest potential for satisfying the centers concept. Should SAC members have questions concerning the suitability of a particular site they should contact their agency designated representative.

3. After receiving Agency Head concurrence for recommended pilot service center sites each SAC should discuss the proposal with affected employees and employee groups and, at its discretion with public groups interested in USDA activities. If no unresolved issues remain after necessary review, the Agency Head will submit the proposal to the Steering Committee.

4. The Steering Committee will discuss recommended pilot sites with Congressional delegations prior to approval.

5. Each SAC will be informed of those sites approved as pilot center locations and the procedures to be followed in implementation.

6. After sufficient operation of initially approved pilot service center sites, additional pilot centers may be recommended by the SAC's.

It has been quite apparent that each of you has devoted long and hard hours from your normal pressing duties to develop a sound planning foundation for the USDA field structure within your respective states. While this is a difficult assignment requiring substantial inputs of your time, each of you is contributing substantially to the future of USDA's field delivery system. We must continue building on the Department's solid record of achievement in serving farmers, ranchers, and others in rural America.

JOSEPH R. WRIGHT, Jr.,
Assistant Secretary for Administration.

NOTE: Secretary's Memorandum 1492 is being amended in accordance with the above. For matters other than those covered under existing agency responsibilities, SAC's may contact any of the following concerning SAC problems.

Personnel Matters: Sy Pranger, Office of Personnel, x73858.

General Administrative Matters: John Keaney, Office of Operations, x73937.

Service Centers: Richard Hadsell, Office of Operations, x74071.

INTRODUCTION OF EQUAL CREDIT LEGISLATION

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the Supreme Court has held that a person's sex is an impermissible criteria on hiring and promotion practices. Clearly, the Court has, in a number of decisions, stated its position—laws which disable women from full participation in the political, social, and business arenas are no more acceptable in American life than laws struck down in years past for perpetualing invidious racial and ethnic discrimination.

Similarly, there is no reason for credit discrimination on account of sex or marital status in today's society. Yet, there is considerable evidence that points to discrimination against women with regard to institutional credit policies.

In May of 1972 the National Commission on Consumer Finance held hearings on the availability of credit to women in response to numerous allegations of discrimination. At those hearings witness after witness including Members of Congress, State and Federal officials, private citizens, and representatives of women's and civil rights groups, described how women with different income and marital status have trouble getting, or are actually refused credit otherwise available to men. It was documented at those hearings that: Single women have more trouble in obtaining credit than single men; creditors require women, upon marriage, to reapply for credit in their married name; a wife's income is not counted when a married couple applies for credit; and divorcees and widows have trouble establishing credit in their own names. As Betty Howard, of the Minnesota Department of Human Rights described the situation:

> If you're married and in your childbearing years, you're a bad credit risk; if you're divorced, you're a bad credit risk; if you're single, you're a bad credit risk. Men are bad credit risks when they don't pay their bills. Women—just because they are women!.

These frustrations come at a time when our social and economic institutions are supposedly becoming respon-

sive to the needs of women. How can we consider this a just society when a majority of Americans are discriminated against, as in the following examples:

An unmarried Minneapolis woman in her early 30's applied to a bank for a loan to purchase a summer home. She had enough cash to make a substantial down payment and was steadily employed, but her loan application was turned down. Yet her fiancé, who had gone through bankruptcy, had no trouble in securing a loan to purchase the very same property with a smaller down payment.

An Illinois woman in her 40's, the head of her household, wanted to buy a home for herself and her children. She was told that to get a mortgage she would have to ask her 70 year old retired father, who was living on a pension, to cosign the loan.

Women are the victims of the illogical view, held by loan officials and many others, that women are of marginal economic value. How could this be so when women comprise over 37 percent of the work force; when over 50 percent of all women between the ages of 16 and 64 are in the labor force; when 22 percent of all married women are in the labor force; or when 14.6 percent of all mothers with children under the age of 18, and 30 percent of all mothers with children under the age of 6 are in the work force; or when 44 percent of all women living with their spouses work; or when 6.2 million heads of household are women? This is not a temporary trend according to the U.S. Department of Labor, which foresees a 70-percent increase in female participation in the work force during the next decade. Surely it is obvious that women are making substantial contributions to the growth of the Nation's economy. Women deserve a measure of economic freedom equal to their important contribution to America's GNP. It is not enough to be allowed to participate in the work force, or even to dominate the consumer market. Women must also be given the right to enjoy the benefits that accompany hard work—benefits such as the ability to borrow money on a par with men.

In October 1973, responses to a survey by the D.C. Commission on the Status of Women revealed that more than one-fourth of the mortgage lenders in Washington, D.C., who replied said that they discriminated against female applicants. In a companion survey, the Commission found that department stores still discriminate against women in their charge account policies. The president of the New York State Bankers Association told a legislative hearing in New York City in October 1973 that banks did discriminate against women but that—

There is no conscious policy of discrimination. It's just that the bank officers are operating the way they did twenty years ago.

It is time those bankers realize that we are living in the 1970's not the 1950's. Old myths that women are economically irresponsible have been shattered and to continue to assume that women are bad credit risks simply on account of their sex is base discrimination.

As early as 1941, a study conducted by David Durand for the National Bureau of Economic Research concluded that women were indeed better credit risks than men. In a 1973 study by the Oregon Student Research Group this conclusion was reaffirmed, with the additional finding that an applicant's marital status was not a reliable determinant of credit worthiness.

Extension of credit should not be based upon sex or marital status but rather upon realistic criteria developed from an assessment of the individual's financial, employment, and personal qualifications and not because of a class trait. Although several States have enacted Equal Rights Amendments, existing laws have not been totally responsive to the problems of women in securing equal credit rights. The answer must be national legislation, setting uniform rules prohibiting credit discrimination.

Today I am introducing legislation that would prohibit discrimination in credit transactions for personal or business purposes. This legislation would make it unlawful for any credit institution to discriminate against any individual on account of sex or against any business enterprise on account of the sex of an individual or group of individuals controlling the enterprise. With respect to the issuing of credit, the bill would require that, if both spouses are to be liable for the loan, both incomes must be taken into account. Furthermore, a credit institution would be prohibited from assuming that the income of an individual would be unstable because of the marital status or sex of the individual. In all cases, violators would be subject to civil penalties.

My bill would also require prompt justification by the credit issuer explaining why either credit was denied or renewal refused to an individual. Compliance with the regulations of this law would be enforced under section 8 of the Federal Deposit Insurance Act.

The unique and perhaps most important aspect of my bill is the specific inclusion of business enterprises within the protective umbrella of the anti-discrimination law. Since more and more women are going into business we must assure to them the ability to secure the same financial assistance that similar male dominated organizations have access to.

I believe these measures would go far in correcting this invidious form of discrimination and I urge the appropriate committee of the House to take prompt and favorable action on this bill.

FEDERAL RESERVE BANK ECONOMIST CALLS FOR PAYROLL TAX CUT

(Mr. BURKE of Massachusetts asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to call attention to the excellent article on payroll tax relief by Alicia Munnell, an economist with the Federal Reserve Bank of Boston.

Although we do not entirely agree on the means to achieve a reduction of the regressive social security tax, we certainly are in agreement concerning the fundamental issues that the excessively high rate of the payroll tax poses for the low and middle income segments of the work force.

I commend Ms. Munnell's excellent analysis to the attention of the House. She is to be commended for focusing in on a matter of increasing concern to millions of American workers.

PAYROLL TAX RELIEF

(By Alicia Munnell*)

As the second largest source of Federal revenue, payroll taxes, earmarked to finance social security, have a significant effect on the distribution of income. These taxes are levied on earnings without exemptions or deductions and consequently even those below the poverty line are taxed. It is ironic that while attention has been focused on the plight of the working poor, the payroll tax has been permitted to take a rapidly growing chunk out of the earnings of low-income families.

This article examines in detail a straightforward solution to the increased burden of social security financing—extending to the payroll tax the personal exemption and low-income allowance currently available under the personal income tax. This type of proposal, which has been advocated in recent publications of the Brookings Institution, was introduced as legislation in 1971 by Senators Muskie and Mondale but did not reach a vote.

The main purpose of the following discussion is to emphasize the small revenue loss involved if the value of the exemptions is allowed to decline as income rises. Under the preferred scheme a family of four would pay no payroll tax until its income reached $4300, a reduced tax between $4300 and $8600, and above $8600 the same tax as under current law. This plan would cost about $4 billion at 1974 levels, which could be recouped either by changes in the payroll tax (i.e., raising the tax to a combined employer-employee rate of 12.4 percent or increasing the ceiling on earnings subject to tax to $18,000) or preferably, through a transfer of personal income tax revenues to the social security trust fund.

Part I takes a close look at the payroll tax and its growth in recent years. In Part II, the proposed reform is described in detail and compared to other plans. In the third section, the practical and administrative feasibility of introducing the plan is investigated.

I. THE NATURE OF THE PROBLEM

The payroll tax rate in 1974 is 11.7 percent of wages and salaries up to a maximum of $13,200. (See Table 1.) Half the tax is paid by the employer and half is paid by the employee.[1] There are no exemptions or deductions, which means that even those below the poverty line pay taxes. The tax also places a very heavy burden on those just over the poverty line. In fact, for a family of four with total income under $7100 social security taxes exceed personal income taxes. In short, the payroll tax is a significant burden for low-income families.

The problem of the payroll tax is particularly acute since it is not only the second largest Federal tax but also the fastest growing. As shown in Table 2, for 1974 the payroll tax should amount to over $70 billion, representing more than a five-fold increase since 1960. The growth in dollar receipts of the payroll tax has been paralleled by its growing importance as a revenue source. In 1950, the payroll tax accounted for only 5 percent of all Federal receipts, but its share of revenues has doubled every 10 years since then. In 1974, the payroll tax will raise close to 25 percent of Federal revenues. In contrast, the personal income tax will raise 44 percent and the corporation income tax 17 percent of Federal receipts.

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*Economist, Federal Reserve Bank of Boston.

[1] For the self-employed the rate is 7.9 percent on the first $13,200 of earnings.

TABLE 1.—BASIC DATA FOR THE PAYROLL TAX, 1969–74

Calendar year	Total OASDHI [1] contributions (billions of dollars)	Maximum taxable earnings	Earnings in covered employment: OASDHI [1] tax rate (percent)	Total (billions of dollars)	Taxable (billions of dollars)	Taxable total (percent)
1969	$36.1	$7,800	4.8	$508	$406	80
1970	39.5	7,800	4.8	536	418	78
1971	43.9	7,800	5.2	564	428	76
1972	50.1	9,000	5.2	620	483	78
1973	64.6	10,800	5.85	684	564	82
1974	71.0	13,200	5.85	737	632	86

[1] OASDHI stands for Old Age, Survivors' Disability and Health Insurance.

Source: Actual data from "Social Security Bulletin," vol. 36, No. 3 (March 1973) table Q-3, p. 76; 1973 and 1974 estimates from Social Security Administration.

TABLE 2.—FEDERAL RECEIPTS, CALENDAR 1950–74

[In billions of dollars]

	1950	1960	1970	1973	1974 (estimate)
Personal income tax	18.1	43.6	92.2	114.5	129.5
Corporation income tax	17.0	21.7	31.1	49.8	50.2
Payroll tax:					
Social Security (OASDHI)	2.7	11.9	39.7	64.6	71.0
Other [1]	3.2	5.8	9.8	15.5	16.5
Indirect business and nontax receipts	8.9	13.5	19.3	21.0	25.4
Total	49.9	96.5	192.0	265.4	292.6

[1] Includes unemployment insurance, contributions to the railroad retirement system, and civil service retirement.

Source: "Economic Report of the President 1974," table C-68, p. 309; "Social Security Bulletin," Annual Statistical Supplement, 1971 and "Social Security Bulletin," vol. 36, No. 9, September 1973.

II. ALTERNATIVE PROPOSALS

Studies have revealed that substantial payroll tax relief could be provided to low income individuals with only moderate cost in terms of foregone revenues.[2] This section begins with a comparison among the 1971 revenue losses of three alternative ways of applying exemptions and low-income allowances currently available under the Federal personal income tax to the payroll tax. Next, approaches are investigated for raising compensating revenues through a) higher payroll tax rates, b) raising maximum taxable earnings ceilings, or c) general revenue financing. The conclusion thus reached is that a slowly "vanishing" exemption with losses made up by a transfer from individual income tax revenues is the most desirable combination.

Alternative plans for exemptions and deductions

All three plans considered below insure that families pay no payroll tax until their incomes exceed the exemptions and low-income allowance granted under the income tax. They differ only with respect to how fast the exemption is reduced and consequently how far up the income scale tax relief is extended. These plans will be characterized as 1) a flat exemption, 2) a slowly vanishing exemption, and 3) a quickly vanishing exemption. Simple numerical examples based on a family of four will clarify what is happening in each case.[3] For a family of four, the deduction will amount to $4300 which is the sum of four $750 exemptions and the $1300 low-income allowance.

Flat Exemption. For a family of four, the flat exemption will reduce taxable income by $4300. Families with incomes under $4300 will pay no payroll tax and families with incomes over $4300 will pay tax only on earnings in excess of that amount.

Slowly Vanishing Exemption. In the case of the slowly vanishing exemption, again families with incomes under $4300 pay no taxes, but now families over $4300 lose $1 of exemption for each $1 of earnings in excess of $4300. Therefore, by the time a family's income reaches $8600 the exemption has been reduced to zero and the full $8600 is subject to the payroll tax.

(Taxable income=8600−[4300−(8600−4300)]=8600)

Quickly Vanishing Exemption. Finally, in the case of the quickly vanishing exemption, the PTE is reduced by $5 for each $1 that earnings exceed $4300. Therefore, by the time earnings reach $5160, the payroll exemption has been reduced to zero and the full $5160 is subject to tax.

(TI=5160−[4300−5(5160−4300)]=5160)

The specific taxes paid by a family of four under the three alternative plans are presented in Table 3. All three plans insure that families with earnings of less than $4300 pay no taxes. Plan 1 (the flat exemption) extends tax relief all the way up the income scale. The second plan limits tax reduction to families with income under $8600. Finally, Plan 3 with the quickly vanishing exemption extends tax reduction only up to $5160. The third plan does suffer from the disadvantage of extremely high marginal rates, with the rate exceeding 35 percent as an individual moves from $4300 to $5160.[4]

TABLE 3.—TAX PAYMENTS FOR A FAMILY OF 4 UNDER 3 ALTERNATIVE PLANS

Earnings	Employee's contribution [1]: No exemption	Plan 1 flat exemption	Plan 2 slowly vanishing exemption	Plan 3 quickly vanishing exemption
$2,000	$117	$0	$0	$0
$4,000	234	0	0	0
$4,300	251	0	0	0
$4,500	263	12	23	70
$5,000	293	41	82	245
$5,160	308	50	101	302
$6,000	351	99	199	351
$8,000	468	216	433	468
$8,600	503	251	503	503
$10,000	585	333	585	585
$11,000	644	392	644	644
$12,000	702	450	702	702
$13,000	760	509	760	760
$13,200	772	521	772	772
Total cost (billions of dollars)		15	4	2

[1] Tax rate is 1974 level of 5.85 percent.

Source: Cost estimates made on the basis of estimates in J. A. Brittain, The Payroll Tax for Social Security (Washington, D.C.: The Brookings Institution, 1972), Ch. V. A rationale for applying Brittain's estimates to 1974 data is presented in the appendix.

The relative costs (bottom line of Table 3) of the three plans vary inversely with the rate at which the exemptions vanish.[5] The flat exemption, of course, is the most expensive, amounting to $15 billion, whereas the quickly vanishing exemption would cause the smallest reduction in tax revenue, costing only $2 billion. The estimate for the cost of the slowly vanishing exemption is $4 billion.

These cost estimates are considerably lower than figures presented by other authors,[6] because the deductions have been limited to the employee's share of the tax. This approach has been taken because the incidence of the payroll tax is an unsettled issue. In light of the controversy, this proposal limits tax relief to that portion of the tax where the impact is completely predictable and the benefit is sure to accrue to the low-income families. Extending the relief to the employer only raises the possibility that some of the foregone revenues may simply result in increased business profits.[7]

Although the cost estimates are quite rough, they probably give a reasonable picture of the relative magnitudes. Plan 2 is favored because it avoids the larger revenue loss of the flat exemption of Plan 1 and the high marginal rates of the quickly vanishing exemption of Plan 3.

Compensating for the revenue loss

As noted earlier, there are three ways to compensate for the revenue lost through the introduction of exemptions into the payroll tax—two involve changes in the payroll tax and one involves transfers from general revenues. The proposals are summarized in Table 4.

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[2] See Brittain, *The Payroll Tax for Social Security* and The Brookings Institution, *Setting National Priorities: The 1974 Budget*, pp. 60–62.

[3] In equation form, the three plans are as follows:

1. Flat exemption:
Taxable Income=Earnings−Payroll.
Tax Exemption (PTE).
PTE=$750×No. of Exemptions+$1300.

2. Slowly Vanishing Exemption:
Taxable Income=Equal Earnings−[PTE−(Earnings−PTE)] or $0.

3. Quickly Vanishing Exemption:
Taxable Income=Earnings − [PTE − 5 (Earnings−PTE)] or $0.

[4] The marginal tax rate is the change in taxes divided by the change in income. In the case of the quickly vanishing exemption, a family of four earning $4300 pays no tax, but a family earning $5160 pays $302. (See Table 3.) Therefore, the marginal rate is 35.1 percent.

Change in tax/Change in income=$302−$0/($5160−$4300)=$302/$860=35.1%

[5] The cost estimates are based on extrapolations of Brittain's calculations. See the Appendix for the methodology and justification for the final numbers. The numbers are very close to those presented in *Setting National Priorities: The 1974 Budget*, p. 61. These estimates are slightly higher—$15 billion versus $13 billion for Plan 1 and $4 billion compared to $3 billion for Plan 2.

[6] Brittain, *The Payroll Tax*, Chapter V.

[7] Economists generally argue that labor bears the full burden of the tax. (See for instance, Joseph A. Pechman, *Federal Tax Policy* (Revised Edition), (Washington, D.C.: The Brookings Institution, 1971), pp. 176–177.) For instance, the worker who would earn $4,550 in the absence of a payroll tax receives only $4,050 in disposable earnings. $250 of the reduction is due to a lower wage received from the employer and $250 is due to the payroll tax deducted from his earnings.

The economists' conclusion that the burden of payroll taxes falls completely on wage earners is based on an economic model that assumes perfectly functioning markets. How-

The first option is to raise payroll tax rates.[8] It would be necessary to increase the rate from the present combined employer-employee level of 11.7 to a new level of 12.4 percent. However, since the payroll tax is a regressive tax (even with exemptions), increasing the rates is clearly the least desirable of the three alternative methods of replacing the lost revenues.

A way of raising additional revenue from the tax, while also reducing the regressivity, would be to increase the ceiling on maximum earnings subject to the payroll tax.[9] Raising maximum taxable earnings from $13,200 to $18,000 should increase the tax base by approximately 5 percent, yielding an additional $4 billion at 1974 tax rates.[10] This

ever, in the face of powerful labor unions and large corporations, markets may not operate in a purely competitive fashion. Unions may resist long-term reductions in wages as payroll taxes increase. Also, companies will not allow increased payroll contributions to reduce their profits and in response are likely to raise the prices that they charge their customers. Therefore, it is popularly believed that while the employee's share of the tax is borne entirely by the wage earner, the employer's share is shifted forward in the form of higher prices to consumers. For a discussion of this effect, see Richard A. Musgrave and Peggy B. Musgrave, *Public Finance in Theory and Practice*, (New York: McGraw-Hill, 1973), pp. 352–355. In the end, the question of payroll tax incidence can only be settled by empirical analysis.

Some support for the hypothesis that labor bears the whole burden has been provided by Brittain, *The Payroll Tax*, Chapter III. For a criticism of this approach see Martin S. Feldstein, "The Incidence of the Social Security Tax: Comment," *American Economic Review* (September 1972).

[8] At 1974 levels, a revenue reduction of $4 billion implies a base decline from $632 to $597 billion. To recoup the $4 billion with the new $597 billion base, the tax rate would have to be increased from 11.7 percent to 12.4 percent.

[9] Complete removal of the ceiling would raise the question of extending benefits up the income scale, which would be a clear departure from social security's goal of providing "minimum" retirement support. Increasing the maximum to $18,000, however, can be dealt with within the existing benefit structure. See Joseph A. Pechman, Henry J. Aaron, and Michael K. Taussig, *Social Security: Perspectives for Reform* (The Brookings Institution: 1968), Ch. 4.

[10] Brittain, *The Payroll Tax*, p. 127. Under Brittain's plan 920A–1, raising the ceiling from $13,200 to $18,000 would increase the percentage of earnings subject to taxes from about 82 percent to 86.5 percent. Using this 4.5 percent figure for 1973 probably underestimates the increase in tax base since wages have risen from both productivity and price changes. Nevertheless, assuming earnings in covered employment totalled about $737 billion in 1974, a 4.5 percent increase would raise taxable wages by $33 billion. Applying the combined employer-employee rate of 11.7 percent would yield the additional revenues of $4 billion.

$4 billion is enough to make up for the revenue loss from the exemptions.

A third means of making up the loss is to transfer revenues from the individual income tax. Taxing higher incomes is much more equitably accomplished under the income tax than under the payroll tax, since the former includes capital as well as labor income and has progressive rates. The transfers can be referred to as "contributions" made by government on behalf of the poor. This formality can thus help maintain the insurance analogy which has been so important to the widespread acceptance of the program.

TABLE 4.—ALTERNATIVE METHODS OF RECOUPING $4 BILLION IN REVENUES IN 1974

Proposal and required change in 1974

1. Raise the payroll tax rate—11.7% to 12.4%.
2. Increase the ceiling on maximum taxable earnings—$13,200 to $18,000.
3. Finance from general revenues—Transfer $4b. from personal income tax revenues.

SOURCE: Author's estimates. See footnotes in text.

III. ADMINISTRATIVE QUESTIONS

The question arises, "Is this proposal administratively feasible?" A closer look will reveal that the problems of introducing exemptions are relatively minor and that there is adequate precedent for transferring funds from general revenues.

Appropriations from general revenues have been made several times to finance specific provisions of the social security system. In 1947 and 1956, general revenues were used to finance the cost of gratuitous military service wage credits. In 1965, transfers were provided to finance Medicare benefits for persons not covered by social security and to help pay for the supplementary medical insurance. Another departure from payroll tax financing was introduced in 1966, when general revenues were appropriated to finance special OASDHI benefits to persons aged 72 before 1968, who were not covered by social security. Again in 1972, general revenues were appropriated to finance the cost of gratuitous wage credits for Japanese internees and to further finance the supplementary health insurance. Since income tax revenues have been transferred to social security frequently in the past, there should be no legal difficulty in appropriating general revenues to compensate for the introduction of exemptions and deductions.

The actual introduction of the exemptions and deductions should also be quite simple, building on the administrative apparatus of the income tax. Employees already have to fill out forms for income tax withholding indicating the number of exemptions to which they are entitled. This information can also be used to calculate the individual's withholding rate for the payroll tax.

If the "slowly vanishing" exemption were introduced, then the average weekly withholding would resemble the schedule presented in Table 5. Unlike the individual income tax, married persons and single individuals are subject to the same withholding schedule. The amount of the tax varies with the level of income and the number of exemptions. For families with a single worker, withholding according to this schedule should not present any problems, since the procedure is perfectly analogous to that employed with the individual income tax.

Some difficulties emerge when there are two workers in a family, because there is substantial underwithholding due to the high degree of progressivity in the tax at the low end. For instance, a family of four where the husband earns $5000 and the wife earns $3000 has a total liability of $8.33 per week or $434 per year. If the husband claimed three exemptions and the wife claimed one, withholding would amount to $3.26 and $2.14 respectively. This would represent a shortfall of ($8.33—$3.26—$2.14) $2.93 per week or $152 per year. To avoid this large lump sum payment, withholding should be adjusted. The worker, himself, could reduce the number of exemptions claimed on the basis of his expected family income or families with two workers could be disallowed one exemption. No matter which approach is taken, at the end of the year corrections for any remaining improper withholding can be made up either by credits or debits against the income tax or by filing a special return.

The problem of workers with more than one employer can be handled exactly as under the income tax. That is, if an employee claims exemptions with one employer, he is not entitled to claim the same withholding exemptions with his second employer. As is currently done with the payroll tax, both employers are required to withhold.

TABLE 5.—WEEKLY WITHHOLDING FOR PAYROLL TAX UNDER SLOWLY VANISHING EXEMPTIONS PLAN

Annual wages	Present withholding	Number of exemptions						Annual wages	Present withholding	Number of exemptions					
		1	2	3	4	5	6			1	2	3	4	5	6
$1,000	$1.12	0	0	0	0	0	0	$8,000	$9.00	$9.00	$9.00	$9.00	$8.33	$6.64	$4.95
$2,000	2.25	0	0	0	0	0	0	$9,000	10.13	10.13	10.13	10.13	10.13	8.89	7.20
$3,000	3.37	$2.14	$.45	0	0	0	0	$10,000	11.25	11.25	11.25	11.25	11.25	11.14	9.45
$4,000	4.50	4.39	2.70	$1.01	0	0	0	$11,000	12.38	12.38	12.38	12.38	12.38	12.38	11.70
$4,300	4.84	4.84	3.38	1.69	0	0	0	$12,000	13.50	13.50	13.50	13.50	13.50	13.50	13.50
$5,000	5.63	5.63	4.95	3.26	$1.58	0	0	$13,000	14.63	14.63	14.63	14.63	14.63	14.63	14.63
$6,000	6.75	6.75	6.75	5.51	3.83	$2.14	$0.45	$13,200	14.85	14.85	14.85	14.85	14.85	14.85	14.85
$7,000	7.88	7.88	7.88	7.76	6.08	4.39	2.70								

Source: Author's estimates.

In summary, introducing exemptions and low income allowances into the payroll tax would pose only minor administrative difficulties. Furthermore, there have been ample precedents for transferring from general revenues to the trust fund.

IV. SUMMARY

income individuals. It makes no sense for income individuals. It makes no sense for the government to devise programs to help those below the poverty line and at the same time levy taxes on the meager earnings of this group.

Applying the personal exemptions and low-income allowance currently available under the individual income tax to the payroll tax would give relief to the working poor. Rough cost estimates indicate that this approach would be feasible and that revenues could be easily recouped within the general framework of the existing social security program. Payroll tax reform should be given the highest priority.

APPENDIX: BRIEF JUSTIFICATION OF COST ESTIMATES FOR PAYROLL TAX REFORM

The cost estimates are based on extrapolations of estimates presented by John Brittain in his recent book, *The Payroll Tax for*

Social Security. Brittain presented cost estimates for 1964. The exemption plans he considered included $700 exemptions plus $200 standard deduction. Separate estimates were made for the costs under the three assumptions: 1) that the exemption did not vanish, 2) that it vanished slowly, and 3) that it vanished quickly. The cost estimates were based on a sample of 100,000 1964 individual income tax returns and the results were extrapolated to the full population. In a second stage, the detailed estimates for 1964 were used to derive approximate relationships for 1969. In 1969, the exemption plans amounted to $920 per Federal individual income tax exemption plus $200, so for a family of four the exemption would amount to $3,880.

The costs of the plans in 1969 were as follows:

Plan:	*Percentage revenue loss*
Nonvanishing exemption	49
Slowly vanishing exemption	13
Quickly vanishing exemption	7

Estimates for 1974 were made by extending the already sketchy 1969 projections a bit further. Brittain's exemptions were adjusted for increases in the Consumer Price Index from 1969 to 1974. The numbers are presented in Table A–1 for comparison with the exemptions allowed under our "slowly vanishing" exemption scheme. The Brittain proposal is considerably below the slowly vanishing exemption for small families; for large families, the relationship is reversed. Even though the structure of exemptions in Brittain's proposal differs from the slowly vanishing exemption scheme, the two are close enough to use his cost estimates as a starting point.

The 1969 cost estimates, though, probably should be reduced since the ceiling on taxable earnings has been increased from $7,800 in 1969 to $13,200 in 1974, and consequently, the proportion of revenue coming from the under $4,300 income group has declined. Reducing all the estimates by about 10 percent yields new estimates of 44 percent, 12 percent and 6 percent, respectively.

Furthermore, focusing tax relief only on the employee's taxes reduces the cost by one half, so that we end up with revenue losses of 22 percent, 6 percent and 3 percent, respectively. Applying these percentages to estimated 1974 tax revenues of $69.9 billion implies costs of $15 billion, $4 billion and $2 billion, respectively, for the three plans.

TABLE A–1.—VALUE OF EXEMPTIONS UNDER BRITTAIN AND "SLOWLY VANISHING" EXEMPTION PROPOSALS

Number of exemptions	1969 Brittain plan 920A–1	1969 [1] Brittain in 1974 dollars	1974 slowly vanishing exemption
1	$1,120	$1,456	$2,050
2	2,040	2,651	2,800
3	2,960	3,847	3,550
4	3,880	5,042	4,300
5	3,800	6,238	5,050
6	5,720	7,434	5,800

[1] The CPI averaged 109.8 percent in 1969 and is expected to average 142.7 percent in 1974.

CONSTITUTIONAL GOVERNMENT BY THE PEOPLE OF THE VIRGIN ISLANDS

(Mr. DE LUGO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DE LUGO. Mr. Speaker, today I am introducing legislation for the organization of a constitutional government by the people of the Virgin Islands, and the drafting of a proposed Virgin Islands Federal Relations Act. This bill will prove to be of profound significance in the evolution of self-determination and the right of the people of the Virgin Islands to manage their own affairs. It is a fitting capstone to six decades of political, social, and economic development of the Virgin Islands, since their acquisition by the United States in 1917. I am pleased that Congressman PHILIP BURTON, the distinguished chairman of the House Interior and Insular Affairs Subcommittee on Territorial and Insular Affairs, has joined me in sponsoring this legislation.

Because of their strategic geographic location and magnificent natural harbors, the Virgin Islands have had a richly varied and colorful history since Columbus first arrived in the late 15th century. The Islands were a much contested prize in the colonial struggles involving France, England, Spain, and Denmark. The Danish West Indian Co. was chartered in 1671, and shortly thereafter Denmark began colonizing St. Thomas for the principal purpose of sugar production. St. John and St. Croix were purchased by Denmark from France in 1733, and except for a period of English rule during the Napoleonic wars, remained under Danish rule until 1917.

Although the United States had shown interest in acquiring the Islands as a naval base as early as 1865, it was not until World War I fears for the security of the Panama Canal, that negotiations for their purchase were successfully completed. The Virgin Islands were purchased for $25 million and officially became a U.S. territory on March 31, 1971. By Executive order, the islands were transferred from the jurisdiction of the Department of the Navy on March 18, 1931, and responsibility for their administration was placed under the supervision of the Department of the Interior.

From this brief sketch it may be seen that post-Columbian Virgin Islands history has been dominated by a multitude of colonial rule. This experience has been as diverse in its characteristics as the national backgrounds of the parent countries, and political philosophies of the particular period in time. Even in the relatively short span of jurisdiction under the United States there has been remarkable variation in local administration including that by the Navy, later the Department of the Interior, and presently under an elected Governor.

Notwithstanding the dominant part played by European colonial rule and later the administration of the territory by the executive departments of the U.S. Government, the people of the Virgin Islands have shown a remarkable aptitude for self-government. However, it was not until the passage of the Virgin Islands Organic Act in 1936 that this ability was formally acknowledged by the Congress. This document set forth the basic form of government, and articulated the relationships of the territory with the Government of the United States.

In the years since its initial passage, the Organic Act of the Virgin Islands has been amended many times. It was completely revised in 1954 and from that date it has been periodically expanded to provide ever greater self-government and self-determination for the people of the Virgin Islands. This process culminated in the passage of legislation in 1968 which provided for an elected Governor, and legislation in 1972 giving the territory an elected delegate to the Congress. During this time it has become increasingly apparent that rather than have Congress periodically amend the original act in a single issue, piece-meal approach a total systematic review and updating was required. It has also been recognized that, as with every State of the Union and the Commonwealth of Puerto Rico, a constitution should be adopted by the direct action of the people.

This recognition is reinforced by the fact that the period since the adoption of the 1954 amendments has coincided with a time of unprecedented population and economic growth as well as a markedly increased social and political maturity. The year 1954 also marked the passage by Congress of legislation designed to give the Virgin Islands the opportunity to realize its full economic potential. This combined with territorial legislation granting liberal tax exemptions and subsidies to new business and industry signaled the beginning of a broad range of commercial development.

At this same time the natural endowments of the Virgin Islands were "discovered" by vacation seekers from the U.S. mainland and the phenomenal growth of the tourist industry was started. The establishment of tourism as the major industry of the Virgin Islands was greatly enhanced by the expanding U.S. economy with increasing availability of disposable income, and faster and less expensive transportation made possible by the development of jet aircraft and modern cruise vessels.

While a dramatic increase in the prosperity of the islands has taken place, it has also brought with it the hitherto unknown social problems long experienced on the U.S. mainland. One of the most important means of resolving these new problems is through the adoption by the people of a constitution and Federal Relations Act based upon the needs of the times.

In 1972 a constitution and Federal Relations Act were drafted and submitted to the electorate of the Virgin Islands. However, despite the fact that there was no organized opposition, these documents failed to obtain an absolute majority of the votes cast as had been expected. Upon becoming the Virgin Islands first elected Delegate to the Congress, I conducted a poll to determine the feelings of the electorate regarding whether or not the constitution should be submitted to Congress. In response to my questionnaire, which involved a statistically large sampling, 76 percent of those replying indicated that they did not consider the proposed constitution ready for submission to Congress, while only 19 percent were in favor of submission, and 5 percent gave no answer.

After long and careful searching for the reasons the anticipated massive public support failed to materialize, I am convinced that this failure is largely attributable to the manner in which the

delegates to the convention were selected. The 33-member convention was made up of the Virgin Islands Legislature with the remaining delegates chosen by the territorrial committees of each political party. The legislation I have introduced provides for the popular election of delegates to the convention, and this in turn will help insure that the documents they draft will be of, by, and for the people.

I am encouraged by the fact that the constitutional convention held in 1972 and the prior one which was convened in 1964 will provide the knowledge, experience, and general framework for expediting the work of the next convention. Thus, this new undertaking will start with the distinct advantage of being able to avoid the errors of the past and in a way which should encourage wide spread enthusiasm and popular debate.

In summary, my bill would authorize the Legislature of the Virgin Islands to call a constitutional convention to draft a constitution for the people of the Virgin Islands. The bill also provides that the constitutional convention shall draft a proposal dealing with all aspects of the relationship of the laws and Government of the United States to be entitled the "Proposed Virgin Islands Federal Relations Act." Upon completion of the Constitution it shall be submitted to the voters of the Virgin Islands who may approve it by a majority vote of the voters participating. It shall then be forwarded to the President for submission to the Congress where upon approval by a majority vote of those voting it shall become effective.

In addition, the bill provides that upon approval of the proposed Virgin Islands Federal Relations Act by a majority of the delegates to the convention, it shall be transmitted to the Congress. Upon approval of the constitution by the Congress, it shall then consider and adopt the proposed Virgin Islands Federal Relations Act to replace those laws specified by the Congress with respect to the Virgin Islands.

A recent editorial in a leading Virgin Islands newspaper offered the following insight—

When the time does come for . . . the drafting of a constitution it should be done as free of the constraints of the status quo as possible. As we consider ourselves unique and distinctive, our constitution, which should embody our most ambitious potential as well as the realistic limitations of our islands, should speak directly with the voice of our people addressing our needs.

Mr. Speaker, the Virgin Islands are presently facing the greatest challenges in their long and distinguished history. I am certain that in the spirit of unity and common purpose our people can solve their problems and move on to a new era of accomplishment and prosperity. This new spirit will be forged and articulated through the drafting and adoption of a constitution with the full participation of all of our people. I, therefore, urge early and positive action by the Congress on my legislation authorizing the calling of a constitutional convention in order that the aspirations of the people of the Virgin Islands may be realized.

LEAVE OF ABSENCE

By unanimous consent to Mr. HELSTOSKI (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. HORTON (at the request of Mr. RHODES), today, after 3 p.m., on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PEYSER) to revise and extend their remarks and include extraneous material:)

Mr. FINDLEY, for 5 minutes, today.

Mrs. HECKLER of Massachusetts, for 20 minutes, today.

Mr. HOGAN, for 10 minutes, today.

Mr. RAILSBACK, for 5 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mr. WYMAN, for 5 minutes, today.

Mr. HECHLER of West Virginia, to address the House tomorrow, Wednesday, May 8, 1974, for 30 minutes.

(The following Members (at the request of Mr. RYAN) to revise and extend their remarks and include extraneous material:)

Mr. DIGGS, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. BURKE of Massachusetts, for 5 minutes, today.

Mr. MURPHY of Illinois, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BENITEZ, for 5 minutes, today.

Mr. FOUNTAIN, for 60 minutes, on May 16, 1974.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks was granted to:

Mr. BURKE of Massachusetts, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $574.75.

(The following Members (at the request of Mr. PEYSER) and to include extraneous material:)

Mr. CONLAN in five instances.

Mr. KEMP in two instances.

Mr. ERLENBORN.

Mr. RHODES.

Mr. HOSMER in two instances.

Mr. SYMMS in two instances.

Mr. ROBISON of New York.

Mr. STEELMAN.

Mr. WINN.

Mr. GILMAN in two instances.

Mr. HOGAN in two instances.

Mr. RAILSBACK.

Mr. GOLDWATER in two instances.

Mr. STEIGER of Wisconsin.

Mr. PEYSER in five instances.

Mr. WYMAN in two instances.

Mr. DEVINE.

Mr. HILLIS.

Mr. MCCOLLISTER in six instances.

Mr. RONCALLO of New York.

Mr. SHRIVER.

Mr. ROBINSON of Virginia.

Mrs. HOLT.

Mrs. HECKLER of Massachusetts.

Mr. DERWINSKI in three instances.

(The following Members (at the request of Mr. RYAN) and to include extraneous material:)

Mr. OBEY in six instances.

Mr. HUNGATE.

Mr. MOORHEAD of Pennsylvania in 10 instances.

Mr. DOWNING.

Mr. NIX.

Mr. MAHON.

Mr. WALDIE in three instances.

Mr. DINGELL in two instances.

Mr. BRINKLEY.

Mr. KYROS in six instances.

Mr. WOLFF in five instances.

Mr. LEHMAN in 10 instances.

Mr. FORD in two instances.

Mrs. BOGGS.

Mr. RARICK in three instances.

Mr. GONZALEZ in three instances.

Mrs. GRASSO in 10 instances.

Mr. LEGGETT in three instances.

Mr. HARRINGTON.

Mr. ANDERSON of California in six instances.

Mr. ROY.

Mr. MURTHA.

Mr. ROYBAL.

Mr. ZABLOCKI in two instances.

Miss JORDAN.

Mr. STUCKEY.

Mr. BURKE of Massachusetts.

Mr. BURTON.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 239. An act for the relief of Loretto B. Fitzgerald; to the Committee on the Judiciary;

S. 506. An act for the relief of Rosina C. Beltram; to the Committee on the Judiciary;

S. 1357. An act for the relief of Mary Red Head; to the Committee on the Judiciary;

S. 2220. An act to repeal the "cooly trade" laws; to the Committee on the Judiciary;

S. 2593. An act for the relief of Ioan Gheorghe Iacob; to the Committee on the Judiciary;

S. 2594. An act for the relief of Jan Sejna; to the Committee on the Judiciary; and

S. 3331. An act to clarify the authority of the Small Business Administration, to increase the authority of the Small Business Administration, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5759. An act for the relief of Morena Stolsmark;

H.R. 6116. An act for the relief of Gloria Go; and

H.R. 11793. An act to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1125. An act to extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes; and

S. 2509. An act to name structure S-5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Fla., as the "W. Turner Wallis Pumping Station" in memory of the late W. Turner Wallis, the first secretary-treasurer and chief engineer for the Central and Southern Florida Flood Control District.

ADJOURNMENT

Mr. RYAN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p.m.) the House adjourned until tomorrow, Wednesday, May 8, 1974, 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:

2287. A letter from the Secretary of Health, Education, and Welfare, transmitting the final annual report of Federal activities under the Vocational Rehabilitation Act, pursuant to 29 U.S.C. 39; to the Committee on Education and Labor.

2288. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of the Determination by the Acting Secretary of State that it is in the security interests of the United States to allocate $4 million in funds appropriated for security supporting assistance in fiscal year 1974 to provide assistance for the International Commission of Control and Supervision in Vietnam, pursuant to section 653(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2413(a)); to the Committee on Foreign Affairs.

2289. A letter from the Acting Director of Legislative Services, Food and Drug Administration, Department of Health, Education, and Welfare, transmitting the annual report of the Food and Drug Administration for calendar year 1973; to the Committee on Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

2290. A letter from the Comptroller General of the United States, transmitting a report on the need for increased use of value engineering in Federal construction; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Texas: Committee on Rules. House Resolution 1094. Resolution providing for the consideration of H.R. 8193. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels (Rept. No. 93-1029). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 1095. Resolution providing for the consideration of H.R. 10337. A bill to authorize the partition of the surface rights in the joint use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes (Rept. No. 93-1030). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H.R. 14610. A bill to review the present uses of public lands of the United States that contain energy resources and to determine which of these lands shall be reserved and which shall be developed; to the Committee on Interior and Insular Affairs.

By Mr. BOWEN:

H.R. 14611. A bill to direct the President to conduct a study of foreign investment in the United States and to report to Congress the results of such study, including in such study and report a comparison of implications of foreign investment in the United States with implications of foreign investment in other countries, and analysis of the regulation of foreign investment in the United States and in other countries, and a consideration of alternative policy options concerning foreign investment available to the United States, taking into account the U.S. national interest as it relates to the protection of domestic economic interest and to the fostering of commercial intercourse between nations; to the Committee on Foreign Affairs.

H.R. 14612. A bill to amend the Migratory Bird Treaty Act to guarantee a trial by jury for any person charged with a violation of the provisions of that act; to the Committee on Merchant Marine and Fisheries.

By Mr. BRASCO:

H.R. 14613. A bill to amend the Social Security Act to provide for minimum annual income (subject to subsequent increases to reflect the cost of living) of $3,850 in the case of elderly individuals and $5,200 in the case of elderly couples; to the Committee on Ways and Means.

By Mr. BURLESON of Texas (for himself, and Mr. ARCHER):

H.R. 14614. A bill to repeal the last sentence of section 861(c) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. DELLENBACK:

H.R. 14615. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers; to the Committee on Interstate and Foreign Commerce.

By Mr. DE LUGO:

H.R. 14616. A bill to extend the Federal-State unemployment compensation program to the Virgin Islands and for other purposes; to the Committee on Ways and Means.

By Mr. DE LUGO: (for himself and Mr. BURTON):

H.R. 14617. A bill to provide for the organization of a constitutional government by the people of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. DENT:

H.R. 14618. A bill to prohibit for a temporary period the exportation of ferrous scrap, and for other purposes; to the Committee on Banking and Currency.

By Mr. DRINAN:

H.R. 14619. A bill to amend section 303 of the Communications Act of 1934 to require that radios be capable of receiving both amplitude modulated (AM) and frequency modulated (FM) broadcasts; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN:

H.R. 14620. A bill to amend title II of the Social Security Act to provide that increases in monthly insurance benefits thereunder (whether occurring by reason of increases in the cost of living or enacted by law) shall not be considered as annual income for purposes of certain other beenfit programs; to the Committee on Ways and Means.

H.R. 14621. A bill to amend section 103 (c) of the Internal Revenue Code of 1954 to increase the exemption from the industrial development bond provisions for certain small issues from $1 million to $5 million; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 14622. A bill to reform and simplify the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. FORSYTHE (for himself and Mr. LEHMAN):

H.R. 14623. A bill to amend section 1201 of title 18 of the United States Code to clarify the intent of the Congress by creating a presumption that a person who voluntarily agrees to travel with another to a particular destination, but does not arrive at such destination after a reasonable period of time, is inveigled or decoyed, within the meaning of such section; to the Committee on the Judiciary.

By Mr. FROEHLICH:

H.R. 14624. A bill to eliminate temporary duties on bleached hardwood kraft pulp; to the Committee on Ways and Means.

By Mr. HANLEY:

H.R. 14625. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BINGHAM, Mr. BROWN of California, Ms. HOLTZMAN, Mr. MCCLOSKEY, Mr. MITCHELL of Maryland, Mr. REES, Mr. SEIBERLING, Mr. STARK, and Mr. WON PAT):

H.R. 14626. A bill to repeal economic sanctions against Cuba which are contained in certain acts of Congress; to the Committee on Foreign Affairs.

By Mr. HELSTOSKI:

H.R. 14627. A bill to amend section 410 of the Federal Aviation Act of 1958 to provide financial assistance during the energy crisis to U.S. air carriers engaged in overseas and foreign air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. KUYKENDALL:

H.R. 14628. A bill to improve the regulatory control over the transportation of hazardous materials, to provide uniform civil sanctions for violations of hazardous materials regulations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 14629. A bill to repeal certain provisions of law relating to the transportation of hazardous materials, and for other purposes; to the Committee on the Judiciary.

By Mr. LEHMAN:

H.R. 14630. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for cooperative housing corporations and condominium housing associations; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 14631. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of Professional Standards Reivew of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the

confidentiality of medical records; to the Committee on Ways and Means.

By Mr. McCORMACK (for himself, Mr. TEAGUE, Mr. MOSHER, Mr. GOLDWATER, and Mr. DRINAN):

H.R. 14632. A bill to further the conduct of research, development, and demonstrations in geothermal energy technologies, to establish a geothermal energy coordination and management project, to amend the National Science Foundation Act of 1950 to provide for the funding of activities relating to geothermal energy, to amend the National Aeronautics and Space Act of 1958 to provide for the carrying out of research and development in geothermal energy technology, to carry out a program of demonstrations in technologies for the utilization of geothermal resources, and for other purposes; to the Committee on Science and Astronautics.

By Mr. McCORMACK (for himself, Mr. TEAGUE, Mr. MOSHER, Mr. GOLDWATER, Mr. HECHLER of West Virginia, Mr. BELL, Mr. DAVIS of Georgia, Mr. DOWNING, Mr. WINN, Mr. FREY, and Mr. COTTER):

H.R. 14633. A bill to further the conduct of research, development, and demonstrations in geothermal energy technologies, to establish a geothermal energy coordination and management project, to amend the National Science Foundation Act of 1950 to provide for the funding of activities relating to geothermal energy, to amend the National Aeronautics and Space Act of 1958 to provide for the carrying out of research and development in geothermal energy technology, to carry out a program of demonstrations in technologies for the utilization of geothermal resources, and for other purposes; to the Committee on Science and Astronautics.

By Mr. McKAY (for himself, and Mr. JOHNSON of California):

H.R. 14634. A bill to authorize the Secretary of the Interior to construct necessary drainage works for the Vernal unit of the Central Utah project and the Emery County project, participating projects, Colorado River storage project; to the Committee on Interior and Insular Affairs.

By Mr. McSPADDEN:

H.R. 14635. A bill to permit the Director of the Office of Economic Opportunity to transfer to Northeastern Oklahoma Community Development Corporation certain Federal property used for its program in the event OEO assistance is discontinued; to the Committee on Education and Labor.

H.R. 14636. A bill to amend title 17 of the United States Code to permit the copyrighting of recorded performances of musical compositions; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 14637. A bill to authorize the Secretary of the Interior to provide transportation for employees of Haleakala National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. MINK (for herself, Mr. ADDABBO, Mrs. COLLINS of Illinois, Mr. HECHLER of West Virginia, Mr. LEGGETT, Mr. LEHMAN, Mr. MOORHEAD of Pennsylvania, Mr. PODELL, Mr. RODINO, Mr. ROYBAL, Mr. TIERNAN, Mr. VANDER VEEN, Mr. VANIK, and Mr. YOUNG of Georgia):

H.R. 14638. A bill to amend the Mineral Lands Leasing Act to provide for a more efficient and equitable method for the exploration for and development of oil shale resources on Federal lands, and for other purposes; to the committee on Interior and Insular Affairs.

By Mr. MOLLOHAN:

H.R. 14639. A bill to authorize the disposal of manganese metal from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

H.R. 14640. A bill to authorize the disposal of vanadium oxide from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. MURTHA:

H.R. 14641. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. OBEY (for himself, and Mr. BOWEN):

H.R. 14642. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation; to the Committee on Agriculture.

By Mr. PARRIS:

H.R. 14643. A bill to allow a credit against the Federal income tax for State and local real property taxes, or an equivalent portion of rent, paid on their principal residence by individuals who have attained age 62; to the Committee on Ways and Means.

H.R. 14644. A bill to amend the Internal Revenue Code of 1954 to provide that interest shall be paid to individual taxpayers on the calendar-year basis if the refund check is not mailed out within 30 days after the return is filed, and to require the Internal Revenue Service to give certain information when making refunds; to the Committee on Ways and Means.

By Mr. PETTIS (for himself and Mr. BURLESON of Texas):

H.R. 14645. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of capital gains and losses; to the Committee on Ways and Means.

By Mr. RHODES (for himself, Mr. McCOLLISTER, Mr. HUDNUT, Mr. WYATT, Mr. MYERS, Ms. BOGGS, Mr. DICKINSON, Mr. HINSHAW, Mr. MADDEN, Mr. BOB WILSON, Mr. LANDGREBE, Mr. HOSMER, Mr. MELCHER, and Mr. MOLLOHAN):

H.R. 14646. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. ROBISON of New York (for himself, Ms. ABZUG, Mr. CLEVELAND, Mr. CONTE, Mr. FRELINGHUYSEN, Mr. GILMAN, Mr. GUDE, Mrs. HECKLER of Massachusetts, Mr. KEMP, Mr. McKINNEY, Mr. MAYNE, Mr. SCHNEEBELI, Mr. J. WILLIAM STANTON, Mr. STEIGER of Wisconsin, Mr. THONE, Mr. VANDER JAGT, Mr. WALSH, Mr. WON PAT, and Mr. YOUNG of Florida):

H.R. 14647. A bill to authorize the President to call and conduct a White House Conference on Energy; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALIO of Wyoming:

H.R. 14648. A bill to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers; to the Committee on Agriculture.

H.R. 14649. A bill to amend the Railroad Retirement Act of 1937 so as to increase the amount of the annuities payable thereunder to widows and widowers; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL:

H.R. 14650. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increase in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, and to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 14651. A bill to amend title 5, United States Code, to include as creditable service for civil service retirement purposes service as an enrollee of the Civilian Conservation Corps, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 14652. A bill to amend the Internal Revenue Code of 1954 to allow to a taxpayer who has attained the age of 65 a carryback or carryover for certain medical expenses which do not result in a reduction of taxes; to the Committee on Ways and Means.

By Mr. SARASIN (for himself, and Mr. McKINNEY):

H.R. 14653. A bill to amend the Regional Rail Reorganization Act of 1973 to allow adequate time for citizen participation in public hearings, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHERLE:

H.R. 14654. A bill to authorize voluntary withholding of Maryland, Virginia, and District of Columbia income taxes in the case of Members of Congress and congressional employees; to the Committee on Ways and Means.

By Mr. SEBELIUS:

H.R. 14655. A bill to adjust target prices established under the Agriculture and Consumer Protection Act of 1973, as amended, for the 1974 through 1977 crops of wheat and feed grains to reflect changes in farm production costs and yields; to the Committee on Agriculture.

By Mr. SHIPLEY:

H.R. 14656. A bill to amend the Regional Rail Reorganization Act of 1972 to allow adequate time for citizen participation in public hearings, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SKUBITZ:

H.R. 14657. A bill to provide for the commemoration of the opening of the Cherokee Strip to homesteading, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VANDER VEEN:

H.R. 14658. A bill to improve education by increasing the freedom of the Nations teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

By Mr. YATRON:

H.R. 14659. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of Professional Standards Review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 14660. A bill to prohibit discrimination on account of sex or marital status against persons seeking credit; to the Committee on Banking and Currency.

By Mr. DELLUMS:

H.R. 14661. A bill to authorize the Secretary of Agriculture to distribute seeds and

plants for use in home gardens; to the Committee on Agriculture.

H.R. 14662. A bill to authorize the District of Columbia Council to provide for an increase in compensation for teachers in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KYROS:

H.R. 14663. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RONCALIO of Wyoming:

H.R. 14664. A bill to amend the Small Business Act by adding at the end thereof the following new title; to the Committee on Interior and Insular Affairs.

By Mr. ROSENTHAL:

H.R. 14665. A bill to require retailers to provide point of sale information to consumers concerning the recent price history of products and merchandise offered for sale at retail in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BELL (for himself and Mr. STEELE):

H.J. Res. 1002. Joint resolution to protect whales and certain other living marine sources; to the Committee on Foreign Affairs.

By Mr. GUYER:

H.J. Res. 1003. Joint resolution to designate Findley, Ohio, as Flag City, U.S.A.; to the Committee on the Judiciary.

By Mr. HUBER (for himself, Mr. ASHBROOK, Mr. BELL, Mr. ESHLEMAN, Mr. FORSYTHE, Mr. KEMP, Mr. LANDGREBE, Mr. QUIE, Mr. SARASIN, and Mr. TOWELL of Nevada):

H.J. Res. 1004. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. McEWEN:

H.J. Res. 1005. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans' Day; to the Committee on the Judiciary.

By Mr. RONCALIO of Wyoming:

H.J. Res. 1006. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans' Day; to the Committee on the Judiciary.

By Mr. YOUNG of Illinois:

H.J. Res. 1007. Joint resolution proposing an amendment to the Constitution of the United States to change the terms of office and authorized membership total of the House of Representatives, and to provide a method for future changes in such total; to the Committee on the Judiciary.

By Mr. BINGHAM:

H. Con. Res. 488. Concurrent resolution relating to arms control in the Indian Ocean; to the Committee on Foreign Affairs.

By Mr. WYMAN:

H. Con. Res. 489. Concurrent resolution expressing the sense of Congress to amend the Charter of the United Nations to provide for weighted voting; to the Committee on Foreign Affairs.

By Mr. BOWEN:

H. Res. 1090. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. GUNTER:

H. Res. 1091. Resolution calling upon the President to report to the Congress on steps taken by the executive branch to avert a crisis in the trucking industry; to the Committee on Education and Labor.

By Mr. HOGAN:

H. Res. 1092. Resolution to create a select committee to conduct a study of the precedents and Rules of the House regarding impeachment and to recommend to the House within 60 days, rules of procedure and practice for the consideration of articles of impeachment by the House of Representatives; to the Committee on Rules.

By Mr. KETCHUM:

H. Res. 1093. Resolution expressing the sense of Congress regarding the reclassification of servicemen listed as missing in action in Southeast Asia to presumptive finding of death status; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

464. By the SPEAKER: Memorial of the Legislature of the State of California, relative to resource conservation district services; to the Committee on Agriculture.

465. Also, memorial of the Legislature of the State of California, relative to the Sausalito base yard and dock complex; to the Committee on Armed Services.

466. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to oil price controls; to the Committee on Banking and Currency.

467. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to the metric system; to the Committee on Science and Astronautics.

468. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to the enactment of legislation to preclude social security benefits from affecting Veterans' Administration pension payments; to the Committee on Veterans' Affairs.

469. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to Federal financial assistance for the Massachusetts Veterans Service program; to the Committee on Veterans' Affairs.

470. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to a national health care insurance program; to the Committee on Ways and Means.

471. Also, memorial of the Legislature of the Commonwealth of Massachusetts relative to real estate taxes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. YOUNG of Illinois introduced a bill (H.R. 14666) for the relief of Eva Schejbal which was referred to the Committee on the Judiciary.

SENATE—*Tuesday, May 7, 1974*

The Senate met at 10 a.m. and was called to order by Hon. FLOYD K. HASKELL, a Senator from the State of Colorado.

PRAYER

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

"God of our fathers, known of old, be with us yet
Lest we forget, lest we forget!"

Lest we forget—

Thy care over us in the past,
Thy liberating spirit among free men,
Thy creative power within us even now,
Thy chastening hand upon our sins
Thy forgiveness in our humble repentance
Thy mercy which follows us all our days

"Judge of the nations, spare us yet,
Lest we forget, lest we forget!"

Remembering Thy goodness, we renew our dedication to be Thy faithful ministers in service to the Nation. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 7, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. FLOYD K. HASKELL, a Senator from the State of Colorado, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

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

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, May 6, 1974, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

THE STATUS OF MAJOR LEGISLATION LEFT FROM 1ST SESSION OF 93D CONGRESS AND 2D SESSION, INCLUDING MAY 1, 1974

Mr. MANSFIELD. Mr. President, the Senate has been in session for 54 days up to and including May 1, 1974, in the 2d session of the 93d Congress.

During that period, there have been 163 yea-and-nay or rollcall votes. I should like at this time to submit to the Senate the status of major legislation